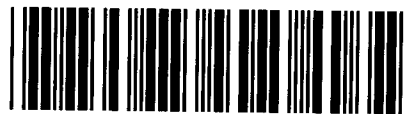




Control Number: 42983



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Addendum StartPage: 0

DOCKET NO. 42983

**APPLICATION OF CRYSTAL CLEAR
WATER SUPPLY CORPORATION AND
CITY OF SAN MARCOS FOR SALE,
TRANSFER, OR MERGER OF
FACILITIES AND TO AMEND A
CERTIFICATE OF CONVENIENCE
AND NECESSITY IN COMAL,
GUADALUPE, AND HAYS COUNTIES
(37671-S)**

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PUBLIC UTILITY COMMISSION

OF TEXAS

COMMISSION STAFF'S RESPONSE TO ORDER NO. 8 AND CLARIFICATION

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Response to Order No. 8 and Clarification. In support thereof, Staff will show the following:

I. Background

On July 26, 2013, Crystal Clear Water Supply Corporation (Crystal Clear) and City of San Marcos (collectively, the Applicants) filed an application for the sale, transfer, or merger of facilities and to amend a certificate of convenience and necessity (CCN) in Comal, Guadalupe, and Hays Counties, held by the City of San Marcos, pursuant to TEX. WATER CODE ANN. §§ 13.246 and 13.301 and 30 TEX. ADMIN. CODE § 291.109 (TAC). In its application, the City of San Marcos is seeking to amend its water CCN No. 10298 and to acquire a portion of CCN No. 10297, held by Crystal Clear. This docket is being processed in connection with Docket No. 42984, *Application of City of San Marcos and Crystal Clear Water Supply Corporation for Sale, Transfer, or Merger of Facilities and to Amend a Certificate of Convenience and Necessity in Comal, Guadalupe, and Hays Counties*.

On August 27, 2015, Commission Staff recommended the application be approved, except for a portion of approximately 2,642 acres of new service area the City of San Marcos was seeking to add to CCN No. 10298. On September 10, 2015, Commission Staff filed a Proposed Notice of Approval and Request to Admit Evidence that was consistent with its August 27th recommendation. Subsequently, on October 22, 2015, the Administrative Law Judge (ALJ) issued Order No. 8, Requiring Clarification, which asked Commission Staff to clarify by November 5, 2015, the relative locations and approximate acreage of the four distinct areas referenced in Commission Staff's August 27th filing, and how Commission Staff determined that

1,092 acres should be added to the City of San Marcos' CCN. Therefore, this pleading is timely filed.

II. Discussion

Attached to this pleading are two maps, which Commission Staff believes might clarify the remaining locational questions. Attachment A consists of a map, digitally provided to Commission Staff by the City of San Marcos, which distinguishes four unique sections the City of San Marcos was requesting be added to CCN No. 10298. In this map, the City of San Marcos labeled the Sections A, B, C, and D. In addition, Commission Staff has provided Attachment B, which shows the location of these four segments on a larger map and how these Sections relate to the other requested CCN amendments. Attachment B was created by Commission Staff through the combination of two maps which were filed with the Commission by the City of San Marcos on August 20th,¹ and by the overlay of the information provided in Attachment A. Commission Staff hopes these maps clarify the various areas referenced in Commission Staff's Final Recommendation. In addition, Commission Staff notes that all of the information contained in Attachments A and B were provided to the Commission in the various filings in this docket, including through the data provided by the Applicants, but that it is only when several maps are overlaid with each other that the map represented in Attachment B is formed.

The ALJ also asked Commission Staff to explain how it was determined that 1,092 acres should be added to the City of San Marcos' CCN. In an amendment to the application, the City of San Marcos represented that, excluding the area designated as "A", the City was requesting 1,092 acres be added to CCN No. 10298. Generally, to determine total acreage to be added to a CCN, Commission Staff uses the digital data provided by the Applicants and ArcGIS mapping software. This software helped Commission Staff calculate that the City of San Marcos, through its application, was seeking to obtain approximately 592² acres from Crystal Clear as well as approximately 516 uncertified acres. Therefore, using the software and data available to Commission Staff, Commission Staff calculated that San Marcos was requesting to add

¹ Commission Staff has recently been made aware that when color maps are inputted into the Commission's interchange they are only inputted in black and white and not color. Therefore, it is difficult to see the distinct sections on the August 20th map the City of San Marcos provided.

