



Control Number: 44001



Item Number: 37

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

SOAH DOCKET NO. 582-09-0655
TCEQ DOCKET NO. 2008-1463-UCR

2014 DEC 22 AM 7:41

APPLICATION OF COMMUNITY
UTILITY COMPANY TO CHANGE
WATER RATE TARIFF: CERTIFICATE
OF CONVENIENCE AND NECESSITY
NO. 10350 IN HARRIS AND
MONTGOMERY COUNTIES, TEXAS

§
§
§
§
§
§

BEFORE THE STATE OFFICE

PUBLIC UTILITY COMMISSION
FILING CLERK

OF

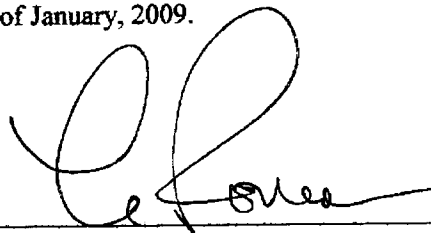
ADMINISTRATIVE HEARINGS

NOTICE OF APPLICANT'S ADDITIONAL LEGAL COUNSEL

COMES NOW, Applicant, COMMUNITY UTILITY COMPANY, by and through its new legal counsel LES ROMO, of the Law Office of Les Romo, and hereby files this Notice of Appearance of Mr. ROMO as additional legal counsel for COMMUNITY UTILITY COMPANY.

Please send all pleadings, communications and other materials to the Applicant through its attorneys of record: LES ROMO, Law Office of Les Romo, 307 Shannon Lane, Georgetown, Texas 78628; (512) 868-5600; Fax: (512) 863-0452, and to WILL JONES, IV at his address and contact information listed on the mailing list in this case.

Respectfully submitted this 8th day of January, 2009.



Les Romo
Law Offices of Les Romo
307 Shannon Lane
Georgetown, Texas 78628
(512) 868-5600
Fax: (512) 863-0452
State Bar No. 17225800

Attorney for COMMUNITY UTILITY COMPANY

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Notice of Additional Legal Counsel was served on all parties below as required by applicable rules on this 8th day of January, 2009.

**Representing APPLICANT
Community Utility Company:**

Les Romo
Law Office of Les Romo
307 Shannon Lane
Georgetown, Texas 78628
512-868-5600 Fax: 512-863-0452

Will C. Jones, IV
The Jones Law Firm
1201 Rio Grande, No. 100
Austin, Texas 78701
512-391-9292 Fax: 866-511-5961

ADMINISTRATIVE LAW JUDGE:

ALJ Sharon Cloninger
State Office of Administrative Hearings
300 West 15th Street, Suite 502
Austin, Texas 78701
512-475-4993 Fax: 512-475-4994

TCEQ EXECUTIVE DIRECTOR:

Ruth Takeda
Texas Commission on Environmental Quality
P.O. Box 13087, MC-173
Austin, Texas 78711-3087
512-239-6635 Fax: 512-239-0606

Heidi Graham
TCEQ Water Utility Division, MC-153
P.O. Box 13087
Austin, Texas 78711-3087
512-238-0844 Fax: 512-239-6190

Elizabeth Flores
TCEQ Water Utility Division, MC-153
P.O. Box 13087
Austin, Texas 78711-3087
512-239-6846 Fax: 512-239-6190

PROTESTANT, Ratepayers*Representing Sweet Gum*

Linda Hall
33311 Sweet Gum Lane
Magnolia, Texas 77354
281-935-5914

Representing Forest Manor

Royce Nichols
23306 Fantasia
Huffman, Texas 77336
281-324-1448

Rex Faulk
1810 Hickory Manor
Huffman, Texas 77336
281-324-2561

Representing Heathergate

Tom Wysoki
20603 Berry Thicket
Crosby, Texas 77532
713-924-7086

Michelle Brazzell
502 Heathergate Lane
Crosby, Texas 77532
832-473-5334

Rosetta Haynes
20608 Berry Thicket
Crosby, Texas 77532
281-324-6559

Ralpy Alley
402 Indian Shores Rd.
Crosby, Texas 77532
281-324-2908

OFFICE OF PUBLIC INTEREST COUNSEL:

