



Control Number: 43340



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PUBLIC UTILITY COMMISSION

APPLICATION OF CRYSTAL SPRINGS WATER CO., INC. TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY IN MONTGOMERY COUNTY (37913-C)	§ § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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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 7, 2014, the Crystal Springs Water Co., Inc. (Applicant), an investor owner utility, filed with the Texas Commission on Environmental Quality (TCEQ) an application to amend its water certificate of convenience and necessity (CCN) No. 11373 in Montgomery County, Texas, pursuant to TEX. WATER CODE ANN. §§ 13.246(c), 13.254 and 30 TEX. ADMIN. CODE § 291.105¹. This application was received by the Commission on September 15, 2014. The Applicant requests to amend its CCN by including a 182.323 tract of land in Montgomery County that has been released from the Town of Cut and Shoot CCN No. 11615. This tract of land currently has no customers.

On September 29, 2014, the Commission issued Order No. 2, requiring Staff to file an update on the status of this proceeding, a recommendation on the need for a hearing or on final disposition of the application, if appropriate, propose a procedural schedule by October 20, 2014. Therefore, this pleading is timely filed.

¹ Currently P.U.C. SUBST. R. 24.105.

II. SUFFICIENCY OF THE APPLICATION

Staff has reviewed the Applicant'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. Specifically, the Applicant needs to provide the following before the application can be deemed complete:

1. A TCEQ approved water system plan.
2. A copy of the planning report with the PUC, as required by P.U.C. SUBST. R. 24.93(3).
3. The anticipated cost of the proposed system and documentation that supports their anticipated cost.
4. Documentation that the Applicant has the ability to finance or pay for the proposed system.
5. The most recent TCEQ inspection report on TCEQ ID Number 1700622.

III. PROPOSED PROCEDURAL SCHEDULE

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

IV. CONCLUSION

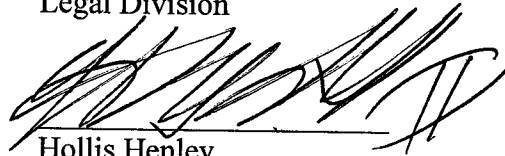
Staff recommends that the Applicant's application be deemed deficient for the reasons described in attached memorandum of Mary Lupo. Additionally, Staff recommends that Applicant be given 30 days to cure these deficiencies in its application according to Ms. Lupo's memorandum.

Dated: October 20, 2014

Respectfully Submitted,

Joseph P. Younger
Division Director
Legal Division

Karen S. Hubbard
Managing Attorney
Legal Division

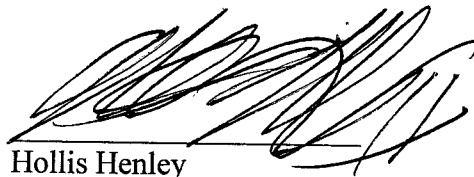


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PUC DOCKET NO. 43340

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 20th day of October, 2014 in accordance with P.U.C. Procedural Rule 22.74.



Hollis Henley

Public Utility Commission of Texas

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. 43340

Application from Crystal Springs Water Company doing business as (dba) Crystal Springs Water (Crystal Springs) to Amend Certificate of Convenience and Necessity (CCN) No. 11373 in Montgomery County; Application No. 37916-C, Docket # 43340.

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

1. Crystal Springs failed to receive approval for its water system from the Texas Commission on Environmental Quality for its plans and specifications of the system. On October 10, 2014, TCEQ informed the Commission that Crystal Springs' plans and specifications for the water system were not approved and must be resubmitted for approval. Since the subdivision, Willis Waukegan, is a new development and will require new infrastructure and water system, Crystal Springs is required to submit plans and specifications for the proposed water system to TCEQ for review and approval.
2. Crystal Springs failed to file a copy of the planning report with the PUC, as required by the Commissioner's 24.93(3) rules and regulations.
3. Crystal Springs failed to submit the anticipated cost of the proposed system and documentation that supports their anticipated cost.
4. Crystal Springs failed to submit documentation that it has the ability to finance or pay for the proposed system.
5. Crystal Springs failed to submit the most recent TCEQ inspection report on TCEQ ID Number 1700622.