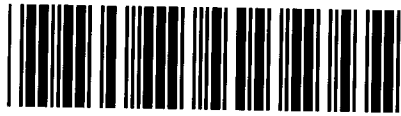




Control Number: 43976



Item Number: 11

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



2014/10/14/10

RECEIVED 43976

2015 JAN -7 AM 10: 23

PUBLIC UTILITY COMMISSION
FILING CLERK

Texas Commission on Environmental Quality

INTEROFFICE MEMORANDUM

To: Kent Steelman
12/18/07
98 Tammy Benter

From: Karen Blaschke

Thru: Irma Santana

Date: 12/11/07

Subject: Return of Application
Name of Utility: South Central Water Company, a Texas Corporation
Application Number: 35816-C
Application Received: 9/19/07 Processing Time: 83

Reason Application Returned: This application has not been accepted for filing. An NOD was sent on October 8, 2007, but no response has been submitted to continue processing the application.

Please update this case as closed (D), in WUD as of the date of this memo.

Status : D

RECEIVED
FILING CLERK
2015 JAN 14 2015

Buddy Garcia, *Chairman*
Larry R. Soward, *Commissioner*
Bryan W. Shaw, Ph.D., *Commissioner*
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 14, 2007

Mr. Jeff Goebel, VP of Development
South Central Water Company
P.O. Box 570177
Houston, Texas 77257

Re: Application from South Central Water Company, a Texas Corporation, to Amend Certificate of Convenience and Necessity (CCN) No. 20964 in Montgomery County; Application No. 35816-C

CN: 602602179; RN: 104220645

Dear Mr. Goebel:

As discussed during a telephone conversation on December 11, 2007, your CCN application (Jasper Ranch Subdivision) is being returned for failure to prosecute. We received your referenced application on September 19, 2007. A notice of deficiency letter was sent to you on October 8, 2007, to request additional information. As of this date the additional information has not been submitted, as required to continue processing your application. Therefore, the Commission is returning your application for failure to prosecute.

This application may be resubmitted. Enclosed is a copy of your application. The original copy will be maintained in record services for information purposes only

If you have any questions, please contact Ms. Karen Blaschke at (512)239-6932 or if by correspondence, include MC 153 in the letterhead address.

Sincerely,

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

Doug Holcomb, P.E., Section Manager
Utilities and District Section
Water Supply Division

Enclosure: Application

DH/KLB/al

CO CCN 20964

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
TELEPHONE MEMO TO THE FILE

Please complete with typewriter or black pen.

Call to: _____

Call from: _____

Date of call: 10/3/07

File no.: 35816-C

Phone no.: (_____) _____

Subject: South Central
Water Company

Information for file: files; current

enforcement: NONE

~~to~~ 12/11/07 - Jeff Spebel, 713/783-6611 X
Told Jeff we're returning application.

Signed _____



Texas Commission On Environmental Quality

By These Presents Be It Known To All That

South Central Water Company

having duly applied for certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 13061

to provide continuous and adequate water utility service to that service area or those service areas in Harris, Liberty and Montgomery Counties by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No. 35670-C are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of South Central Water Company to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this _____

For the Commission



Texas Commission On Environmental Quality

By These Presents Be It Known To All That

South Central Water Company

having duly applied for certification to provide sewer utility service for the convenience and necessity of the public, and it having been determined by this commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

Certificate of Convenience and Necessity No. 20964

to provide continuous and adequate sewer utility service to that service area or those service areas in Harris, Liberty and Montgomery, Parker and Wilson Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No 35671-C are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of South Central Water Company to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby

Issued at Austin, Texas, this _____

For the Commission

MAILING LIST FOR APPLICATION NOS. 35670-C & 35671-C

Mr. Jeff Goebel, VP of Development Representing. South Central Water Company
P.O. Box 570177
Houston, Texas 77257-0177

Mr. Mark H. Zeppa, Attorney
Law Offices of Mark H. Zeppa, PC
4833 Spicewood Springs Road #202
Austin, Texas 78759

TCEQ:

Todd Galiga, Environmental Law Division, MC 173
Vic McWherter, Public Interest Counsel, MC 103
Kha Mach, MC -153, Utilities & District Section, Water Supply Division, MC 153
Debbie Reyes Tamayo, MC - 153, Utilities & District Section, Water Supply Division, MC 153

Region 12 Houston Office

Irma Santana and Teri Cisneros, Data Entry Team, MC 155

Please send a copy of the signed order to Central Records to be included in the following
Certificate of Convenience and Necessity (CCN) permanent files:

South Central Water Company, CCN Nos. 13061 & 20964



APPLICATION NOS. 35670-C & 35671-C

IN THE MATTER OF THE
APPLICATIONS OF SOUTH CENTRAL
WATER COMPANY, TO AMEND
WATER AND SEWER CERTIFICATES
OF CONVENIENCE AND NECESSITY
NOS. 13061 AND 20964 IN HARRIS
COUNTY, TEXAS.

§
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BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY

On _____, the Executive Director of the Texas Commission on Environmental Quality pursuant to Chapters 5 and 13 of the Texas Water Code considered the applications of South Central Water Company, a Texas Corporation, to amend water and sewer Certificate of Convenience and Necessity Nos. 13061 and 20964 in Harris, Liberty and Montgomery Counties, Texas

The Executive Director (ED) of the Texas Commission on Environmental Quality (TCEQ) requested a public hearing on the applications. On February 8, 2008, an order was issued dismissing the case from the docket of the State Office of Administrative Hearings and the applications were remanded back to the ED.

Notice of the applications was given to all affected and interested parties;

The criteria set forth in *Texas Water Code* Section 13.246(c) has been considered; and

The certificate amendments requested in the applications are necessary for the service, accommodation, convenience, and safety of the public.

Now, therefore, be it ordered by the Texas Commission on Environmental Quality that the applications are granted and Certificate of Convenience and Necessity Nos 13061 and 20964 be amended in accordance with the terms and conditions set forth herein and in the certificates

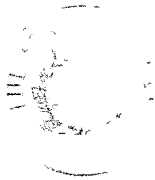
IT IS FURTHER ORDERED that South Central Water Company shall serve every customer and applicant for service within the areas certified under Certificate of Convenience and Necessity Nos. 13061 and 20964 and that such service shall be continuous and adequate.

