



Control Number: 43253



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APPLICATION OF THE CITY OF SCHERTZ TO AMEND ITS SEWER CERTIFICATE OF CONVENIENCE NECESSITY IN BEXAR COUNTY (37913-C)	§ § § §	PUBLIC UTILITY COMMISSION OF TEXAS 2015 AUG 11 AM 1:34 PUBLIC UTILITY COMMISSION FILING CLERK
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**COMMISSION STAFF'S RESPONSE TO ORDER NO. 10 – REQUEST FOR
INFORMATION AND ESTABLISHMENT OF A NEW PROCEDURAL SCHEDULE**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Response to Order No. 10 – Request for Information and Establishment of a New Procedural Schedule, and would show the following:

I. BACKGROUND

On May 9, 2014, the City of Schertz, Texas (the City) filed an application to amend its sewer certificate of convenience and necessity (CCN) No. 20271 in Bexar County, Texas with the Texas Commission on Environmental Quality (TCEQ). The City requests to amend its CCN by obtaining the sewer CCN that is currently held by the San Antonio River Authority (SARA).

On September 1, 2014 the economic regulation of water and wastewater utilities was transferred from the TCEQ to the Public Utility Commission of Texas (PUC or Commission). Therefore, this pleading is timely filed. On November 25, 2014, January 20, 2015, and March 31, 2015, the City provided supplemental information to cure certain deficiencies identified by Commission Staff. On May 1, 2015, Commission Staff filed comments on the sufficiency of the amended application and found that as amended, the application was sufficient for further review. On May 5, 2015, the Administrative Law Judge (ALJ) issued Order No. 10 and deemed the application, as amended, administratively complete and accepted for filing. Order No. 10 also established August 11, 2015 as the deadline for Commission Staff to file a recommendation on final disposition or to request a hearing on the merits. Therefore, this pleading is timely filed

II. STAFF'S RECOMMENDATION ON THE APPLICATION AND NOTICE

Pursuant to 16 Tex. Admin. Code § 24.106 (TAC), the City mailed notifications of its proposed CCN amendment to neighboring utilities and landowners on May 15, 2015. The comment period expired on June 21, 2015, and no protests were received during the comment period; however, on June 17, 2015, a request to opt-out of the proposed area was filed by Ms. Vernell S. Handley.

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On July 14, 2015, the City filed revised hard-copy maps and digital data in response to a request from landowner Ms. Vernell S. Handley, to opt-out of the City's proposed service areas. Pursuant to 16 TAC §24.102(h), landowners with 25 acres or more, whose property is wholly or partially located with the proposed area, may elect to exclude some or all their property from the proposed area. From the City's maps, it appears the landowner's property is located within the proposed service area in the area where the Applicant is requesting to amend its sewer CCN No. 20271 to obtain dual certification with San Antonio River Authority (CCN No. 20852). As detailed in the attached memorandum from Mary Lupo and Tracy Harbour, of the Commission's Water Utilities Division, after review of the revised documents, Staff was unable to determine the location of the landowner's property.

To resolve the discrepancies in the mapping information for the opt-out, Staff requests that the City be ordered to submit a large scale map showing the location of Ms. Handley's property (approximately 49.759 acres). The map should accurately mark the location of the entire property for the landowner in the vicinity of surrounding roads, streets and highways. The City should also submit a revised general location map showing both proposed service areas (area of dual certification and area of decertification) with surrounding roads, streets, highways and county names. This map should include the revised proposed service area (area of dual certification) after the removal of the landowner's property. In addition, Staff requests the revised total acreage for the proposed water service area (area of dual certification) after the removal of the landowner's property and revised digital data for the proposed service area (area of dual certification) after the removal of the landowner's property, including the coordinate system used to create the digital data. Staff also notes that there appears to be sections of the affidavits regarding notice missing and therefore requests the affidavits be resubmitted.

Due to the necessity of additional information before Staff can fully review the application and the opt-out, Staff requests the following procedural schedule be adopted:

Event	Date
Deadline for the City to supplement application	September 15, 2015
Deadline for Staff to file a recommendation on the amended application and procedural schedule	October 15, 2015

IV. CONCLUSION

Staff respectfully requests that the ALJ issue an order consistent with this response.

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director-Legal Division

Shelah J. Cisneros
Managing Attorney-Legal Division

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DATED: August 11, 2015

DOCKET NO. 43253
CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 11th of August, 2015, in accordance with 16 TAC § 22.74.

Maria Faconti
Maria Faconti

PUC Interoffice Memorandum

To: Maria Faconti
Legal Division

Through: Tammy Benter, Director
Water Utilities Division

From: Mary Lupo, Utilities Rates Analyst/Auditor
Tracy Harbour, GIS Specialist
Water Utilities Division

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SUBJECT: Docket No. 43253, *Application of the City of Schertz to Amend Sewer Certificate Rights in Bexar County*

DATE: August 11, 2015

On May 9, 2014, the City of Schertz ("City" or "Applicant") filed an application with the Texas Commission on Environmental Quality (TCEQ) to amend its sewer Certificate of Convenience and Necessity (CCN) No. 20721 in Bexar and Guadalupe Counties, pursuant to the criteria in the Tex. Water Code § 13 (TAC) and the TCEQ's rules outlined in Title 30, Tex. Admin. Code §§ 291.101 – 291.107. On September 1, 2014, the rates and CCN programs were transferred from the TCEQ to the Public Utility Commission (PUC). This application was part of the transfer and is now under the PUC's purview. The application is now being reviewed under 16 TAC §§ 24.101 – 24.107.

Pursuant to 16 TAC § 24.106, the City mailed notifications regarding the application to neighboring utilities and landowners on May 15, 2015. In addition, notice was published in the *San Antonio-Express News* on May 15 and May 22, 2015. The comment period expired on June 21, 2015, and no protests were received during the comment period; however, on June 17, 2015, a request to opt-out of the proposed area was filed by Ms. Vernell S. Handley, pursuant to §24.102(h) of the Commission's rules.

On July 14, 2015, the Applicant filed revised hard copy maps and digital data in response to Ms. Handley's opt-out request. Staff reviewed the mapping information and is unable to determine the location of the landowner's property which includes 49.759 acres. To resolve the discrepancy, the Applicant should submit the following:

1. A large scale property map showing the location of Ms. Handley's property). The map should accurately mark the location of all tracts of the landowner's property in the vicinity of surrounding roads, streets and highways.
2. A revised general location map showing both proposed service areas with surrounding roads, streets, highways and county names. This map should include the revised proposed service area after the removal of the landowner's property which includes approximately 49.759 acres.
3. Revised digital data for the proposed service area after the removal of the landowner's property. Revised data should include the coordinate system used to create the digital data.

In addition to the above the applicant should submit the following to address notice deficiencies:

1. The applicant submitted two Affidavits of Notice to Neighboring Utilities, Landowners and affected parties (under Central Records #24) however, the second affidavit did not

include the oath portion of the affidavit and was not notarized. Please resubmit the affidavit showing the oath and that the affidavit was notarized.