

Control Number: 43539



Item Number: 1

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

INTEROFFICE MEMORANDUM

RECEIVED

TO: LaDonna Castanuela, Chief Clerk

DATE: January 30, 2007

THRU: *DH* Doug Holcomb, P.E., Section Manager
1/29 Utilities & Districts Section
Water Supply Division2014 OCT 16 AM 11:23
PUBLIC UTILITY COMMISSION
FILING CLERK*2007*
1/29/07 David Laughlin, P.E., Team Leader
Utilities & Districts Section
Water Supply Division*TB*
1/27/07 Tammy Benter, Team Leader
Utilities & Districts Section
Water Supply DivisionFROM: *K.A.*
1/26/07 Kamal Adhikari, E.I.T.
Utilities Financial Review Team
Water Supply DivisionSUBJECT: *2007-0055-UCR*
Application from New Water Supply Corporation (WSC) to Obtain a water Certificate of Convenience and Necessity (CCN) in Shelby, Sabine and San Augustine Counties; Application No. 35434-C

CN: 602577223; RN: 104394135

We hereby transfer the official file for the above referenced application to the Chief Clerk's Office. Please refer this application to the State Office of Administrative Hearings and request that a hearing be scheduled.

We received protests from the City of San Augustine, Long Bell Petroleum Co., Mr. William C. Richards and Mrs. C.B. Richards. The City of San Augustine has concerns about granting a CCN to New WSC and Long Bell Petroleum Co. has concerns that it may affect their water rights. Mr. Richards and Mrs. Richards own property in the proposed area and have concerns regarding adverse effects on their property that may occur as the result of this transaction.

Staff estimates 10 people to attend this hearing.

The staffs assigned to this case are:

Technical - Kamal Adhikari

Legal -

If we may be of further service regarding this matter, please call.

Tammy Holquin-Benter
Tammy Holquin-Benter, Team Leader

THB/KA/ac

cc: TCEQ Public Interest Counsel; ATTN: Vic McWherter
TCEQ Agency Communications; ATTN: Andy Saenz, Manager
TCEQ Chief Clerk's Office; ATTN: Melanie Mohair
TCEQ Legal Division; ATTN: Daniel Klein

43539

RECEIVED

2014 OCT 16 AM 11:23

**TEXAS COMMISSION
ON ENVIRONMENTAL QUALITY**

TRANSMITTAL OF ADMINISTRATIVE RECORD

PUBLIC UTILITY COMMISSION
FILING CLERK

DATE: April 9, 2007

TO: SOAH Natural Resources Docket Clerk

FROM: *MR* Melissa Radke, TCEQ SOAH Docket Coordinator

RE: New Water Supply Corporation; Application No. 35434-C
SOAH Docket No. 582-07-2030; TCEQ Docket No. 2007-0055-UCR

Pursuant to 30 TAC § 80.6(b)(4) regarding referrals to SOAH, a copy of the Chief Clerk's case file is attached. Please find certified copies of the following documents:

- ✓ 1. the application;
- ✓ 2. public hearing notice and Chief Clerk's affidavit

If any of these documents are not included as enclosures with this memo, please notify Deanna Avalos, Final Documents Team Leader at (512) 239-3327.

80:1 11 21 2007

RECEIVED

2

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

INTEROFFICE MEMORANDUM

TO: LaDonna Castanuela, Chief Clerk

DATE: January 30, 2007

THRU: *DH* Doug Holcomb, P.E., Section Manager
1/29 Utilities & Districts Section
Water Supply Division

DPK David Laughlin, P.E., Team Leader
1/29/07 Utilities & Districts Section
Water Supply Division

JB Tammy Benter, Team Leader
1/27/07 Utilities & Districts Section
Water Supply Division

FROM: *KA* Kamal Adhikari, E.I.T.
1/26/07 Utilities Financial Review Team
Water Supply Division

SUBJECT: *2007-0055-UCR*
Application from New Water Supply Corporation (WSC) to Obtain a water Certificate of Convenience and Necessity (CCN) in Shelby, Sabine and San Augustine Counties; Application No. 35434-C

CN: 602577223; RN: 104394135

We hereby transfer the official file for the above referenced application to the Chief Clerk's Office. Please refer this application to the State Office of Administrative Hearings and request that a hearing be scheduled.

We received protests from the City of San Augustine, Long Bell Petroleum Co., Mr. William C. Richards and Mrs. C.B. Richards. The City of San Augustine has concerns about granting a CCN to New WSC and Long Bell Petroleum Co. has concerns that it may affect their water rights. Mr. Richards and Mrs. Richards own property in the proposed area and have concerns regarding adverse effects on their property that may occur as the result of this transaction.

Staff estimates 10 people to attend this hearing.

The staffs assigned to this case are:

Technical - Kamal Adhikari

Legal -

If we may be of further service regarding this matter, please call.

Tammy Holguin-Benter
Tammy Holguin-Benter, Team Leader

THB/KA/ac

cc: TCEQ Public Interest Counsel; ATTN: Vic McWherter
TCEQ Agency Communications; ATTN: Andy Saenz, Manager
TCEQ Chief Clerk's Office; ATTN: Melanie Mohair
TCEQ Legal Division; ATTN: Daniel Klein

THE STATE OF TEXAS
COUNTY OF TRAVIS

I hereby certify that this is a true and correct copy of a Texas Commission on Environmental Quality document, which is filed in the permanent records of the Commission. Given under my hand and the seal of office on

LaDonna Castanuela APR 09 2007
LaDonna Castanuela, Chief Clerk
Texas Commission on Environmental Quality

Kathleen Hartnett White, *Chairman*
Larry R. Soward, *Commissioner*
Martin A. Hubert, *Commissioner*
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 30, 2007

CERTIFIED MAIL

Ms. Lola Nevitt
J.F. Fontaine & Associates, Inc.
P.O. Box 4187
Palestine, Texas 75802

Re: Application from New Water Supply Corporation (WSC) to Obtain a water Certificate of Convenience and Necessity (CCN) in Shelby, Sabine and San Augustine Counties; Application No. 35434-C

CN: 602577223; RN: 104394135

Dear Ms. Nevitt:

The Texas Commission on Environmental Quality (TCEQ) has received protests for the application referenced above. The Commission's Chief Clerk has assigned Docket No. 2007-0055-UCR to this matter. Any further communications should refer to this docket number. V.T.C.A. Water Code, Section 13.246 provides that affected parties may protest the application and request a hearing on whether a CCN should be issued.

