



Control Number: 42983



Item Number: 44

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DOCKET NO. 42983

RECEIVED

APPLICATION OF CRYSTAL §  
CLEAR WATER SUPPLY §  
CORPORATION AND CITY OF SAN §  
MARCOS FOR SALE, TRANSFER, §  
OR MERGER OF FACILITIES AND §  
TO AMEND CERTIFICATES OF §  
CONVENIENCE AND NECESSITY §  
IN COMAL, GUADALUPE, AND §  
HAYS COUNTIES (37671-S and §  
37672-S) §

PUBLIC UTILITY COMMISSION

2016 JAN 29  
PUBLIC UTILITY COMMISSION  
OF  
FILING CLERK

TEXAS

### COMMISSION STAFF'S CLARIFICATION

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this Clarification. In support thereof, Staff shows the following:

#### I. BACKGROUND AND DISCUSSION

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). On November 9, 2015, the Commission consolidated Docket No. 42984 into this docket because both dockets involve transfers of certificated service area between Crystal Clear and the City of San Marcos: from Crystal Clear to the City of San Marcos in Docket No. 42983 and from the City of San Marcos to Crystal Clear in Docket No. 42984.

Order No. 9 was issued on November 9, 2015 requiring Commission Staff to confirm that the certificates and map provided in Docket No. 42983 cover the amendments and transfers requested in Docket No. 42983 and 42984, file updated certificate(s) and/or updated map(s), or request additional time, if necessary. Staff prepared an updated map to address concerns raised in order No. 9. The Applicants filed forms consenting to the updated map on December 22<sup>nd</sup> and December 23<sup>rd</sup> of 2015. Order No. 11, issued December 18, 2015, allowed Staff until January 29, 2015 to file a response.

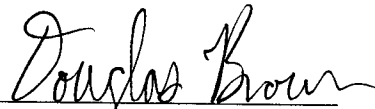
## II. CLARIFICATION

As detailed in the memorandum of Fred Bednarski and Elisabeth English of the Water Utilities Division (Attachment A), Staff is satisfied that the certificates and updated map cover the amendments and transfers requested in Docket Nos. 42983 and 42984. Staff has included the updated map in attachment B.

Respectfully Submitted,

Margaret Uhlig Pemberton  
Division Director  
Legal Division


Stephen Mack  
Managing Attorney  
Legal Division



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

### DOCKET NO. 42983 CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on January 29, 2016 in accordance with 16 TAC § 22.74.

  
Douglas M. Brown

## **Attachment A**

## PUC Interoffice Memorandum

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**To:** Doug Brown, Attorney  
Legal Division

**Through:** Tammy Benter, Director  
Water Utilities Division

**From:** Fred Bednarski, Regulatory Financial and Managerial Review Specialist  
Elisabeth English, Engineer  
Water Utilities Division