Texas Commission on Environmental Quality

Issued date:

For the Commission

Buddy Garcia, *Chairman*
Larry R. Soward, *Commissioner*
Bryan W. Shaw, Ph.D., *Commissioner*
Glenn Shankle, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

Mr. Jeff Goebel, VP of Development
South Central Water Company
P.O. Box 570177
Houston, Texas 77257-0177

Re: Application Nos. 35670-C and 35071-C, Applications of South Central Water Company to amend water and sewer Certificate of Convenience and Necessity Nos 13061 and 20964 in Harris County, Texas

CN: 602602179 RN: 104220637 (water) RN: 104220645 (sewer)

Dear Mr. Goebel:

Enclosed are the following documents issued by the Commission in the above referenced applications:

- certified copies of the orders
- certified copies of the maps
- copies of the CCN's

This action is taken under authority delegated by the Executive Director of the Texas Commission on Environmental Quality.

You are now authorized to provide utility service in accordance with your approved tariffs and the rules and regulations of the Commission. Your last step is to file a certified copy of the CCN map along with a written description of the CCN service area in the county clerk's office pursuant to Texas Water Code, Chapter 13.257 (r) and (s).

If you have any questions, please contact Ms. Debbie Reyes Tamayo by phone at 512/239-6483, by fax at 512/239-6972, by email at dreyesta@tceq.state.tx.us, or if by correspondence, include MC 153 in the letterhead address.

Sincerely,

Todd Chenoweth, Director
Water Supply Division

TC/DRT/al

Enclosures

cc: mailing list

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

Printed on Recycled Paper

Buddy Garcia, *Chairman*
Larry R. Soward, *Commissioner*
Glenn Shankle, *Executive Director*



Texas Commission on Environmental Quality
Protecting Texas by Reducing and Preventing Pollution

October 8, 2007

BY FAX TO 713/783-6321 AND
BY CERTIFIED MAIL

Mr. Jeff Goebel, VP of Development
South Central Water Company
P.O. Box 570177
Houston, Texas 77257

NOTICE OF DEFICIENCY

Re: Application from South Central Water Company, a Texas Corporation, to Amend
Certificate of Convenience and Necessity (CCN) No. 20964 in Montgomery
County; Application No. 35816-C

CN: 602602179; RN: 104220645

Dear Mr. Goebel:

Your CCN application for South Central Water Company, a Texas Corporation (Jasper Ranch Subdivision), received on September 19, 2007, has been assigned Application No. 35816-C. The application 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 submit 4 copies of one of the following maps showing only the proposed area(s):
 - a. Metes and bounds survey certified by a licensed state land surveyor or a registered professional land surveyor; or
 - b. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled for each utility), or
 - c. following verifiable natural and man-made landmarks; or
 - d. copy of a recorded plat map of the proposed area, with lot and block number.
2. Your application indicated the request for sewer service was included as attachment B, but attachment B appears to be blank. Please provide 4 copies of the written requests for sewer service received.

P.O. Box 13087 • Austin, Texas 78711-3087 • 512-239-1000 • Internet address www.tceq.state.tx.us
printed on recycled paper using soy-based ink

Mr. Jeff Goebel, VP of Development

Page 2

October 8, 2007

3. Please submit 4 copies of any items listed in the enclosed addendum that were not included in your original application submitted. For your convenience, I have enclosed a copy of the addendum.

These items must be completed and returned to our office by **November 9, 2007**. 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/al

Enclosure: addendum

ADDENDUM
FOR APPLICATION TO OBTAIN OR AMEND A
CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)**

**NOTE: THIS FORM MUST BE COMPLETED AND SUBMITTED WITH ALL APPLICATIONS TO OBTAIN OR AMEND A CCN.

House Bill 2876 was enacted during the 79th Regular Session of the 2005 Texas Legislature. The enactment of this Bill changed the criteria in Chapter 13 of the *Texas Water Code* to consider when granting or amending CCN certificates. On December 14, 2005, the Texas Commission on Environmental Quality also adopted changes to Chapter 30, *Texas Administrative Code*, Subsection 291, to require additional criteria be considered when granting or amending CCN certificates. The outline below is designed to help us capture the information required to meet the new criteria in accordance with the new statutes and rules. The Commission also reserves the right to request additional information if necessary.

- I. Demonstrate the Need for Service by providing the following:
 - A. Describe the service area and circumstances driving the need for service in the requested area. Indicate the name(s) and address(es) of landowner(s), prospective landowner(s), tenant(s) or resident(s) that have requested service, and/or
 - B. Describe the economic need(s) for service in the requested area (i.e. plat approvals, recent annexation(s) or annexation request(s), building permits, septic tank permits, hospitals, etc.); and/or
 - C. Discuss in detail the environmental need(s) for service in the requested area (i.e. failing septic tanks in the requested area, failing wells, etc.); and/or
 - D. Provide copies of any written applications or requests for service in the requested area; and/or
 - E. Provide copies of any reports and/or market studies demonstrating existing or anticipated growth in the requested area.
- II. Effect of Granting of a Certificate of Amendment:
 - A. Explain in detail the effect of the granting of a certificate or an amendment, including, but not limited to regionalization, compliance and economic effects on the following:
 1. the applicant;

2. any retail public utility of the same kind already serving the proximate area; and
3. any landowner(s) in the requested area.

III. Ability to Provide Adequate Service:

- A. Describe the ability of the applicant to provide adequate service, including meeting the standards of the commission, taking the both of the following items into consideration:
 1. the current and projected density; and
 2. the land use of the requested area.

IV. Effect on the Land

- A. Explain the effect on the land to be included in the certificated area.

V. Map Requirements - Please disregard the map information listed in the CCN application form and attach the following hard copy maps with each copy of the application:

- A. A small scale, general location map delineating the proposed service area(s) with enough detail to locate the area(s) within the county(ies); and
- B. A map showing only the proposed area(s) by:
 1. metes and bounds survey; or
 2. projectable digital data with metadata; or
 3. following verifiable natural and man-made landmarks; or
 4. plat map with metes and bounds; and
- C. A written description of the proposed service area(s); and
- D. Provide separate and additional maps of the proposed area(s) to show the following:
 1. all facilities, illustrating separately facilities for production, transmission, and distribution of the applicant's service(s); and

2. any facilities, customers or area currently being served outside the applicant's certificated area(s), and
3. cities must also provide a separate map showing corporate and extraterritorial jurisdictional (ETJ) boundaries

NOTE: All maps must have an accurate scale and proposed area(s) should be clearly labeled. Include digital data for all maps created in digital formats.

VI. Additional Notice Requirement to Landowner(s) - In addition to the notice(s) required in the application form, please also submit the following

- A. A copy of the county(ies) tax appraisal roles of the applicable appraisal district(s) to include all landowner(s) of a tract of land that is at least 25 acres and is wholly or partially included in the proposed area(s)
- B. A copy of the proposed notice to landowner(s) including the required attached map.

NOTE: Notice to landowner(s) must be mailed by first class mail and should not be mailed until the application is accepted for filing by the Commission.

