



Control Number: 42980



Item Number: 2

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.

Bryan W. Shaw, Ph.D., *Chairman*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*

91 7199 9991 7031 8277 5642



42980

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 6, 2013

CERTIFIED MAIL

Mr. Edward Yanoshita, General Manager
Corix Utilities (Texas) Inc.
1812 Centre Creek Dr., Ste. 207
Austin, Texas 78754

RECEIVED
2014 SEP 12 PM 1:59
PUBLIC UTILITY COMMISSION
FILING CLERK

Re: Application from Corix Utilities (Texas) Inc., A2070, to Purchase Facilities and Transfer a Portion of Certificate of Convenience and Necessity (CCN) No. 11670 held by Lower Colorado River Authority (LCRA)(Ridge Harbor) and to Obtain and Amend a Water CCN in Burnet County; Application No. 37605-S

Application from Corix Utilities (Texas) Inc., A2071, to Purchase Facilities and Transfer a Portion of Certificate of Convenience and Necessity (CCN) No. 20769 held by Lower Colorado River Authority (LCRA)(Ridge Harbor) and to Obtain a Sewer CCN in Burnet County; Application No. 37613-S

CN: 600253637; RN: 101454155 (water); RN: 102687159 (sewer) (LCRA)
CN: 604102301; RN: 106448079 (Corix)

Dear Mr. Yanoshita:

We have reviewed the criteria in Texas Water Code (TWC), Section 13.301(e) and determined that a public hearing will not be requested. You may complete your proposed transaction as scheduled, or any time after you receive this notification. Please note that the transaction must comply with the requirements of TWC Section 13.301(d) and therefore cannot be completed prior to the issuance of this letter.

The second part of the application, which is transferring the CCN, will occur following receipt of the following documents:

- a copy of the signed contract or bill of sale, and
- documents supporting the disposition of customer deposits.

The application cannot be approved nor the CCN transferred and issued until we receive evidence that the transaction was completed. These items must be received by the Utilities & Districts Section, Water Supply Division, within 30 days after the effective date of the transaction.

2

Mr. Edward Yanoshita, General Manager

Page 2

December 6, 2013

After the proper documentation is received, staff will prepare a proposed map, certificate, and recommendation for both applicants to review before submitting them to the Executive Director for approval and the issuance of the CCN. A copy of this information will be sent to both the buyer and seller.

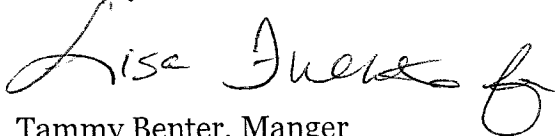
If you concur with the recommendation, the consent forms must be signed and returned by both applicants before the recommendation to transfer the CCN can be approved by the Executive Director. If both consents are not received, the CCN will remain in the name of the seller and the seller remains responsible for the system(s) for purposes of TWC Section 13 regulations. (See TWC, Section 5.122 and 30 Texas Administrative Code Section 50.33).

As an alternative to the seller's continued involvement in the process, the closing document(s) and any accompanying correspondence may include a statement that the seller consents with the transfer of the CCN to the buyer with specific references to the statute and rule noted above. The statement will serve to authorize the Executive Director to take action upon receipt of the buyer's signed consent form. In this situation, however, the seller is relying on the buyer to provide the final consent on the CCN transfer.

Finally, please note that from the time the application is filed until the CCN is issued, it is the applicants' (buyer and seller) responsibility to notify and update the Utility & Districts Section, Water Supply Division, of changes in the financial, managerial, or technical information provided in the application.

If you have any questions, please contact Ms. Elizabeth Flores by phone at 512/239-6846, by fax at 512/239-6972, by email at elizabeth.flores@tceq.texas.gov, or if by correspondence, include MC 153 in the letterhead address below.

Sincerely,



Tammy Benter, Manger
Utilities & Districts Section
Water Supply Division
Texas Commission on Environmental Quality

TB/EF/sd

cc: TCEQ, Region 11 Office



1612 Centre Creek Drive
Suite 207
Austin, Texas
United States 78754

T 512.306.4000
F 512.306.4009
www.corix.com

March 28, 2014

Tammy Benter, Manager
Utilities & District Section
Water Supply Division
Texas Commission on Environmental Quality

Re: Applications from Corix Utilities (Texas) Inc. (**Corix**) to Purchase Facilities and Transfer Various Certificates of Convenience and Necessity (**CCNs**) held by the Lower Colorado River Authority (**LCRA**) and to Obtain or Amend various Water and Sewer CCNs, all as set out in the attached chart (the **Applications**)

Dear Ms. Benter:

Thank you for meeting with Corix on March 25, to discuss your letter dated February 25, 2014 regarding the Commission's approval of sale for the Applications, which are detailed in the chart attached.

Please be informed that the parties are still finalizing pre-closing matters and have agreed on a revised closing date of October 31, 2014, which is prior to the expiration of the executive director's approval of the Applications in accordance with the provisions of 30 TAC 30 §291.112(e). Corix and LCRA continue to work together collaboratively towards closing.

Corix, therefore, respectfully requests an extension of time to provide the closing documents as requested in your letter. Corix appreciates very much the extra effort made by your staff to process our applications so expediently and we truly apologize for any inconvenience we have caused as a result of the delayed closing.

We will provide TCEQ with regular updates on the progress of the closing and confirmation of the closing date. Please do not hesitate to contact us if you have any questions or require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed Yanoshita", written over a horizontal line.

Ed Yanoshita, General Manager
Corix Utilities (Texas) Inc.

CC: Dennis Daniel
Manager, Risk Management, Lower Colorado River Authority



Application No.	Name of System	County	Water or Sewer
37597-S	Alleyton	Colorado	Water
37598-S	Alleyton	Colorado	Sewer
37595-S	Camp Swift, McKinney Roughs, Windmill Ranch	Bastrop	Sewer
37593-S	Lake Buchanan	Burnet and Llano	Water
37602-S	Matagorda Dunes	Matagorda	Water
37603-S	Matagorda Dunes	Matagorda	Sewer
37594-S	Paradise Point	Llano	Water
37606-S	Quail Creek	Burnet	Water
37605-S	Ridge Harbor	Burnet	Water
37613-S	Ridge Harbor	Burnet	Sewer
37607-S	Sandy Harbor	Llano	Water
37608-S	Smithwick Mills	Burnet	Water
37601-S	Spicewood Beach	Burnet	Water

IMPORTANT: Checklist must be submitted to Work Leader and Team Leader prior to final map or hearing request.

STM Checklist and to Obtain or Amend a CCN

Applicant: Corix Utilities (Texas) Inc. (Ridge Harbor)

Application No.: 37605-S (water) & 37613-S (sewer)

§13.301(a)	Was written application filed on or before the 120 th day before the effective date of a sale?	Date verified: 12/5/13
Description: The application was filed on April 29, 2013 and was accepted for filing on July 23, 2013. The applicant indicates that the proposed effective date of the transaction is September 30, 2013. However, after further communications with Corix, their anticipated date to close the transaction is December 17, 2013.		
§13.241(a) & §13.301(b)	Does the applicant/purchaser possess FMT to provide continuous and adequate service to the requested area AND any areas currently certificated to that person? Yes.	Date verified: 12/5/13
Description: Reference FM Memo & FM Checklist.		Date of FM Checklist: 10/23/13
	Description of qualifications: The applicant has 70 years of experience in operating and maintaining community utility infrastructure. On July 1, 2012, Corix Utilities (Texas) Inc. assumed the operations, maintenance and asset management for the 18 systems owned by LCRA and affected by pending applications. Corix has hired many of the utility operating staff from LCRA to maintain these systems knowledge. Corix Utilities (Texas) Inc. is a part of the Corix Group which provides utility services across North America.	Date verified: 12/5/13
	Description of any plans for improvements: No improvements noted in the application for the water system. However, the applicant indicated that there was a required improvement to expand the dosing field to be completed by Dec. 2012. Staff contacted the applicant on 12/5/13 to inquire as to the status and the applicant indicated that the work had been completed in Nov. 2013	Date verified: 12/5/13
§13.246(c) (6)	Is the applicant Financially stable, including debt-equity ratio? Yes.	Date verified: 12/5/13
Description: Reference FM Memo dated 10/23/13.		

§13.246(d) & §13.301(c)	Is bond or other financial assurance required to ensure continuous and adequate service? No.	Date verified: 12/5/13
Description: Reference FM Memo dated 10/23/13		
§13.136	Have all tariff issues including rates, tap fees and service rules/extension policy language been resolved? Technical staff has questions if some the charges Corix Utilities (Texas) Inc. is proposing in its tariff are allowable under TWC Ch. 13 and 30 TAC 291. Please note that the TCEQ did not have original jurisdiction over the rates and service policies charged by the Lower Colorado River Authority (LCRA). Corix is proposing to charge the same rates as were being charged by the LCRA. A legal assignment was made on 10/18/13 to assist technical staff with reviewing the proposed Corix tariff.	Date verified: PENDING
Description: These items are pending.		Date tariff was stamped approved: PENDING
If entity is a WSC, is most recent version of tariff on file? n/a		Date WSC tariff was received: n/a
§13.132	If the applicant is an IOU , do they have a current Annual Report on file? No.	Date verified: 12/5/13
Description: Corix is a will be a regulated IOU after the sale of its pending applications are approved. As such Corix has never filed an annual report, but will be required to do so beginning in 2015. In addition districts/authorities, such as the LCRA, are not required to submit an annual report.		Date annual report was received: n/a
§288.20	Have all drought contingency plan (DCP) issues been resolved?	Date verified: 11/27/13
Description: Provided to Water Availability Staff on 10/28/13.		Date DCP approval memo was received: Received on 10/30/13.
§13.244(b)	Has the applicant provided all required maps. Yes.	Date verified: 12/5/13
Date of most recent Overlap Check: 6/12/13		
§13.244(d)	Were any overlaps identified? None identified.	Date verified: 12/5/13
Name(s) of Entity(ies) being overlapped: None.		

