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DOCKET NO. 54920

APPLICATION OF CROSSWINDS	§	PUBLIC UTILITY COMMISSION
MUNICIPAL UTILITY DISTRICT, THE	§	
CITY OF KYLE, AND TEXAS WATER	§	OF TEXAS
UTILITIES, LP FOR APPROVAL OF A	§	
SERVICE AREA CONTRACT UNDER	§	
TEXAS WATER CODE § 13.248 AND	§	
TO AMEND CERTIFICATES OF	§	
CONVENIENCE AND NECESSITY IN	§	
HAYS COUNTY	§	

NOTICE OF APPROVAL

This Notice of Approval addresses the application of Crosswinds Municipal Utility District, the City of Kyle, and Texas Water Utilities, LP for approval of a service-area contract under Texas Water Code (TWC) § 13.248 and to amend certificates of convenience and necessity (CCNs) in Hays County. The applicants seek to transfer 20.7 acres of certificated service area from Texas Water under CCN number 12983 to Kyle under CCN number 11024. The Commission approves the service-area contract and amends CCN numbers 12983 and 11024 to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicants

1. Texas Water is a Texas limited partnership registered with the Texas secretary of state under file number 800034797.
2. Texas Water operates, maintains, and controls facilities for providing retail water service in Hays County under CCN number 12983.
3. Kyle is a municipality located in Hays County.
4. Kyle operates, maintains, and controls facilities for providing retail water service in Hays County under CCN number 11024.

5. Crosswinds MUD is a municipal utility district with district organized under Chapter 54 of the Texas Water Code.

Application

6. Effective April 4, 2023, the applicants entered into an agreement designating retail water service territory (the service-area contract) in which Texas Water and Kyle agreed to modify their certificated service areas under their respective CCNs.
7. On April 21, 2023, the applicants filed the application at issue in this proceeding for approval of the service area contract and to amend CCN numbers 12983 and 11024.
8. The application included a copy of the service area contract executed by the applicants.
9. On June 20, August 22, and October 4 and 10, 2023, the applicants filed supplements to the application.
10. Under the service area contract, approximately 20.7 acres will be transferred from Texas Water's certificated service area under CCN number 12983 to Kyle's certificated service area under CCN number 11024.
11. The requested area consists of 20.7 acres of service area that is certificated under Texas Water's CCN number 12983.
12. There are no customers, tangible assets, or facilities within the 20.7 acres of certificated service area being transferred between Texas Water and Kyle.
13. There will be no transfer of customers, tangible assets, or facilities as a result of the service-area contract or application.
14. In Order No. 6 filed on October 24, 2023, the administrative law judge (ALJ) found the application, as supplemented, administratively complete.

Notice

15. On April 4, 2023, the Kyle City Council considered and approved the service area contract at a properly noticed public meeting.
16. The fourth supplement to the application filed on October 10, 2023 included a copy of the agenda and minutes from Kyle's April 4, 2023 city council meeting as well as a supporting affidavit from Jennifer Kirkland, City Secretary for Kyle.

17. In Order No. 6 filed on October 24, 2023, the ALJ found the notice sufficient.

Certificates and Maps

18. On November 28, 2023, Commission Staff emailed its proposed maps and certificates to the applicants.
19. On December 7, 2023, Texas Water filed its consent to Commission Staff's proposed map and certificates.
20. On December 8, 2024, Kyle filed its consent to Commission Staff's proposed map and certificates.
21. On January 8, 2024, the proposed map and certificates were filed as attachments to the parties' submission of omitted evidence and joint motion to admit evidence.

Evidentiary Record

22. In Order No. 8, filed on January 23, 2024, the ALJ admitted the following evidence into the record of this proceeding:
- a. The application and all exhibits filed on April 21, 2023;
 - b. Commission Staff's recommendation on administrative completeness and notice and proposed procedural schedule filed on May 24, 2023;
 - c. The applicants' first supplement to the application filed on June 20, 2023;
 - d. Commission Staff's supplemental recommendation on administrative completeness and notice and proposed procedural schedule filed on July 24, 2023;
 - e. The applicants' second supplement to the application filed on August 22, 2023;
 - f. The applicants' clarification to its second supplement to the application filed on August 23, 2023;
 - g. The applicants' corrected clarification to its second supplement to the application filed on August 23, 2023;
 - h. The applicants' third supplement to the application filed on October 4, 2023;
 - i. The applicants' fourth supplement to the application filed on October 10, 2023;

- j. Commission Staff's supplemental recommendation on administrative completeness and notice and proposed procedural schedule filed on October 20, 2023;
- k. Texas Water's consent form filed December 7, 2023;
- l. Kyle's consent form filed December 8, 2023;
- m. Commission Staff's final recommendation filed on December 15, 2023; and
- n. The final map and certificates filed on January 8, 2024.

