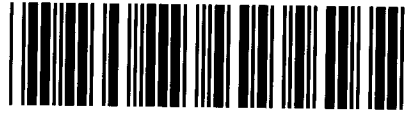




Control Number: 43832



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DOCKET NO. 43832

2015 MAY -6 AM 9:18

APPLICATION OF PALO DURO
SERVICE COMPANY, INC. TO
AMEND ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY IN
PARKER AND WISE COUNTIES §
§
§
§
§

PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

**COMMISSION STAFF'S RESPONSE TO ORDER NO. 3, SUPPLEMENTAL
COMMENTS ON ADMINISTRATIVE COMPLETENESS AND NOTICE AND
PROPOSED PROCEDURAL SCHEDULE**

COMES NOW, Commission Staff (Staff) of the Public Utility Commission of Texas (Commission) files this Response to Order No. 3, Supplemental Comments of Administrative Completeness and Notice and Proposed Procedural Schedule. In support of its Response, Staff states the following:

I. BACKGROUND

On November 21, 2014 Palo Duro Service Company (Palo Duro or Company) filed with the Public Utility Commission of Texas (Commission) a request for correction of maps related to water certificate of convenience (CCN) No. 12200 in Parker County, Texas. On December 1, 2014, the Administrative Law Judge (ALJ) issued Order No. 1 and deemed the application as not filed because Palo Duro did not submit their application on the Commission-approved application form. On February 9, 2015, Palo Duro filed with the Commission, on the Commission-approved application form, an application to amend its CCN No. 12200 in Parker and Wise Counties, Texas. At this time, Palo Duro seeks to amend its CCN to update its current certificated service area and to expand its service area to provide service to the proposed Aledo Ridge Subdivision.

On February 13, 2015, Order No. 2 Requiring Comments on Administrative Completeness and Notice, Requesting Procedural Schedule, and Addressing Other Procedural Matters was issued requiring Staff to file a recommendation on the Application by March 11, 2015. On March 11, 2015, Commission Staff filled comments on the application, recommending the application be deemed not administratively complete because it contained material deficiencies. On March 13, 2015, the ALJ issued Order No. 3 finding the application incomplete and deficient and directed Palo Duro to amend their application by April 8, 2015, to cure the deficiencies noted by Staff. Palo Duro amended their application on April 8, 2015. Order No. 3

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also established May 12, 2015 as the deadline for Commission Staff to file a supplemental recommendation regarding administrative completeness of the amended application and notice along with a proposed procedural schedule. Therefore, this Response is timely filed.

II. STAFF'S RECOMMENDATION ON THE NOTICE AND APPLICATIONS

As detailed in the attached memorandum of Debbie Reyes-Tamayo of the Commission's Water Utilities Division, Staff has reviewed the application and recommends that the application be deemed sufficient and should be accepted for filing. Staff has attached the notice that the Applicant must provide in accordance with Title 16, TEX. ADMIN. CODE (16 TAC) § 24.106. Staff further requests that the notice be attached to the ALJ's order and recommends that the Applicant be directed to provide the approved notice to any districts, groundwater conservation districts, counties, utilities, cities, cities with an extraterritorial jurisdiction within two (2) miles of the proposed service area, any city with an extraterritorial jurisdiction which overlaps the proposed service area, and any customers transferred, or other affected parties in the proposed CCN area, pursuant to 16 TAC § 24.106(b). The Applicant should include a copy of a map showing the proposed service area with the individual notices to neighboring utilities, other affected parties, and each landowner, pursuant to 16 TAC § 24.106(a)(2). Additionally, Staff recommends that the Applicant publish the approved notice once each week for two consecutive weeks in a newspaper of general circulation in Parker and Wise Counties pursuant to 16 TAC § 24.106(c).

Staff further recommends the Applicant file a copy of the actual notice sent with attached and signed affidavits supporting the notice by June 16, 2015.