Were overlaps mentioned in the Overlap Check and the BTR letter: No.		
Description and Date of how overlap was resolved: n/a		
Date of Agreement to Decertification (if applicable): n/a		
§13.246(h)	Were opt-out requests received during the comment period? No opt-out requests received.	Date verified: 12/5/13
	Were opt-out requests granted? n/a	Date verified: 12/5/13
Date revised maps were received: n/a		Date of subsequent Overlap Check: n/a
§291.102(d)) §13.246(c) 1(2)	Was applicant able to demonstrate a need for service in the entire proposed area? The applicant, Corix Utilities (Texas) Inc. filed an STM application to purchase a portion of the Lower Colorado River Authority's (LCRA) CCN in this application, the Ridge Harbor area located in Burnet County. In addition, Corix is proposing to add area and customers that were previously served by the LCRA. This area was uncertificated area as statute and rules do not require authorities, such as LCRA, to hold a CCN. However, rules and statute do require IOUs, such as Corix, to serve only in their certificated service area, thus the request for an amendment in this application is requested.	Date verified: 12/5/13
# of acres in proposed area: The water and sewer transfer area is approximately 416 acres and the proposed water amended area is approximately 17 acres.		Date of letter from developer requesting service from the applicant: n/a
Copies of letters from landowners requesting service: n/a		Date received from the applicant: n/a
Copies of applications for service received by the applicant: n/a		Date received from the applicant: n/a
Maps showing existing facilities in the proposed area: n/a		Date received from the applicant:
Maps showing existing customers in the proposed area: n/a		Date received from the applicant: n/a
Maps showing locations for existing service area for water and sewer; and proposed area for water were submitted with the application.		Date received from the applicant: 4/29/13 ref. application Exhibit L

§13.244(c)	Has the applicant received the required consent, franchise, or permit of the proper municipality or other public authority. If a WSC is decertifying a portion of their CCN area, consent from USDA is required.	Date verified: 12/5/13
Description: N/A as the transferred area and proposed amended area are not located within the city limits of a municipality.		
§13.246(a) & §13.301(a)	Notice of the application has been provided to all affected parties. Yes.	Date verified: 12/5/13
Comment period end date: 11/15/13		
Date(s) of Individual and Landowner Notices: 7/26/13		
Name of Newspaper: Highlander		
Waivers?: No		
Additional notice required for amendment?: Yes, amendment is for water only.		
Date(s) of Publication: 8/2/13 & 8/9/13 County(ies) Published: Burnet & Llano		
Date Notice Information (affidavits, copies of individual notices) was received. 8/13/13 & 10/16/13. On the first set of notices, Corix did not provide notice to Travis County Improvement District #1 they provided notice on 10/16/13.		
<p>Were notices revised by the applicant? Yes.</p> <p>If yes, please explain: Per directive in the BTR letter dated 7/23/13. Also, note that Corix changed the number of customers notified on the individual and landowner notices to 153. Staff confirmed with Corix that there were 153 customers at the time of notice and 161 customers at the time the applications were prepared.</p>		
If applicable, have protestants' concerns been addressed by letter from the staff or utility? No protest received.		Date verified: 12/5/13
Names of protestants: n/a		
Description of protests: n/a		
Protestants included on mailing list?: n/a		
§13.246(c) (1)	What is the adequacy of service currently being provided to the requested area?	Date verified: 12/5/13
Description: Corix is proposing to transfer approximately 416 acres of existing certificated service area from the LCRA for water and sewer service. In addition, this application is to add approximately 17 acres that the LCRA provides service to which was uncertificated for water.		

§13.246(c) (3)	What is the effect of granting of a CCN to the recipient and on any other retail public utility of the same kind already serving the proximate area?	Date verified: 12/5/13
Description: See above.		
§13.246(c) (4)	Will the applicant be able to provide adequate service to the proposed area? Yes.	Date verified: 12/5/13
Description: Reference the Comprehensive Compliance Investigations conducted on 9/18/12 for water and 12/13/11 for wastewater.		
§13.246(c) (5)	Is it feasible to obtain service from an adjacent retail public utility? No.	Date verified: 12/5/13
Description: Corix is proposing to transfer approximately 416 acres of existing certificated service area from the LCRA for water and sewer service. In addition, this application is to add approximately 17 acres that the LCRA provides service to which was uncertificated for water.		
§13.246(c) (7)	Is there an effect on the environmental integrity of the proposed area?	Date verified: 12/5/13
Description: No negative effect. See above.		
§13.246(c) (8)	Is there probable improvement of service or lowering of cost to consumers in the proposed area?	Date verified: 12/5/13
Description: N/A, see above.		
§13.246(c) (9)	What is the effect on the land in the proposed area?	Date verified: 12/5/13
Description: No effect, see above.		
§13.246(e)	If applicable, has the applicant made efforts to extend service to any economically distressed areas?	Date verified: 12/5/13
Description: Existing transfer area and proposed area are not in an economically distressed area. In addition, Corix is proposing to transfer approximately 416 acres of existing certificated service area from the LCRA for water and sewer service. In addition, this application is to add approximately 17 acres that the LCRA provides service to which was uncertificated for water.		
§13.241(b) (1)	Is the applicant capable of providing drinking water that meets the requirements of Chapter 341, Health & Safety Code.	Date verified: 12/5/13
Description: Yes, see Compliance Summary Investigation.		
§13.241(b) (2)	Does the applicant have access to an adequate supply of water.	Date verified: 12/5/13

Description: Yes, see Compliance Summary Investigation.

§13.241(c)	Is the applicant capable of meeting commission's design criteria for sewer treatment plants.	Date verified: 12/5/13
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Description: Yes, see Compliance Summary Investigation.

§13.241(d)	If the applicant has proposed to construct a physically separate water or sewer system, the applicant has demonstrated that regionalization with retail public utility is not economically feasible.	Date verified: 12/5/13
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Description. N/A as this application is to transfer existing CCN area. In addition, Corix is proposing to transfer approximately 416 acres of existing certificated service area from the LCRA for water and sewer service. In addition, this application is to add approximately 17 acres that the LCRA provides service to which was uncertificated for water. See attached Feasibility Checklist.

	If applicable, the staff person must send an email to Central Registry requesting them to link the appropriate CCN, CN and RN numbers.	Date verified: 12/5/13
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The email should be addressed to: WWW-Registry with WUD Priority in the subject line.

If these numbers are not linked appropriately, the Chief Clerk's Office will not be able to accept the application for posting and the file will be returned to our program area. This will cause a delay in the getting the final order and CCN(s) signed.

Description: CN & RN numbers already established in Central Registry.

	If a WSC is decertifying a portion of their CCN area, consent from USDA is required.	Date verified: 12/5/13
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Description: N/A, as this application is to transfer CCN area from a river authority to an IOU. And for Corix to obtain a CCN for uncertificated service area currently served by the LCRA.

COMPLIANCE SUMMARY:

General: Water System Name: LCRA Ridge Harbor Community Water Supply
Plans & Specs Approval Letter Date (*if applicable*): n/a
Log # (*if applicable*): n/a
Public Water System No.: 0270081
Inspection Date: 9/18/12

Deficiencies: None noted as a result of the investigation.

General: Wastewater System: Ridge Harbor Wastewater Treatment Plant
TPDES Permit No.: WQ0014022001

Issued Date: Previously issued to the LCRA. Corix has applied to transfer the permit as of March 27, 2013. Reference letter in the file from TCEQ's Water Quality Assessment Section.

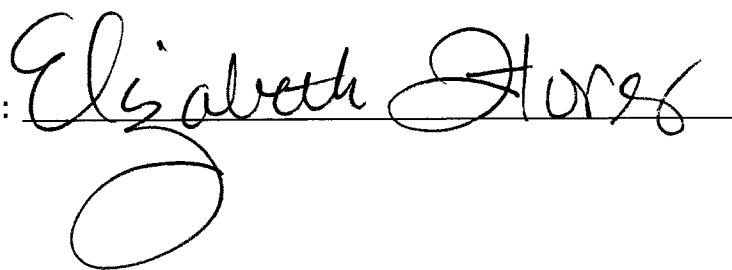
List of deficiencies/violations:

- Failure to prevent the unauthorized discharge of wastewater into or adjacent to waters of the state. Resolution noted on the compliance investigation report page 3 of 3.
- Maintenance of Temperature logs: Documentation was provided on 12/22/2011 demonstrating that a temperature log book has been created and is currently being used. Resolution noted on the compliance investigation report page 3 of 3.
- A records request was made during the exit interview if demonstration that the WW applied to the irrigation field was within the permitted application rate of 0.09 gallons per sq ft. per day. The permit holder provided documentation that the application area could accommodate the gallons per day. Reference compliance investigation report page 3 of 3.
- Sludge reports submitted: The facility submitted the annual sludge report on 12/22/11. Reference compliance investigation report page 3 of 3.

Description of region inspector's comments: See above under deficiencies/violations.

Date of letter describing improvements/ compliance: From Corix to Region 11 on June 18, 2012 and reference email

Signed:

A handwritten signature in black ink, appearing to read "Elizabeth Storz", written over a horizontal line. Below the line is a large, loopy flourish.

Date: 12/5/13

Feasibility Checklist

Applicant: Corix Utilities (Texas) Inc. (Ridge Harbor)
 Application No.: 37608-S

§291.102(3))	Applicant has provided a list of all public drinking water supply systems within a 2 mile radius. Yes	Date verified: 12/5/13
Description: Provided with the applications.		
§291.102(3))	Applicant has provided copies of written requests seeking to obtain service from each system within a 2 mile radius.	Date verified: 12/5/13
Description: N/A as Corix is proposing to transfer existing certificated service area from the LCRA. In addition, Corix is proposing to add approximately 17 acres that the LCRA provides water service which is currently uncertificated.		
§291.102(a) (3)	Applicant has demonstrated that it is not economically feasible to obtain service from a neighboring system.	Date verified: 12/5/13
Description: N/A, see above.		
§291.102(a) (3)	Applicant has provided copies of written responses or evidence that the neighboring system has failed to respond.	Date verified: 12/5/13
Description: N/A, see above.		
Date of letters sent to neighboring systems: n/a		
§291.102(a) (3)	Applicant has provided a description of the type of service that the neighboring system is willing to provide and has compared it with the service the applicant is proposing and the applicant's service is clearly better.	Date verified: 12/5/13
Description: N/A, see above.		
§291.102(a) (3)	Applicant has provided an analysis of all necessary costs for constructing, operating, and maintaining the new system for at least the first five years.	Date verified: 12/5/13
Description: N/A, see above.		
§291.102(a) (3)	Applicant has provided an analysis of all necessary costs for acquiring and continuing to receive service from the neighboring system for at least the first five years.	Date verified: 12/5/13
Description: N/A, see above.		