Informal Disposition

- 23. More than 15 days have passed since the completion of the notice provided in this docket.
- 24. No person filed a protest or motion to intervene.
- 25. Crosswinds MUD, Kyle, Texas Water, and Commission Staff are the only parties to this proceeding.
- 26. No party requested a hearing, and no hearing is necessary.
- 27. Commission Staff recommended approval of the application.
- 28. This decision is not adverse to any party.

II. CONCLUSIONS OF LAW

The Commission makes the following conclusions of law.

- 1. The Commission has authority over the application under TWC §§ 13.041 and 13.248.
- 2. Texas Water and Kyle are retail public utilities as defined by TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
- 3. Under TWC § 13.248, contracts between retail public utilities designating areas to be served and customers to be served by those retail public utilities, when approved by the Commission, are valid and enforceable and incorporated into the affected CCNs.
- 4. The application meets the requirements of TWC § 13.248 and 16 TAC § 24.253
- 5. Notice of the application was provided in compliance with 16 TAC § 24.253(c).

6. The application was processed in accordance with the TWC, the Administrative Procedure Act,¹ and Commission rules.
7. Under TWC § 13.257(r) and (s), Texas Water and Kyle must each record a certified copy of the approved map and their respective certificates, along with a boundary description of their respective service areas, in the real property records of Hays County within 31 days of this Notice of Approval and must submit evidence of the recording to the Commission.
8. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

III. ORDERING PARAGRAPHS

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission approves the service-area contract to the extent provided in this Notice of Approval.
2. The Commission amends Texas Water's CCN number 12983 to remove the requested area, as described in this Notice of Approval and as shown on the map attached to this Notice of Approval.
3. The Commission amends Kyle's water CCN number 11024, as described in this Notice of Approval and as shown in the map attached to this Notice of Approval.
4. The Commission approves the map attached to this Notice of Approval.
5. The Commission approves the certificates attached to this Notice of Approval.
6. Texas Water must provide service to every customer and qualified applicant for water service within its approved service area under CCN number 12983 who requests water service and meets the terms of Texas Water's water service policies, and such service must be continuous and adequate.
7. Kyle must provide service to every customer and qualified applicant for water service within its approved service area under CCN number 11024 who requests water service and

¹ Tex. Gov't Code §§ 2001.001-.903.

meets the terms of Kyle's water service policies, and such service must be continuous and adequate.

8. Kyle and Texas Water must each comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Hays County affected by the application and file in this docket proof of the recording no later than 45 days after the date of this Notice of Approval.
9. The Commission denies all other motions and other requests for general or specific relief not expressly granted herein.

Signed at Austin, Texas on the 23rd day of January 2024.

