



Control Number: 43403



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DOCKET NO. 43403

**APPLICATION OF AUGUST LAKES
WATER SUPPLY CORPORATION FOR
A CERTIFICATE OF CONVENIENCE
AND NECESSITY IN WALLER
COUNTY (38021-C)**

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PUBLIC UTILITY COMMISSION

OF TEXAS

2016 JAN 9 15
PUBLIC UTILITY COMMISSION
FILING CLERK

JOINT PROPOSED NOTICE OF APPROVAL AND REQUEST TO ADMIT EVIDENCE

I. BACKGROUND

Staff (Staff) of the Public Utility Commission (Commission) files this Proposed Notice of Approval and Request to Admit Evidence of August Lakes Water Supply Corporation's (Applicant) application to obtain a certificate of convenience and necessity (CCN) in Waller County pursuant to Tex. Water Code Ann. §§ 13.241 - 13.250 (TWC) and 16 Tex. Admin. Code (16 TAC) §§ 24.101 - 24.107. Through this application, the Applicant, a water supply corporation, is seeking to obtain a water CCN for approximately 146 acres in order to provide water service to 58 potential connections. This Proposed Notice of Approval and Request to Admit Evidence includes findings of fact, conclusions of law, and ordering paragraphs. Staff contacted Applicants to provide them with the opportunity to review and agree to the Proposed Order attached hereto and the Applicants have no objection. The Proposed Notice of Approval is timely filed on or before January 19, 2016.

I. REQUEST TO ADMIT EVIDENCE

The parties requests to admit the following evidence into the record of this proceeding: (a) the Application of August Lakes Water Supply Corporation and all attachments thereto, filed on August 18, 2014 at the Texas Commission on Environmental Quality and received by Public Utility Commission of Texas on October 1, 2014; and (b) Commission Staff's Final Recommendation and all attachments thereto filed on December 18, 2015.

II. PROPOSED NOTICE OF APPROVAL

The Proposed Notice of Approval (Attachment 1) would grant the Applicant CCN No. 13236 in Waller and Harris Counties. This docket was processed in accordance with applicable

statutes and Texas Commission on Environmental Quality (TCEQ) and Public Utility Commission of Texas rules. Notice of the application was provided to interested parties. The only parties to this proceeding are Commission Staff and the Applicant, August Lakes WSC. There are no contested issues of law or fact in this proceeding.

III. CONCLUSION

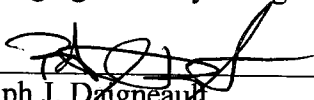
Based on Staff's Recommendation, filed December 18, 2015, Staff has reviewed the application and all amendments and recommends approval. The parties respectfully request that the Commission adopt the attached Findings of Fact and Conclusions of Law as well granting the admittance of the specified pieces of evidence.

DATED: January 19, 2016

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director – Legal Division

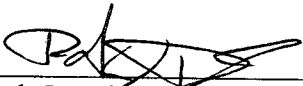
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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on January 19, 2016, in accordance with 16 TAC § 22.74.



Ralph J. Daigneault

ATTACHMENT 1

DOCKET NO. 43403

APPLICATION OF AUGUST LAKES	§	PUBLIC UTILITY COMMISSION
WATER SUPPLY CORPORATION FOR	§	
A CERTIFICATE OF CONVENIENCE	§	OF TEXAS
AND NECESSITY IN WALLER	§	
COUNTY (38021-C)	§	

PROPOSED NOTICE OF APPROVAL

This Proposed Notice of Approval addresses the application of August Lakes Water Supply Corporation's (Applicant) to obtain a certificate of convenience and necessity (CCN) in Waller County pursuant to Tex. Water Code Ann. §§ 13.241 - 13.250 (TWC) and 16 Tex. Admin. Code (16 TAC) §§ 24.101 - 24.107. Through this application, the Applicant, a water supply corporation, is seeking to obtain water CCN No. 13236 for approximately 146 acres in order to provide water service to 58 potential connections. Staff (Staff) of the Public Utility Commission of Texas (Commission) filed a memorandum recommending approval of the application. The Application is approved.

Consistent with the above discussion, the Administrative Law Judge (ALJ) makes the following findings of fact and conclusions of law.

I. FINDINGS OF FACT

1. On August 18, 2014, August Lakes Water Supply Corporation filed an application to obtain a CCN in Waller County with the TCEQ pursuant to TWC Ann. §§ 13.241 - 13.250 and 16 TAC §§ 24.101 - 24.107
2. On September 1, 2014, pursuant to House Bill 1600 and Senate Bill 567 of the 83rd Legislature, Regular Session, functions relating to the economic regulation of water and sewer utilities were transferred from the Texas Commission on Environmental Quality (TCEQ) to the Commission.
3. On October 10, 2014, the application was transferred to the Commission.

