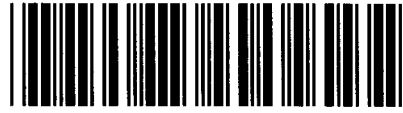




Control Number: 43404



Item Number: 24

Addendum StartPage: 0

DOCKET NO. 43404

APPLICATION OF LAKE BONANZA §
WATER SUPPLY CORPORATION TO §
AMEND A CERTIFICATE OF §
CONVENIENCE AND NECESSITY IN §
MORRIS, FRANKLIN, AND TITUS §
COUNTIES (38016-C) §

PUBLIC UTILITY COMMISSION
OF TEXAS

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COMMISSION STAFF'S RESPONSE TO ORDER NO. 6

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this Response to Order No. 6 and would show the following:

I. Background

On August 13, 2014, the Lake Bonanza Water Supply Corporation (Lake Bonanza) filed with the Texas Commission of Environmental Quality (TCEQ) an application to amend a certificate of convenience and necessity in Morris, Franklin, and Titus Counties. This application was received by the Public Utility Commission of Texas (Commission) on October 1, 2014.

On June 5, 2015, Order No. 6 was issued, requiring Staff to request a hearing, file a final recommendation or file an additional procedural schedule on or before August 3, 2015. Therefore, this Response is timely filed.

II. Request for an Additional Procedural Schedule

Staff has reviewed Lake Bonanza's application and recommends the following procedural schedule:

Event	Date
Deadline for Lake Bonanza to supplement application	August 31, 2015
Deadline for Staff to request a hearing, file a final recommendation or file an additional procedural schedule	September 30, 2015

24

Pursuant to 16 Tex. Admin. Code § 24.106 (TAC), Lake Bonanza mailed notifications of its proposed CCN amendment to each owner of a tract of land that is at least 25 acres and is wholly or partially included in the area proposed to be certified. Landowners Ms. Martha Mayer and Mr. Jasper Duncan Cartwright requested to opt-out of the proposed area.

On April 23, 2015, Lake Bonanza filed revised hard copy maps and digital data in response to requests from landowners Ms. Mayer and Mr. Cartwright, to opt-out of the proposed area. 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. The revised mapping information submitted by Lake Bonanza was provided to show which areas of Ms. Mayer and Mr. Cartwright's land had been excluded from the proposed area. The most recent maps submitted by Lake Bonanza show additional overlaps with the following CCNs: Aqua Texas Inc. (13203), Pine Lake WSC Inc. (CCN No.13941), Saddle and Surrey Acres WSC (CCN No. 12774) and Vista Verde Water Systems Inc. (CCN No. 13034). Staff reviewed the revised mapping information and found that the digital data displayed less acreage than was specified in the total acreage noted in the county records for each property owner.

On June 17, 2015, Lake Bonanza filed additional hard copy maps and digital data in response to Staff's review. As detailed in the attached memorandum from Debbie Reyes Tamayo and Tracy Harbour, in the Water Utilities Division, Staff has reviewed the revised opt out information and found the maps and the digital data are not positioned in the same location.

To resolve the discrepancies in the mapping information for opt-outs, Lake Bonanza should submit a large scale map showing the location of each landowner property who requested to opt out of the proposed water service areas. The map should accurately mark the location of the entire property for each landowner in the vicinity of surrounding roads, streets and highways. Lake Bonanza should also submit a revised large scale (detail) map delineating only the proposed water service areas with enough detail to accurately locate the service area in the vicinity of surrounding roads, streets and highways. Finally, the revised total acreage for the proposed water service areas after the removal of the landowner properties is required for Staff's review.