We received protests from the City of San Augustine, Long Bell Petroleum Co., Mr. William C. Richards and Mrs. C.B. Richards. All of these individuals and entities have requested a public hearing on your application.

This matter has been referred to the State Office of Administrative Hearings to schedule a hearing. When a hearing has been scheduled, you will receive a notice of hearing which explains when and where the hearing will be held.

In order to review this CCN application, the staff of the TCEQ may need additional information regarding your utility's service. You may be receiving Staff Requests for Information (RFT's) within a few weeks. We would appreciate your cooperation in providing the information requested.

If you have questions about this process or what material you should bring with you to the hearing, please contact Mr. Kamal Adhikari at (512) 239-0680.

Sincerely,

A handwritten signature in cursive script that reads "Doug Holcomb".

Doug Holcomb, P.E., Section Manager
Utilities & Districts Section
Water Supply Division

DH/THB/KA/ac

cc: Attached Mailing List

Mailing List (Application No. 35434-C)
New WSC

Ms. Lola Nevitt
J.F. Fontaine & Associates, Inc.
P.O. Box 4187
Palestine, Texas 75802

Mr. Duke Lyons, City Manager
301 South Harrison
San Augustine, Texas 75972

Mr. Ray t. Kaczorowski, Vice President
Long Bell Petroleum Co.
P.O. Box 4258
Houston, Texas 77210

Mr. William C. Richards
P.O. Box 193
San Augustine, Texas 75972

Mrs. C.B. Richards
P.O. Box 1030
San Augustine, Texas 75972

MRS. C B. RICHARDS

Route 2, Box 1030
San Augustine, TX 75972

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P.O. Box 13087
Austin, TX 78711-3087

Date Mailed: November 29, 2006

Dear Texas Commission on Environmental Quality,

By copy of this letter, I hereby express protest of the proposed new water supply district in San Augustine, Shelby, and Sabine Counties. I currently have farm land in each of the three counties and operate the land for agricultural and/or timber production. In order to comply with your demand for a written request to protest the creation of this new water plan, I hereby provide the requested information:

- 1) Name and Address. Mrs. C. B. Richards
Route 2, Box 1030
San Augustine, TX 75972
- 2). Applicant Name: I am NOT an applicant. Furthermore, I have not made any application to anything related to this CCN plan and by copy of this letter, hereby state I will not participate in any such plan if implemented and I will not willingly donate and/or sell any land and/or grant any easement from any of my properties for its implementation.
- 3). "I request a public hearing."
- 4). As previously stated, water lines would adversely effect my agricultural/timber operations by intruding in the of my land. This area is surrounded by pristine National Forest, and managed timberland. Excavation in these areas would adversely effect the landscape and the environment, and also induce erosion. The proposed area is occupied for the most part by an agricultural economy and the majority of the land owners are involved in agriculture. All water supply needs of the population have been fulfilled by ground water, and we have no water shortages. This plan would only waste State and Federal tax dollars. Having a water district would encourage a barrage of subdivisions and/or trailer parks from an influx of people into the area. These people usually have no interest in agriculture or the agricultural community and conflicts would arise from these special interest groups. This has most recently occurred with the formation of the Toledo Bend Bi-State Alliance in which this group nominated itself to dictate to the Sabine River Authority the operation of Lake Toledo Bend in regard to the generation of hydroelectric power and the water level of the reservoir. People of this nature would more than likely have other conflicts with agriculturist and demand restrictions in regard to the smell, noise, dust, and all other necessary occurring byproducts involved in agricultural production. My family has already had land taken/stolen in the construction of the Toledo Bend Reservoir and received the whopping sum of \$133.72 per acre. Do any of you have any land for sale at this so gracious of a price? Finally, water development would also demand construction of water lines into property and access to those lines would be by individuals unknown to any of us and we would be unable to protect our property from unwanted intrusions.

Page Two "Letter of Protest"

Most Sincerely,

Mrs C B. Richards

Enclosures 1). Copy letter of condemnation from Sabine River Authority on family property
 2). Letter from Toledo Bend Bi-State Alliance

cc: Ranger, Eddie Taylor
 Sabine National Forrest
 Hemphill, TX

 Mr. Ricky Maxey
 Land Conservationist/Texas Parks and Wildlife
 Marshall, TX

 Mr Ed Benchoff, Attorney at Law
 Benchoff & Benchoff
 Nacogdoches, TX

 Mr. Michael Gregory
 Sierra Club
 Washington, DC

ENDER: COMPLETE THIS SECTION

1. Complete items 1, 2, and 3. Also complete Restricted Delivery is desired.
 We can return the card to you.
 This card to the back of the mailpiece,
 if space permits.

Addressed to:

Common on Environments (Qat)
 Supply Division
 115 Section MC-153
 Box 13087
 In Jcy 78711-3087

Number
 (from service label)

7005 1820 0004 4402 96

811, February 2004

Domestic Return Receipt

COMPLETE THIS SECTION

A. Signature

X

B. Received by (Print)

D. Is delivery address different?
 If YES, enter delivery address

DEC 04

TEXAS BU

3. Service Type

☒ Certified Mail

☐ Registered

☐ Insured Mail

4. Restricted Delivery?

7005 1620 0004 4402 9657

U.S. Postal ServiceTM
CERTIFIED MAIL[®] RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

AUSTIN TX 78711 **OFFICIAL USE**

Postage	\$ 0.39	0972 01 Postmark Here
Certified Fee	\$2.40	
Return Receipt Fee (Endorsement Required)	\$1.85	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 4.64	11/29/2006

Sent To *Jeep Comm on Enclosed Envelope*
 Street, Apt. No. or PO Box No. *P.O. Box 13087*
 City, State, ZIP+4[®] *Austin, Tex 78711-3087*

PS Form 3800, June 2002 See Reverse for Instructions

7005 1620 0004 4402 9664

U.S. Postal ServiceTM
CERTIFIED MAIL[®] RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