Christina Mann, Attorney
Texas Commission on Environmental Quality
Office of Public Interest Counsel
P.O. Box 13087, MC-103
Austin, Texas 78711-3087
512-239-4014 Fax: (512) 239-6377

TCEQ ALTERNATIVE DISPUTE RESOLUTION PROGRAM

Kyle Lucas, Attorney-Mediator
TCEQ Alternative Dispute Resolution Program, Office of General Counsel
P.O. Box 13087, MC-222
Austin, Texas 78711-3087
512-239-0687 Fax: 512-239-4015

TCEQ, OFFICE OF CHIEF CLERK,

La Donna Castanuela, Chief Clerk
Texas Commission on Environmental Quality
P.O. Box 13087, MC-105
Austin, Texas 78711-3087
512-239-3300 Fax: 512-239-3311

Law Offices of
LES ROMO
Counselor and Attorney at Law

*307 Shannon Lane
Georgetown, Texas 78628
(512) 868-5600
Fax: (512) 863-0452
ldrlaw@thegateway.net*

CONFIDENTIALITY NOTICE: The documents accompanying this telecopy transmission contain confidential information which is legally privileged and intended only for the use of the recipient named below. We request immediate notification by telephone of misrouted telecopy transmissions so that we can arrange for return of those documents to us. If you receive this telecopy in error, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this telecopy is strictly prohibited. It is requested that you immediately call if you incur any difficulty in receipt of this telefax.

TELECOPIER TRANSMITTAL

DATE: 01-08-09

NO. pages (including cover letter) 5

TO: Heidi Graham, TCEQ Water Utility Division, MC-153

FAX: 512-239-6190

FROM: Les Romo

RE: RE: SOAH Docket No. 582-09-0655; TCEQ Docket No. 2008-1463-UCR;
Application of Community Utility; Water/Rate/Tariff Change
CCN 10350

Notice of Additional Legal Counsel

Originals to follow

ORIGINAL **/COPY** **TO FOLLOW:** X **YES** **NO**

Law Offices of
LES ROMO
Counselor and Attorney at Law

307 Shannon Lane
Georgetown, Texas 78626

(512) 868-5600
Fax: (512) 863-0452
ldrlaw1@verizon.net

January 8, 2009

La Donna Castanuela, Chief Clerk
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

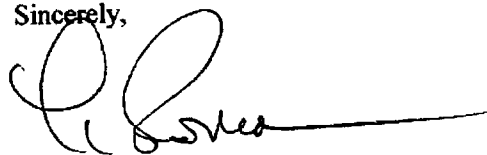
Re: TCEQ Docket No. 2008-1463-UCR; SOAH Docket No. 582-09-0655; *Application of Community Utility Company to Change Water Rate Tariff; Certificate of Convenience and Necessity No. 10350, In Harris and Montgomery Counties, Texas*

Dear Ms. Castanuela:

Please find enclosed a Notice of Applicant's Additional Legal Counsel which I am filing on behalf of my client Community Utility Company in this case. Service of this Notice is being made herewith on the SOAH Administrative Law Judge and all parties.

Thank you for your consideration. Please let me know if you have any questions.

Sincerely,



Les Romo

LDR/sler

Enclosure

cc: Mailing List

**SOAH DOCKET NO. 582-09-0655
TCEQ DOCKET NO. 2008-1463-UCR**

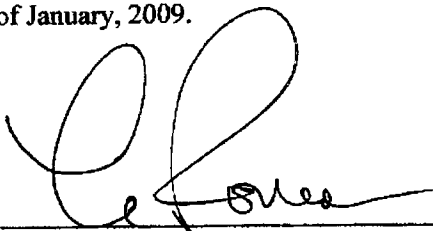
APPLICATION OF COMMUNITY	§	BEFORE THE STATE OFFICE
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Respectfully submitted this 8th day of January, 2009.



