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DOCKET NO. 44533

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PUBLIC UTILITY COMMISSION
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**APPLICATION OF GREENWOOD
WATER CORPORATION TO AMEND
ITS WATER CERTIFICATE OF
CONVENIENCE AND NECESSITY IN
MIDLAND COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

COMMISSION STAFF’S RESPONSE TO ORDER NO. 1

COMES NOW the Staff (“Staff”) of the Public Utility Commission of Texas (“Commission”), representing the public interest and files this Response to Order No. 1 and would show the following:

I. BACKGROUND

On March 13, 2015, Greenwood Water Corporation (“Greenwood”) filed an application to amend its water certificate of convenience and necessity (“CCN”) No. 11792 in Midland County.

On March 19, 2015, Order No. 1 was entered requiring Staff to file a recommendation on administrative completeness and to propose a procedural schedule by April 13, 2015. This pleading is timely filed.

II. RECOMMENDATION

Based on the attached memorandum of Elizabeth English, Water Utilities Division, Staff recommends that the application is not administratively complete at this time. Specifically, Staff recommends that Greenwood be required to provide updated mapping information and address the other issues outlined in Ms. English’s memorandum.

Staff recommends that Greenwood be directed not to provide mailed or published notice of its application at this time.

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III. PROPOSED PROCEDURAL SCHEDULE

Due to the deficiencies in the application, Staff does not recommend a procedural schedule for the evaluation of the merits of the application at this time. Instead, Staff recommends that Greenwood be permitted 30 days to remedy the identified deficiencies.

Staff recommends that it be required to provide a supplemental recommendation regarding administrative completeness by May 29, 2015.

Date: April 13, 2015

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

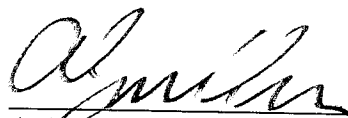
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DOCKET NO. 44533
CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on April 13, 2015 in accordance with P.U.C. PROC. R. 22.74.



A. J. Smullen

Public Utility Commission of Texas

Memorandum

TO: AJ Smullen, Attorney
Legal Division

FROM: Elisabeth English, Engineering Specialist
Tracy Harbour, GIS Specialist
Water Utilities Division

THRU: Tammy Benter, Director
Water Utilities Division

DATE: April 10, 2015

RE: Sufficiency Review of Docket No. 44533; *Application of Greenwood Water Corporation to Amend a Water Certificate of Convenience and Necessity (CCN) in Midland County*

On March 13, 2015, Greenwood Water Corporation (Applicant) filed an application with the Public Utility Commission of Texas (Commission) to amend its water Certificate of Convenience and Necessity (CCN) No. 11792 in Midland County, Texas, pursuant to Texas Water Code (TWC) §§ 13.242–13.250 and P.U.C. SUBST. R. 24.101–24.107.

I have reviewed the above referenced application and have found that it is deficient in the content provided as well as the required mapping information; therefore, I recommend that the application be deemed administratively incomplete and accordingly not accepted for filing.

Application Content

The application requests a significant increase in potential customers, as well as the necessary infrastructure construction. The application must include enough information for Staff to conduct a technical review and permit the conclusion that the Applicant has the ability to provide adequate and continuous service. In order for the application to proceed, the following clarifications and documentation should be submitted:

1. A Texas Commission on Environmental Quality (TCEQ) approved engineering report or TCEQ approved plans and specifications that detail the projected expansion.
 - a. The application states that the connection count will increase from 289 connections to 1717 connections, however the application fails to specify how the water infrastructure (capacity) will be expanded to accommodate this 589% demand increase.

- b. It should be noted that the most recent inspection report, included in the application, contained the existing system capacities. The water system does not currently have the capacity to meet the demand of 1717 connection for production, storage, pumping, or pressure maintenance.
2. Clarification of how the wells designated as "agricultural wells" are utilized in the existing system production capacity, and if these wells have been approved for interim use by the TCEQ.
 - a. The map containing information about the existing facilities includes "agricultural wells".
3. A statement addressing the enforcement action and the status of compliance efforts. The application states the Applicant has "no TCEQ violations" (page 90); however, TCEQ records suggest that the system is currently under an enforcement action for drinking water violations enacted at the federal level (Environmental Protection Agency). The outstanding violations include Maximum Contaminant Level (MCL) exceedances for Arsenic dating back from 2006 to the second quarter of 2013.
4. A statement addressing the status of the information requested by TCEQ for the Reverse Osmosis (RO) treatment system, and the completion data for wells 'A' and 'B'.
5. Clarification of the statement provided on page 85 of application which states that each subdivision will be responsible for the facilities constructed for production, transmission, and distribution. Specifically, is it the intent of the Applicant to obtain four distinct Public Water System (PWS) identification numbers, or remain as one PWS?
6. A copy of the proposed line extension agreement with subdivision developers, referenced on page 90.

Mapping Information

The Applicant has not satisfied the mapping requirements as listed on page 5 of the CCN amendment application and as required in the P.U.C. SUBST. R. 24.105(a)(2). I recommend the Applicant submit the following items to resolve the mapping deficiencies:

1. A general location (small scale) map only showing the proposed water service areas with enough detail to accurately locate the service areas in the vicinity of the nearest major highway or street intersection.
2. A large scale map only delineating the proposed water service areas with enough detail to accurately locate the service areas in the vicinity of surrounding roads, streets, and highways. This map should be used for notice purposes.

The following information is mapping guidance for small and large scale maps submitted as Exhibit 2 (g):

- a. Do not show existing CCN service areas.
- b. The map title should state the intent of the application, which is to Amend Greenwood Water CCN 11792.

- c. The map legend should state, "Greenwood Water Proposed Area," rather than, "Greenwood Water CCN Expansion."
- d. Remove the imagery data from maps so the lines and labels of roads, streets, and highways are more visible on maps.