AUSTIN TX 78711 **OFFICIAL USE**

Postage	\$ 0.39	0972 01 Postmark Here
Certified Fee	\$2.40	
Return Receipt Fee (Endorsement Required)	\$1.85	
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 4.64	11/29/2006

Sent To *Jeep Comm on Enclosed Envelope*
 Street, Apt. No. or PO Box No. *P.O. Box 13087*
 City, State, ZIP+4[®] *Austin, Tex 78711-3087*

PS Form 3800, June 2002 See Reverse for Instructions

MR Adhik ARA,

These are copies of Certified mailing Receipts on letters faxed to your envelope from William C Richard & my mother Wilma Richard

Frank Williams 

WILLIAM C. RICHARDS

P.O. Box 193
San Augustine, TX 75972

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P.O. Box 13087
Austin, TX 78711-3087

Date Mailed: November 29, 2006

Dear Texas Commission on Environmental Quality,

By copy of this letter, I hereby express protest of the proposed new water supply district in San Augustine, Shelby, and Sabine Counties. I currently have farm land in each of the three counties and operate the land for agricultural and/or timber production. In order to comply with your demand for a written request to protest the creation of this new water plan, I hereby provide the requested information:

- 1). Name and Address: William C. Richards
P.O. Box 193
San Augustine, TX 75972
- 2). Applicant Name: I am NOT an applicant. Furthermore, I have not made any application to anything related to this CCN plan and by copy of this letter, hereby state I will not participate in any such plan if implemented and I will not willingly donate and/or sell any land and/or grant any easement from any of my properties for its implementation.
- 3). "I request a public hearing."
- 4). As previously stated, water lines would adversely effect my agricultural/timber operations by intruding in the of my land. This area is surrounded by pristine National Forest, and managed timberland. Excavation in these areas would adversely effect the landscape and the environment, and also induce erosion. The proposed area is occupied for the most part by an agricultural economy and the majority of the land owners are involved in agriculture. All water supply needs of the population have been fulfilled by ground water, and we have no water shortages. This plan would only waste State and Federal tax dollars. Having a water district would encourage a barrage of subdivisions and/or trailer parks from an influx of people into the area. These people usually have no interest in agriculture or the agricultural community and conflicts would arise from these special interest groups. This has most recently occurred with the formation of the Toledo Bend Bi-State Alliance in which this group nominated itself to dictate to the Sabine River Authority the operation of Lake Toledo Bend in regard to the generation of hydroelectric power and the water level of the reservoir. People of this nature would more than likely have other conflicts with agriculturist and demand restrictions in regard to the small water duct and all other necessary occurrine byproducts involved in agricultural production. My

Most Sincerely,

William C. Richards

Enclosures: 1). Copy letter of condemnation from Sabine River Authority on family property
2). Letter from Toledo Bend Bi-State Alliance

cc: Ranger, Eddie Taylor
Sabine National Forrest
Hemphill, TX

Mr. Ricky Maxey
Land Conservationist/Texas Parks and Wildlife
Marshall, TX

Mr. Ed Benchoff, Attorney at Law
Benchoff & Benchoff
Nacogdoches, TX

Mr. Michael Gregory
Sierra Club
Washington, DC

RECEIVED
TCEQ WATER SUPPLY

2006 NOV 28 PM 4

November 27, 2006

Dear Sir:

1) Name: Long-Bell Petroleum Company

2) Applicants Name: NEW WATER SUPPLY CORPORATION

3) I/we request a public hearing.

4) Long-Bell and others water rights may be affected/impacted by this activity.

5) No proposed recommendation or adjustment until more information about the applicant's plans is available and understood. The paperwork that Long-Bell received specified that there were 0 current customers but presumably this is expected to increase, potentially affecting the water right of others including Long-Bell Petroleum.

Sincerely,

Rdy K

Ray T Kaczorowski
Vice-President



CITY OF SAN AUGUSTINE

301 SOUTH HARRISON
SAN AUGUSTINE, TX 75972
TEL: (936) 275.2121
FAX: (936) 275 9146
E MAIL: dukelyons@qzlp.net

Texas Commission on Environmental Quality

Water Supply Division

Utilities and Districts Section, MC-153

P.O. Box 13087

Austin, Texas 74711-3087

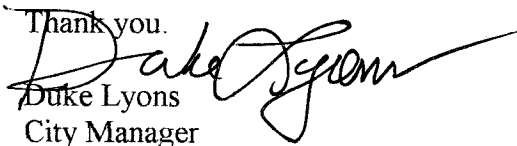
November 8, 2006

SUBJECT: Request for Public Hearing on CCN for NEW WATER SUPPLY CORPORATION

I am Duke Lyons, 301 South Harrison, San Augustine, Texas 75972 and RR2 (Texas Highway 21 East at Farm Road 3153 - Black Ankle Road) using Post Office Box 55, San Augustine, Texas 75972. The applicant is NEW WATER SUPPLY CORPORATION. There were no other identifying factors or references with the notice to landowners dated November 1, 2006.

We request a public hearing.

Thank you.


Duke Lyons
City Manager

CC: City Council

RECEIVED
NOV 10 2006
TEXAS COMMISSION
ON
ENVIRONMENTAL QUALITY

Kathleen Hartnett White, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
Larry R. Soward, *Commissioner*
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution
November 20, 2006

CERTIFIED MAIL

Ms. Lola Nevitt
J.F. Fontaine & Associates, Inc.
P.O. Box 4187
Palestine, Texas 75802

Request for Information

Re: Application from New Water Supply Corporation (WSC) to Obtain a Water Certificate of Convenience and Necessity (CCN) in Shelby, Sabine and San Augustine Counties; Application No. 35434-C

CN: 602577223; RN: 104394135

Dear Ms. Nevitt:

We have received your letter dated November 13, 2006, requesting an extension of the timeline to submit notice documents. We are granting your request for an extension and the deadline is extended to December 20, 2006.

