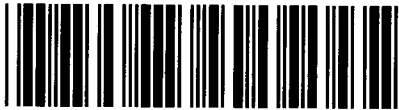




Control Number: 42964



Item Number: 22

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014

TCEQ Interoffice Memorandum

RECEIVED

2014 DEC 17 PM 4:41
PUBLIC UTILITY COMMISSION
FILING CLERK

To: Marisa Weber
Offices of the Chief Clerk

From: Brian Dickey
Utilities Technical Review Team
Water Supply Division

Date: July XX, 2014

Subject: Item for the Executive Director's Signature

Applicant: City of Bonham

Applications Nos. 35091-C and 35092-C

CCN No.: 11186 and 20460

CN: 600435762; RN: 101396349 (Water) 101395853 (Sewer)

Counties: Fannin

The item listed above is for the Executive Director's Signature. Please present this to Marisa Weber.

Contact Name: Brian Dickey

Date Stamp This Page One

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TCEQ - Interoffice Memorandum

TO: Business Support Section

Thru: Cari-Michel La Caille, Assistant Director
Water Supply Division

Lisa Fuentes, Work Leader
Utilities Financial Review Team
Water Supply Division

From: Brian Dickey
Utilities Technical Review Team
Water Supply Division

Date: July 28, 2014

SUBJECT: Applicant Names: City of Bonham
CCN Numbers: 11186 and 20460
Application/Docket Numbers: 35091 and 35092-C, 2006-0144-UCR

CN: 600435762; RN: 101396349 (water) and 101395853 (sewer)

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



SOAH DOCKET NO. 582-06-1767
TCEQ DOCKET NO. 2006-0144-UCR
APPLICATIONS NOS. 35091-C and 35092-C

APPLICATION OF THE CITY OF	§	BEFORE THE
BONHAM TO OBTAIN DUAL	§	
CERTIFICATION WITH A PORTION	§	
OF CCN NO. 12406 FROM	§	
SOUTHWEST FANNIN COUNTY SUD,	§	STATE OFFICE OF
TO OBTAIN DUAL CERTIFICATION	§	
WITH A PORTION OF CCN NO. 10170	§	
FROM WHITE SHED WATER SUPPLY	§	
CORP., TO DECERTIFY A PORTION	§	
OF CCN NO. 11753 FROM BOIS D'ARC	§	ADMINISTRATIVE HEARINGS
MUD AND TO AMEND CCN NO. 11186	§	
IN FANNIN COUNTY	§	

ORDER

An application by the City of Bonham (Applicant) to obtain dual certification with a portion of CCN No. 12406 and No. 10170, and to decertify a portion of CCN No. 11753, and to amend CCN No. 11186 in Fannin County, Texas, was presented to the Executive Director of the Texas Commission on Environmental Quality ("Commission") for approval pursuant to Section 5.122 of the Texas Water Code ("Code") and Commission rules. The Applicant sought to expand its provision of water service in Fannin County, Texas, and is a retail public utility as defined in Section 13.002(19) of the Code.

On August 31, 2005, the Applicant filed an application with the Commission pursuant to Section 13.241 *et. seq.* of the Code to amend a water CCN to provide water service in Fannin County, Texas. The application was accepted for filing and assigned Application No. 35092-C.

The notice to obtain a CCN by the Applicant complied with the notice

requirements of 30 Texas Administrative Code ("TAC") Section 291.106 and was sufficient to place affected persons on notice regarding the application for service. The application received 69 protests and was referred to the State Office of Administrative Hearings (SOAH).

On June 13, 2006, Suzanne Formby Marshall, an administrative law judge with SOAH, held a preliminary hearing in Austin, Texas, assumed jurisdiction, and designated the following parties: the Applicant City of Bonham; Bois D'Arc MUD; Southwest Fannin SUD; the Executive Director (ED) of the Texas Commission on Environmental Quality (TCEQ). No one appeared on behalf of the Office of Public Interest Counsel. Ravenna-Nunnelee appeared a requested party status, which was later granted.

At the hearing, the parties moved to abate the procedural schedule for thirty days to give the parties time to resolve their dispute through settlement. The case was abated several times thereafter. During this time, the applicant amended its application so as to exclude any area overlapping with Bois D'Arc MUD and Bois D'Arc MUD withdrew as a party. The applicant similarly reached a settlement agreement with Ravenna-Nunnelee so as to exclude some overlapping territory, but also to be dually certificated with a certain portion of Ravenna-Nunnelee's territory, and that party also withdrew. White Shed Water Supply Corporation sought party status, nearly five years after the application had been pending, but its party status was denied. When only the applicant, the ED and Southwest Fannin County SUD remained as parties, the case was referred to formal mediation, at which a preliminary settlement agreement was reached between the applicant and Southwest Fannin County SUD, subject to final approval by their respective governing bodies. A final agreement was reached and Southwest Fannin County SUD withdrew as a party. With the applicant and the ED as the only remaining parties and unable to resolve their differences, a procedural schedule was set and

discovery began. During this time the applicant was able to provide the ED with the necessary information for the ED to withdraw his opposition to the application. On February 3, 2012, Judge Marshall granted the joint motion to dismiss and remand to the ED for administrative processing.