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:

Mr. Jeff Goebel, VP of Development
South Central Water Company
PO Box 570177
Houston, TX 77257
KB/al

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent
☒ Addressee
 B. Received by (Printed Name) C. Date of Delivery
 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

2. Article Number
 (Transfer from service label)

7004 1350 0002 7574 8434

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

** Transmit Conf. Report **

P.1

Oct 8 2007

9:14

Fax/Phone Number	Mode	Start	Time	Page	Result	Note
917137836321	NORMAL	8, 9:14	0'25"	3	OK	

NOTES:

FROM: TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Name

KAREN BLASCHKE

Division/Region

WATER SUPPLY DIVISION

Telephone Number

512-239-6932

FAX Number

512-239-6972

FAX Number

713-783-6321

To: Administrative Reviewer

Date: September 28, 2007

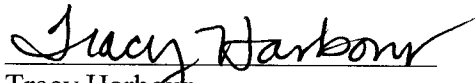
From: Cartographer-Utilities & Districts Section

Subject: Overlap & Notice Check for Application No. 35716-C / (A-136-7): South Central Water Company to Amend Sewer CCN (20964) in Montgomery County

- X 1. No new overlap of service areas exists. Unable to determine.
2. An overlap exists
3. Dual certification
4. An overlap exists with the city limits of the following cities:
5. If this is a Sale, Transfer, or Merger, is additional area being requested?
- X 6. Due to an inadequate map filed by the applicant, a determination cannot be made as to the actual location of all the requested water service boundaries.
- X 7. Map submitted is in a digital version. Request an electronic copy with response letter.
- X 8. Need a more detailed map, such as a full size subdivision plat with corresponding metes and bounds with the proposed boundary clearly identified.
9. Utility notice was sufficient.
- X 10. Utility notice was insufficient. In addition to those systems listed in the application, they will also need to notify:
- TWO MILES: Do not publish notice at this time.
- X 11. Notice: Do not publish notice at this time.
- X 12. Other comments: Do not publish notice at this time.

As stated in the Addendum for Application to Obtain or Amend a CCN Application, please submit the following map(s) only showing the proposed area(s) to meet TCEQ's mapping requirements:

- metes and bounds survey certified by a licensed state land surveyor or a registered professional land surveyor; or
- projectable digital data with metadata; or
- following verifiable natural and man-made landmarks, or
- copy of a recorded plat map of the area, with lot and block number


Tracy Harbour

Checklist For Obtaining or Amending CCN

Purpose of Application:

Administrative Review #A -

1367

☐ Obtain New Water CCN
Registration # A

☐ Obtain New Sewer CCN
Registration # A

20964

☒ Amend Water CCN # _____

☒ Amend Sewer CCN # _____

☐ Application Filing Fee \$100 (Page 4 of Instructions & Check List)

☒ Fees due (does not include Regulatory Assessment Fees)

☒ CN: _____

RN _____

☒ Not on file in Central Registry. Needs Core Data Form

☒ Original and three copies of application received (Item 2 on page 2 of Instructions & Checklist)

Name on application:

South Central Water Company

Name in WUD: _____

don't
see
the check



[iWUD Main](#) [Districts](#) [Utilities](#) [PWS](#) [Reports](#) [Documents](#) [Maps](#)

? Utility details for SOUTH CENTRAL WATER COMPANY (20964)

[Affiliations](#) [Documents](#) [Site Visits](#) [Schedules](#)

Properties

CR Regulated Entity Number: RN104220645
CCEDS Status: NO ACTIVE NOE EXISTS
Utility Type: SEWER UTILITY
Ownership Type: INVESTOR
Primary County: LIBERTY
County Code: 146

Customers

Reference Number	Name	Role
CN602602179	SOUTH CENTRAL WATER COMPANY	OWNER OPERATOR

Official Address / Phone

Address: PO BOX 570177
HOUSTON, TX 77257-0177
Telephone: (713) 783-6611

Counties

Code	County Name	Primary
101	HARRIS	N
146	LIBERTY	Y

Site County occurrences retrieved.

Activity

Activity Status: ACTIVE
Activity Date: 10/06/2004

[Run Utility Cases Report](#)
[Run Utility Summary Report](#)

Utility successfully retrieved.

For questions or comments regarding information on this page, contact the
[TCEQ iWUD Web Manager](#)

South Central Water Company

PO Box 570177
Houston, Texas 77257
713-783-6611

-136-78
35716-C
DT

September 13, 2007

Texas Commission on Environmental Quality
Attn: Revenues Section (MC 214)
P.O. Box 13088
Austin, Texas 78711-3088

RECEIVED
SEP 13 2007
TEXAS COMMISSION
ON
ENVIRONMENTAL QUALITY

To Whom It May Concern:

Please find enclosed a check for \$100.00 for the processing of an application according to the following.

Type of Application: **Proposed CCN Amendment**

Applicant: **South Central Water Company**

Application Number: **Not yet assigned**

Name of the Subdivision: **Jasper Ranch**

Sincerely,



Jeff Goebel
713-783-6611

2007 SEP 19 AM 10 40
WATER SUPPLY DIV.
TCEQ
RECEIVED

South Central

5818 Bever
Houston, Tex
713-78

September 13, 2007

Texas Commission on Environmental Quality
Water Quality Team
MC-156
PO Box 13087
Austin Texas 78711-3087


RE: Submittal of Application to Amend CCI

To Whom It May Concern:

Please see enclosed application to amend the
South Central Water Company. The required
revenue section as required.

If you have any questions please call me at 7

Thank you,



Jeff Goebel

South Central Water Company
Proposed Amendment CCN Application

Submitted to:

Texas Commission on Environmental Quality
Registration, Review & Reporting Division
Permits Administrative Review Section
Water Quality Team
MC-156
P.O. Box 13087
Austin, Texas 78711-3087

Jasper Ranch



**APPLICATION TO OBTAIN A
CERTIFICATE OF CONVEYANCE**



GENERAL INFORMATION

• • • THIS APPLICATION IS NOT A RATE CHANGE APPLICATION. THE APPROPRIATE FORMS NEEDED TO FILE A RATE CHANGE APPLICATION MAY BE OBTAINED BY CONTACTING THE UTILITIES AND DISTRICTS SECTION, TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ). • • •

