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DOCKET NO. 55381

APPLICATION OF SOUTH TAYLOR	§	PUBLIC UTILITY COMMISSION
LAKE VILLAGE WATER SUPPLY	§	
CORPORATION AND HARRIS	§	OF TEXAS
COUNTY WATER CONTROL AND	§	
IMPROVEMENT DISTRICT NO. 50	§	
FOR SALE, TRANSFER, OR MERGER	§	
OF FACILITIES AND CERTIFICATE	§	
RIGHTS IN HARRIS COUNTY	§	

COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS AND NOTICE AND PROPOSED PROCEDURAL SCHEDULE

On August 17, 2023, South Taylor Lake Village Water Supply Corporation and Harris County Water Control and Improvement District No. 50 (collectively, Applicants) filed an application for the sale, transfer, or merger of facilities (STM) and certificate of convenience and necessity (CNN) rights in Harris County. Applicants filed supplemental information on October 18, 2023, and November 9, 2023.

On September 19, 2023, the administrative law judge (ALJ) filed Order No. 2, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental recommendation on the administrative completeness of the application and proposed notice and a recommendation regarding how to proceed with the application and propose a procedural schedule by November 20, 2023. Therefore, this pleading is timely filed.

I. RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

Staff has reviewed the application and supplemental information and, as detailed in the attached memoranda from Jaspinder Singh, Infrastructure Division, and Fred Bednarski III, Rate Regulation Division, recommends that the application is administratively complete from a technical, managerial, and financial perspective. Staff's recommendation on administrative completeness is not a comment on the merits of the application.

II. NOTICE

At this time, Staff recommends that the Applicants proceed with providing public notice to all current customers, neighboring utilities, political subdivisions, and other persons listed in the attached memorandum using the notice form provided by Mr. Singh. Along with each individual notice, Staff recommends that the Applicants provide a copy of the maps deemed sufficient during administrative review delineating the requested service area.

Once notice has been provided, Staff recommends that the Applicants file proof of notice as described in the attached memorandum from Mr. Singh, including an affidavit specifying the name and address of every person and entity to whom notice was provided, the date that notice was provided, and a copy of the map provided with the notice. Finally, Staff recommends that the Applicants use the attached notice and affidavit to meet these requirements.

III. PROCEDURAL SCHEDULE

Staff recommends that the supplemented application be found administratively complete and proposes the following procedural schedule:

Event	Date
Deadline for the Applicants to file with the Commission signed affidavits that the notice was given along with a copy of the notice and map sent to the affected parties	December 20, 2023
Deadline for Staff to file a recommendation on sufficiency of notice	January 8, 2024
Deadline to intervene	30 days after notice is issued

IV. CONCLUSION

For the reasons detailed above, Staff recommends that the supplemented application be found administratively complete, that the Applicants be directed to provide notice as described in the attached memorandum, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: November 20, 2023

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Marisa Lopez Wagley Division Director

John York Harrison Senior Managing Attorney

/s/ Kevin Pierce

Kevin Pierce State Bar No. 24093879 1701 N. Congress Avenue P.O. Box 13326 Austin, Texas 78711-3480 (512) 936-7265 (512) 936-7268 (facsimile) Kevin.Pierce@puc.texas.gov

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CERTIFICATE OF SERVICE

I certify that unless otherwise ordered by the presiding officer, notice of the filing of this document will be provided to all parties of record via electronic mail on November 20, 2023 in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Kevin Pierce
Kevin Pierce

Public Utility Commission of Texas

Memorandum

TO: Kevin Pierce, Attorney

Legal Division

FROM: Jaspinder Singh, Engineering Specialist

Infrastructure Division

DATE: November 20, 2023

RE: Docket No. 55381 – Application of South Taylor Lake Village Water Supply

Corporation and Harris County Water Control and Improvement District No. 50 for Sale, Transfer, or Merger of Facilities and Certificate Rights in Harris

County

On August 17, 2023, South Taylor Lake Village Water Supply Corporation (South Taylor Lake Village WSC) and Harris County Water Control and Improvement District No. 50 (Harris County WCID No. 50) (collectively, Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate rights in Harris County, Texas, under Texas Water Code (TWC) §§ 13.242 through 13.250 and § 13.301 and 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237 and § 24.239.