The Executive Director has now completed its administrative and technical review and finds that the City of Bonham is capable of rendering adequate and continuous service to every customer in the area proposed to be included in CCN No. 11186, and the certificate amendment is necessary for the service, accommodation, convenience, or safety of the public.

NOW, THEREFORE, BE IT ORDERED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY that:

The application by the City of Bonham to amend water CCN No. 11186 in Fannin County, Texas, is hereby **granted**.

The Chief Clerk of the Texas Commission on Environmental Quality shall forward a copy of this Order to the parties.

If any provision, sentence, clause, or phrase of this Order is for any reason held to be invalid, the validity of any portion shall not affect the validity of the remaining portions of the Order.

Issue Date:

TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

For the Commission



Texas Commission On Environmental Quality

By These Presents Be It Known To All That

City of Bonham

having duly applied for 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 by this applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 11186

to provide continuous and adequate water utility service to that service area or those service areas in Fannin County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No. 35091-Care 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 Bonham 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.

Issued at Austin, Texas, this _____

For the Commission



Texas Commission On Environmental Quality

By These Presents Be It Known To All That

City of Bonham

having duly applied for certification to provide sewer 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 by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 20460

to provide continuous and adequate sewer utility service to that service area or those service areas in Fannin County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No. 35092-C 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 City of Bonham 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.

Issued at Austin, Texas, this _____

For the Commission

Arturo D. Rodriguez, Jr.
Russell & Rodriguez, L.L.P.
1633 Williams Drive
Building 2, Suite 200
Georgetown, Texas 78628

Re: Application from the City of Bonham, Certificate of Convenience and Necessity (CCN) No. 11186, to Obtain Dual Certification with a Portion of CCN No. 12406 from Southwest Fannin County SUD, to Obtain Dual Certification with a Portion of CCN No. 10170 from White Shed Water Supply Corporation, to Decertify a Portion of CCN No. 11753 from Bois Darc MUD and to Amend CCN No. 11186 in Fannin County; Application No. 35091-C

Application from the City of Bonham to Amend CCN No. 20460 in Fannin County; Application No. 35092-C

CN: 600435762; RN: 101396349 (water) and 101395853 (sewer)

Dear Mr. Rodriguez:

Enclosed is a certified copy of the final order issued by the Commission in the above referenced application.

This action is taken under authority delegated by the Executive Director of the Texas Commission on Environmental Quality.

Your last step is to file a certified copy of the CCN map along with a written description of the CCN service areas in the county clerk's office pursuant to Texas Water Code, sections 13.257 (r) and (s).

If you have any questions, please contact Ms. Lisa Fuentes by phone at 512/239-6117, by fax at 512/239-6972, by email at Lisa.Fuentes@tceq.texas.gov or if by correspondence, include MC-153 in the letterhead address.

Sincerely,

Linda Brookins, Director
Water Supply Division

LB/BDD/mmg

Enclosures

cc: Mailing list

Mailing List:
City of Bonham
SOAH DOCKET NO. 582-06-1767
TCEQ DOCKET NO. 2006-0144-UCR
APPLICATIONS NOS. 35091-C and 35092-C

REPRESENTS CITY OF BONHAM

Arturo D. Rodriguez, Jr.
Russell & Rodriguez, L.L.P.
1633 Williams Drive
Building 2, Suite 200
Georgetown, Texas 78628

FOR THE CHIEF CLERK

Ms. Bridget Bohac
Texas Commission on Environmental Quality
Office of Legal MC-173
P.O. Box 13087
Austin, Texas 78711-3087

FOR PUBLIC INTEREST COUNSEL

Texas Commission on Environmental Quality
Public Interest Counsel MC-103
P.O. Box 13087
Austin, Texas 78711-3087

FOR THE EXECUTIVE DIRECTOR

Ms. Jessica Gray
Texas Commission on Environmental Quality
Office of Legal MC-173
P.O. Box 13087
Austin, Texas 78711-3087

BCC: TCEQ, Region 4 Office
Brian Dickey, Staff Engineer, Utilities & Districts Section, MC 153