PUBLIC UTILITY COMMISSION OF TEXAS



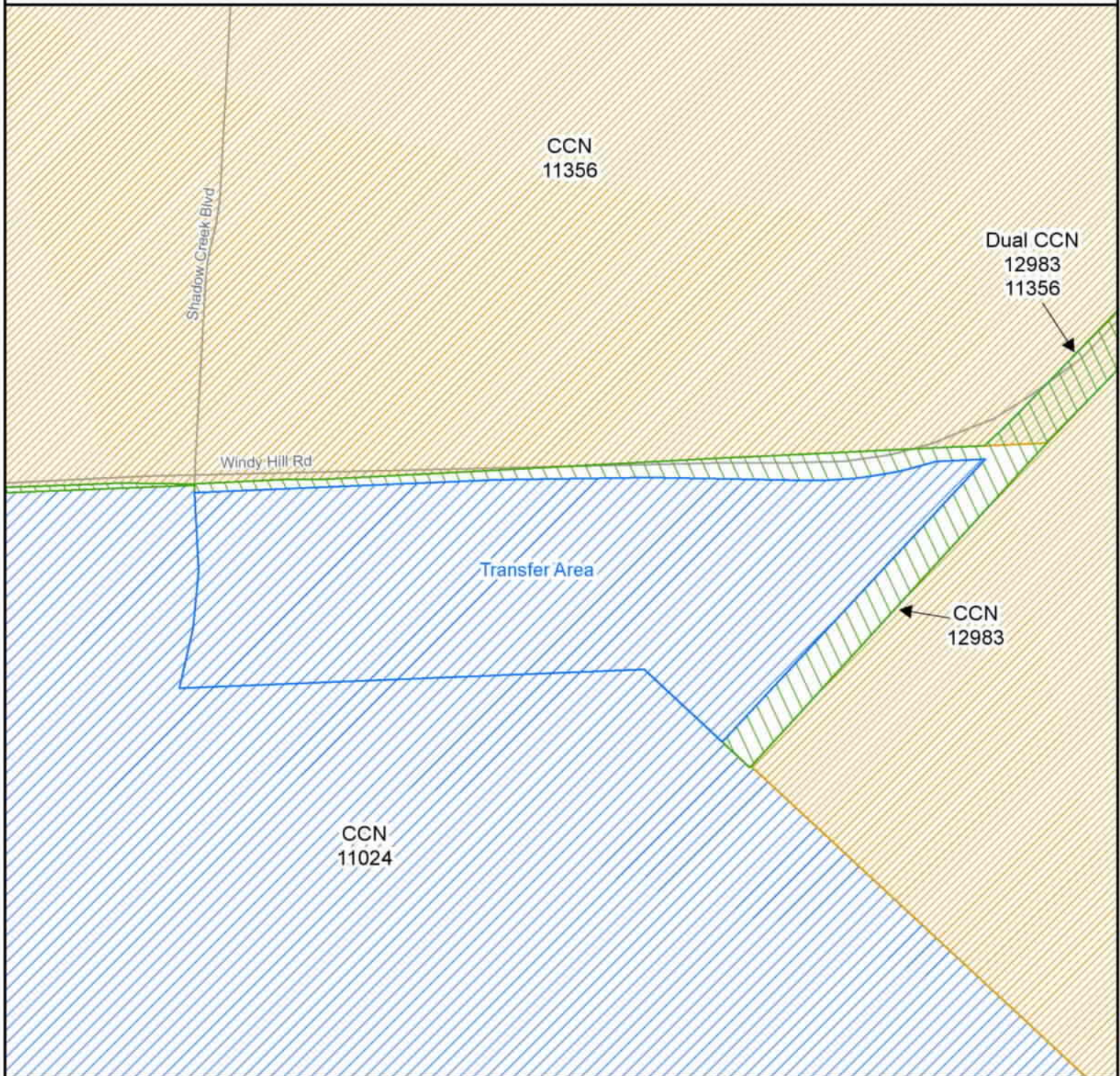
REBECCA BROMLEY-WILLIAMS
ADMINISTRATIVE LAW JUDGE

PUCT Docket No. 54920

City of Kyle

Portion of Water CCN No. 11024

13.248 Petition to Transfer a Portion of Texas Water Utilities, LP, CCN No. 12983 in Hays County



Water CCN

-  11024 - City of Kyle
-  12983 - Texas Water Utilities LP
-  11356 - Goforth SUD

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Feet





Public Utility Commission of Texas

By These Presents Be It Known To All That

City of Kyle

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, City of Kyle is entitled to this

Certificate of Convenience and Necessity No. 11024

to provide continuous and adequate water utility service to that service area or those service areas in Hays County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 54920 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the City of Kyle to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.



Public Utility Commission of Texas

By These Presents Be It Known To All That Texas Water Utilities, L.P.

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Texas Water Utilities, L.P. is entitled to this

Certificate of Convenience and Necessity No. 12983

to provide continuous and adequate water utility service to that service area or those service areas in Bandera, Bexar, Brazoria, Chambers, Comal, Cooke, Denton, Freestone, Gillespie, Grayson, Guadalupe, Harris, Hays, Henderson, Hood, Johnson, Kendall, Kerr, Liberty, Marion, Matagorda, Medina, Montgomery, Parker, Polk, San Jacinto, Smith, Tarrant, Travis, Trinity, Tyler, Van Zandt, Wise, and Wood counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 54920 are on file at the Commission offices in Austin, Texas; and are a matter of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of Texas Water Utilities, L.P. to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.