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DOCKET NO. 43452

RECEIVED

APPLICATION OF THE TOWN OF §
LITTLE ELM TO AMEND ITS §
CERTIFICATE OF CONVENIENCE §
AND NECESSITY AND TO §
DECERTIFY PORTIONS OF §
CERTIFICATES HELD BY MUSTANG §
SPECIAL UTILITY DISTRICT AND §
TERRA SOUTHWEST INC. IN §
DENTON COUNTY (37896-C, 37897-C) §

PUBLIC UTILITY COMMISSION
JUL 14 PM 1:37
COMMISSION OF TEXAS
PUBLIC UTILITY COMMISSION
FILING CLERK

COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATION COMPLETENESS

Commission Staff (Staff) of the Public Utility Commission of Texas (Commission) files its Recommendation on Administrative Completeness. In support of its Recommendation on Administrative Completeness, Staff states the following:

I. Background

The Town of Little Elm requests an amendment to its sewer certificate of convenience and necessity (sewer CCN No. 20931) for an additional service area in Denton County, Texas. The Town of Little Elm sought to add additional service area in Denton County, Texas. The nearby Town of Lakewood Village is also seeking to add the same service area in Denton County, Texas.¹ Since the filing of their respective applications, the Town of Little Elm and the Town of Lakewood Village have reached an agreement regarding certain city boundaries.

Throughout this proceeding, the Town of Little Elm submitted additional mapping information that attempted to depict city boundaries that were consistent with the terms of this agreement. The Town of Little Elm submitted its latest mapping information on April 5, 2016.

II. Staff's Recommendation

After a review of the additional documents submitted by the Town of Little Elm, Staff has determined there are still some mapping deficiencies. While, the mapping information and corresponding digital data for the service area boundaries negotiated with the Town of Lakewood

¹ See *Application of Town of Lakewood Village to Amend its Sewer Certificate of Convenience and Necessity and to Decertify a Portion of the Town of Little Elm's Certificate in Denton County*, Docket No. 43145 (pending).

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Village are sufficient, Staff has identified the following deficiencies:²

- a. Tract 9 must be removed from the proposed sewer service area because it is part of the the City of Lakewood Village's proposed sewer service area in Docket No. 43145.
- b. Tract 8 must be removed from the proposed sewer service area because it is part of the Town of Hackberry's proposed sewer service area in Docket No. 44820.³
- c. The mapping overlaps with the existing sewer CCNs of the City of Frisco (sewer CCN No. 20591), the City of Oak Point (sewer CCN No. 20908), and the Mustang Special Utility District (sewer CCN No. 20930).
- d. The Town of Little Elm must provide a revised small scale (zoomed out) map showing only the proposed sewer service areas with enough detail to locate the service area in the vicinity of the nearest town, city, or county. This map must accurately reflect the agreed-upon boundaries with the Town of Lakewood.
- e. The Town of Little Elm must provide a revised large scale (zoomed in) map clearly showing only the proposed sewer service areas with enough detail to accurately locate the service areas in reference to surrounding roads, streets, and highways. The map should only delineate the proposed sewer service areas. The map should clearly label the proposed sewer service areas and surrounding roads, streets, and highways so that Staff may accurately locate and verify the position of the proposed digital data. Each tract shown on the revised maps must be labeled the same as the tracts labeled on maps and digital data filed on April 5, 2016.
- f. The Town of Little Elm must provide revised digital data for the proposed sewer service areas in a polygon and SHP format, with the PRJ file used to create the file. The revised digital data must correspond to the same proposed sewer service areas shown on the revised small and large scale maps. Each tract shown on the revised digital data must be labeled the same as the tracts labeled on maps and digital data filed on April 5, 2016.

² Staff's recommendation is based on the attached memorandum from Debbie Reyes Tamayo from the Water Utilities Division.

³ See *Application of City of Hackberry for a Sewer Certificate of Convenience and Necessity in Denton County*, Docket No. 44820 (pending).

Given the deficiencies identified by Staff, Staff recommends that Town of Little Elm's application not be deemed administratively complete. Staff recommends that the Town of Little Elm be given thirty (30) days to cure the deficiencies by Staff. Once the Town of Little Elm cures the deficiencies identified by Staff, Staff will review the Town of Little Elm's application for administrative completeness. In the event that Staff determines that the Town of Little Elm's application is administratively complete, Staff will propose a procedural schedule.

