

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution
October 11, 2006

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:

Your application for New WSC to obtain a CCN was received on August 7, 2006, and has been accepted for filing. Thank you for providing the items we requested with your September 27, 2006, and October 3, 2006, letters. Mr. Kamal Adhikari has been assigned to perform the technical review.

Your next step is to provide the public notices without delay. The notice to the public must be published once each week for two (2) consecutive weeks in a newspaper of general circulation in San Augustine, Shelby and Sabine Counties. It is the responsibility of the applicant to provide correct notice of the application to any utilities within five (5) miles of your proposed service area, any city with an extraterritorial jurisdiction which overlaps the proposed service area or other affected parties in your requested area. You will also be required to provide mailed notice to all landowners of more than 25 acres in your proposed CCN area pursuant to TCEQ 30 TAC Chapter 291 Rules adopted on January 5, 2006. The landowner information may be obtained from the county appraisal district tax rolls for the county or counties in which the proposed CCN lies. Check the notices carefully before mailing or publishing.

As proof that notice was provided, you are required to send us the following:

- a) an original and three copies of a publisher's affidavit of the newspaper publication with tear sheets of the published notice attached;
- b) four copies of each individual notice and map sent to neighboring utilities and affected parties;
- c) one copy of the landowner notice and map sent to each landowner; and
- d) an original and three copies of the signed affidavits that individual notice to neighboring utilities, affected individuals and each landowner has been given. (Copies of the Affidavit forms are enclosed with this letter.)

Please be sure to include a map showing the proposed service area with your individual notices to neighboring utilities, other affected parties and each landowner. It is the applicant's burden to provide an accurate map delineating the proposed area with each individual notice.

After technical review additional financial, technical or other information may also be requested through future correspondence.

Ms. Lola Nevitt
Page 2
October 11, 2006

These items must be completed and returned to our office by November 17, 2006. Processing of this application cannot proceed until the close of the 30 day public comment period which begins after all the required notices have been given. 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 Mr. Kamal Adhikari at 512/239-0680, or if by correspondence, include Mail Code 153 in the letterhead address.

Sincerely,

A handwritten signature in cursive script that reads "Tammy Benter".

Tammy Benter, Team Leader
Utilities & Districts Section
Water Supply Division

Enclosures: as stated

KLBB/THB/fg

cc: TCEQ, Region 10 Office

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

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.

A copy of the proposed service area map is available at the New WSC Office, P. O. Box 800, San Augustine, Texas 75972 (936) 275-2914

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

Date Notice Mailed _____ 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.

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

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

To: _____ Date Notice Mailed: _____, 2006
(Landowner)

(Address)

(City State Zip)

New Water Supply Corporation has filed an application for a CCN with the Texas Commission on Environmental Quality to provide water utility service in San Augustine, Shelby and Sabine 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. See enclosed map of the proposed service area. The total area being requested will serve 438 customers. The total area being requested includes approximately 108,000 acres and 0 current customers.

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 another 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, TX 78711-3087

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set 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.



Texas Commission on Environmental Quality

APPLICATION NO. _____

PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF _____

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

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

TITLE

_____ ; that
said

NAME OF NEWSPAPER

newspaper is regularly published in _____

County(ies) and generally circulated in

_____ County (Counties), Texas; and that

the attached notice was published in said newspaper on the following date(s), to wit: _____

Newspaper Representative's Signature

Subscribed and sworn to before me this _____ day of _____, 200_, 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. _____

AFFIDAVIT OF NOTICE TO NEIGHBORING UTILITIES AND AFFECTED PARTIES

STATE OF TEXAS

COUNTY OF _____

_____ has provided individual notice to
the following entities:

DATE

OATH

I, _____, 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. _____

AFFIDAVIT OF NOTICE TO LANDOWNERS

STATE OF TEXAS

COUNTY OF _____

_____ has provided individual notice to
the following entities:

DATE

OATH

I, _____, 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

To: Administrative Reviewer

Date: October 9, 2006

From: Cartographer-Utilities & Districts Section

Subject: Overlap & Notice Check for Administrative Review No. A-101-6
New WSC to obtain a water CCN in San Augustine, Shelby, & Sabine counties.

- X
1. No new overlap of service areas exists.
 2. An overlap:
 3. Dual certification:
 4. An overlap exists with the city limits of:
 5. If this is a Sale, Transfer, or Merger, is additional area being requested?
 6. Due to an inadequate map filed by the applicant, a determination cannot be made as to the actual location of requested service boundary.
 7. Map submitted is digital request digital data.
 8. Need a more detailed map, such as a subdivision plat or USGS topo map with the boundary clearly identified.
 9. Utility notice was sufficient.
 10. Utility notice was insufficient. In addition to those systems listed in the application, they will also need to notify:

TWO MILES: request for service

- ☒ Choice WSC (11408)
- ☒ Sam Rayburn Water Inc. (11707)
- ☒ Denning WSC (10390)
- ☒ Hilltop Lakes WSC (10341)
- ☒ San Augustine Rural WSC (10389)
- ☒ Bland Lake Rural WSC (10392)
- ☒ G M WSC (11393)
- ☒ McClelland WSC (10396)
- ☒ Melrose WSC (10377)

FIVE MILE: includes listed above

Choice WSC (11408)

Sam Rayburn Water Inc. (11707)

Denning WSC (10390)

Hilltop Lakes WSC (10341)

San Augustine Rural WSC (10389)

Bland Lake Rural WSC (10392)

G M WSC (11393)

McClelland WSC (10396)

Melrose WSC (10377)

Rayburn Hideaway Water System (12538)

City of San Augustine (10431)

Sand Hills WSC (11230)

Swift WSC (11420)

Etoile WSC (11540)

City of Pineland (12829)

Sutton Hills Estates POA (12935)

City of Broadus (10391)

City of Bronson

11. Notice: *o¹*

12. Other comments:



Kent Steelman

To: Administrative Reviewer

Date: October 2, 2006

From: Cartographer-Utilities & Districts Section

Subject: Overlap & Notice Check for Administrative Review No. A-101-6
New WSC to obtain water CCN in Shelby, Sabine, and San Augustine counties.

