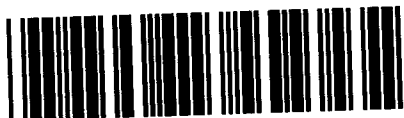


Control Number: 44205



Item Number: 1

Addendum StartPage: 0

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

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PUBLIC UTILITY COMMISSION
FILING CLERK



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




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)

\$100

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AUG 26 2003

Water Quality Applications Team

A-146-3
A1459

PURPOSE OF THIS APPLICATION

OBTAIN

☐ New Water CCN

☒ New Sewer CCN

AMEND

☐ Water CCN # _____

☐ Sewer CCN # _____

1. APPLICANT INFORMATION

Utility Name: Lower Colorado River Authority

Utility Address (city/state/zip) P.O. Box 220

Austin, Texas 78767-0220

Utility Phone and Fax Number (800) 776-5272 Phone (512) 397-6722 Fax

Utility Name: Brazos River Authority

Utility Address (city/state/zip) 4600 Cobbs Dr., P.O. Box 7555

Waco, Texas 76714-7555

Utility Phone and Fax Number (254) 776-3100 Phone (254) 761-3204 Fax

Utility Name: City of Liberty Hill

Utility Address (city/state/zip) 1120 Loop 332, P.O. Box 1920

Liberty Hill, Texas 78642-1920

Utility Phone and Fax Number (512) 778-5449 Phone (512) 778-5418 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: James Clarno, P.E. Title: Manager, Water & Wastewater Utility Development

Address: P.O. Box 220 Telephone (512) 473-3200

City Austin St Texas Zip 78767-0220 Fax (512) 397-6722

County(ies) in which service is proposed Williamson County

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

| Name | Classes | License Number |
|-------------------------|---------|----------------|
| <u>See Attachment A</u> | | |
| | | |

- Attach additional sheet(s) if necessary -

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

| | |
|-------------------------------------|-------------------------------------|
| <input type="checkbox"/> | Investor owned utility |
| <input checked="" type="checkbox"/> | Individual |
| <input type="checkbox"/> | Home or Property Owners Association |

| | |
|---|--|
| | For-profit corporation |
| | |
| | Non-profit, member-owned, member-controlled cooperative corporation (Water Code Chapter 67, Water Supply or Sewer Service Corporation) |
| ✓ | Municipality |
| ✓ | District |
| | Other |
| | Please explain: |
| | |

See Attachment B - Wastewater Services Agreement. The Lower Colorado River Authority (LCRA), the Brazos River Authority (BRA), and the City of Liberty Hill (City) are seeking to jointly certificate under one CCN number the area identified on the maps attached hereto.

- 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).
 - Please provide the corporation's charter number as recorded with the Office of the Texas Secretary of State. _____.
- 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 _____.
No person is currently receiving sewer utility service.
- 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 ✓ 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 C, Attachment D, and Attachment E.

- C. Is any portion of the proposed service area inside an incorporated city?
 YES ✓ NO _____
 If YES, within the city limits of: City of Liberty Hill

Provide a copy of any franchise, permit, or consent granted by the city. If not available, please explain: **The City of Liberty is requesting the CCN. See also Resolution 02-R-10 attached hereto as Attachment C.**

- D. Is any portion of the proposed service area inside another utility's CCN area?
YES _____ NO ✓

The proposed service area is not inside the CCN area of another sewer utility provider. The proposed area is inside the water CCN area of Liberty Hill Water Supply Corporation (WSC) and Chisholm Trail Special Utility District (SUD).

If YES, has the current CCN holder agreed to decertify the proposed area.

YES _____ NO _____ N/A

If NO, are you seeking dual or single certification of the area? Explain why decertification of the area is in the public interest. N/A

- 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 F.

- i. 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:*

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.tnr.is.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. **NEW SYSTEM INFORMATION OR UTILITIES REQUESTING A CCN FOR THE FIRST TIME**

A. Please provide the following information:

- i. A list of all public drinking water supply systems or sewer systems within a 2 mile radius of the proposed system.
- ii. 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.
- iii. Copies of written responses from each system or evidence that they did not reply.

