

Control Number: 43253



Item Number: 5

Addendum StartPage: 0

DOCKET NO. 43253

APPLICATION OF THE CITY OF SCHERTZ TO AMEND ITS SEWER CERTIFICATE OF CONVENIENCE NECESSITY IN BEXAR COUNTY (37913-C)	§ § § §	PUBLIC UTILITY COMMISSION OF TEXAS
---------------------------------------------------------------------------------------------------------------------------------------------	------------------	-----------------------------------------------

RECEIVED
2014 OCT -8 AM 10:14
PUBLIC UTILITY COMMISSION
FILING CLERK

COMMISSION STAFF'S RESPONSE TO ORDER NO. 2

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files Commission Staff's Response to Order No. 2 and would show the following:

I. BACKGROUND

On May 9, 2014, the City of Schertz (Applicant) 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 Applicant requests to amend its CCN by obtaining the Retail or Collection portion of the sewer CCN that is currently held by the San Antonio River Authority (SARA). Applicant states SARA, which has the sole CCN for this area, only requires the Wholesale or Treatment CCN and requests that the Applicant have the Retail or Collection CCN for this area within the City of Schertz corporate limits. The area is currently being served with septic systems.

The economic regulation of water and wastewater utilities was transferred from the TCEQ to the Commission effective September 1, 2014. On September 24, 2014, the Commission issued Order No. 2, requiring Staff to file comments on the administrative completeness of the application and proposed notice, and to submit comments on how this petition should be proposed and propose a procedural schedule by October 8, 2014. Therefore, this pleading is timely filed.

II. SUFFICIENCY OF THE APPLICATION

P.U.C. SUBST. R. 24.105 provides the Commission's required criteria for a CCN application. Staff has reviewed The City of Schertz's application for sufficiency and, based on the attached memoranda of Mary Lupo of the Commission's Water Utility Division, Staff recommends the application be deemed deficient. Applicant has not provided all of the information requested or responded to all questions in the application as described in Ms. Lupo's memoranda; therefore the application does not meet the requirements of the rule.

Specifically, the Applicant needs to provide the following before the application can be deemed complete in accordance with P.U.C. SUBST. R. 24.105:

1. Pursuant to P.U.C. SUBST. R. 24.105(13), a copy of the agreement between the Applicant and SARA for dual certification.
2. A copy of the contract between the Applicant and SARA for SARA to continue to provide the treatment portion of the wastewater, pursuant to P.U.C. SUBST. Rule 24.105(15). This rule requires a sewer CCN to provide information that the Applicant is in compliance with P.U.C. SUBST. R. 24.94 relating to the adequacy of sewer service.
3. Pursuant to P.U.C. SUBST. R. 24.105(14)(A), a copy of the approval letter for the plans approved by the TCEQ and specifications for the system or proof that the City has submitted either a preliminary engineering report or plans and specifications for the first phase of the system.
4. Pursuant to P.U.C. SUBST. R. 24.105(15), a copy of SARA's most recent sewer inspection report, and pursuant to P.U.C. SUBST. R. 24.105(14), the Applicant's most recent water inspection report. For each system deficiency listed, if any, attached should be a brief explanation listing the actions taken or being taken to correct the listed deficiencies, including the proposed completion dates. This information would ensure that the Applicant is in compliance with P.U.C. SUBST. R. 24.94, relating to the adequacy of sewer service, and P.U.C. SUBST. R. 24.93, relating to the adequacy of water utility service.
5. The general location map and detailed hard copy map provided by the Applicant do not appear to delineate the same proposed sewer CCN service area with CCN No. 20271. Therefore, the Applicant should resubmit both hard copy maps showing the same proposed sewer service area, or retract the "Overall Location Map." Additionally, the

Applicant must submit digital data delineating the same proposed sewer CCN service area displayed on the remaining hard copy map titled, "Amended Sewer CCN 20271 Addition City of Schertz."