1. No new overlap of service areas exists.
2. An overlap:
3. Dual certification:
4. An overlap exists with the city limits of:
5. If this is a Sale, Transfer, or Merger, is additional area being requested?
6. Due to an inadequate map filed by the applicant, a determination cannot be made as to the actual location of requested service boundary.
7. Map submitted is digital request digital data.
- X 8. Need maps matching requirements in addendum.
9. Utility notice was sufficient.
10. Utility notice was insufficient. In addition to those systems listed in the application, they will also need to notify:

TWO MILES:

FIVE MILE:
- X 11. Notice: DO NOT NOTICE
- X 12. Other comments: Need mapping requirements from addendum.

2nd set of maps are the same as the first set. They do not meet new requirements.



Kent Steelman

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

September 21, 2006

BY FAX TO 903/729-7310 AND
BY CERTIFIED MAIL

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

FINAL NOTICE OF DEFICIENCY

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:

In a letter dated August 14, 2006, we requested additional information on this application. However, as of the date of this letter, we have not received all the information necessary to continue processing the application referenced above.

Processing for the above referenced application cannot proceed and notices cannot be published or mailed until we receive the following information:

1. Please complete the addendum for application's to obtain a CCN.
2. Please complete Item 2. B. on page 6, items 4. A., B., C., D., E., F. and G., on page 9 of the original application.

These items must be completed and returned to our office by **October 6, 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 cursive script, reading "Karen Blaschke", is written over the typed name.

Karen Blaschke
Utilities & Districts Section
Water Supply Division

KLB/

cc: Mr. Kamal Adhikari, TCEQ
TCEQ, Region 10 Office

P.O. Box 13087 • Austin, Texas 78711-3087 • 512/239-1000 • Internet address: www.tceq.state.tx.us

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Lola Nevitt
J.F. Fontaine & Associates, Inc.
P.O. Box 4187
Palestine, TX 75802
KB/fg Application No. 35434-C

New WSC

2. Article Number
(Transfer from service label)

7002 2410 0001 7629 8632

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

Ward J. Green

☐ Agent

☐ Addressee

B. Received by (Printed Name)

WARD J GREEN

C. Date of Delivery

9-25-06

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☒ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

J. F. FONTAINE & ASSOCIATES, INC.



P. O. BOX 4187 ♦ 700 N. SYCAMORE ♦ PALESTINE, TEXAS 75802
Phone AC/903 - #729-6005 ♦ Fax AC/903 - #729-7310

August 28, 2006

RECEIVED
AUG 30 2006
TEXAS COMMISSION
ON
ENVIRONMENTAL QUALITY

Ms. Karen Blaschke
Texas Commission on Environmental Quality
Utilities & Districts Section
Water Supply Division, Mail Code 153
P. O. Box 13087
Austin, Texas 78711-3087

Re: Application on New Water Supply Corporation
Application No. 35434-C
CN: 602577223; RN: 104394135

Dear Ms. Blaschke:

This is a request for an 30 day extension of time on the above referenced project.

The information that has been requested is taking more time and we will not be able to meet the September 15 deadline.

Your prompt attention to this matter is greatly appreciated. Thank you for your assistance in this matter.

Yours very truly,

Lola Nevitt

Class Mail® or Priority Mail®
Certified Mail®
provide a return address

Kathleen H. Bennett White, *Chairman*
Larry R. Sovard, *Commissioner*
Glenn Shanley, *Executive Director*

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

August 14, 2006

BY FAX TO 903/729-7310 AND
BY 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:

Your CCN application for New WSC, received on August 7, 2006, has been assigned Application No. 35434-C, but has not been accepted for filing. Please refer to the application number in future correspondence.

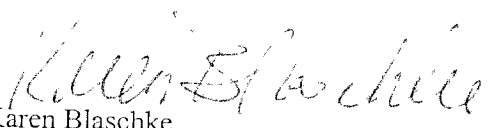
Processing for the above referenced application cannot proceed and notices cannot be published or mailed until we receive the following information:

1. Please complete the enclosed addendum for application's to obtain a CCN. For your convenience I have enclosed a copy of the addendum form.
2. Please complete item 2. B. on page 6, items 4. A., B., C., D., E., F. and G., on page 9 of the original application.

These items must be completed and returned to our office by **September 15, 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,


Karen Blaschke
Utilities & Districts Section
Water Supply Division

KLB/ac

Enclosure

cc: Mr. Kamal Adhikari, TCEQ
TCEQ, Region 10 Office

P.O. Box 13087 • Austin, Texas 78711-3087 • 512/239-1000 • Internet address: www.tceq.state.tx.us