² Using the software and data available to Commission Staff, the area labeled as "A" on the City of San Marcos' map provided on August 20, 2015 is approximately 1341.4 acres, the area labeled as "B" is approximately 387.3 acres, the area labeled as "C" is approximately 120.8 acres, and the area labeled as "D" is approximately 84.2 acres. Therefore, based on the tool in ArcGIS that calculates approximate acreage, the area the City of San Marcos requested to be added to their CCN represented by the area labeled B, C, and D, excluding the area labeled as A

approximately 1,108 acres to CCN No. 10298. This is a 16 acre difference from what the City of San Marcos requested in its application and what Commission Staff determined to be the addition based on the software and data available to Commission Staff. Within GIS there are discrepancies with acreage, and because of this, Commission Staff determined that the lower number, as requested by the City of San Marcos though its amendment to the application, was more appropriate and therefore recommended, and continues to recommend, the addition of 1,092 acres to CCN No. 10298. The addition of 1,092 acres to CCN No. 10298 is reflected in the maps the City of San Marcos and Crystal Clear consented to on August 24, 2015, and which were attached to Commission Staff's August 27, 2015 Final Recommendation on the Application and referenced in Ordering Paragraph 3 of the proposed order, to which Applicants have reviewed and agreed.

III. Conclusion

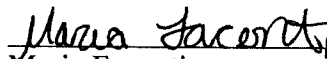
Staff continues to recommend that the application, as modified by Commission Staff's Final Recommendation, be approved.