After further review of your application, it was determined that in addition to the information requested in our letter dated October 11, 2006, you are also required to provide following information:

1. Please explain the need for service for the entire proposed area of 108,000 acres. Also, submit a map showing the locations of any current customers and the existing facilities of New Water Supply Corporation (WSC) which are located in the proposed area.
2. Your application indicates there are no requests for service in the proposed area. Please identify the requests for service for the entire proposed area, including number of written and/or verbal requests you have received, the names, addresses and telephone numbers of each person or entity requesting service from you. Also, identify the location of each request for service on a map of the proposed area.
3. Please explain in detail why New WSC is requesting 108,000 acres, since there are no requests for service in the proposed area and there are only 447 existing customers.

These items must be completed and returned to our office by **December 20, 2006**. If we do not receive the requested information by this date, your application will be returned for failure to prosecute.

If you have any questions, please contact me at 512/239-6932, or if by correspondence, include Mail Code 153 in the letterhead address.

Sincerely,

A handwritten signature in dark ink, appearing to read "K. Adhikari", written over a horizontal line.

Kamal Adhikari, E.I.T.
Utilities & Districts Section
Water Supply Division, MC-153

J. F. FONTAINE & ASSOCIATES, INC.

CONSULTING ENGINEERS

P. O. Box 4187
Palestine, Texas 75802

Telephone (903) 729-6005
Fax (903) 729-7310

December 18, 2006

RECEIVED
DEC 19 2006
TEXAS COMMISSION
ON
ENVIRONMENTAL QUALITY

Mr. Kamal Adhikari, E.I.T.
Texas Commission on Environmental Quality
Utilities & Districts Section
Water Supply Division, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

Re: Application of the NEW Water Supply Corporation for a Water Certificate of Convenience
& Necessity in San Augustine, Sabine & Shelby Counties, Texas
Application No. 35434-C

Dear Mr. Adhikari:

Enclosed as requested in your letter of November 20, 2006 please find the following information:

1. Original and three (3) copies of the Publisher's Affidavits with tear sheets.
2. Original and three (3) copies of the Affidavit of Notice to Neighboring Utilities and Affected Parties.
3. Original and three (3) copies of the Affidavit of Notice to Landowners.

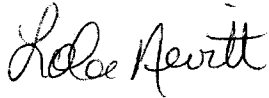
In answer to the questions requesting the following information, I offer the following:

1. The need for serve for the entire proposed area of 108,000 acres is needed due to the property owners in this area have to depend on shallow wells that are full of iron and bacteria. I have included four (3) copies of the Distribution System plans to show the proposed customer locations and facilities.
2. I included copies of all the applications for the proposed customer request with the application that was submitted on September 27, 2006. If you cannot located these, please let us know and we will submit additional copies of the applications.

3. Explained in Question No. 1 and No. 2. There are no existing customers, only proposed customers.

If you should have any questions or need any further information, please let us know. Thank you!

Yours very truly,

A handwritten signature in cursive script, appearing to read 'Lola Nevitt'.

Lola Nevitt

encl:



Texas Commission on Environmental Quality

APPLICATION NO. 35434-C

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF SABINE

RECEIVED
DEC 19 2006
TEXAS COMMISSION
ON
ENVIRONMENTAL QUALITY

Before me, the undersigned authority, on this day personally appeared

Stephanie Corley

who being by me duly sworn, deposes and says that (s)he is the

Publisher of the

TITLE

Sabine County Reporter; that said

NAME OF NEWSPAPER

newspaper is regularly published in Sabine

County(ies) and generally circulated in

Sabine County (Counties), Texas; and that

the attached notice was published in said newspaper on the following date(s), to wit: Nov. 22+29, 2006

Stephanie Corley
Newspaper Representative's Signature

Subscribed and sworn to before me this 30 day of NOV, 2006 to certify which

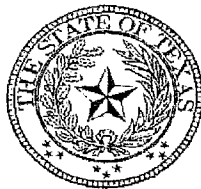
witness my hand and seal of office.



T A Lane
Notary Public in and for the State of Texas

T A Lane
Print or Type Name of Notary Public

Commission Expires 09.08.08



RECEIVED
DEC 19 2006
TEXAS COMMISSION
ON
ENVIRONMENTAL QUALITY

Texas Commission on Environmental Quality

APPLICATION NO. 35434-C

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF SHELBY

Before me, the undersigned authority, on this day personally appeared

JoAnna Martin, JoAnna Martin

who being by me duly sworn, deposes and says that (s)he is the

the Publisher of

TITLE

The Light & Champion; that
said

NAME OF NEWSPAPER

newspaper is regularly published in Shelby

County(ies) and generally circulated in

Shelby County (Counties), Texas; and that

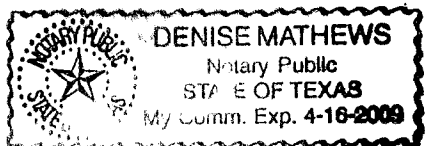
the attached notice was published in said newspaper on the following date(s), to wit: 11/20/06 & 11/27/06

Kaasa Wright

Newspaper Representative's Signature

Subscribed and sworn to before me this 8 day of December, 2006 to certify
which

witness my hand and seal of office.



Denise Mathews
Notary Public in and for the State of Texas

Denise Mathews
Print or Type Name of Notary Public

Commission Expires 4/16/09



RECEIVED

DEC 19 2006

TEXAS COMMISSION
ON
ENVIRONMENTAL QUALITY

Texas Commission on Environmental Quality

APPLICATION NO. 35434-C

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF San Augustine

Before me, the undersigned authority, on this day personally appeared

STEPHEN WAYS

who being by me duly sworn, deposes and says that (s)he is the

the PUBLISHER

TITLE

SAN AUGUSTINE TRIBUNE

said

NAME OF NEWSPAPER

newspaper is regularly published in SAN AUGUSTINE

County(ies) and generally circulated in

SAN AUGUSTINE

County (Counties), Texas; and that

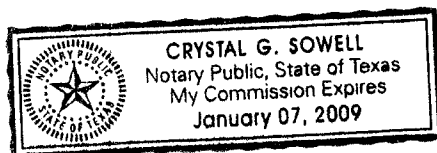
the attached notice was published in said newspaper on the following date(s), to wit: Nov. 9th 16, 2006

Stephen Ways

Newspaper Representative's Signature

Subscribed and sworn to before me this 4 day of December, 2006 to certify which

witness my hand and seal of office.