§291.102(a) (3)	How do the costs for providing service as a stand-alone system compare with the costs of obtaining service from a neighboring system?	Date verified: 12/5/13
Description: N/A, see above.		

Signed: Elizabeth Hogg Date: 12/5/13

§13.301(d)	Will the transaction serve the public interest? Yes, the LCRA has chosen to divest of its water and wastewater operations in the Central Texas region. These applications are for one water system and a sewer system to be acquired by Corix Utilities (Texas) Inc. Corix has experience as a utility service provider, and indicates that it has the ability to provide the necessary capital investment to ensure continuous and adequate service.	Date verified: 12/5/13
	Is the applicant willing to make improvements?: No violations were noted on the water inspection. However, the wastewater inspection noted violations which have been corrected.	Date verified: 12/5/13
§13.301(e)	Does the purchaser or any affiliate of the purchaser have a history of noncompliance with the requirements of the commission within the past 5 years? No.	Date verified: 12/5/13
Description: Verified in CCEDS and Corix Utilities Inc., RN: 106448079 does not have any enforcement actions.		
Any active enforcement actions?: No.		
Enforcement Coordinator: n/a		
Date of previous enforcement orders: n/a		
Penalties: n/a		
In compliance with previous orders?: n/a		
§13.301(e)	Does the purchaser or any affiliate of the purchaser have a history of continuing mismanagement or misuse of revenues as a utility service provider? No.	Date verified: 12/5/13
Description: Verified in CCEDS and Corix Utilities Inc., RN: 106448079 does not have any enforcement actions.		
§13.301(j)	If applicable, has the seller made a written disclosure to the purchaser related to customer contributions in aid of construction derived from specific surcharges?	Date verified: 12/5/13
Description: Yes. Corix Utilities (Texas) Inc. attached Exhibit G: <i>Price and Utility Cost Data</i> for the system(s) being sold from the LCRA. Ridge Harbor's CIAC is listed as \$0.00 in this exhibit for both water and wastewater.		
Have any customer deposits been accounted for? Yes, Corix provided a list of customers holding deposits; reference Exhibit B in the applications. In addition Exhibit H <i>Other Transaction Considerations</i> states that " <i>Customer deposits will be purchases from LCRA and held on account. Amounts will be reviewed and adjusted as per the TCEQ rules and refunds will be provided to customers as required.</i> "		Date verified: 12/5/13
Do any of the systems being transferred have violations that need to be corrected? Violations were noted and corrected, see Compliance Summaries.		Date verified: 12/5/13

If the purchaser is a corporation, is it in good standing with the State Comptroller? Yes, reference Exhibit C.	Date verified: 12/5/13
Have all TCEQ Fees and penalties and any laboratory fees owed by either the seller or purchaser been paid? Yes.	Date verified: 12/5/13
What are the terms of the sale? The LCRA has chosen to divest of its water and wastewater operations in the Central Texas region. This application is for one of those systems to be acquired by Corix Utilities (Texas) Inc. Corix has experience as a utility service provider, and indicates that it has the ability to provide the necessary capital investment to ensure continuous and adequate service.	Date verified: 12/5/13
Sales price: \$275,000 (water) & \$325,000 (wastewater) reference Exhibit G	
# of customers affected: 153 customers per the notice.	
Original cost of plant being transferred: \$931,845 reference Exhibit G	
Accumulated depreciation: \$402,007 (water) & \$1,095,754 (wastewater), reference Exhibit G	
Date of closing: Upon TCEQ approval, however, Corix has indicated that they would like to close by 12/17/13.	
If facility being transferred is a wastewater treatment system, has the applicant requested a transfer of the wastewater discharge permit? Yes. This request was made on March 27, 2013 to the TCEQ's Water Quality Assessment Section.	Date verified: 12/5/13
Miscellaneous information: none	Date verified: 12/5/13
Is the system under the jurisdiction of a city (if yes, name the city)? No.	
Is the seller's CCN being canceled?: No, Corix Utilities (Texas) Inc. will be obtaining a water CCN No.	

Signed: Elizabeth Hone Date: 12/5/13

Elizabeth Flores

From: Ed Yanoshita <Ed.Yanoshita@corix.com>
Sent: Thursday, December 05, 2013 9:57 AM
To: Elizabeth Flores
Cc: Gloria Broussard; Darrin Barker
Subject: RE: Comprehensive Compliance Investigation for Ridge Harbor Wastewater

Hi Elizabeth

Thank you for your question. The Ridge Harbor irrigation area has been expanded and that project was completed in November 2013. The project was delayed to review construction costs and determine a cost effective solution for the system. It is my understanding that the final completion documents are being sent by LCRA to TCEQ. We will verify and confirm to you. Please contact me or Gloria if you have any questions. Thank you for your always prompt attention to our applications.

Regards
Ed

Edward T. Yanoshita, P. Eng., JD

General Manager
Corix Utilities (Texas) Inc.
Office: (512) 306-4003
Mobile: (512) 659-2942
1812 Centre Creek Drive, Suite 207
Austin, Texas 78754
Visit our website at www.corix.com

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-----Original Message-----

From: Elizabeth Flores [<mailto:elizabeth.flores@tceq.texas.gov>]
Sent: December-05-13 9:32 AM
To: Ed Yanoshita
Subject: Comprehensive Compliance Investigation for Ridge Harbor Wastewater

Mr. Yanoshita,

As a follow up to the water quality discharge permits, I have a question regarding the Ridge Harbor Wastewater Treatment Plant investigation conducted on 12/13/11 by TCEQ Region 11; reference Corix's application for Ridge Harbor Water and Wastewater Systems Exhibit K.3.

During the investigation, alleged violations were identified, which appear to be corrected. However, my question is regarding Corix's response dated June 18, 2012 from Ms. Broussard to Ms. Shea Cockrell regarding the "inadequacy of the facility's irrigation area. The violation was that the facility exceeded 90% of the interim daily average flow limits for the periods May 2010 through July 2010...and that the LCRA has not started a project to correct, due to higher than

expected bids on construction of the facilities." In that letter and in Exhibit K.2, 18.C. the Dosing Field Expansion project in the amount of \$130,000 was to be completed by Dec. 2012. Has this project been completed?

In addition, I would like to thank you and Ms. Broussard for your quick response in providing the TCEQ staff with a copy of the letters from the Water Quality Division accepting the transfer of the water quality discharge permits from LCRA to Corix.

Regards,
Elizabeth Flores
Utilities Financial Review Team
Texas Commission on Environmental Quality
(512) 239-6846
Fax (512) 239-6972

ppp

Bryan W. Shaw, Ph.D., *Chairman*
Carlos Rubinstein, *Commissioner*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

March 27, 2013

CERTIFIED MAIL

Mr. Darrin Barker
6836 Bee Caves Road, Suite 209
Austin, Texas 78746

Re: Application to Transfer Permit No. WQ0014404001 (EPA I.D. No. TX0125521)
(RN102996642)
Issued to Lower Colorado River Authority (CN600253637)

Dear Mr. Barker:

We have received the application to transfer the above referenced permit and it is currently under review. Your attention to the following items is requested before the permit can be transferred.

All fees must be paid to the agency prior to processing your transfer request.

1. Item 5 on page 5 of the transfer application: You have indicated that the transfer will take place on October 31, 2013. Please confirm after October 31, that the transfer of ownership has occurred.

If the requested information is not received by the given deadline, it may cause significant delays in the transfer process. You are considered operating without a permit until the transfer is approved, and any failure to respond will subject the applicant to enforcement actions. If you should have any other questions, please do not hesitate to call me at (512) 239-5704.

Sincerely,



Katherine C. McKenzie
Applications Review and Processing Team
Water Quality Assessment Section



MAN
1002.02
Suite 209, 6836 Bee Caves Road
Austin, Texas
United States 78746

T 512.306.4000
F 512.306.4009
www.corix.com

Certified Mail Return Receipt No. 7004 1350 0000 4854 0067

September 30, 2013

Texas Commission on Environmental Quality
Water Quality Assessment Section
Water Quality Division MC 148
Post Office Box 13087
Austin, Texas 78711-3087

Attention: Katherine McKenzie, Applications Review and Processing Team

Reference: Application to Transfer Permit No. WQ0014404001 (EPA ID No. TX0125521),
RN102996642

Dear Ms. McKenzie:

In accordance with the instructions of the "Application and Instructions to Transfer a Wastewater Permit", TCEQ -20031, we are updating our transfer date.

Corix Utilities (Texas) originally projected a transfer date of October 31, 2013 for the Matagorda Bay Nature Park and Preserve Wastewater Treatment Plant, Permit No. WQ0014404001 (EPA ID No. TX0125521). The sale of the facility by LCRA (Lower Colorado River Authority), will not be complete by that date. Corix Utilities (Texas) now projects a transfer date of January 1, 2014. If there is any additional information you may need or additional documentation, please contact me at (512)306-4001 or on my cell phone at (512)619-1383. You may also e-mail me at Gloria.Broussard@corix.com.

Sincerely,

A handwritten signature in cursive script that reads "Gloria L. Broussard".

Gloria L. Broussard
Senior Environmental Coordinator

Bryan W. Shaw, Ph.D., *Chairman*
 Carlos Rubinstein, *Commissioner*
 Toby Baker, *Commissioner*
 Zak Covar, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

July 23, 2013

BY CERTIFIED MAIL

Mr. Ed Yanoshita, General Manager
 Corix Utilities (Texas) Inc.
 6836 Bee Caves Road, Ste. 209
 Austin, Texas 78746

Re: Application from Corix Utilities (Texas) Inc., A2070, to Purchase Facilities and Transfer a Portion of Certificate of Convenience and Necessity (CCN) No. 11670 held by Lower Colorado River Authority (LCRA)(Ridge Harbor) and to Obtain and Amend a Water CCN in Burnet County; Application No. 37605-S

Application from Corix Utilities (Texas) Inc., A2071, to Purchase Facilities and Transfer a Portion of Certificate of Convenience and Necessity (CCN) No. 20769 held by Lower Colorado River Authority (LCRA)(Ridge Harbor) and to Obtain a Sewer CCN in Burnet County; Application No. 37613-S

CN: 600253637; RN: 101454155 (water); RN: 102687159 (sewer) (LCRA)
 CN: 604102301; RN: 106448079 (Corix)

Dear Mr. Yanoshita:

The above referenced applications for Corix, received on April 29, 2013, have been accepted for filing and have been assigned application numbers 37605-S and 37613-S. Please refer to the application numbers in future correspondence. Ms. Elizabeth Flores has been assigned to perform the technical review.

