



Control Number: 42962



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**DOCKET NO. 42962**

2015 OCT 26 PM 8  
PUBLIC UTILITY COMMISSION  
OF TEXAS CLERK

<b>APPLICATION OF THE CITY OF LYFORD FOR A WATER CERTIFICATE OF CONVENIENCE AND NECESSITY IN WILLACY COUNTY (33790-C)</b>	§ § § § §	<b>PUBLIC UTILITY COMMISSION</b>  PUBLIC UTILITY COMMISSION OF TEXAS CLERK
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**COMMISSION STAFF’S RESPONSE TO ORDER NO. 2**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Response to Order No. 2. In support thereof, Staff shows the following:

**I. BACKGROUND**

The City of Lyford filed with the Texas Council on Environmental Quality (TCEQ) an application to amend a Certificate of Convenience and Necessity in Willacy County. The Public Utility Commission of Texas (Commission) received the application on November 20, 2014. On September 22, 2015, the Administrative Law Judge (ALJ) issued Order No. 2 requiring Staff to file by October 26, 2015, a copy of the TCEQ’s final order or a recommendation on the City of Lyford’s CCN application. Therefore, this pleading is timely.

**II. RECOMMENDATION**

Based on the attached memorandum of Lisa Fuentes and Tracy Harbour, Staff recommends that the Applicant provide additional information. Specifically, Staff requests that the Applicant be required to confirm whether it intends to pursue the application. If the Applicant does intend to pursue the application, then Staff also requests that the Applicant provide (1) a large scale map showing the proposed water service area that the Applicant and North Alamo Water Supply Corporation (North Alamo) agreed to in their settlement and (2) a signed document stating that both the Applicant and North Alamo concur with the large scale map.

**III. PROCEDURAL SCHEDULE**

In Order No. 2, the ALJ required the parties to file a proposed order by November 30, 2015. Staff requests that the ALJ modify the procedural schedule to give the Applicant until

December 10, 2015 to file the additional information and Staff until January 7, 2016 to review it and provide a final recommendation. Staff also requests that the deadline for a proposed order be moved to January 21, 2016.

### **CONCLUSION**

Staff respectfully requests that the ALJ issue an order consistent with this Response to Order No. 2.

Respectfully Submitted,

Margaret Uhlig Pemberton  
Division Director  
Legal Division

Stephen Mack  
Managing Attorney  
Legal Division

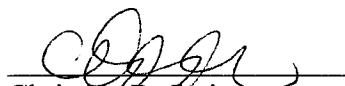


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**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on October 26, 2015, in accordance with 16 TAC § 22.74.

  
Christina R. Switzer

## PUC Interoffice Memorandum

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**To:** Christina Switzer; Attorney  
Legal Division

**Thru:** Tammy Benter, Director  
Lisa Fuentes, Work Leader  
Water Utilities Division

**From:** Lisa Fuentes, Staff Engineer  
Tracy Harbour, GIS Specialist  
Water Utilities Division

**Date:** October 21, 2015

**Subject:** **Docket No. 42962**, Application of the City of Lyford for a water Certificate of Convenience and Necessity (CCN) in Willacy County (33790-C)

On December 5, 2001, the City of Lyford (Applicant) filed an application with the Texas Commission on Environmental Quality (TCEQ) to obtain a water CCN in Willacy County, pursuant to Tex. Water Code (TWC) §§ 13.244 and 16 Tex. Admin. Code §§ 24.102-24.107. North Alamo Water Supply Corporation (North Alamo) protested the application. On September 1, 2015, the application was transferred to the Commission as part of the transfer of the economic regulation of water and sewer utilities in Texas, pursuant to House Bill (HB) 1600 and Senate Bill (SB) 567.

Between North Alamo's protest and the application being transferred to the Commission, the Applicant and North Alamo reached a settlement. On September 12, 2005, the TCEQ Executive Director issued an order recommending approval of the CCN application. However, the Applicant and North Alamo did not consent to the map included in the TCEQ Executive Director's order. The TCEQ Commissioners granted an Interim Order on December 5, 2005 that set aside the Executive Director's order and remanded the Applicant's application to the TCEQ's Executive Director for reissuance of the order, related CCN certificate, and corrected CCN map.

Since the TCEQ Commission's Interim Order, the Applicant has failed to provide sufficient information for the map to be re-drawn based on the Applicant and North Alamo's agreement. Due to the age of the application and failure to provide sufficient information, Staff recommends the following:

1. The Applicant should respond in writing with an explanation as to whether the Applicant wants to pursue the application or withdraw it.
2. If the Applicant wants to pursue the application, the Applicant should provide a large scale map showing the proposed water service area with enough detail to accurately locate the proposed area in the vicinity of surrounding roads, streets, and highways. Clearly label the proposed water service area and nearby roads on the revised map. This map must show

the same proposed water service area as agreed and settled between the Applicant and North Alamo WSC by SOAH Docket No. 582-02-3005, TNRCC Docket No. 2002-0431-UCR on December 20, 2002.

3. At the same time, the Applicant should provide a signed document stating that both the Applicant and North Alamo WSC concur with the revised large scale map showing the proposed water service area submitted to the PUC. The document should state both entities agree the large scale map reflects the agreement resulting from SOAH Docket No. 582-02-3005, TNRCC Docket No. 2002-0431-UCR.