Crystal G. Sowell

Notary Public in and for the State of Texas

Crystal G. Sowell

Print or Type Name of Notary Public

Commission Expires Jan. 7, 2009



RECEIVED

DEC 19 2006

TEXAS COMMISSION

ON ENVIRONMENTAL QUALITY

Texas Commission on Environmental Quality

APPLICATION NO. 35434-C

AFFIDAVIT OF NOTICE TO NEIGHBORING UTILITIES AND AFFECTED PARTIES

STATE OF TEXAS

COUNTY OF SAN AUGUSTINE

NEW WATER SUPPLY CORPORATION has provided individual notice to the following entities:

	DATE
<u>Choice Water Supply Corp.</u>	<u>November 1, 2006</u>
<u>San Rayburn Water, Inc.</u>	<u>November 1, 2006</u>
<u>Denning Water Supply Corp.</u>	<u>November 1, 2006</u>
<u>Hilltop Lakes WSC</u>	<u>November 1, 2006</u>
<u>San Augustine Rural WSC</u>	<u>November 1, 2006</u>
<u>Bland Lake Rural WSC</u>	<u>November 1, 2006</u>

OATH

I, SEE PAGE 3, being duly sworn, file this form as (indicate relationship to applicant, that is, owner, member of partnership, title of officer of corporation, or other authorized representative of applicant); that in such capacity, I am qualified and authorized to file and verify such form, am personally familiar with the notices given with this application, and have complied with all notice requirements in the application and application acceptance letter; and that all such statements made and matters set for therein are true and correct.

Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this _____ day of _____, 20____, to certify which witness my hand and seal of office.

Notary Public in and for the
State of Texas

Print or Type Name of Notary Public
Commission Expires _____



Texas Commission on Environmental Quality

APPLICATION NO. 35434-CAFFIDAVIT OF NOTICE TO NEIGHBORING UTILITIES AND AFFECTED PARTIES
STATE OF TEXASCOUNTY OF SAN AUGUSTINENEW WATER SUPPLY CORPORATION has provided individual notice to the following entities:G M Water Supply Corp.DATE
November 1, 2006McClelland Water Supply Corp.November 1, 2006Melrose Water Supply Corp.November 1, 2006Rayburn Hideaway Water SystemNovember 1, 2006City of San AugustineNovember 1, 2006Sand Hills Water Supply Corp.November 2, 2006

OATH

I, SEE PAGE 3, being duly sworn, file this form as
 _____ (indicate relationship to applicant, that is, owner,
 member of partnership, title of officer of corporation, or other authorized representative of applicant); that
 in such capacity, I am qualified and authorized to file and verify such form, am personally familiar with the
 notices given with this application, and have complied with all notice requirements in the application and
 application acceptance letter; and that all such statements made and matters set forth therein are true and
 correct.

Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant, or its
 attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this _____ day of _____, 20____, to certify
 which witness my hand and seal of office.

Notary Public in and for the
State of Texas_____
Print or Type Name of Notary Public
Commission Expires _____



Texas Commission on Environmental Quality

APPLICATION NO. 35434-CAFFIDAVIT OF NOTICE TO NEIGHBORING UTILITIES AND AFFECTED PARTIES
STATE OF TEXASCOUNTY OF SAN AUGUSTINENEW WATER SUPPLY CORPORATION has provided individual notice to
the following entities:Swift Water Supply Corp.Etoile Water Supply Corp.City of PinelandSutton Hills Estate POACity of BroadusCity of BronsonDATE
November 1, 2006November 1, 2006November 1, 2006November 1, 2006November 1, 2006November 1, 2006

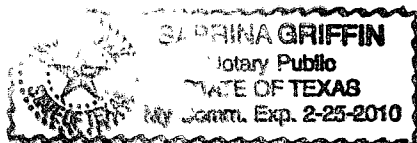
OATH

I, CHARLES W. SMITH, being duly sworn, file this form as
PRESIDENT (indicate relationship to applicant, that is, owner,
member of partnership, title of officer of corporation, or other authorized representative of applicant); that
in such capacity, I am qualified and authorized to file and verify such form, am personally familiar with the
notices given with this application, and have complied with all notice requirements in the application and
application acceptance letter; and that all such statements made and matters set forth therein are true and
correct.

Charles W. Smith
Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant, or its
attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this 14 day of December, 2006, to certify
which witness my hand and seal of office.



Sabrina Griffin
Notary Public in and for the
State of Texas

SABRINA GRIFFIN
Print or Type Name of Notary Public
Commission Expires 2/25/2010

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: Choice Water Supply Corp.
P. O. Box 1409
Center, Texas 75935-0000

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: San Rayburn Water, Inc.
P. O. Box 154322
Lufkin, Texas 75915-4322

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: Denning Water Supply Corp.
Route 3, Box 553
San Augustine, Texas 75972

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: Hilltop Lakes WSC
P. O. Box 1460
Normangee, Texas 77871

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: San Augustine Rural WSC
P. O. Box 182
San Augustine, Texas 75972

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: Bland Lake Rural WSC .
RR 5, Box 590
Center, Texas 75935-9618

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: G M Water Supply Corp.
P. O. Box 727
Hemphill, Texas 75948

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: McClelland WSC
6438 State Highway 87 S
Shelbyville, Texas 75973-2919

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: Melrose Water Supply Corp.
12542 E State Highway 21
Nacogdoches, Texas 75961-7953

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: Rayburn Hideaway Water System
Rt. 1, Box 253
Chireno, Texas 75937

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: City of San Augustine
301 South Harrison
San Augustine, Texas 75972

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: Sand Hills Water Supply Corp.
13938 State Highway 7 W
Center, Texas 75935

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: Swift Water Supply Corp.
10410 N FM 95
Nacogdoches, Texas 75961

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: Etoile Water Supply Corp.
P. O. Box 67
Etoile, Texas 75944

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: City of Pineland
P. O. Box 6
Pineland, Texas 75968

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: Sutton Hills Estate POA
P. O. Box 25
Broadus, Texas 75929

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: City of Broadus
P. O. Box 149
Broadus, Texas 75929

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

**NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN
SAN AUGUSTINE, SABINE AND SHELBY COUNTIES**

TO: City of Bronson
Bronson, Texas 75930

Date Notice Mailed November 1, 2006

NEW WATER SUPPLY CORPORATION has filed an application for a CCN with the Texas Natural Resource Conservation Commission to provide water utility service in San Augustine, Sabine and Shelby Counties.