Your next step is to provide the **revised** public notices without delay. The notice to the public must be published once each week for two (2) consecutive weeks in a newspaper of general circulation in Burnet County. **It is the responsibility of the applicant to provide correct notice** of the application to:

- any districts, groundwater conservation districts, counties, utilities, cities, cities with an extraterritorial jurisdiction within two (2) miles of your proposed service area, and
- any customers transferred, or other affected parties in your requested area, and
- any city with an extraterritorial jurisdiction which overlaps the proposed service area or other affected parties in your requested area, and
- all landowners with more than 25 acres in your proposed CCN area. The landowner information may be obtained from the county appraisal district tax rolls for the county or counties in which the proposed CCN lies.

Mr. Ed Yanoshita
Page 2
July 23, 2013

Please be sure to include a map showing the proposed service area with your individual notices to neighboring utilities, other affected parties and each landowner. It is the applicant's burden to provide an accurate map delineating the proposed area with each individual notice.

Check notices carefully before mailing or publishing. You must list the zip codes affected by the application in the space provided on the notice form before providing notice.

Information related to utilities and districts including addresses can be obtained from the TCEQ web site located at www10.tceq.texas.gov/iwud/.

<http://www.tceq.texas.gov/groundwater/districts.html> for ground water districts.

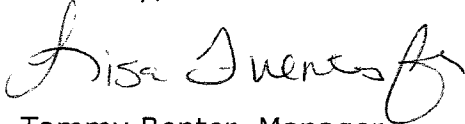
As proof that notice was given, you are required to return to this office a copy of the actual notice attached to a signed affidavit that the notice was given. Affidavit forms are enclosed.

Additional financial or technical information may also be requested through future correspondence.

These items must be completed and returned to our office by **August 23, 2013**. Processing of these applications cannot proceed until the close of the 30 day public comment period which begins after all the required notices have been given. If we do not receive the requested information by this date, your applications will be returned for failure to prosecute.

If you have any questions, please contact Ms. Elizabeth Flores at 512/239-6846, or if by correspondence, include Mail Code 153 in the letterhead address.

Sincerely,



Tammy Benter, Manager
Utilities & Districts Section
Water Supply Division
Texas Commission on Environmental Quality

TB/KN/mmg

Enclosures: as stated

To: Administrative Reviewer

Date Complete: June 12, 2013

From: Cartographer-Utilities & Districts Section

Subject: Overlap & Notice Check for Administrative Review A-063-13/37605&13-S
Corix Utilities to acquire a portion of LCRA (11670 & 20769)(Ridge Harbor) and amend
water CCN in Burnet county

- X 1. No new overlap of service areas exists.
2. An overlap:
3. Dual certification:
4. An overlap exists with the city limits of:
5. If this is a Sale, Transfer, or Merger, is additional area being requested?
7. Map submitted is digital request digital data.
9. Utility notice was sufficient.
- X 10. Utility notice was insufficient. In addition to those systems listed in the application, they will also need to notify:

TWO MILES:

- ✓ AquaTexas (11157 & 20453)
- ✓ Lost Cove WSC (12752)
- ✓ Windermere Oaks WSC (12011 & 20662)
- ✓ Travis county Improvement District 1
- ✓ Burnet county
- ✓ Central Texas GCD

All cities and etj's within 2 miles of proposed area

Any other Utility, District or entity that would be required to receive notice

- X 11. Notice: will need to do full notice for water because of amendment. Publish, landowner and surrounding systems.

12. Other comments:

Sewer trf
as Cert.

Water 433
Cert 416
Inc. 17

Elizabeth Flores

From: Ed Yanoshita <Ed.Yanoshita@corix.com>
Sent: Wednesday, October 30, 2013 8:49 AM
To: Elizabeth Flores
Cc: Darrin Barker; David Liesch; Ian Wigington; Ann Tuck; Lance Beaver
Subject: Corix Application 37605-S: Ridge Harbor customer count July 2013
Attachments: Ridge Harbor Harbor Customer List_July 2013.xls

Elizabeth

Further to our conversation, I have verified that the current water customer count for the Ridge Harbor service area is 153. The current customer list is attached for your reference. The water customer count of 161 was the customer count at the time of Corix initial STM application. The customer count fluctuates due to disconnects and new service connections. The notice sent to customers indicated the current customer count of 153. The published notice indicated a customer count of 161.

Corix will republish the notice in the local newspaper on 2 consecutive weeks and correct the customer count to 153 in the notice. We trust this meets with TCEQ approval. Please call me if you have any questions.

Regards
Ed

Edward T. Yanoshita, P. Eng., JD

General Manager
Corix Utilities (Texas) Inc.

Office: (512) 306-4003
Mobile: (512) 659-2942

6836 Bee Caves Road, Suite 209
Austin, Texas 78746

Visit our website at www.corix.com

This message, including all attachments to it, is intended only for the use of the individual or entity to which it is addressed, and may contain information that is privileged, confidential or otherwise exempt from disclosure. Any unauthorized disclosure or distribution of this message is prohibited. If you have received this message in error, please delete it and any attachments to it without retaining any copies.

10/30/13
Risa said no need
to re-publish since
published notice
contained a higher
customer number

Elizabeth Flores

From: Elizabeth Flores
Sent: Wednesday, October 16, 2013 11:20 AM
To: Ed Yanoshita (Ed.Yanoshita@corix.com)
Cc: Lisa Fuentes
Subject: Corix Application notice requirements - Ridge Harbor
Attachments: irgw55@tceq.state.tx.us_20131016_102423.pdf

Tracking:	Recipient	Delivery	Read
	Ed Yanoshita (Ed.Yanoshita@corix.com)		
	Lisa Fuentes	Delivered: 10/16/2013 11:20 AM	Read: 10/16/2013 11:37 AM

Ed,

It appears that for Applications 37605-S & 37613-S, Ridge Harbor, notice was not provided to and needs to be given to Travis County Improvement District #1.

In addition, the customer number listed on the notices Corix provided to Current Customers, Neighboring Systems and Cities shows 153 water customers; see attached. Our notice to you, and the published notice in the Highlander shows 161. Please explain this discrepancy.

Regards,
Elizabeth Flores
Utilities Financial Review Team
Texas Commission on Environmental Quality
(512) 239-6846
Fax (512) 239-6972

Notice to Current Customers, Neighboring Systems and Cities

NOTICE OF INTENT FOR LOWER COLORADO RIVER AUTHORITY (LCRA) TO SELL SEWER AND WATER FACILITIES AND TO TRANSFER PORTIONS OF THEIR WATER AND SEWER CERTIFICATE OF CONVENIENCE AND NECESSITY NOS. 11670 AND 20769 TO CORIX UTILITIES (TEXAS) INC., AND FOR CORIX UTILITIES (TEXAS) INC. TO OBTAIN AND AMEND A WATER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN), AND TO OBTAIN A SEWER CCN IN BURNET COUNTY, TEXAS

To: _____ Date Notice Mailed: July 26, 2013
(Name of Customer, Neighboring System, Landowner or City)

(Address)

(City State Zip)

Corix Utilities (Texas) Inc. 6836 Bee Cave Road, Ste. 209 Austin, TX 78746
(Purchaser's or Transferee's Name) (Address) (City) (State) (Zip Code)

has submitted applications with the Texas Commission on Environmental Quality to obtain CCNs and to acquire facilities in Burnet County held by:

LCRA PO Box 220 Austin TX 78767
(Seller's or Transferor's Name) (Address) (City) (State) (Zip Code)

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A., Water Code §13.301).

The area subject to this transaction is located approximately 7.5 miles west of downtown Lago Vista, Texas, and is generally bounded on the north by the edge of Lake Travis; on the east by Wesley Ridge Drive; on the south by Bluff Creek; and on the west by Rustic Lane. The total water service area being requested includes approximately 433 acres and currently serves 153 water customers. The proposed water service area includes Courtside Ridge Harbor, Harbor Cove, Harbor Point, Muleshoe Bend, Ridge harbor, Shady Creek Ranches, The Place, and the Point at Ridge Harbor subdivisions and areas within zip code 78669. slb
161

Questions concerning the proposed service area can be directed to Corix Utilities (Texas) Inc. at 6836 Bee Cave Road, Ste. 209, Austin TX 78746, phone number: 512/306-4000.

This transaction will have the following effect on the current customers' rates and services: Corix proposes to adopt the existing rates currently charged by LCRA and maintain those rates for a 12 month period following our acquisition of the utilities. During this 12 month period Corix will undertake detailed cost of service studies. After the 12 month period and based on the results of the cost of service studies, Corix will be better able to determine any required rate adjustments.

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

- (1) state your name, mailing address and daytime telephone number;
- (2) state the applicant's name, application number or another recognizable reference to this application;
- (3) the statement "I/we request a public hearing";
- (4) write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
- (5) state your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

RGH-WC

Bryan W. Shaw, Ph.D., *Chairman*
Carlos Rubinstein, *Commissioner*
Toby Baker, *Commissioner*
Zak Covar, *Executive Director*

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

March 27, 2013

CERTIFIED MAIL

Mr. Darrin Barker
6836 Bee Caves Road, Suite 209
Austin, Texas 78746

Re: Application to Transfer Permit No. WQ0014022001 (RN102078748)
Issued to Lower Colorado River Authority (CN600253637)

Dear Mr. Barker:


We have received the application to transfer the above referenced permit and it is currently under review. Your attention to the following items is requested before the permit can be transferred.

All fees must be paid to the agency prior to processing your transfer request.

1. Item 5 on page 5 of the transfer application: You have indicated that the transfer will take place on October 31, 2013. Please confirm after October 31, that the transfer of ownership has occurred.

If the requested information is not received by the given deadline, it may cause significant delays in the transfer process. You are considered operating without a permit until the transfer is approved, and any failure to respond will subject the applicant to enforcement actions. If you should have any other questions, please do not hesitate to call me at (512) 239-5704.