- Pursuant to V.T.C.A., Water Code, Chapter 13, Subchapter G:
 - CCNs *may be obtained* by any retail public water and sewer utility
 - CCNs *are required* for
 - a) Investor Owned Utilities (IOU);
 - b) Non-profit, member-owned, member-controlled water supply or sewer service corporations (WSC) incorporated under Water Code Chapter 67, and
 - c) affected counties.
 - CCNs *may be required* for political subdivisions, except affected counties, before utility service can be provided to an area already lawfully being served.
- A CCN gives the holder:
 - the legal right to provide water and/or sewer utility service;
 - for compensation, either directly through a monthly rate or indirectly through maintenance fees, property owners fees, etc.;
 - a delineated service area; **AND**
 - obligates the certificate holder to provide service to every customer and qualified applicant who requests service within that area.
- A CCN is *not required* when service is either submetered pursuant to Water Code, Chapter 13, Subchapter M or included in the rental of the property.
- IOUs and WSCs with 15 or less potential connections may register as “exempt” and then are not required to possess a CCN for their service area if they meet the exemption criteria.
- **If this application was downloaded from the TCEQ web site or sent via E-mail, it shall not be changed, altered or amended from its original form only available from the Commission.**

PROCESSING YOUR CCN APPLICATION

- **FLOW CHART**

Enclosed in this packet is a flow chart of the review process. Your application will go through an Administrative Review and, when accepted for filing, through a Technical Review. For uncontested applications, processing time depends on the response time of the applicant. Contested applications generally take longer because of the need for scheduling a public hearing, and processing time depends on whether a settlement agreement between the applicant and the protestor(s) is reached. The dates provided in the flow chart are generally the time it takes to process an uncontested application.
- **ADMINISTRATIVE REVIEW OF YOUR CCN APPLICATION**
 - Your application will be reviewed for completeness by the Commission staff within ten (10) working days after it is received in our offices.
 - If necessary, you may be requested to provide additional information within thirty (30) days to complete the application.

- Proposed notice forms are included with the application.
- If the application is ***administratively incomplete***, you will be sent a letter that outlines the application's deficiencies and describing what you need to do to correct the deficiencies
 - a) After receiving that letter, you will have ***thirty (30)*** days to make the necessary corrections
 - b) **If you fail to make the corrections in full**
 - (a) the application will be returned,
 - (b) the application fee will be forfeited, **and**
 - (c) if you are already operating a system, you will be referred for enforcement action which may include administrative penalties of up to \$500 per day.

- **NOTICE**

The Commission cannot grant a CCN until proper notice of the application has been given. It is the applicant's responsibility to ensure that proper notice is given. Notice forms for publication, neighboring cities and systems, and customers are included with this application to use in preparing your proposed notices. These notice forms are also available in Spanish upon request. If the applicant is an operating IOU currently providing service without a CCN, then proposed notices must be provided for publication, to neighboring cities and systems and current customers in the proposed service area. All three forms must be completed and submitted with the application. However, if the applicant has no customers in the proposed area at the time of filing and is only proposing to provide service at some future date, or if the applicant is a WSC or political subdivision, then only the notices for publication and neighboring cities and systems must be submitted. **Do not publish the notice or send copies of the proposed notices or maps to anyone at the time you submit this application to the Commission. Your proposed notices and maps will be reviewed for completeness. When your application is accepted for filing, you will be directed to provide the appropriate notices for publication, to the neighboring cities and systems and, if necessary, to current customers.**

- **TECHNICAL REVIEW OF YOUR CCN APPLICATION**

When the application is complete, you will be notified by mail and be required

- to publish notice once each week for two (2) consecutive weeks in a newspaper of general circulation in your local area and county. If the proposed area is in more than one county, publication in each county is required;
- to provide a copy of the individual notice with copy of location map (CCN map) to neighboring cities and systems within
 - a) two (2) miles of your proposed service area, if you are an existing retail public utility amending the existing service area or
 - b) five (5) miles if you are obtaining a new CCN to serve a new service area; and
 - c) to provide individual mailed notice with copy of location map (CCN map) to all affected current customers if you are required to have a CCN but are currently providing service without a CCN;

If the application is ***technically incomplete***, you will be sent a letter that outlines the application's deficiencies and describing what you need to do to correct the deficiencies

- After receiving that letter, you will have ***thirty (30)*** days to make the necessary corrections
- **If you fail to make the corrections in full,**
 - a) the application will be returned
 - b) the application fee will be forfeited **and**
 - c) if you are already operating a system, you will be referred for enforcement action which may include administrative penalties of up to \$500 per day.

V.T.C.A. Water Code Section 13.246(c) requires the Commission to consider the following factors before it can issue a CCN:

- the adequacy of service currently provided to the requested area,
- the need for additional service in the requested area,
- the effect of the granting of a certificate on a recipient of the certificate and on any retail public utility of the same kind already serving the proximate area,
- the ability of the applicant to provide adequate service,
- the feasibility of obtaining service from an adjacent retail public utility,
- the financial stability of the applicant, including, the adequacy of the applicant's debt-equity ratio,
- environmental integrity, **AND**
- the probable improvement of service or lowering of cost to consumers in that area resulting from the granting of the certificate.

In addition to these factors,

- the Commission must ensure that the applicant possesses the financial, managerial, and technical capability to provide continuous and adequate service **AND**
- the applicant must also demonstrate that regionalization or consolidation with another retail public utility is not economically feasible.

If there are no protests, you will be provided a copy of the technical staff recommendation and proposed CCN. If you have any questions or concerns, you should contact the technical staff person assigned to your application immediately. If you disagree with the staff recommendation and/or proposed CCN, the application will be considered contested, and a hearing may be requested.

If the application is contested and a hearing is requested, the application may be referred to the State Office of Administrative Hearings (SOAH). During the preliminary hearing, the presiding Administrative Law Judge (ALJ) may give the parties time to negotiate a settlement. Alternative Dispute Resolution (ADR) is available upon request of all of the parties. If a settlement is reached, the application will be remanded to staff for administrative processing. If a settlement is not reached, a discovery schedule and a date for an evidentiary hearing will be set. The ALJ will take testimony from each party and present a report to the Commission to consider in making a final decision on the application.

The completed application and copies should be sent to:

Texas Commission on Environmental Quality
Registration, Review & Reporting Division
Permits Administrative Review Section
Water Quality Applications Team
MC-156
P. O. Box 13087
Austin, TX 78711-3087

• • • THIS APPLICATION IS NOT A RATE CHANGE APPLICATION
THE APPROPRIATE FORMS NEEDED TO FILE A RATE CHANGE
APPLICATION MAY BE OBTAINED BY CONTACTING THE UTILITIES
AND DISTRICTS SECTION, TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY. • • •



APPLICATION TO OBTAIN OR AMEND A WATER/SEWER
CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)

*RN #

*CN #

*If known (See instructions)

PURPOSE OF THIS APPLICATION

OBTAIN • New Water CCN • New Sewer CCN

AMEND • Water CCN # _____ • Sewer CCN # 20964

1. APPLICANT INFORMATION

Utility Name: South Central Water Company

Utility Address (city/state/zip) PO Box 570177

Houston, Texas 77257-0177

Utility Phone and Fax Number (713) 783-6611 Phone (713) 783-6321 Fax _____

Contact Person: Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney, accountant, or other title related to the applicant.