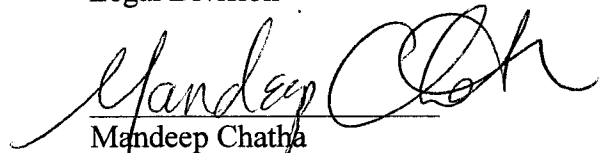
III. Conclusion

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

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division

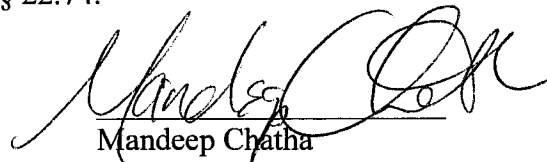


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DOCKET NO. 43404

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the August 3, 2015, in accordance with 16 TAC § 22.74.



Mandeep Chatha

PUC Interoffice Memorandum

To: Mandeep, Attorney
Legal Division

Through: Tammy Benter, Director
Water Utilities Division

From: Debbie Reyes Tamayo, Program Specialist
Tracy Harbour, GIS Specialist
Water Utilities Division

SUBJECT: Docket No. 43404, Application of Lake Bonanza Water Supply Corporation (WSC), to amend its Certificate of Convenience and Necessity (CCN) and decertify a portion of Aqua Texas Inc. in Montgomery County Texas (Application No. 38016-C)

DATE: July 30, 2015

On August 13, 2014, Lake Bonanza WSC (Applicant) filed an application with the Texas Commission on Environmental Quality (TCEQ) to amend CCN No. 12703 and decertify a portion of Aqua Texas Inc. (13203) in Montgomery County, pursuant to the criteria in the Texas Water Code, Chapter 13, and the TCEQ's rules outlined in Title 30, Texas Administrative Code (TAC), Sections 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 the PUC Subst. R in Chapters §§24.101 – 24.107.

Pursuant to 16 TAC § 24.106, Lake Bonanza mailed notifications to neighboring utilities and landowners on February 23, 2015 and the last date notice was published was March 4, 2015. On March 19, 2015, Lake Bonanza notified Staff that notice to Crystal Springs Water Co., Inc. (Crystal Springs) was returned to their office for an incorrect address. Lake Bonanza corrected this error and mailed a corrected notice to Crystal Springs on March 19, 2015.

On April 23, 2015, the Applicant filed revised hard copy maps and digital data in response to requests they received from landowners Ms. Martha Mayer and Mr. Jasper Duncan Cartwright, to opt-out of the service area subject to this application. Pursuant to 16 TAC §24.102(h) of the Commission's rules, landowners with 25 acres or more, whose property is wholly or partially located within the proposed area, may elect to exclude some or all their property from the proposed area. The revised mapping information was provided to show which areas of Ms. Mayer and Mr. Cartwright's land had been excluded from the Applicant's proposed CCN area. Staff reviewed the revised mapping information and found that the digital data displayed less acreage than was specified in the total acreage noted in the county records for each property owner. Staff requested the Applicant to clarify the discrepancy and the procedural schedule was adjusted to account for this clarification in Order No. 6.

On June 17, 2015, the Applicant filed additional hard copy maps and digital data in response to Order No. 6. Staff reviewed the mapping information and found that the maps and the digital data are not positioned in the same location. To resolve the discrepancy, the Applicant should submit the following:

Docket #43404

- A large scale map showing the location of each landowner property who requested to opt out of the proposed water service areas. The map should accurately mark the location of the entire property for each landowner in the vicinity of surrounding roads, streets and highways.
- A revised large scale (detail) map delineating only the proposed water service areas with enough detail to accurately locate the service area in the vicinity of surrounding roads, streets and highways.
- Revised total acreage for the proposed water service areas after the removal of the landowner properties.
- Revised digital data for the proposed water service areas. The portion not currently certificated to another CCN, is still overlapping with the following CCNs:
 - Aqua Texas Inc. (13203); not for the proposed service area to be decertified
 - Pine Lake WSC Inc. (12941)
 - Saddle & Surrey Acres WSC (12774)
 - Vista Verde Water Systems Inc. (13034)

These overlaps are most likely due to the Applicant not using PUC's official CCN data or not using the correct projection for the official CCN data when creating their proposed digital data.

Applicant should contact PUC mapping staff to discuss concerns of the information requested.

TB/DRT