Specifically, Harris County WCID No. 50, seeks approval to acquire facilities and to cancel South Taylor Lake Village WSC's water CCN No. 12318 and sewer CCN No. 20783. Harris County WCID No. 50 is not seeking to obtain a water or sewer CCN, but only to acquire the facilities from South Taylor Lake Village WSC.

Based on the mapping review by Hank Journeay, Infrastructure Division, the maps submitted with Item 5 on October 18, 2023 are sufficient.

- The requested area includes 26 customer connections and approximately 54 acres to decertify from South Taylor Lake Village WSC (CCN Nos. 12318 and 20723).
- The application proposes the subtraction of approximately 54 acres from CCN Nos. 12318 and 20723.

Based on the mapping review and my technical and managerial review of the additional information filed on October 18, 2023, I recommend that the application be deemed

administratively complete. I further recommend that the Applicants be ordered to do the following:

- 1) Provide notice of the application by first-class mail to the following:
 - a. Cities, districts, and neighboring retail public utilities providing the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the requested area:
 - City of El Lago
 - City of Houston
 - City of League City
 - City of Nassau Bay (CCN Nos. 10857 and 20330)
 - City of Pasadena
 - City of Seabrook (CCN Nos. 10858 and 20331)
 - City of Taylor Lake Village
 - Clear Lake City Water Authority
 - Coastal Water Authority
 - Gulf Coast Authority
 - Gulf Coast Water Authority
 - Harris County Flood Control District (FCD)
 - Harris County Municipal Utility District (MUD) 373
 - NASA Area Management District
 - Port of Houston Authority
 - b. The county judge of each county that is wholly or partially included in the requested area:
 - Harris County Judge
 - c. Each groundwater conservation district that is wholly or partially included in the requested area:
 - Harris-Galveston Subsidence District
 - d. Each owner of a tract of land that is wholly or partly located in the requested area. Notice must be mailed to the owner of the tract of land according to the most current tax appraisal rolls of the applicable central appraisal district at the time the application was filed.
 - e. Any affected customers, and other affected parties in the requested area.

Addresses can be obtained from the Water Utility Database at http://www.puc.texas.gov/watersearch. District information and addresses can be obtained from the Texas Commission on Environmental Quality's (TCEQ) web site located at https://www14.tceq.texas.gov/iwud/index.cfm.

2) Publish notice once each week for two consecutive weeks in a newspaper having general circulation in the county where the requested area is located. Proof in the form of a publisher's affidavit must be filed within 30 days of the publication date. The

affidavit must state with specificity each county in which the newspaper is of general circulation.

- 3) Provide notice using the attached notice forms.
- 4) Provide a copy of the maps deemed sufficient during administrative review delineating the requested area with each individual notice to neighboring utilities, other affected parties, landowners, and customers.
- 5) Within 30 days of the date the notice was mailed, Harris County WCID No. 50 must file in the docket:
 - a. A copy of the notices (1 example of each type of notice).
 - b. The general location and detailed maps deemed sufficient during administrative review.
 - c. The signed affidavits for the published notice and mailed notices.
 - d. A list specifying every person and entity to whom notice was provided.
 - e. If there are multiple landowners provide a list of the applicable county appraisal district parcels located within the requested area. The list should include the following for a landowner of a tract of land that is at least 25 acres or more and is wholly or partially within the requested area;
 - i. Each property ID;
 - ii. Landowner Name;
 - iii. Address; and
 - iv. The acreage owned by each listed landowner.
 - f. The publisher's affidavit and tear sheets for proof of newspaper publication.

Staff may determine that additional information is needed to make a final recommendation in this docket. If additional information is needed, Staff may send requests for information (RFI) to Harris County WCID No. 50 and South Taylor Lake Village WSC. Harris County WCID No. 50 and South Taylor Lake Village WSC will have 20 days from the receipt of the RFI to respond.

