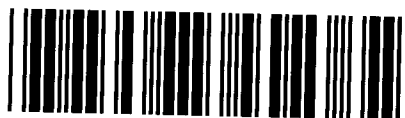




Control Number: 44380



Item Number: 3

Addendum StartPage: 0

**PUC DOCKET NO. 44380**

**APPLICATION OF THE CITY OF  
AUSTIN TO CANCEL WATER AND  
SEWER CERTIFICATES OF  
CONVENIENCE AND NECESSITY  
HELD BY LOST CREEK MUNICIPAL  
UTILITY DISTRICT, IN TRAVIS  
COUNTY**

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**PUBLIC UTILITY COMMISSION**

2015 FEB 24 PM 1:19  
PUC UTILITY COMMISSION  
FILING CLERK  
OF

**TEXAS**

**COMMISSION STAFF'S RESPONSE TO ORDER NO. 1**

Comes Now, Staff (Staff) of the Public Utility Commission of Texas (Commission) and files this Response to Order No. 1. In support of this filing, Staff states the following:

**I. BACKGROUND**

On January 28, 2015, the City of Austin (COA or Applicant) filed with the Commission an application (Application) requesting to cancel Lost Creek MUD's (Lost Creek) water certificate of convenience (CCN) No. 10307 and wastewater CCN No. 20118 in Travis County, Texas. The application is being reviewed under the P.U.C. SUBST. R. 24.115.

In Order No. 1, the Administrative Law Judge instructed Staff to make a recommendation by February 24, 2015. Therefore, this pleading is timely filed.

**II. RECOMMENDATION**

As noted in the attached memorandum of Elisabeth English of the Water Utilities Division (Attachment A), Staff recommends the Application be deemed insufficient for filing but that Applicant be given time to cure the deficiencies. Any water or sewer utility that wishes to discontinue operations must first receive approval from the Commission. COA, in this case, is not the CCN holder seeking to cease operations. While COA may submit this type of application on behalf of the Lost Creek, COA must complete the Application in reference to Lost Creek. Attachment A details information that COA might include to improve the Application if the COA chooses to amend it. Therefore, Staff recommends that the COA be given until March 25, 2015 to cure the Application's deficiencies or potentially face dismissal. Staff also requests that

Staff be given until April 17, 2015 to make a recommendation, request dismissal, or provide a status update.

### III. CONCLUSION

Staff respectfully requests that the Administrative Law Judge enter an order consistent with this filing.

Respectfully Submitted,

Margaret Uhlig Pemberton  
Division Director  
Legal Division

Stephen Mack  
Managing Attorney  
Legal Division

Doug Brown w/permission  
Douglas M. Brown  
Attorney, Legal Division  
State Bar No. 24048366  
(512) 936-7203  
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Public Utility Commission of Texas  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

Stephen Mack

### DOCKET NO. 44380 CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on February 24, 2015 in accordance with P.U.C. Procedural Rule 22.74.

Doug Brown w/permission  
Douglas M. Brown  
Stephen Mack

## PUC Interoffice Memorandum

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**To:** Doug Brown, Attorney  
Legal Division

**Thru:** Tammy Benter, Director  
Water Utilities Division

**From:** Elisabeth English, Engineering Specialist  
Water Utilities Division

**Date:** 02/19/2015

**Subject:** Docket No. 44380, Application of the City of Austin to Cancel Water and Sewer Certificates of Convenience and Necessity Held by Lost Creek Municipal Utility District in Travis County

On January 28, 2015, the City of Austin (City) filed with the Public Utility Commission of Texas (Commission) an application requesting to cancel Lost Creek Municipal Utility District's (MUD) water and sewer Certificates of Convenience and Necessity (CCN), Nos. 10307 and 20118 respectively, in Travis County, Texas. The application is being reviewed under the PUC Subst. R. 24.115.

An administrative review of the application found that the application is deficient. Staff recommends that the application be deemed insufficient for filing. Any water or sewer utility that wishes to discontinue operations must first receive approval from the Commission. The Applicant, in this case, is not the utility ceasing utility service but rather the municipality currently operating within the certificated area. The application should contain information pertaining to the utility that currently possesses the CCN, and will subsequently relinquish the responsibilities associated with retaining a CCN once the application is approved. Staff recommends that the application be amended to reflect the current CCN holder, Lost Creek MUD.

Specifically, staff recommends that the applicant amend the following:

1. The Applicant should be the certificate holder; however, the City can complete and submit the application on behalf of the MUD. All questions should be answered in reference to the current CCN owner.
2. The TCEQ water and sewer system "existing connection count numbers" (question 14) appear to represent the MUD, yet the following answers (questions 15-17) reflect the City.
3. The notarized oath shall be completed by a representative of the MUD.
4. The proposed notice should reflect the MUD's intent to discontinue providing water and sewer service (rather than the City's intent, as the proposed notice states). The effective date of the action shall be at least 120 days from the time the application is approved for filing.
5. The notice should be amended to include an accurate general location of the service area: on the north by Whitmarsh Valley Walk, on the east by Capital of Texas Hwy, and on the west and south by Barton Creek.
6. The application must include a copy of Lost Creek MUDs water and sewer CCN maps. The water and sewer CCNs have different boundaries and do not necessarily match the district boundary that was provided.

- a. These are available by using the CCN Viewer located online at <http://www.puc.texas.gov/industry/water/utilities/map.html>
7. In addition to those utilities listed in the application, the following CCN and districts must be notified:
  - I. George S. Nalle III (CCN 11728)
  - II. Travis County MUD 5
  - III. Travis County MUD 6
  - IV. Travis County MUD 7
  - V. Travis County MUD 8
  - VI. Travis County MUD 9
  - VII. Travis County MUD 3
  - VIII. Travis County WCID 20
  - IX. Lower Colorado River Authority
  - X. Barton Springs / Edwards Aquifer Conservation District