The proposed utility service area in San Augustine County is located approximately 6 miles South and 2 ½ miles west of downtown San Augustine, Texas and is generally bounded on the North by the Shelby, San Augustine line; on the East by Highway 96; on the South by Bobbitt Creek; and on the West by Attoyac Bayou. In Sabine County the system is generally bounded on the North by Patroon Creek; on the East by Colarow Creek; on the South by Highway 21; and on the West by Boggy Creek. In Shelby County the system is generally bounded on the North by Highway 87 & Highway 1279; on the East by Highway 87; on the South by the Sabine County line; and on the West by Highway 1279. The total area being requested will serve 438 customers.

The total area being requested includes approximately 108,000 acres and 0 current customers. See enclosed map of the proposed service area.

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or other recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087
Austin, Texas 78711-3087

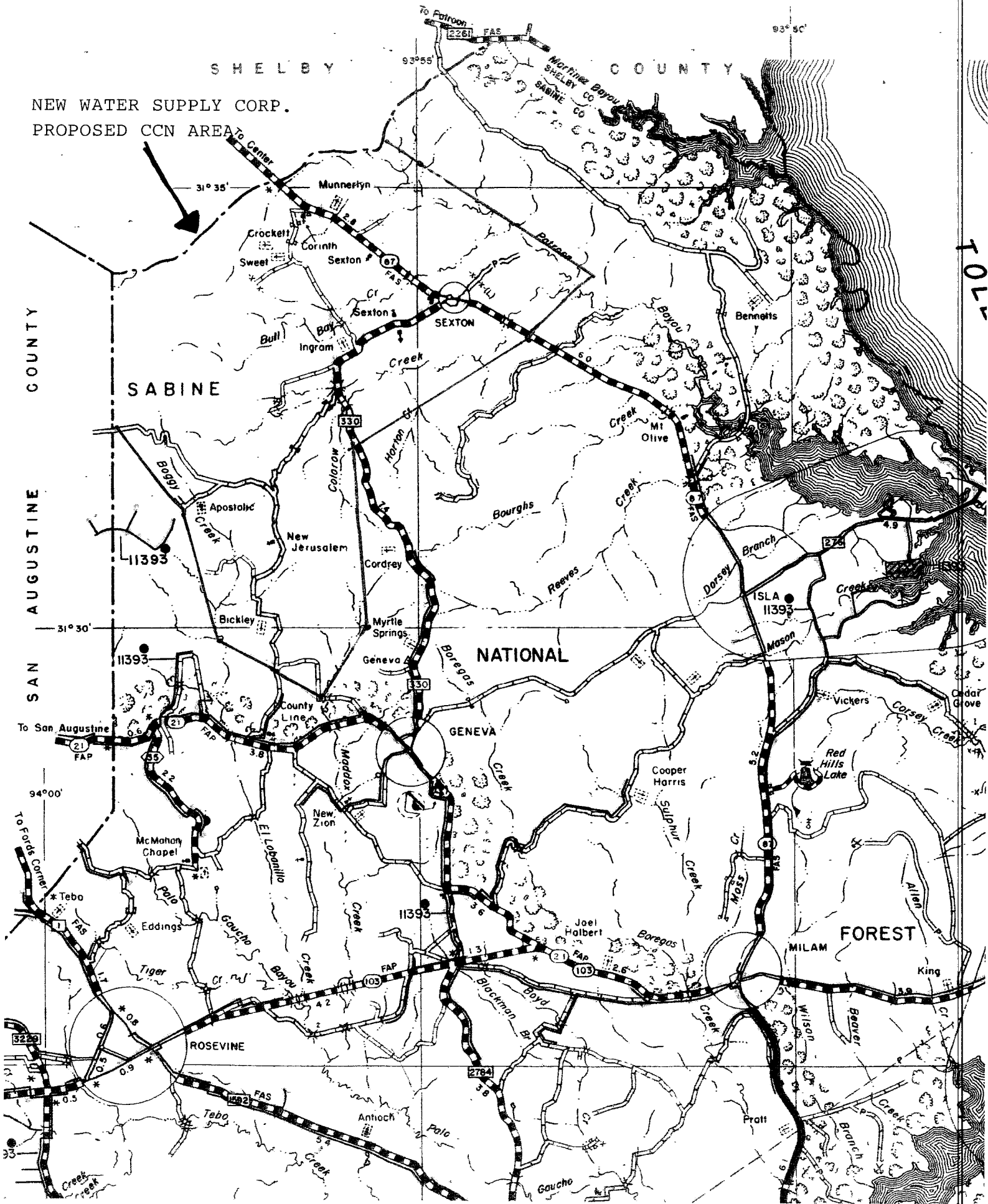
within thirty (30) days from the date of this publication or notice. No public hearing will be held unless a request for a hearing is received. Only those individuals who submit a written request to be notified of a hearing schedule will receive notice if a hearing is scheduled.