The regionalization requirements of the Texas Water Code are not applicable in this case because the Liberty Hill wastewater system will be part of the Brazos-Colorado River Alliance's existing regional wastewater system owned by LCRA and operated BRA. Additionally, LCRA will assume the ownership and operations of the existing wastewater system for Liberty Hill I.S.D. Nevertheless, the City of Leander is the only existing sewer system within two miles of the proposed certificated area. It is the Applicants' understanding that Leander does not desire or intend to provide wastewater service north of the South Fork of the San Gabriel River. See Attachment G.

B. Were your requests for service denied?

- i. If yes, continue.
- ii. 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.

- See Attachment H.*

EXISTING SYSTEM INFORMATION
A. Please provide the following information for each water and/or sewer system:

- A. Please provide the following information for each water system:
- i. Water system's TCEQ Public Water System identification number:
[] [] [] [] [] [] ; [] [] [] [] [] [] ; [] [] [] [] [] []
[] [] [] [] [] [] ; [] [] [] [] [] [] ; [] [] [] [] [] []

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

LCRA:

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| W | Q | 1 | 3 | 7 | 4 | 0 | - | 0 | 0 | 1 |
| W | Q | 0 | 0 | 1 | 0 | 0 | - | 0 | 0 | 1 |
| W | Q | 1 | 1 | 9 | 8 | 2 | - | 0 | 0 | 1 |
| W | Q | 1 | 4 | 0 | 2 | 2 | - | 0 | 0 | 1 |
| W | Q | 1 | 0 | 2 | 8 | 6 | - | 0 | 0 | 3 |

BRA:

$$\begin{array}{|c|c|c|c|c|c|c|c|c|c|} \hline W & Q & 1 & 1 & 3 & 1 & 8 & - & 0 & 0 & 1 \\ \hline \end{array} ; \begin{array}{|c|c|c|c|c|c|c|c|c|c|} \hline W & Q & 1 & 1 & 0 & 7 & 1 & - & 0 & 0 & 1 \\ \hline \end{array}$$

$$\begin{array}{|c|c|c|c|c|c|c|c|c|c|} \hline W & Q & 1 & 1 & 3 & 2 & 4 & - & 0 & 0 & 1 \\ \hline \end{array} ; \begin{array}{|c|c|c|c|c|c|c|c|c|c|} \hline W & Q & 1 & 0 & 2 & 6 & 4 & - & 0 & 0 & 1 \\ \hline \end{array}$$

W Q 1 0 2 6 4 - 0 0 2

W Q 1 1 3 1 7 - 0 0 1

W Q 1 0 0 4 4 - 0 0 1

W Q 1 2 0 0 7 - 0 0 1

- iii. Date of last inspection See Attachment I.
- iv. Attach a copy of the most recent inspection report letter.
- v. 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.

See Attachment I. Also included with Attachment I is the latest inspection information for Liberty Hill I.S.D., because LCRA plans to assume the ownership and operations of Liberty Hill I.S.D.'s facility.

- 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 _____ N/A.
 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 | | | Residential | | 3440 |
| 1" meter or larger | | | Commercial | | 380 |
| Non-Metered | | | Industrial | | 0 |
| Other: | | | School District | 48 | 882 |
| Total Water | | | Total Sewer | 48 | 4702 |

Liberty Hill I.S.D. has an existing wastewater system with a discharge approximately equivalent to 48 LUEs. LCRA intends to assume the ownership and operations of the facility, and when the Liberty Hill regional wastewater treatment facility and the collection lines are completed, Liberty Hill I.S.D. will be served by the regional system. See also Attachment J for the proposed number of connections over the next ten years.

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

- E. If this application is for a sewer CCN only, please explain how water service is provided:
Water service is currently provided to the requested area by Liberty Hill WSC and Chisholm Trail SUD. For people not located in the service area of

either of these entities, individual water wells are utilized. The Applicants have proposed verbally to Chisholm Trail SUD and Liberty Hill WSC that the Applicants enter into customer service agreements with Chisholm Trail SUD and Liberty Hill 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: The City of Georgetown and the City of Leander provide retail sewer utility service in the proximate area. Neither entity desires to provide service to the City of Liberty Hill. Both cities favor Brazos-Colorado River Alliance sewer service to the City of Liberty Hill. See Attachment G. Because neither Georgetown nor Leander desires to provide retail sewer utility service to the area, the granting of the CCN to LCRA, BRA, and the City of Liberty has no effect on Georgetown and Leander. It is the Applicants' understanding that Chisholm Trail SUD desires to provide retail sewer utility service adjacent to the area requested and agreements are being developed between LCRA, BRA, Liberty Hill, and Chisholm Trail SUD. No other retail public utility serving in the proximate area appears to have the capacity or ability to provide wastewater services to the proposed service area.