Sincerely,



Katherine C. McKenzie
Applications Review and Processing Team
Water Quality Assessment Section
Water Quality Division (MC 148)



110
1002-02
Suite 209, 6836 Bee Caves Road
Austin, Texas
United States 78746

T 512.306.4000
F 512.306.4009
www.corix.com

Certified Mail Return Receipt No. 7004 1350 0000 4854 0067

September 30, 2013

Texas Commission on Environmental Quality
Water Quality Assessment Section
Water Quality Division MC 148
Post Office Box 13087
Austin, Texas 78711-3087

Attention: Katherine McKenzie, Applications Review and Processing Team

Reference: Application to Transfer Permit No. WQ0014022001, RN102078748

Dear Ms. McKenzie:

In accordance with the instructions of the "Application and Instructions to Transfer a Wastewater Permit", TCEQ -20031, we are updating our transfer date.

Corix Utilities (Texas) originally projected a transfer date of October 31, 2013 for the Ridge Harbor Wastewater Treatment Plant, Permit No. WQ0014022001. The sale of the facility by LCRA (Lower Colorado River Authority), will not be complete by that date. Corix Utilities (Texas) now projects a transfer date of January 1, 2014. If there is any additional information you may need or additional documentation, please contact me at (512)306-4001 or on my cell phone at (512)619-1383. You may also e-mail me at Gloria.Broussard@corix.com.

Sincerely,

A handwritten signature in cursive script that reads "Gloria L. Broussard".

Gloria L. Broussard
Senior Environmental Coordinator

**LIST OF NEIGHBORING UTILITIES AND MUNICIPALITIES
FOR CORIX UTILITIES –TEXAS**

RIDGE HARBOR WATER SERVICE AREA

Aqua Utilities, Inc.

City of Briarcliff

Barton Creek Lakeside

Lakecliff on Lake Travis

Lost Cove WSC

Paleface Pedernales WSC

SH WSC

Tonkawa WSC

Vista Del Rio POA Inc.

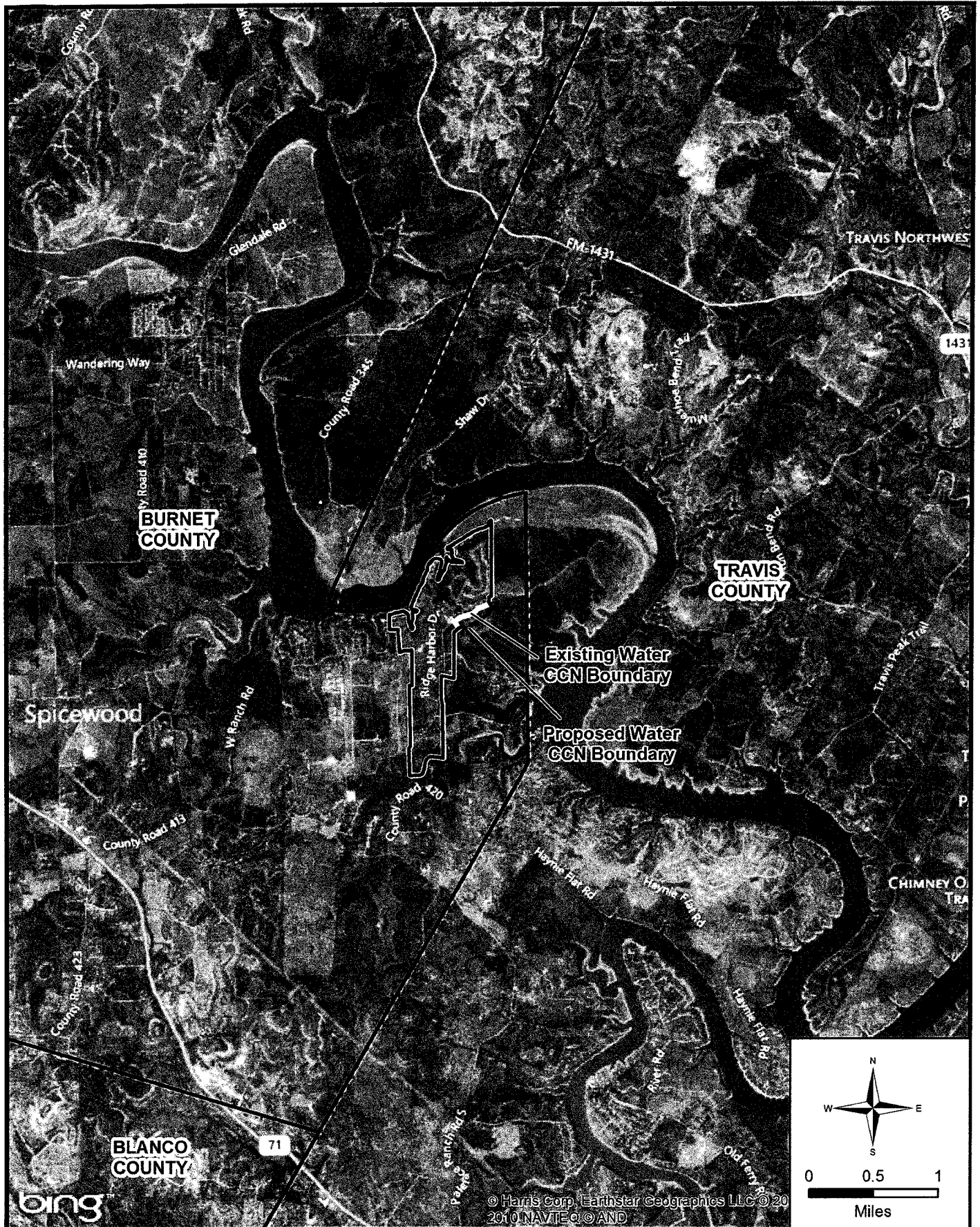
Windermere Oaks WSC

Lower Colorado River Authority

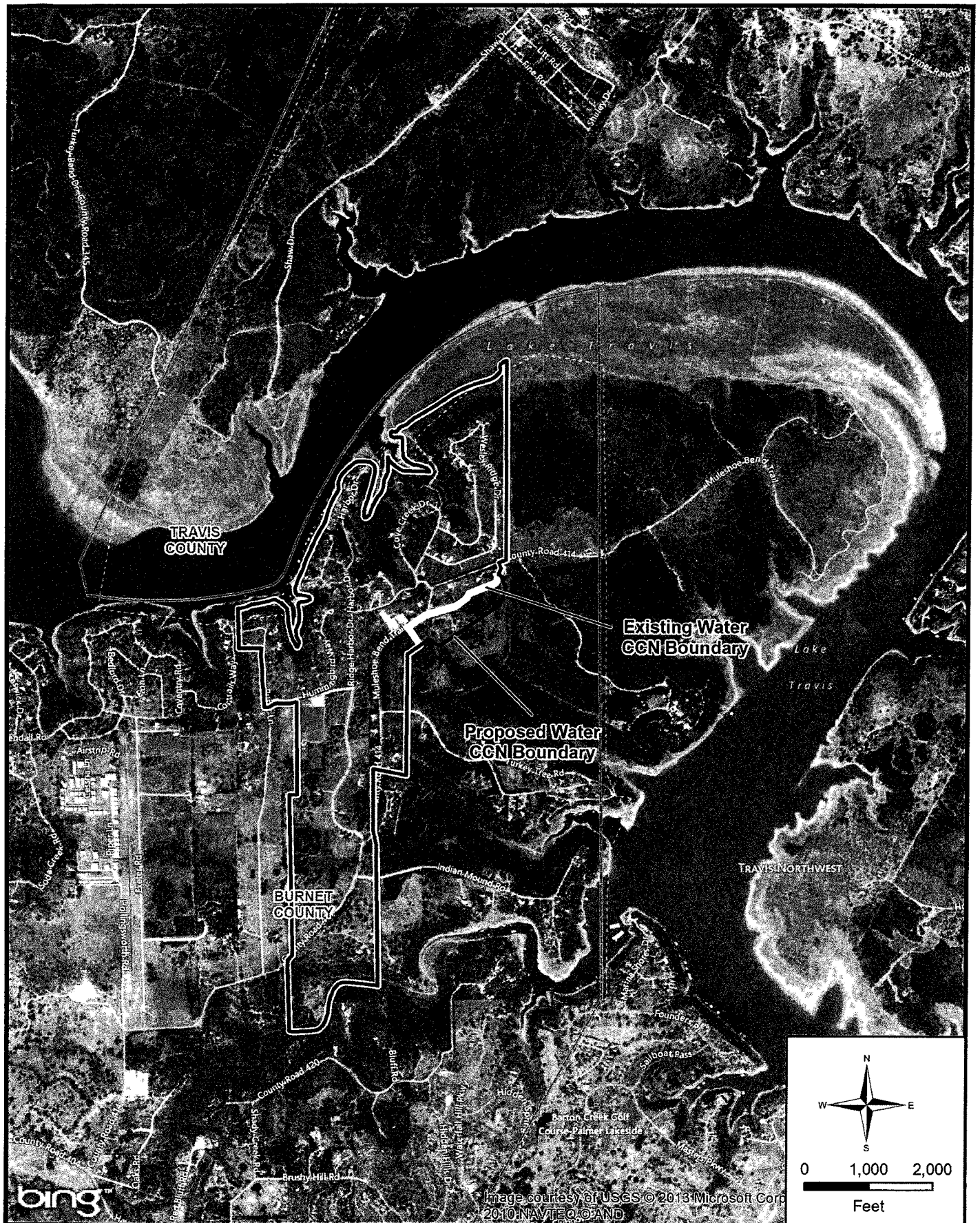
Blanco-Pedernales Groundwater Conservation District

Central Texas Groundwater Conservation District

RECEIVED
TOED
WATER SUPPLY DIV.
2013 JUN 7 AM 10 39



Ridge Harbor - Proposed Water CCN Boundary - Location Map



Ridge Harbor - Proposed Water CCN Boundary

Notice to Current Customers, Neighboring Systems, and Cities

**LOWER COLORADO RIVER AUTHORITY'S NOTICE OF INTENT
TO SELL WATER FACILITIES TO CORIX UTILITIES, TEXAS AND FOR
CORIX TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) IN
BURNET AND TRAVIS COUNTIES, TEXAS.**

To: (Neighboring System)
(System Address)
(City), Texas (Zip)

Date Notice Mailed: June __, 2013

The Lower Colorado River Authority, P.O. Box 220, Austin, Texas 78767-0220 has submitted an application with the Texas Commission on Environmental Quality to sell water facilities in Burnet and Travis counties, Texas to Corix Utilities (Texas) Inc., 6836 Bee Cave Road, Suite 209, Austin, Texas 78747 and for Corix to amend a water CCN for this service area.