Name: Malcolm Bailey

Title: President

Address: PO Box 570177

Telephone (713) 783-6611

City Houston St Texas Zip 77257 Fax (713) 783-6321

County(ies) in which service is proposed Harris

A. Provide the following information about the utility's certified operators

Name	Classes	License Number
Lee Conaster	B - W&S	449414184

- Attach additional sheet(s) if necessary -

B. Check the appropriate box and provide information regarding the legal status of the applicant

<input checked="" type="checkbox"/>	Investor owned utility
<input type="checkbox"/>	Individual
<input type="checkbox"/>	Home or Property Owners Association
<input checked="" type="checkbox"/>	For-profit corporation
<input type="checkbox"/>	Non-profit, member-owned, member-controlled cooperative corporation (Water Code Chapter 67, Water Supply or Sewer Service Corporation)
<input type="checkbox"/>	Municipality
<input type="checkbox"/>	District
<input type="checkbox"/>	Other Please explain:

<input type="checkbox"/>	
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- C. If the applicant is a For-Profit Corporation:
- Please provide a copy of the corporation's "Certification of Account Status" from the Texas State Comptroller of Public Accounts. (See Note below). **See Attachment 'A'**
 - Please provide the corporation's charter number as recorded with the Office of the Texas Secretary of State. 01611296200.
- D. If the applicant is a Water Code Chapter 67 water supply or sewer service corporation or other non-profit corporation:
- Please provide a copy of the Articles of Incorporation and By-Laws.
 - Please provide the corporation's charter number as recorded with the Office of the Texas Secretary of State

2. **LOCATION INFORMATION**

- A. Are there people already living in the proposed area?
YES ☐ NO ☒
If YES, are any currently receiving utility service?
YES ☐ NO ☐, if YES, from Whom _____.
- B. Have you received any requests for service in the requested service area?
YES ☒ NO ☐
If yes, please indicate the number of verbal and number of written requests and provide a clear explanation of the need for service in the requested area.
WRITTEN 1 VERBAL _____
On a separate page, list the name, address, and phone number of persons requesting service. Include any letters of intent, service inquiries, and/or any other documentation demonstrating a need for service in the proposed area. Requests for service must be identified on the large scale map. See 2.E.i.a below.
If no, please justify the need for service in the proposed area. **See Attachment 'B'**
- C. Is any portion of the proposed service area inside an incorporated city?
YES ☐ NO ☒
If YES, within the city limits of: _____
Provide a copy of any franchise, permit, or consent granted by the city. If not available, please explain: _____

- D. Is any portion of the proposed service area inside another utility's CCN area?
YES ☐ NO ☒
If YES, has the current CCN holder agreed to decertify the proposed area.
YES _____ NO _____
If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest.
- E. Attach the following maps with each copy of the application: *(All maps should include applicant's name, address, telephone number, and date of drawing or revision. All maps should be folded to 8½ x 11 inches).* **See Attachment 'C'**
- Subdivision plat or engineering plans or other large scale map showing the following:

- A. The exact proposed service area boundary showing locations of requests for service and locations of existing connections (if applicable).
- NOTE: Applicant may send their facility line map showing current connections (if available), OR estimate the number of connections along each side of the street on the large scale map.
- B. The existing service area (if applicable).
- C. Metes and bounds (if available).
- D. Proposed and existing service area boundaries should be plotted on the map in relation to verifiable natural and man-made landmarks such as roads, creeks, rivers, railroads, etc.
- E. *Service area boundaries should be shown with such exactness that they can be located on the ground.*
- NOTE: *Applicant may use a USGS 7.5"-minute series map if no other large scale map is available.*
- ii. Small scale location map delineating the proposed service area. The proposed service area boundary should be delineated on a copy of the TCEQ official CCN map. This map will assist TCEQ staff in locating the proposed service area in relation to neighboring utility service areas. *A copy of the TCEQ official CCN map may be obtained by contacting the Utilities & Districts Section at 512/239-4691 or by mailing a written request to the following address: See Attachment 'D'*

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
 Water Supply Division
 Utilities & Districts Section
 MC-153
 P.O. Box 13087
 Austin, TX 78711-3087

- NOTE: If the proposed service areas shown on the large scale map and small scale map do not delineate the same area, the more detailed large scale map will be used to delineate the official CCN service area.

- iii. **Hard copy maps should include the following items:**
 - A. Map scale should be prominently displayed.
 - B. Color coding should be used to differentiate the applicants existing service areas from the proposed service area.
 - C. Attach a written description of the proposed service area.
 - D. Proposed service area should be the same on all maps.
 - E. Include map information in digital format (if available), *see Section 3, GIS Information.*

- iv. Each utility shall make available to the public at each of its business offices and designated sales offices within Texas the map of the proposed service area currently on file with the Commission. The applicant employees shall lend assistance to persons requesting to see a map of the proposed area upon request.

3. GIS INFORMATION

We are currently developing a state wide Geographic Information Systems (GIS) coverage of all CCN service areas. The mylar maps are being retired. In order to assist us in this move, we are requesting that a digital file of the proposed CCN service area boundary be submitted with the 3 hard copy maps. **This is not a requirement.** It is understood that not all utilities employ the services of an engineering company or

use mapping software to produce a map of the proposed CCN service area boundary. However, by submitting the information digitally, the evaluation of your CCN will be faster and more accurate. Also, by receiving the information in digital form it is easier for us to update and maintain the CCN GIS coverage.

A. **Digital Map Requirements** In order that your digital data can be properly used, the following information is necessary:

- i. Submit digital data of the proposed CCN service area on a 3.25" diskette or CD. Only one diskette or CD is necessary. Most files of CCNs (minus the base map) should be small enough to zip up and put on a diskette or CD.
- ii. The digital data should include all items represented in the hard copy maps (see Section 2, items E.i and E.ii).
- iii. Please identify data file format, projection information, map units and base map used.

Acceptable Data File Formats:

ArcView shape file (preferred)

1. AutoCAD dwg file
2. Arc/Info E00 file
3. DXF file
4. Microstation dgn files

• NOTE: If you use a format that is not listed, contact the Cartographer at the number listed below to see if we can use the data.

- a. **Projection, Datum, and Units Information** The data should be submitted in the Texas State Mapping System (TSMS) Projection. However, if it cannot be submitted in TSMS, list the Projection (e.g. State Plane Central Zone, NAD27) or coordinate system being used and Units (e.g. meters, feet, etc.)