Public Utility Commission of Texas

Memorandum

TO: Kevin Pierce, Attorney

Legal Division

FROM: Fred Bednarski III, Financial Analyst

Rate Regulation Division

DATE: November 20, 2023

RE: Docket No. 55381 – Application of South Taylor Lake Village Water Supply

Corporation and Harris County Water Control and Improvement District No. 50 for Sale, Transfer, or Merger of Facilities and Certificate Rights in Harris County

On August 17, 2022, South Lake Village Water Supply Corporation (South Lake Village WSC) and Harris County Water Control Improvement District No. 50 (Harris County WCID No. 50) filed an application for the sale and transfer of facilities and certificate rights in Harris County under the provisions of Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239.

I reviewed the answers and supplemental information provided to questions 4, 10, 11, 12, and 14 of the application. I did not identify any deficiencies in those answers for purposes of determining whether the application is administratively complete. Therefore, I recommend that the Commission deem the application administratively complete from a financial perspective.

Notice to Current Customers, Neighboring Systems, and Cities

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT (WCID) NO. 50, NOTICE OF INTENT TO ACQUIRE FACILITIES UNDER WATER CERTIFICATE OF CONVINENCE AND NECESSASITY (CCN) NO. 12314 AND SEWER CCN NO. 20783 FROM SOUTH TAYLOR LAKE VILLAGE WATER SUPPLY CORPORATION IN HARRIS COUNTY, TEXAS

То:		Date 1	Notice Mailed:	20
	Neighboring System			,
(Address)				
(City	State 7	ip)		
Harris County Water (Purchaser's Name)	Control and Impi	ovement District No. 50		
2727 Allen Parkway, S	Suite 1100	Houston, TX		77019
(Address)		(City), (State)		(Zip Code)
facilities and to cancel	water CCN No.	ublic Utility Commission of 12318 and sewer CCN No. obtain a CCNs only to acq	20783 in Harris Co	ounty. Harris
South Taylor Lake Vill (Seller's Name)	lage Water Supp	oly Corporation		
4257 Beacon Hill,		Seabrook, TX		77586
(Address)		(City), (State)		(Zip Code)

The sale is scheduled to take place if approved by the Commission (Texas Water Code § 13.301). The transaction and the transfer of the CCN includes the following subdivision: City of Tyler Lake Village

The requested area is located approximately <u>0.4</u> mile(s) <u>south</u> of downtown <u>Taylor Lake Village</u>, Texas, and is generally bounded on the north by <u>Sedberry Road</u>; on the east by <u>Taylor Lake</u>; on the south by <u>East Nasa Parkway</u>; and on the west by <u>Kirby Boulevard</u>.

The requested area includes <u>26</u> customer connections and approximately <u>54</u> acres to decertify from South Taylor Lake Village WSC (CCN Nos. 12318 and 20723).

The application proposes the subtraction of approximately <u>54</u> acres from CCN Nos. 12318 and 20723.

See enclosed maps showing the requested area.

This transaction will not have an effect on the current customer's rates and services.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired Notice Form Updated: August 2, 2023

individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date. The letter must include the person's name, address, email address and fax number if applicable.

If a valid public hearing is requested, the Commission will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

A landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the requested area, may file a written request with the Commission to be excluded from the requested area ("opt out") within (30) days from the date that notice was provided by the Utility. All opt out requests must include a large-scale map, a metes and bounds description of the landowner's tract of land, landowner's name, address, email address and fax number, if applicable.

A landowner that opts out from the requested area releases the applicant's obligation to provide retail water or sewer utility service to the removed land for any reason.

Persons who wish to request this option should file the required documents with the:

Public Utility Commission of Texas Central Records 1701 N. Congress, P. O. Box 13326 Austin, TX 78711-3326

In addition, the landowner must also send a copy of the opt out request to the Utility. Staff may request additional information regarding your request.

St $d\epsilon$	esea n	ntormac	ion en	espanol.	buede.	llamar	al	1-888-782-8477.