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A, Water Code §13.301).

The area subject to this transaction is located approximately 7.5 miles west of downtown Lago Vista, Texas, and is generally bounded on the north by the edge of Lake Travis; on the east by Wesley Ridge Drive; on the south by Bluff Creek; and on the west by Rustic Lane. The total water service area being requested includes approximately 433 acres and currently serves 161 water customers. The proposed water service area includes Courtside at Ridge Harbor, Harbor Cove, Harbor Point, Muleshoe Bend, Ridge Harbor, Shady Creek Ranches, The Place, and The Point at Ridge Harbor subdivisions and areas within zip code 78669.

Questions concerning the proposed service area can be directed to Corix Utilities (Texas) at 6836 Bee Cave Road, Suite 209, Austin, TX 78747 or by calling 512-306-4000.

This transaction will have the following effect on the current customer's rates and services: Corix proposes to adopt the existing rates currently charged by LCRA and maintain those rates for a 12-month period following our acquisition of the utilities. During this 12 month period, Corix will undertake detailed cost of service studies. After the 12 month period and based on the results of the cost of service studies, Corix will be better able to determine any required rate adjustments.

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

1. state your name, mailing address, and daytime telephone number;
2. state the applicant's name, application number, or other recognizable reference to this application;
3. include the statement "I/we request a public hearing";
4. write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
5. state your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled. The Executive Director will issue the CCN requested in the referenced application unless a hearing is scheduled to consider the transaction. If no protests or requests for hearing are filed during the comment period, the Executive Director may issue the CCN 30 days after the publication of this notice.

Persons who wish to protest or request a hearing on this application should write the:

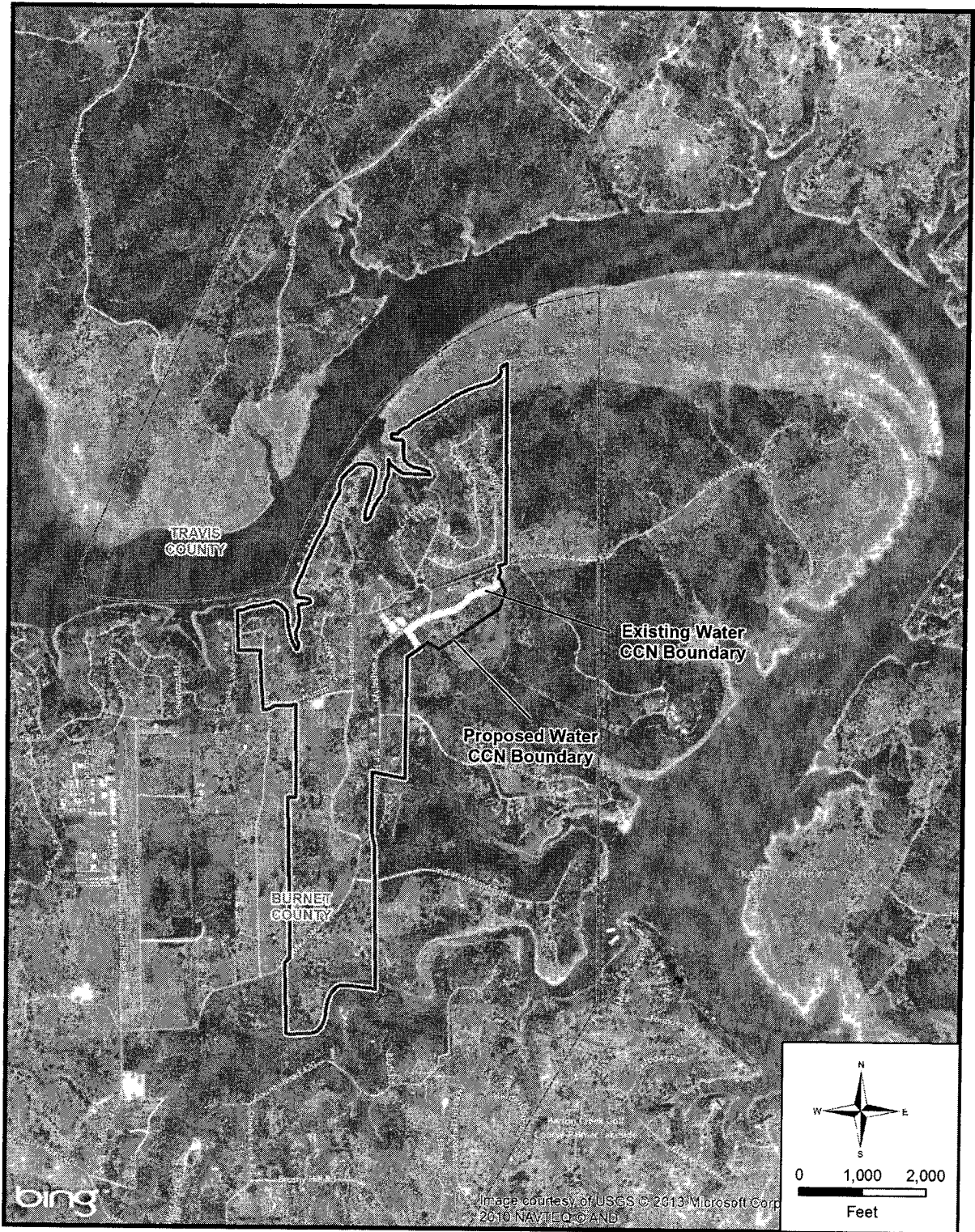
Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P.O. Box 13087, Austin, Texas 78711-3087

Se desea informacion on Espanol, puede llamar al 512-239-0200

Darrin Barker, Operations Manager
Utility Representative

Corix Utilities, Texas Inc.
Utility Name

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Ridge Harbor - Proposed Water CCN Boundary

Notice to Current Customers, Neighboring Systems, Landowner and Cities

LOWER COLORADO RIVER AUTHORITY'S NOTICE OF INTENT
TO SELL WATER FACILITIES TO CORIX UTILITIES, TEXAS AND FOR
CORIX TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) IN
BURNET AND TRAVIS COUNTIES, TEXAS.

To: (Landowner)

Date Notice Mailed: June __, 2013

(Address)

(City), Texas (Zip)

The Lower Colorado River Authority, P.O. Box 220, Austin, Texas 78767-0220 has submitted an application with the Texas Commission on Environmental Quality to sell water facilities in Burnet and Travis counties, Texas to Corix Utilities (Texas) Inc., 6836 Bee Cave Road, Suite 209, Austin, Texas 78747 and for Corix to amend a water CCN for this service area.

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A, Water Code §13.301).

The area subject to this transaction is located approximately 7.5 miles west of downtown Lago Vista, Texas, and is generally bounded on the north by the edge of Lake Travis; on the east by Wesley Ridge Drive; on the south by Bluff Creek; and on the west by Rustic Lane. The total water service area being requested includes approximately 433 acres and currently serves 161 water customers. The proposed water service area includes Courtside at Ridge Harbor, Harbor Cove, Harbor Point, Muleshoe Bend, Ridge Harbor, Shady Creek Ranches, The Place, and The Point at Ridge Harbor subdivisions and areas within zip code 78669.

Questions concerning the proposed service area can be directed to Corix Utilities (Texas) at 6836 Bee Cave Road, Suite 209, Austin, TX 78747 or by calling 512-306-4000.

This transaction will have the following effect on the current customer's rates and services: Corix proposes to adopt the existing rates currently charged by LCRA and maintain those rates for a 12-month period following our acquisition of the utilities. During this 12 month period, Corix will undertake detailed cost of service studies. After the 12 month period and based on the results of the cost of service studies, Corix will be better able to determine any required rate adjustments.

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

1. state your name, mailing address, and daytime telephone number;
2. state the applicant's name, application number, or other recognizable reference to this application;
3. include the statement "I/we request a public hearing";
4. write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
5. state your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled. The Executive Director will issue the CCN requested in the referenced application unless a hearing is scheduled to consider the transaction. If no protests or requests for hearing are filed during the comment period, the Executive Director may issue the CCN 30 days after the publication of this notice.