III. PROPOSED PROCEDURAL SCHEDULE

In support of the recommendation stated above, Staff proposes the following procedural schedule:

<u>Event</u>	<u>Date</u>
Deadline for Applicant to file affidavits of proof of notice.	June 16, 2015
Deadline for intervention; deadline for intervenors to request a hearing on the merits.	Within 30 days of mailing or publication of notice, whichever occurs later.
Deadline for Staff to request a hearing or to file a recommendation on final disposition or	August 13, 2015

recommend an additional procedural schedule	
Deadline for Applicant to request a hearing or respond to Staff's recommendation on final disposition; or if no disputed issues exist, deadline for parties to file proposed findings of fact, conclusions of law, and ordering paragraphs.	August 26, 2015

Staff notes that customers have the ability to opt out of a CCN request. In the event customers wish to opt out of the CCN, additional procedures may be needed before Staff may make a recommendation. Therefore, Staff's proposed procedural schedule allows Staff the opportunity to either file a recommendation after the customer comment period or recommend an additional procedural schedule.


IV. CONCLUSION

Staff respectfully requests that the ALJ issue an order consistent with Staff's recommendations in this response.

Date: May 6, 2015

Respectfully Submitted,
Margaret Uhlig Pemberton
Division Director- Legal Division

Shelah J. Cisneros
Managing Attorney-Legal Division



Maria Faconti
Attorney-Legal Division
State Bar No. 24078487
(512) 936-7235
(512) 936-7268 (facsimile)
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

DOCKET NO. 43832

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 6th day of May, 2015, in accordance with P.U.C. Procedural Rule 22.74.

Maria Faconti
Maria Faconti

PUC Interoffice Memorandum

To: Maria Faconti
Legal Division

Thru: Tammy Benter, Director
Water Utility Division

From: ^{DCT} ₅₋₁₋₁₅ Debbie Reyes Tamayo, Program Specialist
Water Utility Division

Date: May 1, 2015

Subject: Docket No. 43832; Application of Palo Duro Service Company, Inc. to Amend Its Certificate of Convenience and Necessity in Parker and Wise Counties

On November 21, 2014, Palo Duro Service Company, Inc., (Applicant) filed with the Commission an application to amend its water CCN No. 12200 in Parker and Wise Counties. On December 1, 2014, the Administrative Law Judge instructed the Applicant to submit their application using the Commission-approved application form available online. On February 9, 2015, the Applicant filed a new application and seeks to amend its CCN No. 12200 in Parker and Wise Counties, Texas. The purpose of the application is to expand its service area to provide service to the proposed Aledo Ridge Subdivision. This application is being reviewed under the PUC's Substantive Rules in Chapter 24, §§24.102, 24.105, 24, 106, and 24.107.

On April 8, 2015, the Applicant filed their response to Commission Order No. 3. Staff has reviewed their response and finds that the response addresses all of the deficiencies noted in the order. Therefore, Staff recommends the application to be deemed sufficient for filing.

The Applicant may proceed with providing notices. In addition to those entities listed in the application, applicant will also need to notify:

- any districts, groundwater conservation districts, counties, utilities, cities, cities with an extraterritorial jurisdiction within two (2) miles of the proposed service areas;
- any city with an extraterritorial jurisdiction which overlaps the proposed service areas;
- any customers transferred, or other affected parties in the requested area; and

Entities within a 2 mile buffer for the "Area Adjacent to DuChane Chateaux"

- City of Willow Park (CCN 11184)
- Rollins Hills Estates WSC (CCN 12926)
- Upper Trinity Groundwater Conservation District
- Lake Weatherford MUD 2

And

Entities within a 5 mile buffer for the Aledo Ridge Addition:

All of the entities above plus

- City of Aledo (CCN 10264)
- City of Hudson Oaks (CCN 12273)
- Highland WSC (CCN 12273)
- New Progress WSC (CCN 11844)
- Walnut Creek SUD (CCN 10285)
- City of Annetta North
- City of Aledo
- City of Weatherford
- Lake Weatherford MUD 1
- Live Oak Creek MUD 1 of Tarrant County
- Morningstar Ranch MUD 1 of Parker County
- Parker County FWSD 1
- Tarrant Regional Water District
- Trinity River Authority of TX
- Parker County

The Applicant must include a copy of a map showing the proposed service area with the 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. Information related to districts including addresses can be obtained by the Applicant from the TCEQ's web site located at <http://www14.tceq.texas.gov/iwud/>.