Utility	Representative	-
Utility	Name	

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES, AND AFFECTED PARTIES DOCKET NO. 55381

STATE OF TEXAS		
COUNTY OF	has prov	ridad indiridual
notice via first-class mail to the following enti	ities, affected parties, and customers DATE O	vided individual s: DF NOTICE
I,	, being duly sworn, file, indicate relationship to a of corporation, or other authorized ted and authorized to file and verify this application, and have complied acceptance letter; and that all such	pplicant, that is, representative of y such form, amed with all notice
Applicant's Authorized Representative		
If the applicant to this form is any person other or its attorney, a properly verified Power of A		of the applicant,
Subscribed and sworn to before me this to certify which witness my hand and seal of c	day of office.	, 20
Notary Public in and for the State of Texas		
Print or Type Name of Notary Public		
Commission Expires		

Notice to Landowners

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT (WCID) NO. 50, NOTICE OF INTENT TO ACQUIRE FACILITIES UNDER WATER CERTIFICATE OF CONVINENCE AND NECESSASITY (CCN) NO. 12314 AND SEWER CCN NO. 20783 FROM SOUTH TAYLOR LAKE VILLAGE WATER SUPPLY CORPORATION IN HARRIS COUNTY, TEXAS

To:		Da	ite Notice Mailed:	. 20
(Name of Customer, Neigh	boring System,		<u> </u>	
(Address)			_	
(City	State Zi	p)	_	
Harris County Water Contro (Purchaser's Name)	ol and Impro	ovement District No. 50	<u>)</u>	
2727 Allen Parkway, Suite	1100	Houston, TX		77019
(Address)		(City), (State)		(Zip Code)
has submitted an application facilities and to cancel wate County WCID No. 50 is no	r CCN No.	12318 and sewer CCN N	No. 20783 in Harris Co	ounty. Harris
South Taylor Lake Village (Seller's Name)	Water Supp	ly Corporation		
4257 Beacon Hill,		Seabrook, TX		77586
(Address)		(City), (State)		(Zip Code)

The sale is scheduled to take place if approved by the Commission (Texas Water Code § 13.301). The transaction and the transfer of the CCN includes the following subdivision: City of Tyler Lake Village

The requested area is located approximately <u>0.4</u> mile(s) <u>south</u> of downtown <u>Taylor Lake Village</u>, Texas, and is generally bounded on the north by <u>Sedberry Road</u>; on the east by <u>Taylor Lake</u>; on the south by East Nasa Parkway; and on the west by Kirby Boulevard.

The requested area includes <u>26</u> customer connections and approximately <u>54</u> acres to decertify from South Taylor Lake Village WSC (CCN Nos. 12318 and 20723).

The application proposes the subtraction of approximately $\underline{54}$ acres from CCN Nos. 12318 and 20723.

See enclosed maps showing the requested area.

This transaction will not have an effect on the current customer's rates and services.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired

individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date. The letter must include the person's name, address, email address and fax number if applicable.

If a valid public hearing is requested, the Commission will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

A landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the requested area, may file a written request with the Commission to be excluded from the requested area ("opt out") within (30) days from the date that notice was provided by the Utility. All opt out requests must include a large-scale map, a metes and bounds description of the landowner's tract of land, landowner's name, address, email address and fax number, if applicable.

A landowner that opts out from the requested area releases the applicant's obligation to provide retail water or sewer utility service to the removed land for any reason.

Persons who wish to request this option should file the required documents with the:

Public Utility Commission of Texas Central Records 1701 N. Congress, P. O. Box 13326 Austin, TX 78711-3326

In addition, the landowner must also send a copy of the opt out request to the Utility. Staff may request additional information regarding your request.

St $d\epsilon$	esea n	ntormac	ion en	espanol.	buede.	llamar	al	1-888-782-8477.