It is Staff's position that giving the Town of Little Elm another opportunity to cure the limited deficiencies identified above is preferable than dismissing the application altogether. Giving the Town of Little Elm another opportunity to cure is a better use of the Town of Little Elm's and the Commission's resources than dismissing this proceeding and requiring the Town of Little Elm to prepare another application.

III. Conclusion

The Town of Little Elm's application is not administratively complete due to certain deficiencies identified by Staff. Staff recommends that the Town of Little Elm be given thirty (30) days to cure the deficiencies by Staff.

Date: May 4, 2016

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
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Public Utility Commission of Texas

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on May 4, 2016,
in accordance with 16 Tex. Admin. Code § 22.74.



Sam Chang

PUC Interoffice Memorandum

To: Sam Chang, Attorney
Legal Division

Thru: Tammy Benter, Director
Lisa Fuentes, Manager
Water Utilities Division

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

Date: May 3, 2016

Subject: **Docket No. 43452**, *Application of the Town of Little Elm to Amend its Certificates of Convenience and Necessity and to Decertify Portions of Certificates Held by Mustang Special Utility District and Terra Southwest, Inc. in Denton County (37896-C, 37897-C)*

On April 24, 2011, the Town of Little Elm (Applicant) filed an application with the Texas Commission on Environmental Quality (TCEQ) to amend CCN Nos. 11202 (water) and 20931(sewer) in Denton County, pursuant to the criteria in the Texas Water Code, Chapter 13. 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 pursuant to Texas Water Code Ann. §§ 13.242-.250 (TWC) and 16 Tex. Admin Code §§ 24.101-.120 (TAC).

The Applicant filed revised maps and digital data on April 5, 2016. Based on Staff's review of this information, it appears the revised intent of the application is to:

- amend the Town of Little Elm's water and sewer CCNs by incorporating three new uncertificated water areas and four new uncertificated sewer areas;
- decertify a portion of the City of Hackberry's water CCN No. 12015;
- decertify a portion of Mustang SUD's water CCN No. 11856 and sewer CCN No. 20930; and
- decertify a portion Valencia on the Lake WCID's water CCN No. 13138 and sewer CCN No. 21015.

The application continues to remain insufficient for filing due to mapping deficiencies.

The Applicant's revised digital data, small and large scale maps showing the "new" proposed sewer service areas do not accurately reflect the revised intent of the application. The revised mapping documentation for the proposed sewer service areas overlap portions of neighboring CCNs. Also, the revised digital data, small and large scale maps do not all show the same proposed sewer service areas requested in this application.

Staff requests the Applicant file revised digital data, small and large scale maps showing the "new" proposed sewer service areas as described below:

- ***Remove Tracts 8 and 9.*** Tract 8 includes a portion of the proposed sewer service area being addressed by the Applicant and the City of Hackberry in Docket 44820. Tract 9 includes a portion of the proposed sewer service area being addressed by the Applicant and the Town of Lakewood Village in Docket 43145.
 - ***Remove Overlaps with the Existing Sewer CCNs:***
 - City of Frisco (20591)
 - City of Oak Point (20908)
 - Mustang SUD (20930).
1. Provide a revised small scale (zoomed out) map showing only the proposed sewer service areas with enough detail to locate the service area in the vicinity of the nearest town, city, or county. Accurately reflect tract 2 per agreement map, Exhibit A with the Town of Lakewood.
 2. Provide a revised large scale (detailed – zoomed in) map clearly showing only the proposed sewer service areas with enough detail to accurately locate the service areas in reference to surrounding roads, streets and highways.
 - a. The maps should only delineate the proposed sewer service areas.
 - b. The maps should clearly label each proposed sewer service area and surrounding roads, streets and highways, so staff may accurately locate and verify the position the proposed digital data.
 - c. Each tract shown on the revised maps must be labeled the same as the tracts labeled on maps and digital data filed on April 5, 2016.
 3. Provide revised digital data for the proposed sewer service areas in a polygon and SHP format with the PRJ file used to create the file.
 - a. The revised digital data must correspond to the same proposed sewer service areas shown on the revised small and large scale maps.
 - b. Each tract shown on the revised digital data must be labeled the same as the tracts labeled on maps and digital data filed on April 5, 2016.

Staff may provide guidance to Applicant on removing unintended gaps and overlaps between the proposed service areas and existing CCNs.

The revised agreement map named Exhibit A adequately reflects the agreement between the Applicant and the Town of Lakewood filed on August 31, 2015.

TB/ LF/DRT