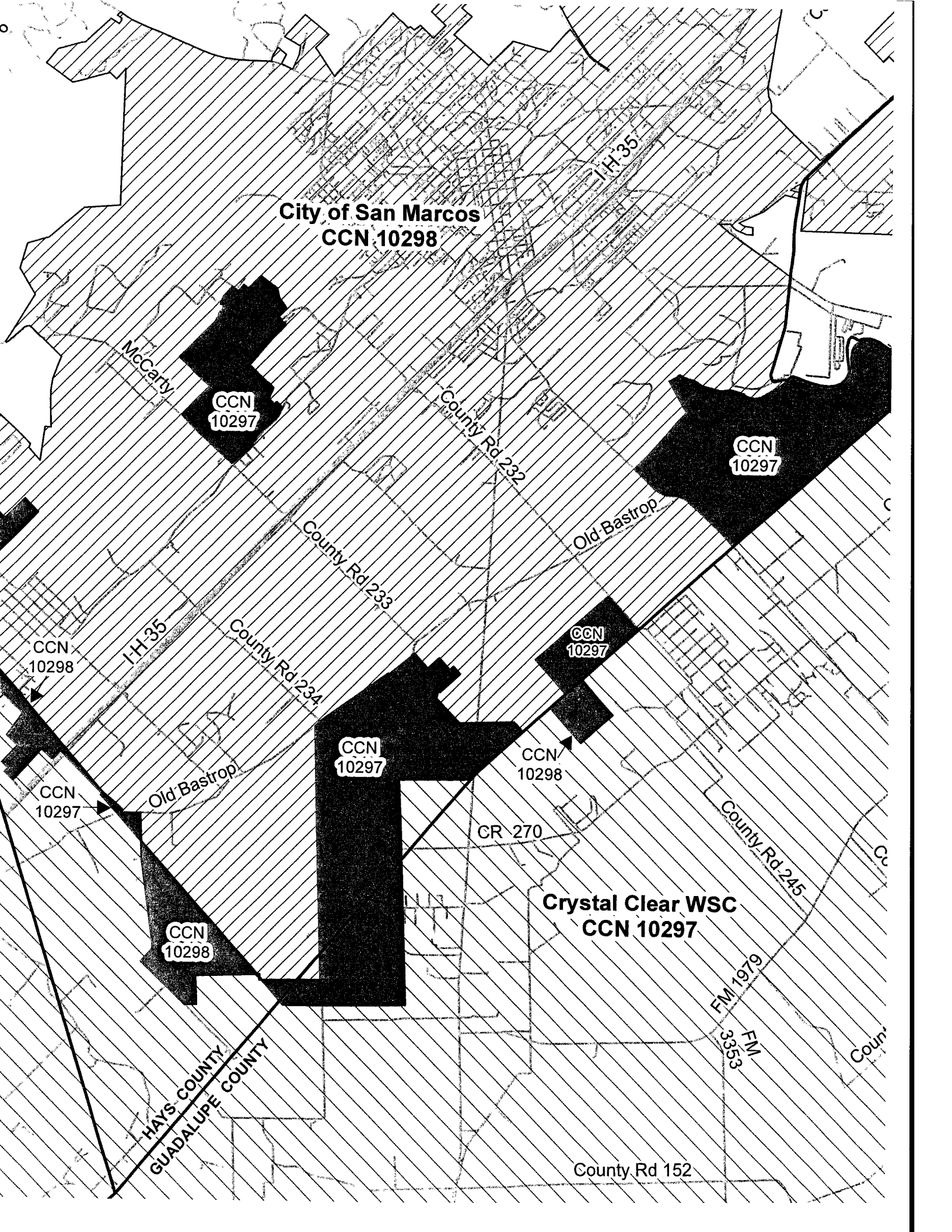
**Date:** January 29, 2015

**Subject:** **Docket No. 42983**, *Consolidation Application of Crystal Clear Water Supply Corporation (WSC) and the City of San Marcos for Sale, Transfer or Merger of Facilities and to Amend Certificate and Convenience and Necessity in Comal, Guadalupe, and Hays Counties*

On July 26, 2013, the City of San Marcos ("City" or "Purchaser") and Crystal Clear Water Supply Corporation (WSC) ("Crystal Clear WSC" or "Seller") (collectively called "Applicants") filed an application with the Texas Commission on Environmental Quality (TCEQ) for the City to decertify a portion of their Certificate of Convenience and Necessity (CCN) No. 10298 and to amend their water CCN No. 10298 and to purchase facilities and transfer a portion of CCN No. 10297 held by Crystal Clear WSC in Guadalupe, Hays, and Comal Counties pursuant to the Tex Water Code §§ 13.301 and 13.246 (TWC). On September 1, 2014 the economic regulation of water and sewer utilities transferred from TCEQ to the Public Utility Commission ("PUC" or "Commission"). This case is now being reviewed pursuant to the criteria in the Tex Water Code §§ 13.246 & 13.301 (TWC) and 16 Tex. Admin Code §§ 24.109 and 24.112 (TAC).

The application was accepted for filing by TCEQ on January 10, 2014. Proper public notice was provided on April 28, 2015, to neighboring systems, landowners, cities, and affected parties. Notice was published in the San Marcos *Daily Record*, *Seguin Gazette*, and *New Braunfels Herald - Zeitung* on May 17, 2015 and May 24, 2015, respectively, in Hays, Guadalupe, and Comal Counties in accordance with 16 TAC § 24.112(c). The affidavit of notice was received by the Commission on June 11, 2015. The comment period ended June 23, 2015, and no protests, opt out requests, or requests for hearing were received. On August 13, 2015, the Applicants filed the closing bill of sale and affidavit regarding the disposition of customer deposits pursuant to 16 TAC § 24.109(f), and additionally filed consent to the final map and certificates on August 24, 2015. On August 27, 2015 staff filed a final recommendation of approval of the application. On November 09, 2015, Order Nos. 9 requested staff to confirm that the certificates and map provided in Docket No. 42983 covered the amendments and transfers requested in Docket Nos. 42983 and 42984. Staff confirms that the certificates previously provided cover the amendments and transfers and have additionally provided an updated map covering the amended and transferred areas in both dockets. On December 18, 2015, Order No 11 established a deadline for the Applicants to complete and return consent forms regarding the updated map to the Commission by January 15, 2016. On December 22, 2015, and December 23, 2015, Crystal Clear WSC and the City filed consent to the updated map respectively.

## **Attachment B**



**City of San Marcos**  
**CCN 10298**

**CCN**  
**10297**

**CCN**  
**10297**

**CCN**  
**10298**

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**CCN**  
**10298**

**Crystal Clear WSC**  
**CCN 10297**

**HAYS COUNTY**  
**GUADALUPE COUNTY**

**County Rd 152**