- 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.

See Attachment K.

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.

See Attachment L for the list of neighboring utilities within 5 miles of 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

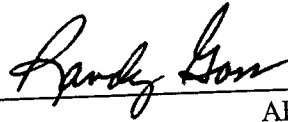
OATH

State of Texas

I, Randy J. Goss, P.E., being duly sworn, file this application as Executive Manager, Water & Wastewater Utility Services, Lower Colorado River Authority (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.



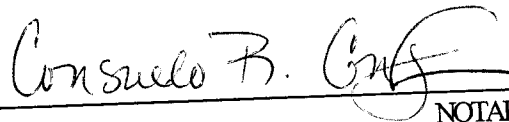
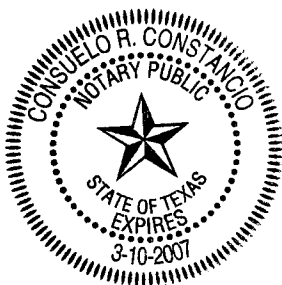
AFFIANT

(LCRA'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 11 day of August, 2003.

SEAL



NOTARY PUBLIC

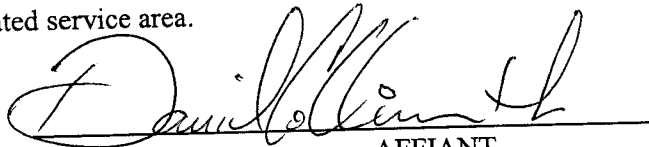
OATH

State of Texas

I, David Collinsworth, being duly sworn, file this application as Regional Business Development Mgr., Central Basin (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.



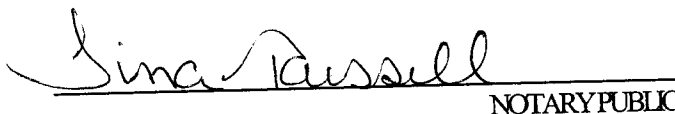
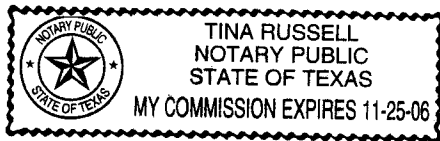
AFFIANT

(BRA'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 25 day of August, 2003.

SEAL



NOTARY PUBLIC

OATH

State of Texas

I, Bob McEachern, being duly sworn, file this application as Mayor of the City of Liberty Hill, Texas (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.

Bob McEachern

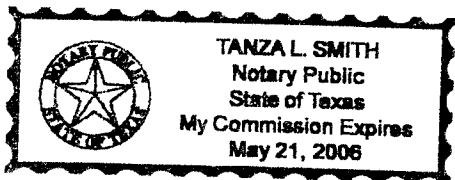
AFFIANT

(City of Liberty Hill'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 8th day of AUGUST, 2003.

SEAL



Tanza L. Smith

NOTARY PUBLIC

Notice for Publication

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

The Brazos River Authority, the Lower Colorado River Authority, and the City of Liberty Hill have filed an application for a CCN with the Texas Commission on Environmental Quality to provide sewer utility service in Williamson County.

The proposed wastewater service area includes, but is not limited to, the city limits of Liberty Hill, Texas, its extraterritorial jurisdiction, areas immediately adjacent to its ETJ, and a portion of the U.S. Hwy. 183 corridor south of Seward Junction to the South Fork San Gabriel River. The area is generally bounded on the south by the South Fork San Gabriel River, on the east by an imaginary line approximately one mile east of and parallel to Union Hall Road (CR 266), on the north by an imaginary line approximately one and one-half of a mile north of and running parallel to State Hwy. 29, and on the west by an imaginary line approximately one and one-half mile west and running parallel to CR 332.

The total area being requested includes approximately 7800 acres and there are no current sewer customers.

A copy of the proposed service area map is available at the City of Liberty Hill, Texas, 1120 Loop 332, Liberty Hill, Texas, 78642, 512-778-5449, and the Lower Colorado River Authority, 3700 Lake Austin Blvd., Austin, Texas, 78703, 1-800-776-5272.

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.