Lastly, I recommend that the applicant be given until June 16, 2015 to provide this information along with a copy of the actual notices issued, the map issued with the individual mailed notice, and attached signed affidavits that the notice was given.

TB/DRT

Notice for Publication

NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER UTILITY SERVICE IN PARKER COUNTY, TEXAS

The Palo Duro Service Company, Inc. filed an application with the Public Utility Commission of Texas to amend water Certificate of Convenience and Necessity No. 12200 in Parker County.

First Tract

- The proposed utility service area is located approximately 11.5 miles east of downtown Weatherford, Texas and is generally bounded on the north by Mad Canyon Rd, on the east by FM 3325, on the south by Brandon Dr, on the west by 1.2 miles west of FM 3325. The approximate acreage is 258 acres and 60 current customers in Parker County.

Second Tract

- The proposed utility service area is located approximately 12 miles east of downtown Weatherford, Texas and is generally bounded on the north and east by Meadow Crest Rd, on the south by White Settlement Road; and on the west by Farmer Road FM 3325. The approximate acreage is 33 acres and 0 existing customers in Parker County.

A copy of the proposed service area map is available at:
3505 Williams Road, Fort Worth, Texas, 76116

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:

**Public Utility Commission of Texas
Central Records
1701 N. Congress, P. O. Box 13326
Austin, TX 78711-3326**

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 Commission 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, 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.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All request to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

**Public Utility Commission of Texas
Central Records
1701 N. Congress, P. O. Box 13326
Austin, TX 78711-3326**

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-512-936-7221

Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER UTILITY SERVICE IN PARKER COUNTY, TEXAS

To: _____
(Neighboring System, Landowner or City)

(Address)

(City State Zip)

Date Notice Mailed: _____, 2015

The Palo Duro Service Company, Inc. filed an application with the Public Utility Commission of Texas to amend water Certificate of Convenience and Necessity No. 12200 in Parker County.

First Tract

- The proposed utility service area is located approximately 11.5 miles east of downtown Weatherford, Texas and is generally bounded on the north by Mad Canyon Rd, on the east by FM 3325, on the south by Brandon Dr, on the west by 1.2 miles west of FM 3325. The approximate acreage is 258 acres and 60 current customers in Parker County.

Second Tract

- The proposed utility service area is located approximately 12 miles east of downtown Weatherford, Texas and is generally bounded on the north and east by Meadow Crest Rd, on the south by White Settlement Road; and on the west by Farmer Road FM 3325. The approximate acreage is 33 acres and 0 existing customers in Parker County.

See enclosed map of proposed 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 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:

**Public Utility Commission of Texas
Central Records
1701 N. Congress, P. O. Box 13326
Austin, TX 78711-3326**

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If a public hearing is requested, the Commission 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.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to exclude the tract from the proposed area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All request to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

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Austin, TX 78711-3326**

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-512-936-7221.

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO NEIGHBORING UTILITIES AND AFFECTED PARTIES
DOCKET NO. _____

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 _____

PUBLIC UTILITY COMMISSION



PUBLISHER'S AFFIDAVIT
DOCKET NO. _____

STATE OF TEXAS
COUNTY OF _____

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

_____, who being by me

duly sworn, deposes and that (s)he is the _____
(TITLE)

of the _____
(NAME OF NEWSPAPER)

that said newspaper is regularly published in: _____
(COUNTY/COUNTIES)

and generally circulated in _____, Texas: and
(COUNTY/COUNTIES)

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

(DATES)

(SIGNATURE OF NEWSPAPER REPRESENTATIVE)

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 _____