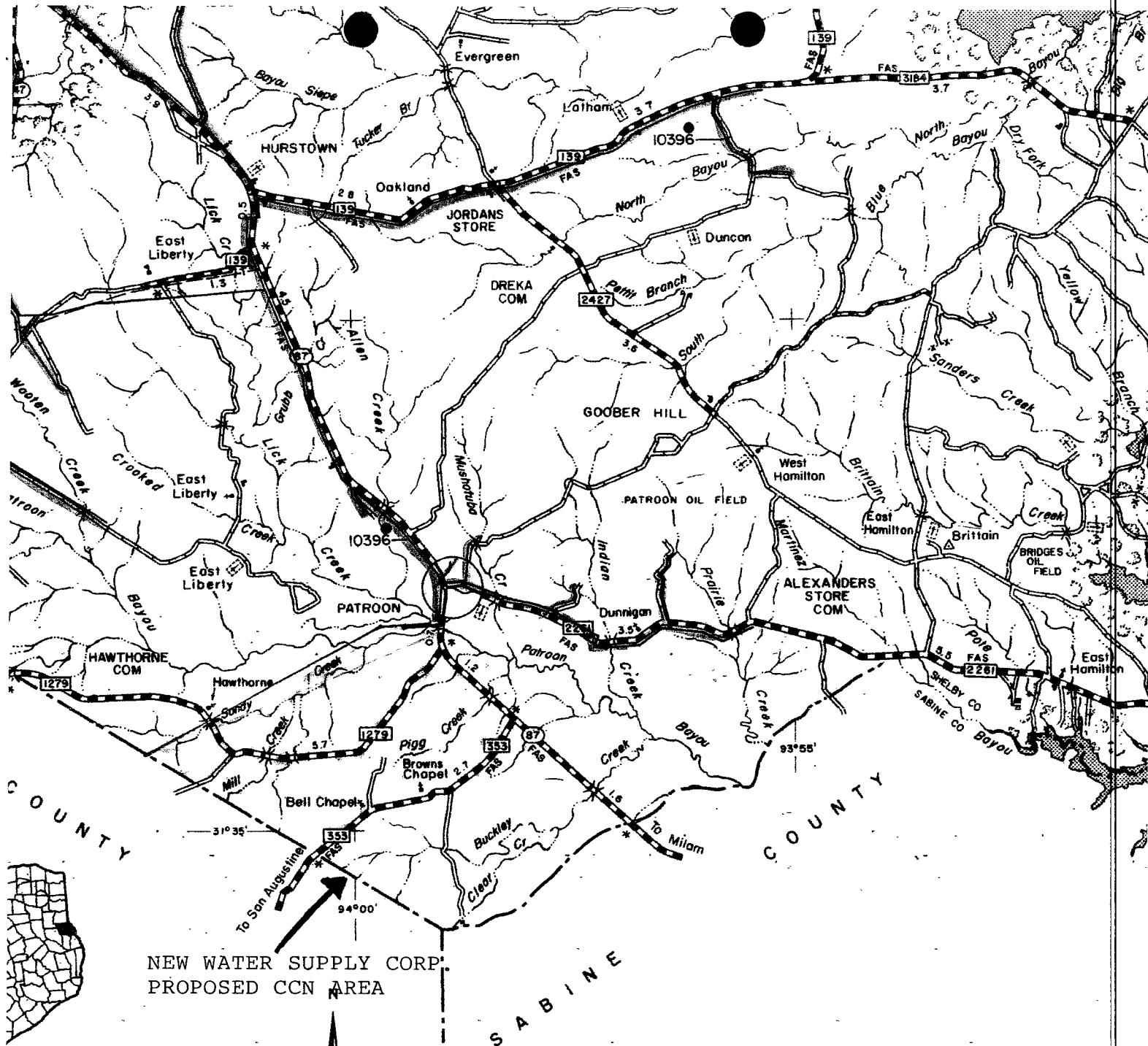
If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-512-239-0200

SABINE COUNTY

NEW WATER SUPPLY CORP.
PROPOSED CCN AREA



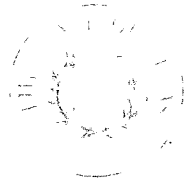


1 nominal cost
to Transportation.

DAN DATUM
S. GEOLOGICAL SURVEY

SHELBY COUNTY

Kathleen Hartnett White, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
Larry R. Soward, *Commissioner*
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution
November 20, 2006

CERTIFIED MAIL

Ms. Lola Nevitt
J.F. Fontaine & Associates, Inc.
P.O. Box 4187
Palestine, Texas 75802

Request for Information

Re: Application from New Water Supply Corporation (WSC) to Obtain a Water Certificate of Convenience and Necessity (CCN) in Shelby, Sabine and San Augustine Counties; Application No. 35434-C

CN: 602577223; RN: 104394135

Dear Ms. Nevitt:

We have received your letter dated November 13, 2006, requesting an extension of the timeline to submit notice documents. We are granting your request for an extension and the deadline is extended to December 20, 2006.

After further review of your application, it was determined that in addition to the information requested in our letter dated October 11, 2006, you are also required to provide following information:

1. Please explain the need for service for the entire proposed area of 108,000 acres. Also, submit a map showing the locations of any current customers and the existing facilities of New Water Supply Corporation (WSC) which are located in the proposed area.
2. Your application indicates there are no requests for service in the proposed area. Please identify the requests for service for the entire proposed area, including number of written and/or verbal requests you have received, the names, addresses and telephone numbers of each person or entity requesting service from you. Also, identify the location of each request for service on a map of the proposed area.
3. Please explain in detail why New WSC is requesting 108,000 acres, since there are no requests for service in the proposed area and there are only 447 existing customers.

These items must be completed and returned to our office by **December 20, 2006**. If we do not receive the requested information by this date, your application will be returned for failure to prosecute.

If you have any questions, please contact me at 512/239-6932, or if by correspondence, include Mail Code 153 in the letterhead address.

Sincerely,

A handwritten signature in black ink, appearing to read "K.A.", is located below the "Sincerely," text.

Kamal Adhikari, E.I.T.
Utilities & Districts Section
Water Supply Division, MC-153

J. F. FONTAINE & ASSOCIATES, INC.

CONSULTING ENGINEERS

RECEIVED
TCEQ WATER SUPPLY

RECEIVED
TCEQ WATER SUPPLY

**P. O. Box 4187
Palestine, Texas 75802**

2006 NOV 15 AM 11:06
Telephone (903) 729-6005
Fax (903) 729-7310

November 13, 2006

KA
35434-C

Ms. Tammy Benter, Team Leader
Texas Commission on Environmental Quality
Water Quality Applications Team (MC 153)
Utilities and Districts Section
Water Supply Division
P. O. Box 13087
Austin, Texas 78711-3087


Re: Application of the NEW Water Supply Corporation for a Water Certificate of Convenience
& Necessity in San Augustine, Sabine & Shelby Counties, Texas
Application Number 35434-C

Dear Ms. Benter:

This is a written request for an extension of time on the above referenced project. There were so many landowners to notify due to the size of the areas that the time allotted has nearly arrived. In order to publish the notices and send out all landowner notices we are in need of an extension.

Your assistance and approval of this extension of time is greatly appreciated. If you should have any questions, please let us know. Thank you!