- b. **Base Map Information**

List the base map used (e.g. TxDOT county digital road maps, USGS maps, etc.) Base map information should be included only if it has been produced in-house and is not easily available at most data repositories.

• NOTE: TCEQ uses TxDOT county (urban) digital road maps as the official CCN base map. Copies of these files can be obtained from Texas Natural Resources Information Systems (TNRIS) at (512) 463-8337 or downloaded from the TNRIS website at <http://www.tnris.state.tx.us/DigitalData/TxDOT.txdot.htm>.

- c. **Read-me text file**

Data file format, base map used, projection and units information, and other necessary information can be specified in a read-me text file.

B. **Important Information** For those applicants that submit digital data:

- i. Please make sure the proposed service area boundary shown on the hard copy map is identical to the digital data. If the proposed service area shown on the digital data does not delineate the same area shown on the hard copy map, the hard copy map will be used to delineate the official CCN service area.
- ii. Modifications may be made to submitted digital data in order to match the proposed service area boundary to features represented on the TxDOT base map, as opposed to the same features used in the applicants base map.
- iii. If an applicant proposes to amend a portion of their existing CCN service area, the existing service area shown on the digital data must match the official CCN service area that was previously certificated to the utility. If it does not, then only the proposed portion of the digital data will be used.

If you have any questions about sending the data or our GIS CCN coverage, please contact the Cartographer of the Utilities & Districts Section, Water Supply Division at (512) 239-4691.

4. **NEWSYSTEM INFORMATION OR UTILITIES REQUESTING A CCN FOR THE FIRST TIME**

- A. Please provide the following information: **See Attachment 'E'**
- A list of all public drinking water supply systems or sewer systems within a 2 mile radius of the proposed system.
 - Copies of written requests seeking to obtain service from each of the public drinking water supply systems or sewer systems listed in #4.a.i above or documentation that it is not economically feasible to obtain service from them.
 - Copies of written responses from each system or evidence that they did not reply.
- B. Were your requests for service denied?
- If yes, continue.
 - If no, please provide a detailed analysis which justifies your reasons for not accepting service. A separate analysis must be prepared and submitted for each system that granted your request for service.
- C. Please summarize how the proposed utility system will be constructed and describe each projected construction phase, if any: The wastewater treatment systems will be designed and sized to match the phases of development. Additional construction will coincide with the phasing of the soon to be issued TPDES permit and as new phases of development are opened.
- D. Date of plat approval, if required: not approved at this time
Approved by: _____
- E. Date Plans & Specifications submitted for approval _____ Log No. _____
Attach copy of approval letter if available. Once TPDES permit is issued plans will be submitted
- F. Date construction is scheduled to commence After issuance of CCN, TPDES permit and plan approval
- G. Date service is scheduled to commence Within one year of issuance of the items on 4F

5. **EXISTING SYSTEM INFORMATION**

- A. Please provide the following information for **each** water and/or sewer system:
- Water system's TCEQ Public Water System identification number:

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 ;

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 ;

--	--	--	--	--	--	--	--
 - Sewer system's TCEQ Discharge Permit number: (for each system)

W	Q	1						-			
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 ;

W	Q							-			
---	---	--	--	--	--	--	--	---	--	--	--
 - Date of last inspection not constructed
 - Attach a copy of the most recent inspection report letter.
 - For each system deficiency listed in the inspection report letter, attach a brief explanation listing the actions taken or being taken by the utility to correct the listed deficiencies, including the proposed completion dates.
- B. Using the current number of customers, is any facility component in systems named in #5A above operating at 85% or greater of minimum standard capacity?
Yes ☐ No ☒
- Attach an explanation listing the actions to be taken to make system improvements including proposed completion dates (See 291.93(3)(A) of TCEQ Rules).

- C. List in the table below, the number of existing and/or proposed metered and non-metered connections (by size). The proposed number should reflect the information presented in the business plan and reflect the number of service requests identified in Question 2.b above.

Water System			Sewer System		
Connection	Existing	Proposed	Connection	Existing	Proposed
5/8" or 3/4" meter	0	0	Residential	0	1710
1" meter or larger	0	0	Commercial	0	0
Non-Metered	0	0	Industrial	0	0
Other:	0	0	Other:	0	0
Total Water	0	0	Total Sewer	0	1710

- D. If this application is for a water CCN only, please explain how sewer service is provided:
N/A

- E. If this application is for a sewer CCN only, please explain how water service is provided:
Water service will be provided by an existing CCN owned by Dobbin Plantersville WSC

- F. What is the effect of the granting or amending a certificate on a recipient of the certificate and on any retail public utility of the same kind already serving the proximate area:
No effect is anticipated

- G. Do you currently purchase or plan to purchase water or sewer treatment capacity from another source?

- i. No ☒ (skip the rest of this question and go to #6)
ii. Water
Yes ☐
Purchased on a ()regular - ()seasonal - ()emergency basis?

Source	% of total supply

- iii. Sewer treatment capacity
Yes _____
Purchased on a () regular - () seasonal - () emergency basis

Source	% of total treatment

- iv. Provide a **certified** copy of the most current water or sewer treatment capacity purchase agreement or contract.

6. FINANCIAL INFORMATION

- A. For new systems and for applicants with existing CCNs who are constructing a new stand alone system:
- i. the applicant must provide an analysis of all necessary costs for constructing, operating, and maintaining the system for which the CCN is requested for at least the first five years. In addition, if service has been offered by an existing water service provider as stated in #4.A., but the applicant has determined that the cost of service as finally offered renders the project not economically feasible, the applicant must provide a comparison analysis of all necessary costs for acquiring and continuing to receive service from the existing system for the same period.
 - ii. Attach projected profit and loss statements, cash flow worksheets, and balance sheets (projected five year financial plan worksheet is attached) for each of the first five years of operation. Income from rates should correlate to the growth projections in #6.A above.
 - iii. Attach a proposed rate schedule or tariff. Describe the procedure for determining the rates and fees and indicate date of last change, if applicable. Attach copies of any cost of service studies or rate analysis worksheets.
- B. For existing systems:
- i. Attach a profit and loss statement and current balance sheet for existing businesses (end of last fiscal year is acceptable). Describe sources and terms for borrowed capital such as loans, bonds, or notes (profit and loss and balance sheet worksheets are attached, if needed).
 - ii. Attach a proposed rate schedule or tariff.
 - NOTE: An existing system may be required to provide the information in 6.A.i. above during the technical review phase if necessary for staff to completely evaluate the application.
- C. Identify any funds you are required to accumulate and restrict by lenders or capital providers.
- D. In lieu of the information in #6.A. thru #6.C., you may provide information concerning loan approvals within the last three (3) years from lending institutions or agencies including the most recent financial audit of the applicant.