Utility	Representative	-
Utility	Name	

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO LANDOWNERS DOCKET NO. 55381

COUNTY OF			
		has	
 □ Determined that there are no landown wholly or partly inside the requested C □ Provided individual notice via first-classical land wholly or partly inside the requested. 	CCN area. ass mail to the follow sted CCN area:		acts of
	OATH		
owner, member of partnership, title of office applicant); that in such capacity, I am quapersonally familiar with the notices given requirements in the application and application and matters set for therein are true and contact the set of th	(indicate cer of corporation, or alified and authorized with this application, ation acceptance letter	I to file and verify such for and have complied with all	that is, tive of m, am notice
Applicant's Authorized Representative	_		
If the applicant to this form is any person of or its attorney, a properly verified Power of			olicant,
Subscribed and sworn to before me this _ to certify which witness my hand and seal			20,
Notary Public in and for the State of Texas	s		
Print or Type Name of Notary Public			
Commission Expires Notice Form Updated: August 2, 2023			

Notice for Publication

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT (WCID) NO. 50, NOTICE OF INTENT TO ACQUIRE FACILITIES UNDER WATER CERTIFICATE OF CONVINENCE AND NECESSASITY (CCN) NO. 12314 AND SEWER CCN NO. 20783 FROM SOUTH TAYLOR LAKE VILLAGE WATER SUPPLY CORPORATION IN HARRIS COUNTY, TEXAS

Harris County Water Control and Improvement District No. 50 (Purchaser's Name)

2727 Allen Parkway, Suite 1100Houston, TX77019(Address)(City), (State)(Zip Code)

has submitted an application with the Public Utility Commission of Texas (Commission) to acquire facilities and to cancel water CCN No. 12318 and sewer CCN No. 20783 in Harris County. Harris County WCID No. 50 is not seeking to obtain CCNs only to acquire the facilities from:

South Taylor Lake Village Water Supply Corporation (Seller's Name)

4257 Beacon Hill, Seabrook, TX 77586
(Address) (City), (State) (Zip Code)

The sale is scheduled to take place if approved by the Commission (Texas Water Code § 13.301). The transaction and the transfer of the CCN includes the following subdivision:

<u>City of Tyler Lake Village</u>

The requested area is located approximately <u>0.4</u> mile(s) <u>south</u> of downtown <u>Taylor Lake Village</u>, Texas, and is generally bounded on the north by <u>Sedberry Road</u>; on the east by <u>Taylor Lake</u>; on the south by <u>East Nasa Parkway</u>; and on the west by <u>Kirby Boulevard</u>.

The requested area includes <u>26</u> customer connections and approximately <u>54</u> acres to decertify from South Taylor Lake Village WSC (CCN Nos. 12318 and 20723).

The application proposes the subtraction of approximately $\underline{54}$ acres from CCN Nos. 12318 and 20723.

A copy of the maps showing the requested area are available at: 1122 Cedar Lane, El Lago, Texas 77586

This transaction will not have an effect on the current customer's rates and services.

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date. The letter must include the person's name, address, email address and fax number if applicable.

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Persons who wish to request this option should file the required documents with the:

Public Utility Commission of Texas Central Records 1701 N. Congress, P. O. Box 13326 Austin, TX 78711-3326

In addition, the landowner must also send a copy of the opt out request to the Utility. Staff may request additional information regarding your request.

Si desea información en español, puede llamar al 1-888-782-8477.

PUBLIC UTILITY COMMISSION OF TEXAS



PUBLISHER'S AFFIDAVIT DOCKET NO. 55381

COUNTY OF		
Before me, the undersigned authority, on this day	personally appeared	
who being by me duly sworn, deposes and that (s)		
of the		
(TITLE)	(NAME OF NEWSPAPER)	
that said newspaper is regularly published in		
	(COUNTY/COUNTIES)	
and generally circulated in(COUNTY/Co		, Texas;
(COUNTY/Co	OUNTIES)	
and that the attached notice was published in said	newspaper on the following da	ites, to wit:
(DATES)		
(SIGNATURE OF NEWSPAPER REPRESENTATIV	E)	
Subscribed and sworn to before me this	day of	, 20
to certify which witness my hand and seal of office		
Notary Public in and for the State of Texas		
Print or Type Name of Notary Public		
Commission Expires		

Notice Form Updated: August 2, 2023

STATE OF TEXAS