Yours very truly,



Lola Nevitt
encl:

FM Checklist

Applicant: New Water Supply Corporation (WSC), to Obtain a Water Certificate of Convenience and Necessity (CCN) in San Augustine, Sabine and Shelby Counties

Application No.: 35434-C

New WSC was chartered in late 2000, then apparently went into an "inactive" status, then was "reinstated" to active status by the Secretary of State's office as indicated in a copy of a certificate of filing dated September 15, 2004. The copy of their Articles of Incorporation calls them "NEWS." They now apply for the third time to obtain a water CCN for 108,000 acres in San Augustine, Sabine and Shelby counties. The first two were returned for lack of evidence of capital availability; the USDA/RD first had no record of an application pending, then had only very preliminary information, and considering the length of their loan/grant review and approval process, the applications were returned until further progress in that process could be documented.

Now, Ms. Sabrina Glenn of the USDA/RD office in Lufkin confirms that funds have been committed for both phase one and phase two, a total of about \$4.7 mil. Phase one will be \$640,000 loan and \$1,710,000 grant, which is generous, nearly a 75% grant ratio. Projections which were provided to RD as a part of that application process indicate cash net income can be generated. No further projections were provided or required.

In my opinion, this applicant has demonstrated adequate financial and managerial capability to provide service to the requested area. These conclusions are based on information provided by the applicant prior to this date and may not reflect any changes in the applicant's status subsequent to this date.

Signed: Dan Smith Date: November 15, 2006

A. PROJECTED # OF CONNECTIONS	
1. The customer classes and meter sizes are appropriate for the type of development and the predicted consumption patterns.	Date: 11/15/06
Comments: Projections other than RD requirements, were not provided or required.	
2. The growth projections are verifiable and make sense. Note: A growth rate greater than 10% per year will require significant documentation.	Date:
Comments:	

FM Checklist

Applicant: New Water Supply Corporation (WSC), to Obtain a Water Certificate of Convenience and Necessity (CCN) in San Augustine, Sabine and Shelby Counties

Application No.: 35434-C

C. FEE FOR SERVICE	
1. Projected number of connections agrees with assumptions listed.	Date:
Comments: Projections other than RD requirements, were not provided or required.	
2. Consumption assumptions are reasonable in light of the types of consumers expected to be on the system, e.g., large homes on large lots versus mobile home parks, or residential versus commercial.	Date:
Comments:	
3. Proposed rates reflect cost of service and are affordable. [Could consider the percentage of Median Household Income]	Date:
Comments:	

D. DOCUMENTATION RELATED TO PROVIDING SERVICE USING APPLICANT'S FACILITIES <i>Note: This section applies to NEW CCNs and substantial amendments.</i>	
1. Cost of construction is based on engineering estimates.	Date: 11/15/06
Comments: Yes, the engineer is J. F. Fontaine & Associates, Inc.	
2. Cost of maintaining and operating the system includes reasonable amounts for a contract operations company.	Date:
Comments:	

FM Checklist

Applicant: New Water Supply Corporation (WSC), to Obtain a Water Certificate of Convenience and Necessity (CCN) in San Augustine, Sabine and Shelby Counties

Application No.: 35434-C

E. FINANCING

1. Applicant has identified sources for funding construction and capital improvements.	Date: 11/15/06
--	-------------------

Comments: Yes, as specified earlier, the applicant has funds of nearly 75% grant committed for phase one and phase two, from USDA/RD.

2. Sources of revenue for construction and capital improvements are verifiable and documented.	Date: 11/15/06
--	-------------------

Comments: Yes.

3. Sources of revenue for construction and capital improvements are guaranteed or reasonably assured.	Date: 11/15/06
---	-------------------

Comments: Reasonably assured.

4. Sources of revenue for shortfalls, other than from rates, are guaranteed, or reasonably assured.	Date: 11/15/06
---	-------------------

Comments: Reasonably assured.

5. Applicant has contingency financing plan to fund any unforeseen repairs or equipment replacements, e.g. Reserves equal to depreciation or 1/8 O & M.	Date: 11/15/06
---	-------------------

Comments: Yes.

F. OWNERSHIP

1. Applicant has identified current and any future potential owners.	Date: 11/15/06
--	-------------------

Comments: Yes.

OPERATING BUDGET
PROPOSED SYSTEM
BASED ON \$4,785,000 LOAN SEPTEMBER, 03

Schedule 1

Name NEW WATER SUPPLY CORPORATION		Address ROUTE 2, BOX 365		City BRONSON	
Applicant Fiscal Year From JANUARY 1		To DECEMBER 31		County SABINE	
				State (Including ZIP Code) TEXAS 75935	
	20	20	20 04	20 05	First Full Year
	(1)	(2)	(3) Under Construction	(4) 438 Cust. @ \$71.50	(5) 438 Cust. @ \$71.50
OPERATING INCOME					
1. 438 Cust. @ \$71.50 Mo. Min.				375,804	375,804
2. Over Minimum				47,358	47,358
3. 9 Dry Taps (No Income Used)					0
4.					
5. Miscellaneous					
6. Less: Allowances and Deductions	()	()	()	()	()
7. Total Operating Income (Add Lines 1 through 6)			0	423,162	423,162
OPERATING EXPENSES					
8. Wages				48,000	48,000
9. Taxes/Insurance				15,000	15,000
10. Utilities				20,400	20,400
11. Office Expense				9,300	9,300
12. Miscellaneous				6,000	6,000
13. Repairs & Maintenance				7,200	7,200
14. Audits				1,500	1,500
15. Interest (RD)				245,231	245,231
16. Depreciation					
17. Total Operating Expense (Add Lines 8 through 16)			0	352,631	352,631
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)			0	70,531	70,531
NONOPERATING INCOME					
19.					0
20.					0
21. Total Nonoperating Income (Add Lines 19 and 20)			0	0	0
22. NET INCOME (LOSS) (Add Lines 18 and 21) (Transfer to Line A Schedule 2)			0	70,531	70,531

Budget and Projected Cash Flow Approved by Governing Body

Attest: _____
MEARLENE DAVIS Secretary Date

DR. CHARLES W. SMITH Appropriate Official Date

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.