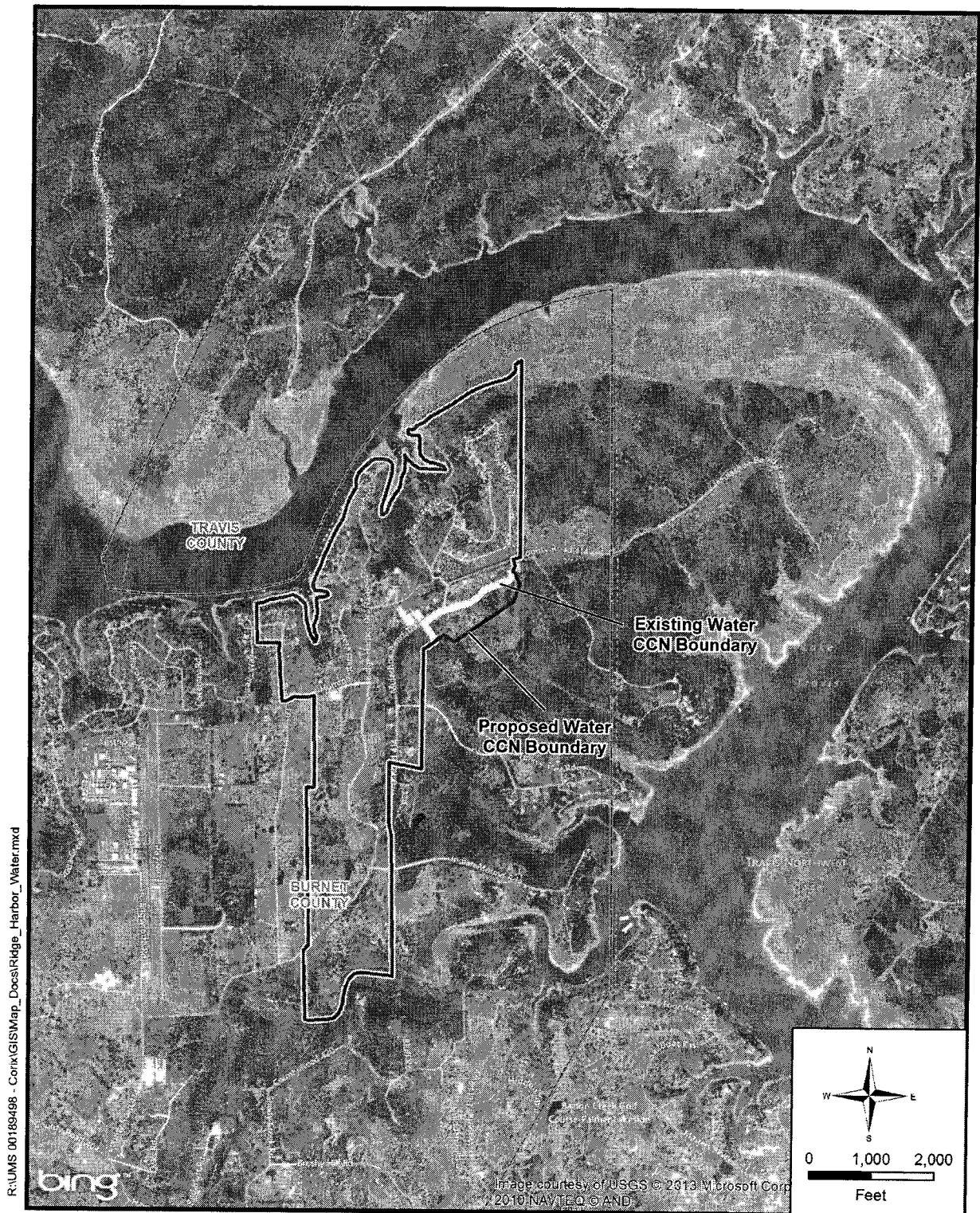
Persons who wish to protest or request a hearing on this application should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P.O. Box 13087, Austin, Texas 78711-3087

Se desea informacion on Espanol, puede llamar al 512-239-0200

Ed Yanoshita, General Manager
Utility Representative

Corix Utilities, Texas Inc.
Utility Name



Ridge Harbor - Proposed Water CCN Boundary

Notice for Publication

NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER SERVICE IN BURNET AND TRAVIS COUNTIES, TEXAS

Corix Utilities (Texas) Inc. has filed an application to obtain a water CCN with the Texas Commission on Environmental Quality to provide water utility service within an existing service area in Burnet and Travis counties. Corix is asking for an amended CCN to include the areas already served but not yet certificated.

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A, Water Code §13.301).

The area subject to this transaction is located approximately 7.5 miles west of downtown Lago Vista, Texas, and is generally bounded on the north by the edge of Lake Travis; on the east by Wesley Ridge Drive; on the south by Bluff Creek; and on the west by Rustic Lane. The total water service area being requested includes approximately 433 acres and currently serves 161 water customers. The proposed water service area includes Courtside at Ridge Harbor, Harbor Cove, Harbor Point, Muleshoe Bend, Ridge Harbor, Shady Creek Ranches, The Place, and The Point at Ridge Harbor subdivisions and areas within zip code 78669.

Questions concerning the proposed service area can be directed to Corix Utilities (Texas) at 6836 Bee Cave Road, Suite 209, Austin, TX 78747 or by calling 512-306-4000.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how your or persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, TX 78711-3087

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and 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, the SOAH will submit a

recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

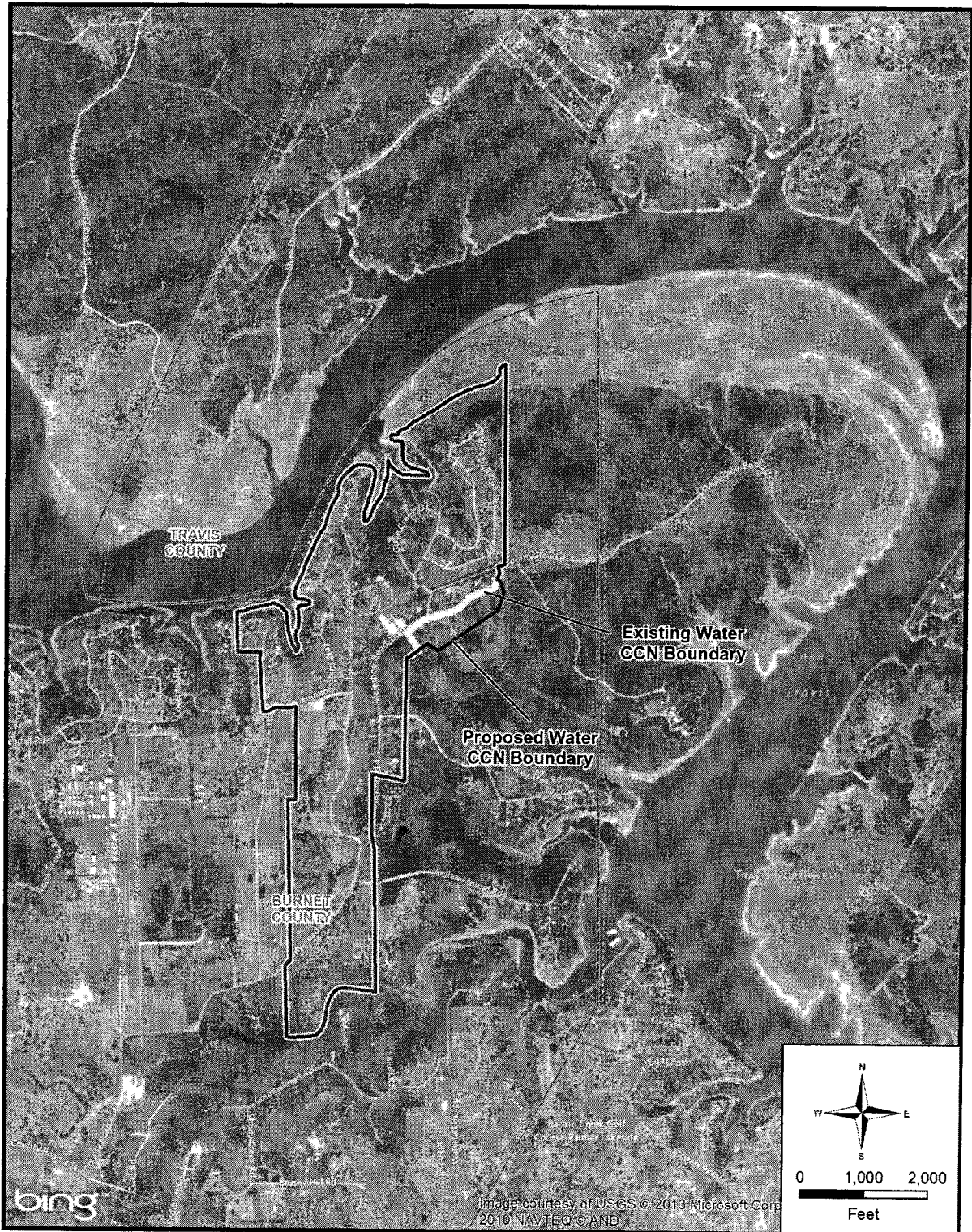
Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, TX 78711-3087

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200.

R:\UMS 00189498 - Corix\GIS\Map_Docs\Ridge_Harbor_Water.mxd



Ridge Harbor - Proposed Water CCN Boundary

Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER SERVICE IN BURNET AND TRAVIS COUNTIES, TEXAS

To: Neighboring System, Landowner or City Date Noticed Mailed: June __, 2013
Address
City, State, Zip

Corix Utilities (Texas) Inc. has filed an application to obtain a water CCN with the Texas Commission on Environmental Quality to provide water utility service within an existing service area in Burnet and Travis counties. Corix is asking for an amended CCN to include the areas already served but not yet certificated.

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A, Water Code §13.301).

The area subject to this transaction is located approximately 7.5 miles west of downtown Lago Vista, Texas, and is generally bounded on the north by the edge of Lake Travis; on the east by Wesley Ridge Drive; on the south by Bluff Creek; and on the west by Rustic Lane. The total water service area being requested includes approximately 433 acres and currently serves 161 water customers. The proposed water service area includes Courtside at Ridge Harbor, Harbor Cove, Harbor Point, Muleshoe Bend, Ridge Harbor, Shady Creek Ranches, The Place, and The Point at Ridge Harbor subdivisions and areas within zip code 78669.

Questions concerning the proposed service area can be directed to Corix Utilities (Texas) at 6836 Bee Cave Road, Suite 209, Austin, TX 78747 or by calling 512-306-4000.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, TX 78711-3087

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and 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, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