III. NOTICE REQUIREMENTS

P.U.C. SUBST. R. 24.106 provides the Commission's notice requirements for CCN applications. Specifically, Rule 24.106 requires the Applicant in its notice to provide a map and description of the proposed service area. Since there are discrepancies with the maps in this application, such that Staff cannot determine the exact metes and bounds of the service area, the Applicant should not send out notice to affected parties until these discrepancies are corrected.

IV. PROPOSED PROCEDURAL SCHEDULE

Because Staff finds that the application is deficient, Staff does not propose a procedural schedule at this time.

V. CONCLUSION


Staff recommends that the City of Schertz's application and notice be deemed deficient for the reasons described in attached memorandum of Mary Lupo. Additionally, Staff recommends that Applicant be given 30 days to cure these deficiencies in its application. Staff further recommends that Applicant subsequently provide Staff with a proposed notice pursuant to P.U.C. SUBST. R. 24.106(b).

Dated: October 8, 2014

Respectfully Submitted,

Joseph P. Younger
Division Director
Legal Division

Karen S. Hubbard
Managing Attorney
Legal Division

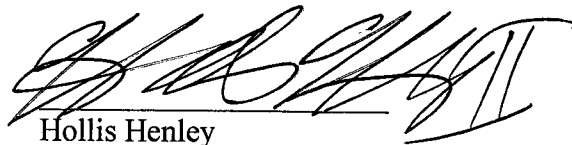


Hollis Henley
Attorney-Legal Division
State Bar No. 24066672
(512) 936-7230
(512) 936-7268 (facsimile)
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

PUC 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 8th day of October, 2014 in accordance with P.U.C. Procedural Rule 22.74.



Hollis Henley

PUC Interoffice Memorandum

To: Hollis Henley
Legal Division

Thru: Tammy Benter, Director
Water Utilities Division

From: Mary Lupo, Utility Rates Analyst/Auditor
Water Utilities Division

Date: October 07, 2014

Subject: Executive Summary and Staff Recommendation for Commission Approval of Docket No. 43253

City of Schertz (City) has filed an application to amend Certificate of Convenience and Necessity (CCN) No. 20271 in Bexar County, Inc., pursuant to the criteria in the Texas Water Code Chapter 13 and the Commissioner's Chapter 24 rules and regulations.

Based upon my review of the information in the application, I discovered the following deficiencies with the application:

1. The City failed to submit a copy of the agreement with the San Antonio River Authority (SARA) for dual certification. A copy of the agreement is needed.
2. The City did not include a copy of the contract with SARA for continuation of treatment for a portion of the wastewater. A copy of this agreement is needed.
3. The City needs to provide either a copy of the TCEQ approval letter for the plans and specifications of the water system or proof that the City has submitted either a preliminary engineering report or plans and specifications to the TCEQ for the first phase of the proposed system.
4. The City needs to provide a copy of SARA's most recent sewer inspection report and a copy of the City's most recent water system inspection report. For each system deficiency listed, if any, the City should attach a brief explanation listing the actions taken or being taken to correct the listed deficiencies, including the proposed completion dates.
5. The applicant has not met mapping requirements due to incomplete or inadequate mapping information. Additional mapping documentation is required for the following:
 - a) General location map and detailed hard copy map do not appear to delineate the same proposed sewer CCN service area with CCN No. 20271.
 - 1) Applicant may resubmit both hard copy maps showing the same proposed sewer service area, OR retract the "Overall Location Map."
 - 2) Applicant must submit digital data delineating the same proposed sewer CCN service area displayed on the remaining hard copy map titled, "Amended Sewer CCN 20271 Addition City of Schertz."
 - i. If submitting digital data in a shapefile or AutoCAD formatted file, the digital data should only include the proposed sewer CCN as a continuous polyline or polygon file.

- ii. Include the coordinate system or projection file used to create the AutoCAD or shapefile on a CD.