7. NOTICE REQUIREMENTS

- A. All proposed notice forms must be completed and submitted with the application. However, do not mail or publish them until you receive written approval from the Commission to do so.
- B. The Commission cannot grant a CCN until proper notice of the application has been given. Commission rules do not allow a waiver of these notice requirements.

- C. It is the applicant's responsibility to ensure that proper notice is given to all entities that are required to receive notice.
- D. Recommended notice forms for publication, neighboring cities and systems, and customers are included with this application to use in preparing your proposed notices. (These notice forms are also available in Spanish upon request.)
- E. After reviewing and, if necessary, modifying the proposed notice, the Commission will send the notice to the applicant after the application is accepted for filing along with instructions for publication and/or mailing. Please review the notice carefully and note any additional neighboring utilities which may be included in the acceptance letter.
- F. Notice For Publication:
The applicant shall publish the notice in a newspaper having general circulation in the county or counties where a certificate of convenience and necessity is being requested, once each week for two consecutive weeks beginning with the week after the notice is received from the Commission. Proof of publication in the form of a publisher's affidavit shall be submitted to the Commission within 30 days of the last publication date. The affidavit shall state with specificity each county in which the newspaper is of general circulation.
- G. Notice To Neighboring Utilities:
 - i. List all neighboring retail public utilities and cities providing the same utility service within the following vicinities of the applicant's proposed certificate area; and
 - ii. any city whose extra-territorial jurisdiction (ETJ) overlaps the proposed service area.
 - iii. For applications for the issuance of a **NEW** certificate of public convenience and necessity, the applicant must mail the notice with a copy of the location map (CCN map) to all cities and neighboring retail public utilities providing the same utility service within **five (5) miles** of the requested service area, and any city with an ETJ which overlaps the proposed service area.
 - iv. For applications for the **AMENDMENT** of certificate of public convenience and necessity, the applicant must mail the notice with a copy of the location map (CCN map) to all cities and neighboring retail public utilities providing the same utility service within **two (2) miles** of the requested service area, and any city with an extra-territorial jurisdiction which overlaps the proposed service area.
- H. Notice to Customers
Investor Owned Utilities (IOUs) that are currently providing service without a certificate must provide individual mailed notice to all current customers. The notice must contain the current rates, the date those rates were instituted, and any other information required in the application.
- I. The Commission may require the applicant to deliver notice to other affected persons or agencies.

Do not publish or send copies of the proposed notices to anyone at the time you submit the application to the Commission. Wait until you receive written authorization to do so. This will occur after the Commission has reviewed the notices for completeness, and your application has been

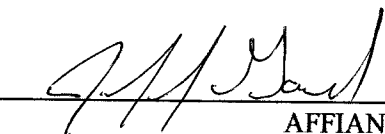
OATH

State of Texas

I, Jeff Goebel, being duly sworn, file this application as V. President (indicate relationship to Applicant, that is, owner, member of partnership, title as officer of corporation, or other authorized representative of Applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the maps filed with this application, and have complied with all the requirements contained in this application; and, that all such statements made and matters set forth therein are true and correct. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Texas Commission on Environmental Quality

I further represent that the application form has not been changed, altered or amended from its original form available only from the Commission.

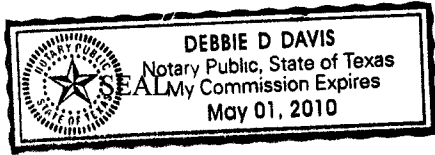
I further represent that the Applicant will provide continuous and adequate service to all customers and qualified applicants for service within its certificated service area.



AFFIANT
(Applicant's Authorized Representative)

If the Affiant 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, a Notary Public in and for the State of Texas, this 10th
day of September 2007.



Debbie D Davis
NOTARY PUBLIC

Notice for Publication

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE
AND NECESSITY (CCN) TO PROVIDE WATER/SEWER
UTILITY SERVICE IN Montgomery COUNTY(IES)

South Central Water Company has filed an application for a CCN / to
amend CCN No. 20964 / and to decertify a portion(s) of (Name of Decertified Utility) with the
Texas Natural Resource Conservation Commission to provide sewer (specify 1) water or 2) sewer or
3)water & sewer) utility service in Montgomery County(ies)

The proposed utility service area is located approximately 4 miles north [direction] of
downtown Magnolia, [City or Town] Texas, and is generally bounded on the north by
1.2 miles south of Jackson Rd; on the east by Jackson Rd
; on the south by 1.2 miles north of Weern Rd; and on the west by FM 1486

The total area being requested includes approximately 1699 acres and 0 current customers

A copy of the proposed service area map is available at (Utility Address and Phone Number)
5818 Beverly Hill, Suite 200, Houston, Texas 77057 - 713-783-6611

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.

Notice to Neighboring Systems and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)
TO PROVIDE WATER/SEWER UTILITY SERVICE IN _____ COUNTY(IES)

To: _____ Date Notice Mailed _____, 20____
(Neighboring System or City)

(Address)

(City State Zip)

_____ has filed an application for a CCN / to
Name of Applicant
amend CCN No. _____ / and to decertify a portion(s) of (Name of Decertificated Utility) _____ with
the Texas Commission on Environmental Quality to provide _____ (specify 1) water or 2) sewer or
3)water & sewer) utility service in _____ County(ies)

The proposed utility service area is located approximately _____ miles _____ [direction] of
downtown _____, [City or Town] Texas, and is generally bounded on the north by
_____; on the east by _____
_____; on the south by _____; and on the west by _____
_____. See enclosed map of the proposed service area.

The total area being requested includes approximately _____ acres and _____ 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.

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN)
TO PROVIDE WATER/SEWER UTILITY SERVICE IN _____ COUNTY

Dear Customer: _____ Date Notice Mailed _____, 20__

_____ has filed an application for a CCN to/
Name of Applicant
amend CCN No. _____ and to decertify a portion(s) of Name of Decertificated Utility _____ with the Texas
Commission on Environmental Quality to provide _____ (specify 1) water or 2) sewer or 3)water &
sewer) utility service in _____ County(ies).

