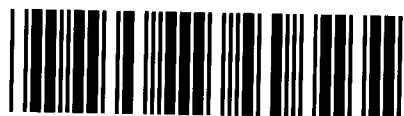




Control Number: 42957



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Addendum StartPage: 0

2015 JAN 23 PM 2:05

APPLICATION OF BAYLOR WATER
SUPPLY CORPORATION TO AMEND A
CERTIFICATE OF CONVENIENCE
AND NECESSITY IN ARCHER,
BAYLOR, KNOX, AND YOUNG
COUNTIES (37832-C)

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§

PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

COMMISSION STAFF'S RECOMMENDATION ON FINAL DISPOSITION

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Commission Staff's Recommendation on Final Position. In support of its Recommendation, Staff states the following:

I. BACKGROUND AND STATUS UPDATE

On January 16, 2013, Baylor Water Supply Corporation (Baylor WSC) filed with the Texas Commission on Environmental Quality (TCEQ) an application (Application) to amend its water certificate of convenience and necessity (CCN) No. 11605 in Archer, Baylor, Knox, and Young Counties pursuant to TEX. WATER CODE ANN. §§ 13.246(c), 13.254 and 30 TEX. ADMIN. CODE § 291.113¹. On September 1, 2014, pursuant to House Bill 1600 and Senate Bill 567 of the 83rd Legislature, Regular Session, functions relating to the economic regulation of water and sewer utilities were transferred from TCEQ to the PUC. In accordance with the requirement in Order No. 3 for Staff to file a recommendation on final disposition or a request for a hearing on the merits January 23, 2015, this pleading is timely filed.

¹ Currently P.U.C. SUBST. R. 24.113.

II. RECOMMENDATION ON FINAL DISPOSITION

Based on the memorandum (Attachment A) of Debbie Reyes Tamayo, Program Specialist, Water Utilities Division, Baylor WSC has met all required criteria, and Staff recommends approval of the Application. The Application demonstrates that Baylor WSC has adequate financial and managerial capability to provide continuous and adequate service to the area subject to the Application and the amendment to the CCN is necessary for the service, accommodation, convenience and safety of the public. Proper notice was given. Consequently, Staff does not request a hearing on the merits.

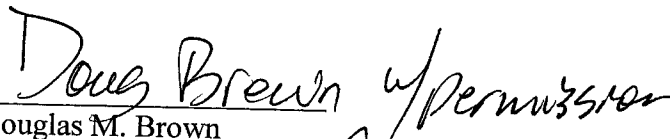
III. CONCLUSION

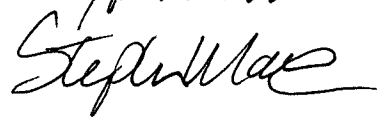
Staff respectfully requests that the Administrative Law Judge enter an order in accordance with this filing.

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division


Douglas M. Brown
Attorney-Legal Division
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Public Utility Commission of Texas
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P.O. Box 13326
Austin, Texas 78711-3326



DOCKET NO. 42957
CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on January 23, 2015 in accordance with P.U.C. PROC. R. 22.74.

Doug Brown *in permission*
Douglas M. Brown
Steph Mac

Public Utility Commission of Texas

Memorandum

TO: Douglas Brown
Legal Division

THRU: Tammy Benter, Director
Water Utility Division

FROM: Debbie Reyes Tamayo, Program Specialist
Water Utility Division

SUBJECT: Docket No. 42957, Application of Baylor Water Supply Corporation (WSC), to amend its Certificate of Convenience and Necessity (CCN) in Archer, Baylor, Knox and Young Counties, Texas (Application No. 37832-C)

DATE: January 20, 2015

On January 16, 2014, Baylor WSC (Applicant) filed an application with the Texas Commission on Environmental Quality (TCEQ) to amend CCN No. 11605 in Archer, Baylor, Knox and Young Counties, pursuant to the criteria in the Texas Water Code, Chapter 13, and the TCEQ's rules outlined in Title 30, Texas Administrative Code (TAC), Sections 291.101 – 291.107 and the application and was accepted for filing on March 18, 2014. On September 1, 2014, the rates and CCN programs were transferred from the TCEQ to the Public Utility Commission (PUC). This application was part of the transfer and is now under the PUC's purview. The application is now being reviewed under the PUC Subst. R in Chapters §§24.101 – 24.107.

Proper public notice was provided on March 27, 2014 and April 03, 2014, with Newspaper Olney Enterprise Baylor County Banner, and Archer County News. On March 31, 2014, notice was provided to current customers, neighboring systems and cities in Young, Seymour, Baylor, Knox, and Archer and surround counties. TCEQ received an affidavit dated April 17, 2014. The Comment period ended May 3, 2014, and no protests were received.

In my opinion, Baylor WSC has demonstrated adequate financial and managerial capability to provide continuous and adequate service to the area subject to this application. Due to existing facilities in the proposed service area, Baylor WSC will be able to provide adequate service. The land use of the area is generally agricultural with no industrial activity. The proposed area to amend is not expected to have a significant economic impact on Baylor WSC. The landowners depend on private water wells in this area which during the persistent drought conditions may not provide adequate to them. Currently, Baylor WSC has no unresolved enforcement cases or violations listed in the Consolidated Compliance and Enforcement Data System (CEEDS) as of April 07, 2014.

The applicant meets all of the statutory requirements of Texas Water Code Chapter 13 and the Commission's Chapter 24 rules and regulations. Approving this application to amend CCN No. 11605 is necessary for the service, accommodation, convenience and safety of the public.

TB/DRT