DATED: November 5, 2015

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director- Legal Division

Katherine Lengieza Gross
Managing Attorney

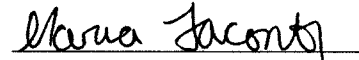


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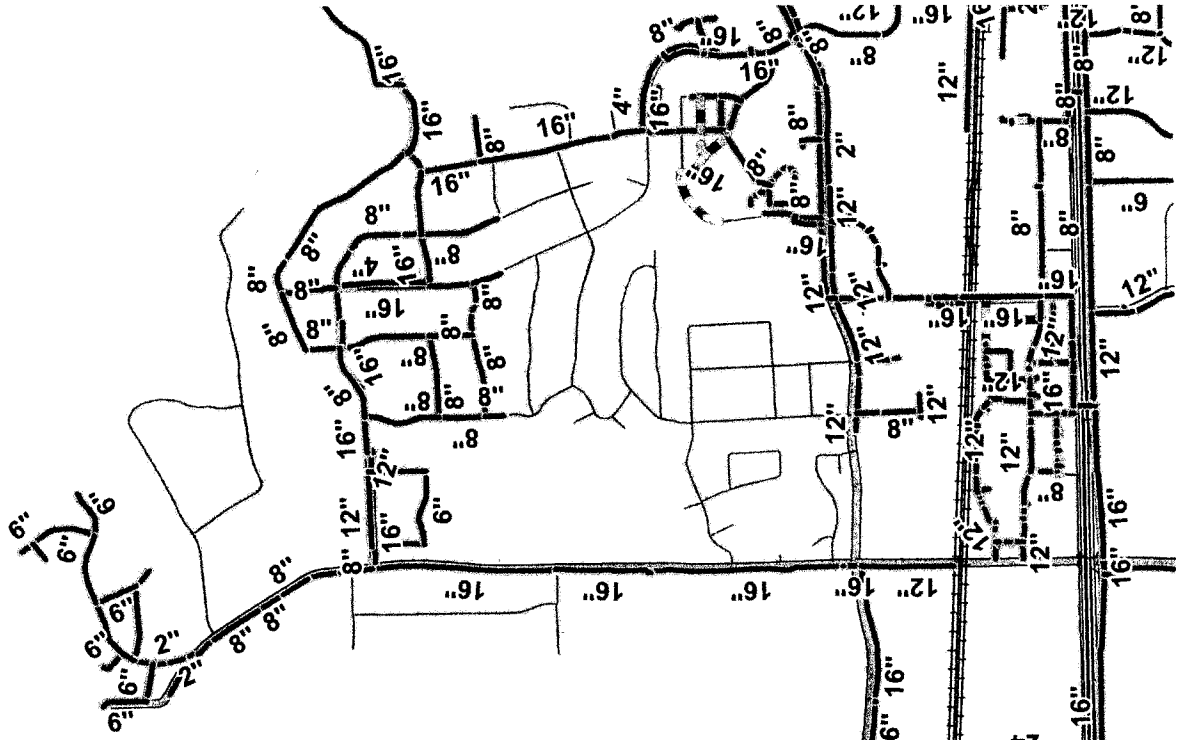
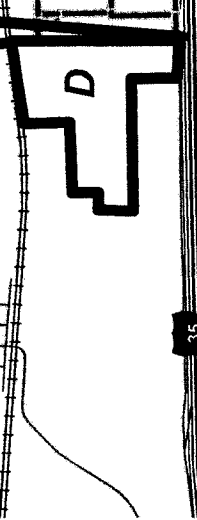
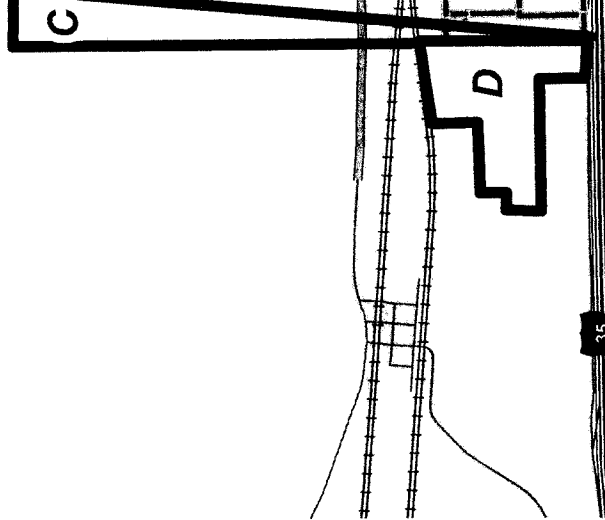
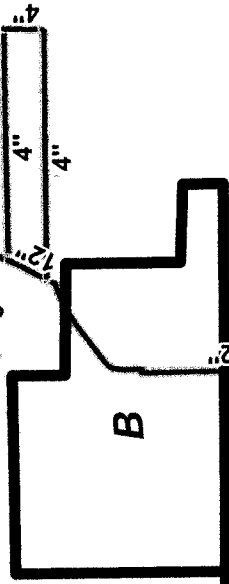
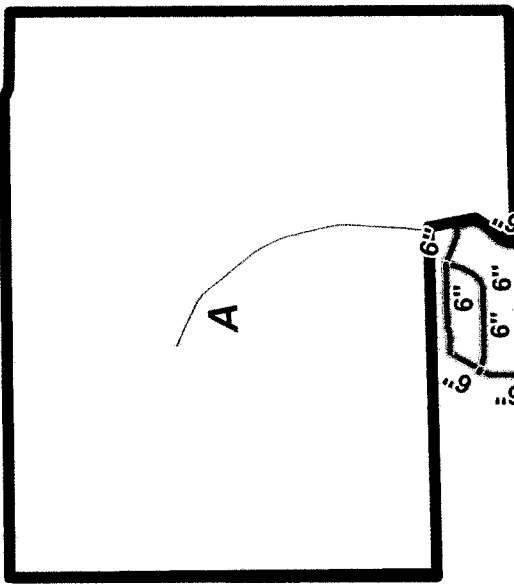
consists of approximately 592.3 acres.

DOCKET NO. 42983
CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 5th of November, 2015, in accordance with 16 TAC § 22.74.


Maria Faconti

Attachment A



Attachment B