The proposed utility service area is located approximately _____ miles _____ [direction] of
downtown _____, [City or Town] Texas

A copy of the proposed service area map is available at _____ (Utility Address and Phone Number)

The current utility rates which were first effective on _____, 20__ are:

- Monthly Flat Rate of \$ _____ per connection
- OR-
- Monthly Base Rate including _____ gallons per connection for:
 - 5/8" meter \$ _____
 - 1" meter \$ _____
 - 1½" meter \$ _____
 - 2" meter \$ _____
 - Other _____ \$ _____

Gallonge charge of \$ _____ per 1,000 gallons
above minimum (same for all meter sizes)

Miscellaneous Fees	
-Regulatory Assessment	1%
-Tap Fee (Average Actual Cost)	\$ _____
-Reconnection fee:	
-Non Payment (\$25 00 max)	\$ _____
-Transfer	\$ _____
-Customer's request	\$ _____
-Late fee	\$5 00 or 10%
-Returned Check charge	\$ _____
-Customer Deposit (\$50.00 max)	\$ _____
-Meter test fee (Actual Cost not exceed \$25.00)	\$ _____
-Other Fees	\$ _____

Your utility service rates and fees cannot be changed by this application. If you are currently paying rates, those rates must remain in effect unchanged. Rates may only be increased if the utility files and gives notice of a separate rate change application.

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.

IF A HEARING IS HELD, it is important that you or your representative attend to present your concerns. Your request serves only to cause a hearing to be held and is not used during the hearing.

Historical Profit & Loss Statement					
	Current Year (a)	(a) - 1 year	(a) - 2 years	(a) - 3 years	(a) - 4 years
Number of connections					
Income:					
Gross Revenue					
Fees					
Other					
Gross Income					
Expenses: General & Administrative:					
Salary Expense					
Office Expense					
Computer Expense					
Auto Expense					
Insurance Expense					
Telephone Expense					
Utilities Expense					
Property Tax Expense					
Professional Fees					
Other					
Total General & Administrative					
Expenses: Operational					
Salary Expense					
Auto Expense					
Utilities Expense					
Supply Expense					
Maintenance & Repair Expense					
Other Expense					
Total Operational					
Total Expenses					
Net Income					

Historical Balance Sheets - ASSETS					
	Current Year (a)	(a) - 1 year	(a) - 2 years	(a) - 3 years	(a) - 4 years
CURRENT ASSETS					
Cash					
Cost Accounts Receivable					
Inventories					
Income Tax Receivables					
Other					
TOTAL CURRENT ASSETS					
FIXED ASSETS					
Land					
Collection/Distribution System					
Buildings					
Equipment					
Other					
TOTAL FIXED ASSETS					
Less:					
Accum Depreciation/Reserve					
NET FIXED ASSETS					
TOTAL ASSETS					

Historical Balance Sheets - LIABILITIES					
	Current Year (a)	(a) - 1 year	(a) - 2 years	(a) - 3 years	(a) - 4 years
CURRENT LIABILITIES					
Accounts Payable					
Notes Payable, Due < 1 Year					
Accrued Expenses					
Customer Deposits					
Other					
TOTAL CURRENT LIABILITIES					
LONG TERM LIABILITIES					
Notes Payable, Due > 1 Year					
Other					
TOTAL LONG TERM LIABILITIES					
OWNER'S EQUITY					
Paid-in Capital					
Retained Equity					
Other					
Current Period Profit or Loss					
TOTAL OWNER'S EQUITY					
TOTAL LIABILITIES &					

Projected Profit & Loss Statement					
	Year 1	Year 2	Year 3	Year 4	Year 5
Number of connections	70	125	185	245	295
Income:					
Gross Revenue	33,600	60,000	88,800	117,600	141,600
Fees	-	-	-	-	-
Other	-	-	-	-	-
Gross Income	33,600	60,000	88,800	117,600	141,600
Expenses: General & Administrative:					
Salary Expense	4,200	7,500	111,000	14,700	17,700
Office Expense	6,000	6,000	6,000	6,000	6,000
Computer Expense	2,400	2,400	2,400	2,400	2,400
Auto Expense	2,400	2,400	2,400	2,400	2,400
Insurance Expense	3,600	3,600	3,600	3,600	3,600
Telephone Expense	1,500	1,500	1,500	1,500	1,500
Utilities Expense	-	-	-	-	-
Property Tax Expense	300	300	300	300	300
Professional Fees	5,000	1,200	1,200	5,000	1,200
Other	6,000	6,000	6,000	6,000	6,000
Total General & Administrative	31,400	30,900	34,500	41,900	41,100
Expenses: Operational					
Salary Expense	5,040	9,000	12,320	17,640	21,240
Auto Expense	-	-	-	-	-
Utilities Expense	3,250	5,625	8,325	11,025	13,275
Supply Expense	3,000	3,000	3,000	3,000	3,000
Maintenance & Repair Expense	6,000	6,000	6,000	6,000	6,000
Other Expense	5,040	9,000	13,320	17,640	21,240
Total Operational	22,330	33,625	45,965	58,305	70,755
Total Expenses	53,730	64,525	80,465	100,205	111,855
Net Income	<15,930>	<4,525>	8,335	17,395	29,745

Projected Balance Sheets - ASSETS					
	Year 1	Year 2	Year 3	Year 4	Year 5
CURRENT ASSETS					
Cash					
Cost Accounts Receivable					
Inventories					
Income Tax Receivables					
Other					
TOTAL CURRENT ASSETS					
FIXED ASSETS					
Land	10,000	10,000	10,000	10,000	10,000
Collection/Distribution System	900,000	900,000	900,000	1,750,000	1,750,000
Buildings	-	-	-	-	-
Equipment	150,000	150,000	300,000	300,000	300,000
Other					
TOTAL FIXED ASSETS	1,060,000	1,060,000	1,210,000	2,060,000	2,060,000
Less:					
Accum Depreciation/Reserve					
NET FIXED ASSETS					
TOTAL ASSETS					

Projected Balance Sheets - LIABILITIES						
	Year 1	Year 2	Year 3	Year 4	Year 5	
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Due < 1 Year						
Accrued Expenses						
Customer Deposits						
Other						
TOTAL CURRENT LIABILITIES						
LONG TERM LIABILITIES						
Notes Payable, Due > 1 Year						
Other						
TOTAL LONG TERM LIABILITIES						
OWNER'S EQUITY						
Paid-in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES &						

Projected Statements of Sources & Uses of Cash					
	Year 1	Year 2	Year 3	Year 4	Year 5
SOURCES OF CASH					
Net Profit					
Depreciation (if funded)					
Loan Proceeds					
Other					
TOTAL SOURCES					
USES OF CASH					
Net Loss					
Principal portion of payments					
Fixed Asset Purchases					
Reserve					
Other					
TOTAL USES					
NET CASH FLOW					
AVAILABLE DEBT SERVICE COVERAGE (ADSC)					
Cash Available for Debt Service					
Net Profit/Loss					
Depreciation or Reserve					
Interest					
TOTAL ADSC					
REQUIRED DEBT SERVICE COVERAGE (RDSC)					
Principal + Interest					
DEBT SERVICE COVERAGE RATIO (ADSC/RDSC)					