4. On November 4, 2014, Order No. 1 was issued addressing the water program transfer to the Commission and other procedural matters.
5. On November 4, 2014, Order No. 2 was issued requiring comments from Staff on the status of the proceeding and to propose a procedural schedule for processing by December 12, 2014.
6. On December 12, 2014, Staff filed a response to Order No. 2 recommending the application be found deficient and allowing the Applicant 30 days to cure the deficiencies.
7. On December 15, 2014, Order No. 3 was issued finding the application deficient and requiring the Applicant to cure the deficiencies by January 14, 2015.
8. On January 8, 2015, the Applicant responded to Order No. 3 and supplemented its application.
9. On January 22, 2015, the Applicant responded to Order No. 3 and supplemented its application with mapping information.
10. On March 27, 2015, Order No. 4 was issued requiring a status report from Staff by April 7, 2015.
11. On April 7, 2015, Staff responded to Order No. 4 recommending the application be found sufficient for further processing and proposing a procedural schedule.
12. On April 8, 2015, Order No. 5 was issued finding the application sufficient for further processing and establishing a procedural schedule.
13. On April 30, 2015, the Applicant filed proof of notice affidavits for neighboring utilities, landowners, and affected parties.
14. On May, 1, 2015, the Applicant filed a publisher's affidavit.
15. On June 30, 2015, Staff filed a response to Order No. 5 proposing an updated procedural schedule allowing time for the Applicant to propose a new procedural schedule to incorporate necessary TCEQ confirmation of compliance or to request a hearing.
16. On July, 6, 2015, Order No. 6 was issued updating the procedural schedule and requiring the Applicant to propose a new procedural schedule to incorporate necessary TCEQ confirmation of compliance or to request a hearing.

17. On July 23, 2015, the Applicant filed a response to Order No. 6 requesting an extension to the deadline to propose a new procedural schedule.
18. On July 24, 2015, the Applicant request abatement of the procedural schedule.
19. On July 24, 2015, Order No. 7 was issued granting the Applicant's request for an extension to the deadline to propose a new procedural schedule, filed on July 23, 2015.
20. On July 27, 2015, Order No. 8 was issued abating the procedural schedule.
21. On November 23, 2015, Order No. 9 was issued unabating the deadline for further processing of the docket, requiring Staff to file a final recommendation by December 18, 2015.
22. On December 17, 2015, the Applicant filed consent forms.
23. On December 18, 2015, Staff filed a final recommendation on final disposition recommending approval of the application.
24. On December 21, 2015, Order No. 10 was issued establishing January 19, 2016 as the deadline for the parties to file a joint proposed notice of approval, including findings of fact, conclusions of law, and ordering paragraphs and a request to admit evidence.
25. On January 19, 2016, the parties filed a joint proposed notice of approval, including findings of fact, conclusions of law, and ordering paragraphs and a request to admit evidence.
26. On_____, 2016, Order No.____ was issued granting parties' request to admit evidence.
27. Public notice of the Application was provided as required by 16 TAC §§ 24.106.
28. The parties have resolved all issues regarding the Application. Additionally, no protests and no requests for hearing were filed. It is not necessary to hold a hearing on the merits regarding the Application.
29. The criteria for informal disposition pursuant to 16 TAC § 22.35 have been satisfied in this proceeding.

Certificate of Convenience and Necessity

30. The Commission has considered the factors listed in TWC § 13.246(c) (Vernon 2008 & Supp. 2013), including (1) the adequacy of service currently provided to the requesting area; (2) the need for additional service in the requested area, including whether any landowners or prospective landowners, tenants, or residents have requested service; (3) the effect of the approval of the Application on any retail public utility of the same kind already serving the proximate area; (4) the ability of the Purchaser to provide adequate service, including meeting the standards of the Commission, taking into consideration the current and projected density and land use of the area; (5) the feasibility of obtaining service from an adjacent retail public utility; (6) the financial ability of the Purchaser to pay for the facilities necessary to provide continuous and adequate service and the financial ability of the Purchaser, including, if applicable, the adequacy of the Purchaser's debt-to-equity ratio; (7) environmental integrity; (8) the probability improvement of service or lowering of cost to consumers in that area resulting from the granting of the certificate or amendment; and (9) the effect on the land included in the certificated area.

II. CONCLUSIONS OF LAW

1. The Commission has jurisdiction over these matters pursuant to Tex. Water Code Ann. §§ 13.242 – 13.250 and 16 TAC 24.104 and 24.107.
2. Seller and Purchaser are retail public utilities as defined in Tex. Water Code Ann. §13.002 and 16 TAC § 24.3(41).
3. Public notice of the application was provided as required by Tex. Water Code Ann. §13.246 and 16 TAC § 24.106.
4. The Application was processed in accordance with the requirements of Tex. Water Code Ann. §§ 13.241 and 13.246 and 16 TAC §§ 24.102 and 24.107.
5. After considering the factors in Tex. Water Code Ann. § 13.246 and 16 TAC § 24.102, the Applicant has demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested area.
6. The requirements for informal disposition pursuant to 16 TAC § 22.35 have been met in this proceeding.

III. ORDERING PARAGRAPHS

In accordance with these findings of fact and conclusions of law, the Commission issues the following Order:

1. The application of August Lakes WSC for CCN No. 13236 for approximately 146 acres in order to provide water service to 58 potential connections in Waller and Harris Counties is approved.
2. The attached certificate for CCN No. 13236 is approved.
3. This docket was processed in accordance with the terms and conditions set forth herein and in the CCNs.
4. August Lakes WSC shall serve every customer and applicant for service within the areas certified under CCN No. 13236, and such service shall be continuous and adequate.
5. All other motions, requests for entry of specific findings of fact or conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are hereby denied.

SIGNED AT AUSTIN, TEXAS the _____ day of _____, 2016.

PUBLIC UTILITY COMMISSION OF TEXAS



Public Utility Commission of Texas

By These Presents Be It Known To All That

August Lakes WSC

having duly applied for certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 13236

to provide continuous and adequate sewer utility service to that service area or those service areas in Harris and Waller Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 43403 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the August Lakes WSC, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this _____ day of _____ 2016.