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307 Shannon Lane
Georgetown, Texas 78628
(512) 868-5600
Fax: (512) 863-0452
State Bar No. 17225800

Attorney for COMMUNITY UTILITY COMPANY

CERTIFICATE OF SERVICE

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Community Utility Company:

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Kyle Lucas, Attorney-Mediator
TCEQ Alternative Dispute Resolution Program, Office of General Counsel
P.O. Box 13087, MC-222
Austin, Texas 78711-3087
512-239-0687 Fax: 512-239-4015

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TELECOPIER TRANSMITTAL

DATE: 01-08-09

NO. pages (including cover letter) 5

TO: Elizabeth Flores, TCEQ Water Utility Division, MC-153

FAX: 512-239-6190

FROM: Les Romo

RE: RE: SOAH Docket No. 582-09-0655; TCEQ Docket No. 2008-1463-UCR;
Application of Community Utility; Water/Rate/Tariff Change
CCN 10350

Notice of Additional Legal Counsel

Originals to follow

ORIGINAL **/COPY** **TO FOLLOW:** X **YES** **NO**

Law Offices of
LES ROMO
Counselor and Attorney at Law

307 Shannon Lane
Georgetown, Texas 78626

(512) 868-5600
Fax: (512) 863-0452
ldrlaw1@verizon.net

January 8, 2009

La Donna Castanuela, Chief Clerk
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

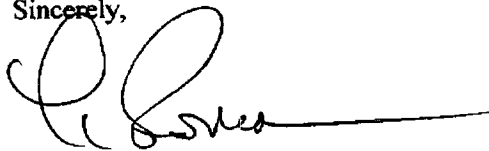
Re: TCEQ Docket No. 2008-1463-UCR; SOAH Docket No. 582-09-0655; *Application of Community Utility Company to Change Water Rate Tariff; Certificate of Convenience and Necessity No. 10350, in Harris and Montgomery Counties, Texas*

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Thank you for your consideration. Please let me know if you have any questions.

Sincerely,



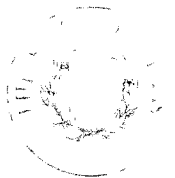
Les Romo

LDR/sler

Enclosure

cc: Mailing List

Buddy Garcia, *Chairman*
Larry R. Soward, *Commissioner*
Bryan W. Shaw, Ph.D., *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

December 15, 2008

To: Potential ADR Participants
Re: **Community Utility Company**; Water Rate/Tariff Change re. CCN No. 10350
TCEQ Docket No. 2008-1463-UCR; SOAH Docket No. 582-09-0655

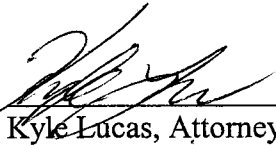
I am a mediator with the Alternative Dispute Resolution (ADR) Program of the Texas Commission on Environmental Quality (TCEQ or "Commission"). As this matter has been referred to my office by the judge presiding over your hearing before the State Office of Administrative Hearings (SOAH), the purpose of this letter is to invite you to consider the option of mediation, the ADR procedure which the TCEQ and SOAH employ.

Mediation, a form of informal dispute resolution, is a process through which the parties may resolve this matter and thus eliminate the need for continued litigation before SOAH. It involves the use of an impartial third-party neutral called a mediator, who assists parties in negotiating a possible resolution to their dispute. I as mediator have no stake in the outcome of this matter, and it is not my role to pressure any party into settling. My role is to encourage and facilitate productive communications between parties, to elicit their true concerns and issues, and ultimately to guide them toward resolution of their dispute which addresses those concerns and issues. It is not my function as mediator to formulate the solution to a dispute, as an arbitrator or judge would - that responsibility falls on the parties themselves during mediation. I instead provide the parties the forum, the tools and the guidance to formulate their own solution.

The success of the negotiations depends on the flexibility and good-faith efforts of the participants, as well as their understanding that compromise, creative thinking and reasonable expectations often play essential roles in reaching a settlement agreement. Because the resolution of disputes through mediation results from negotiations and compromise, mediation often results in a win/win outcome for the disputants, especially when taking into account the potential costs involved in proceeding with litigation. Should you settle this matter through mediation, there may be no need for you to incur the expense of hiring expert witnesses and/or attorneys, or of conducting lengthy and expensive discovery in preparation for a formal evidentiary hearing before SOAH. If this matter is not resolved through mediation, it is then litigated at hearing before a SOAH administrative law judge.