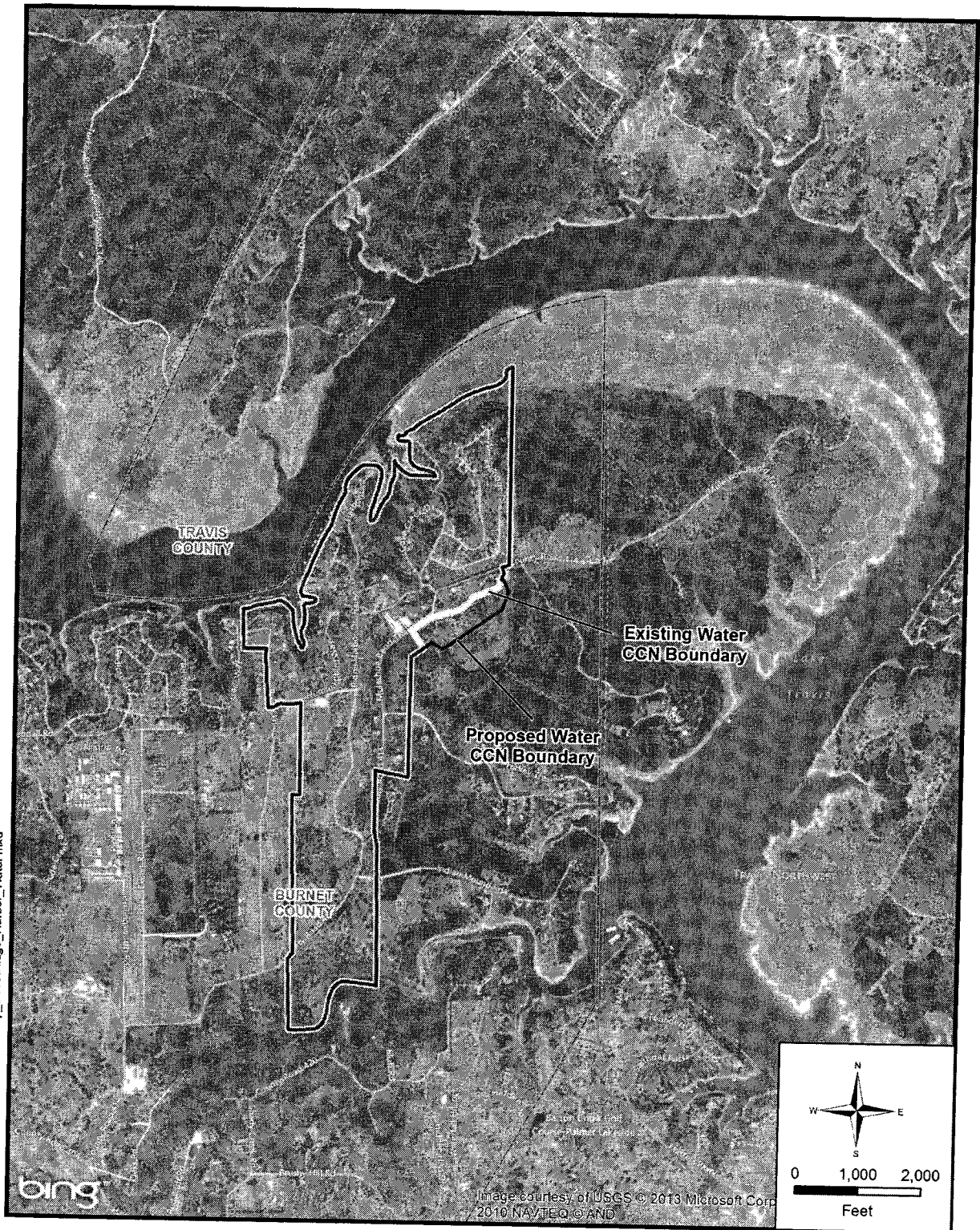
Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

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Utilities and Districts Section, MC-153
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A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200.

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Ridge Harbor - Proposed Water CCN Boundary

Notice to Customers of IOUs in Proposed Area

NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER SERVICE IN BURNET AND TRAVIS COUNTIES, TEXAS

Dear: Customer

Date Noticed Mailed: June __, 2013

Corix Utilities (Texas) Inc. has filed an application to obtain a water CCN with the Texas Commission on Environmental Quality to provide water utility service within an existing service area in Burnet and Travis counties. Corix is asking for an amended CCN to include the areas already served but not yet certificated.

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A, Water Code §13.301).

The area subject to this transaction is located approximately 7.5 miles west of downtown Lago Vista, Texas, and is generally bounded on the north by the edge of Lake Travis; on the east by Wesley Ridge Drive; on the south by Bluff Creek; and on the west by Rustic Lane. The total water service area being requested includes approximately 433 acres and currently serves 161 water customers. The proposed water service area includes Courtside at Ridge Harbor, Harbor Cove, Harbor Point, Muleshoe Bend, Ridge Harbor, Shady Creek Ranches, The Place, and The Point at Ridge Harbor subdivisions and areas within zip code 78669.

Questions concerning the proposed service area can be directed to Corix Utilities (Texas) at 6836 Bee Cave Road, Suite 209, Austin, TX 78747 or by calling 512-306-4000.

The current utility rates and fees were effective on July 1, 2012 and are:

Water Monthly Minimum Charges (includes first 2,000 gallons of service)

Water Meter Size	Fixed Monthly Charge
5/8"	\$ 52.50
3/4"	\$ 52.50
1"	\$111.00
1 1/2"	\$210.00
2"	\$332.00
3"	\$651.00

Monthly Water Volume Unit Charges for more than 2,000 gallons per month

Gallons per Month	Charge per 1,000 Gallons
2,001 - 5,000	\$ 3.75
5,001 - 15,000	\$4.75
15,001 - 25,000	\$6.90
> 25,000	\$7.95

Miscellaneous Service Fees

Regulatory Assessment	1.0%
Tap Fee	\$800.00
Tap Fee (Large Connection)	Actual Cost
Meter Relocation Fee	Actual Cost
Meter Test Fee	\$25.00
Reconnect Fee	
Non-payment	\$25.00
Customer request	\$50.00
Transfer Fee	\$30.00
Late Charges	\$5.00
Returned Check Charge	\$25.00
Customer Deposit (Residential)	\$50.00
Customer Deposit (Non-residential)	1/6 of estimated annual bill
Governmental Testing, Inspection and Costs Surcharge	Actual Cost
Application Fee	\$40.00
Meter Installation	\$100 or Cost of Meter
Meter Re-read Fee	\$10.00
Subtractive Meter Fee	\$25.00
Equipment Damage Fee	Minimum of \$50
Disconnection Fee	\$100.00
After Hours Charges	\$50.00 or \$150.00 depending on time of day
Clearing Fee	\$25.00

Questions concerning the proposed service area or existing rates and fees can be directed to Corix Utilities (Texas) at 6836 Bee Cave Road, Suite 209, Austin, Texas 78747 or by calling 512-306-4000.

Your utility service rates and fees cannot be changed by this application. If you are currently paying rates, those rates must remain in effect unchanged. Rates may only be increased if the utility files and gives notice of a separate rate change application.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how your or persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

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Water Supply Division
Utilities and Districts Section, MC-153
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Austin, TX 78711-3087

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

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IF A HEARING IS HELD, it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

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Ridge Harbor - Proposed Water CCN Boundary

**LIST OF NEIGHBORING UTILITIES AND MUNICIPALITIES
FOR CORIX UTILITIES –TEXAS**

RIDGE HARBOR WASTEWATER SERVICE AREA

Aqua Utilities, Inc.

City of Briarcliff

Barton Creek Lakeside

Lakecliff on Lake Travis

Lost Cove WSC

Paleface Pedernales WSC

SH WSC

Tonkawa WSC

Vista Del Rio POA Inc.

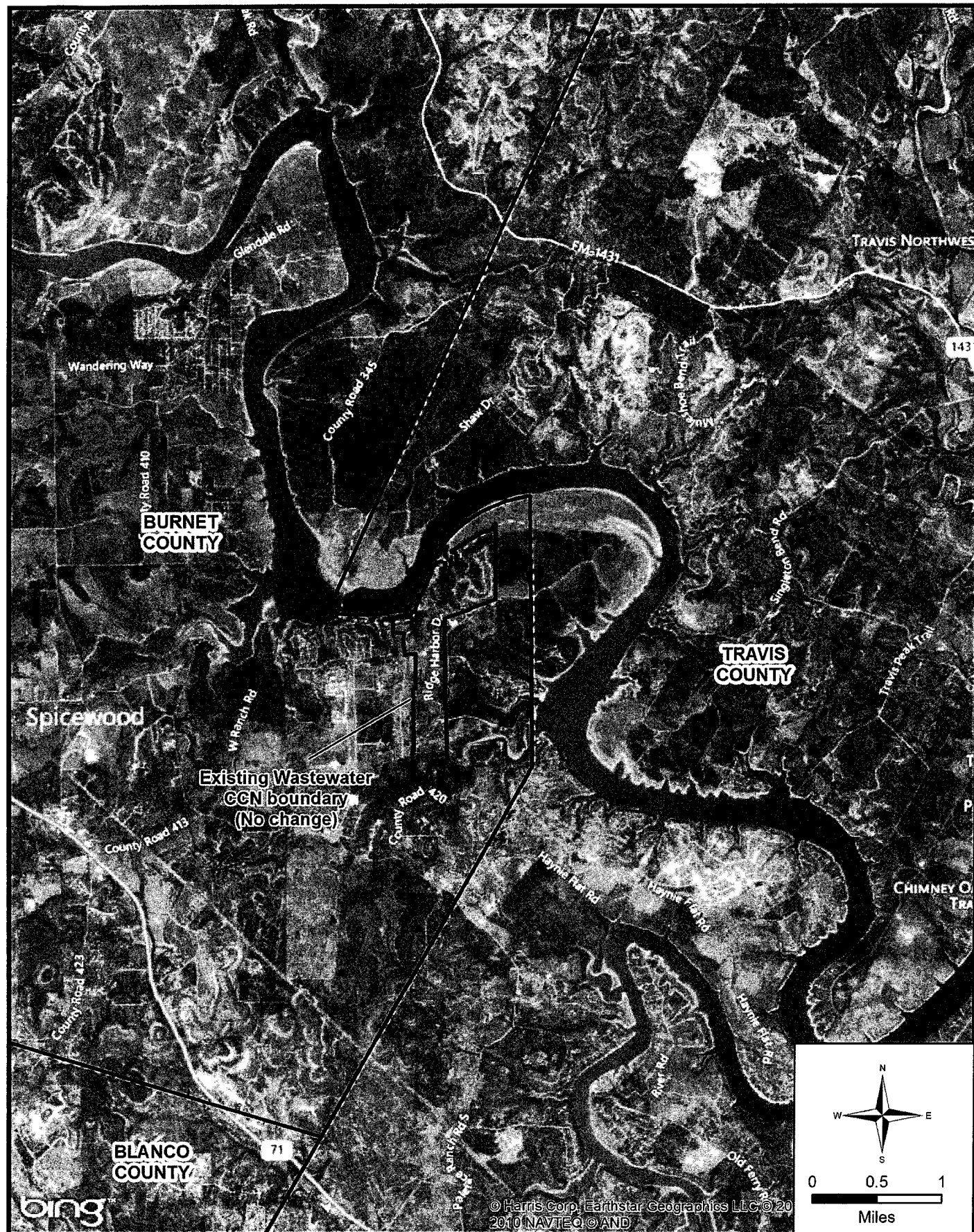
Windermere Oaks WSC

Lower Colorado River Authority

Blanco-Pedernales Groundwater Conservation District

Central Texas Groundwater Conservation District

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Ridge Harbor - Existing Wastewater CCN Boundary - Location Map