

Control Number: 56330

Item Number: 84

OPEN MEETING COVER SHEET COMMISSIONER MEMORANDUM

MEETING DATE:

April 24, 2025

DATE DELIVERED:

April 23, 2025

AGENDA ITEM NO.:

10

CAPTION:

Docket No. 56330; SOAH Docket No. 473-24-

23993.WS - Complaint of HMI - Wills Point,

LLC Against the City of Wills Point

DESCRIPTION:

Chairman Thomas Gleeson Memorandum

Public Utility Commission of Texas

Commissioner Memorandum

TO: Commissioner Kathleen Jackson

Commissioner Courtney K. Hjaltman

FROM: Chairman Thomas J. Gleeson

DATE: April 23, 2025

RE: April 24, 2025 Open Meeting – Item No. 10

Docket No. 56330; SOAH Docket No. 473-24-23993.WS - Complaint of HMI -

Wills Point, LLC Against the City of Wills Point

A proposal for decision in the above-referenced docket is posted for consideration and action by the Commission. The proposal for decision would deny HMI – Wills Point, LLC's complaint that the City of Wills Points has improperly denied water service on the merits. However, the State Office of Administrative Hearings (SOAH) administrative law judge (ALJ) recommending denying the complaint on the merits on the grounds that HMI is not the owner of the property where water service was requested and is therefore not a qualified service applicant. For the following reasons, I would modify the grounds to a dismissal for mootness because HMI no longer owns the property.

A. Background

In this complaint, HMI purchased property located in Wills Point's certificate of convenience and necessity number (CCN) 11318. HMI requested water service in September 2023, and at the time, was still the owner the property. Wills Point initially denied water service because it did not obtain all the necessary information to extend water service to HMI's property. In September 2024, HMI closed on a contract to sell the property. Wills Point filed a motion for summary decision asserting that HMI was not a qualified service applicant because it was not the owner of the property. The SOAH ALJ agreed and filed a proposal for decision recommending denying the complaint on the merits because HMI had sold the property and was therefore not a qualified service applicant.

HMI was still the owner of the property at the time it requested water service. The proposal for decision recommends denying the complaint on the merits because HMI is no longer the owner. It would be more appropriate to dismiss the complaint for mootness, with prejudice, because HMI's complaint about obtaining water service to a property it does not own, will not develop, and is not a water utility customer for, is moot.

For those reasons, I would make the following modifications to the proposal for decision.

Conclusions of law 4, 5, 8, 9, 11, and 14 should be deleted because the Commission should not make a determination as to whether HMI is a qualified service applicant or deny the complaint on the merits.

- 4. When there is no genuine issue as to any material fact as to some or all issues, a moving party is entitled to a decision in its favor. 16 Tex. Admin. Code § 22.182(a).
- 5. If all issues will be resolved by summary decision, no evidentiary hearing shall be held and the ALJ must issue a proposal for decision. 16 Tex. Admin. Code § 22.182(e)-(f)
- 8. A retail public utility shall serve each qualified service applicant within its certificated area as soon as is practical after receiving a completed application. 16 Tex. Admin. Code § 24.161(a).
- 9. A "qualified service applicant" is "an applicant who has met all of the retail public utility's requirements contained in its tariff, schedule of rates, or service policies and regulation for extension of service" 16 Tex. Admin. Code § 24.161(a).
- 11. Because HMI is neither the property owner nor the customer for the service request at issue, HMI is not a qualified service applicant. 16 Tex. Admin. Code § 24.161(a).
- 14. HMI's complaint should be denied.

Ordering paragraph 2 should be modified to reflect the complaint as being dismissed for mootness, with prejudice, rather than a denial on the merits.

2. The Commission <u>dismisses</u> the complaint of HMI – Wills Point LLC Against the City of Wills Point, Texas HMI's complaint, with prejudice, because the complaint is moot.

Finally, the Commission should delegate to the Office of Policy and Docket Management staff the authority to modify the order to conform to the Citation and Style Guide for the Public Utility Commission of Texas and to make other non-substantive changes to the order for such matters as capitalization, spelling, grammar, punctuation, style, correction of numbering, and readability.

I look forward to discussing this matter with you at the open meeting.