As you weigh your options, be aware that TCEQ ADR services are provided to parties of TCEQ/SOAH-docketed matters at no charge, and offer its participants a unique opportunity to save considerable resources which might otherwise be expended on the hearing process. Thank you for your attention, and feel free to call or email me (info below) should you have any questions.

Sincerely,



Kyle Lucas, Attorney-Mediator
Alternative Dispute Resolution Program, Office of General Counsel
Texas Commission on Environmental Quality
P.O. Box 13087, MC-222
Austin, Texas 78711-3087
512/239-0687 FAX 512/239-4015
email: klucas@tceq.state.tx.us

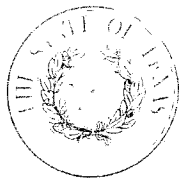
cc: attached ADR mail list

*****Special Note to parties re. scheduling*****

Having spoken with Executive Director representative Ruth Takeda, I'm told that during your preliminary hearing, the parties discussed scheduling our mediation meeting, and that all agreed to a mediation meeting to take place in north Houston area on either January 21st or 22nd. I am free both days, so I'd simply ask that each of you contact me to let me know: 1) whether you remain agreeable to attending a mediation meeting; and if so 2) whether these dates remain available to you. When responding, please keep in mind that my meetings usually begin around 9am and often proceed well into the late afternoon or early evening. Thank you.

EF

Buddy Garcia, *Chairman*
Larry R. Soward, *Commissioner*
Bryan W. Shaw, Ph.D., *Commissioner*
Mark R. Vickery, P.G., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

November 13, 2008

Mr. Bret W. Fenner, P.E.
B & D Environmental, Inc.
P.O. Box 58
Spring, Texas 78383

Re: Water Rate/Tariff Change Application of Community Utility Company, Certificate of Convenience and Necessity No. 10350 in Harris and Montgomery Counties; Application No. 36103-R

CN: 603180696; RN: 101458933

Dear Mr. Fenner:

We are currently conducting an audit of the books and records for Community Utility Company. Please provide the information requested in this letter to the Texas Commission on Environmental Quality (TCEQ), Attn: Heidi Graham, at 12100 Park 35 Circle, Building F, Water Supply Division, Austin, Texas 78753, no later than 20 days from the date of this letter in accordance with 30 Texas Administrative Code Section 291.28(4) and the Texas Water Code Chapter 13.187(c). Failure to timely provide this information may result in disallowance of expenses in the rate application.

Please provide the records requested below regarding Community Utility Company's cost of providing service. Unless otherwise specified, the requested records are for the test year, July 1, 2006 through July 1, 2007:

1. General ledgers for the test year. Also, please include the general ledgers for the known and measurable changes for the remainder of 2007 and for the year 2008;
2. Copies of Community Utility Company's Balance Sheet and Profit and Loss Statements;
3. Copies of Income Tax Returns, W-2s, and 1099s for salaries and contract labor;
4. Copies of all contracts with Martin Utilities, Inc. and any other affiliated companies, if any;
5. Copies of insurance policies and property taxes;
6. Copies of the 1% regulatory assessments paid to TCEQ in 2006, and 2007;

Mr. Bret W. Fenner., P.E.

Page 3

November 13, 2008

17. A copy of a few of the customer bills showing meter consumption. Please randomly select 10 customers.
18. Copies of invoices and supporting documentation for the cost of service listed in the rate application that are \$300.00 or more.
19. For each employee or contract laborer of the utility, please provide the following:
 - a. Name of the employee or contract laborer;
 - b. Hire date, and if the employee or contract laborer is no longer working for the utility, indicate the date employment ended;
 - c. Rate per hour of the employee during the 12-month test year and the ending rate per hour within 12 months after the test year; and,
 - d. Number of hours worked per week and a detailed description of the contract laborer's or employer's duties.

If you have any further questions, please contact me at 512/239-0844 or Ms. Elizabeth Flores at (512) 239-6846, or if by written correspondence, include MC 153 in the letterhead address.

Sincerely,



Heidi Graham
Utilities & Districts Section
Water Supply Division

cc: Community Utility Company, P.O. Box 58, Spring, Texas 78383