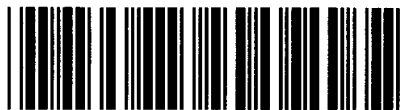




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DOCKET NO. 44541

**APPLICATION OF CITY OF HEATH TO
AMEND A CERTIFICATE AND
NECESSITY AND TO DECERTIFY A
PORTION OF FORNEY LAKE WATER
SUPPLY CORPORATION'S SERVICE
AREA IN WOCKWALL COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

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PUBLIC UTILITY COMMISSION
FILING CLERK

JOINT PROPOSED PROCEDURAL SCHEDULE

COMES NOW the Staff ("Staff") of the Public Utility Commission of Texas ("Commission"), Forney Lake Water Supply Corporation ("Forney Lake"), and the City of Heath ("Heath") (collectively, "the Parties") and file this Joint Proposed Procedural Schedule.

I. BACKGROUND

On March 16, 2015, the City of Heath ("Heath") filed an application to amend its water certificate of convenience and necessity ("CCN") No. 12060 and to decertify a portion of the area certificated to Forney Lake Water Supply Corporation ("Forney Lake") as part of CCN No. 10086 in Rockwall County.¹

On the same day as the filing of this pleading, Staff will file a separate pleading recommending that the application be deemed to be administrative complete. The below procedural schedule is proposed in contemplation of Heath's application being deemed to be administratively complete.

On April 10, 2015, Order No. 2 was entered, requiring the filing of a proposed procedural schedule by May 20, 2015. This pleading is timely filed.

¹ Application to Obtain or Amend a Certificate of Convenience and Necessity (CCN) Under Water Code Section 13.255 (Mar. 16, 2015) ("Application").

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II. JOINT PROPOSED PROCEDURAL SCHEDULE

The Parties respectfully request a finding of good cause to support adoption of the below procedural schedule. The Parties note that Tex. Water Code Ann. § 13.255(g-1) (West 2008 and Supp. 2014) (“TWC”) requires that the Commission “by rule shall adopt procedures to ensure that the total compensation be paid to a retail public utility under [TWC § 13.255(g)] is determined not later than the 90th calendar day after” this application is determined to be administratively complete. Pursuant to this mandate, the Commission adopted 16 Tex. Admin Code § 24.120(h) (“TAC”), which requires that the issue of compensation “must be determined not later than the 90th calendar day after” this application is determined to be administratively complete. Accordingly, while the Commission’s rules do impose a 90-day deadline, there is no statutory requirement that this proceeding be processed in 90 days but only a statutory requirement that the Commission’s rules state a 90-day deadline. Pursuant to 16 TAC § 24.2(b), the Commission may grant exceptions for good cause to the requirements of 16 TAC Chapter 24, including the requirements of 16 TAC § 24.120(h).

Forney Lake and Heath agree that it is not necessary in this case for the Commission to reach a determination regarding the compensation, if any, to be paid to Forney Lake within the 90-day deadline outlined in 16 TAC § 14.120(h). Further, Forney Lake and Heath agree that adoption of the below proposal will result in cost savings for the parties participating in this proceeding. Accordingly, Forney Lake and Heath request a good cause exception to the requirements of 16 TAC § 24.120(h) in order to permit the adoption of the below schedule.

While Staff generally supports the processing of a proceeding filed pursuant to TWC § 13.255(b) within the 90-day deadline outlined in 16 TAC § 14.120(h), Staff is not opposed to the good cause exception requested by Forney Lake and Heath. Staff is unopposed to the request that the Commission adopt the below procedural schedule, which would permit the Commission to reach a determination regarding whether any of Forney Lake’s property will be rendered valueless or useless, which may obviate the need to undertake the expense of hiring appraisers pursuant to TWC § 13.255(l).

Event	Date
Deadline for Heath to file direct testimony regarding whether any of Forney Lake's property will be rendered valueless or useless	July 22, 2015
Deadline for Forney Lake to file direct testimony regarding whether any of Forney Lake's property will be rendered valueless or useless	August 19, 2015
Deadline for Staff to file direct testimony regarding whether any of Forney Lake's property will be rendered valueless or useless	September 14, 2015
Deadline for Heath to file rebuttal testimony regarding whether any of Forney Lake's property will be rendered valueless or useless	September 30, 2015
Evidentiary hearing on the issue of whether any of Forney Lake's property will be rendered valueless or useless	October 14, 2015
Based on the result of the hearing to determine whether any of Forney Lake's property will be rendered valueless or useless, the parties will propose a further procedural schedule as appropriate. If it is determined that any of Forney Lake's property will be rendered valueless or useless, the parties will propose a schedule to accommodate the appraisal process outlined in TWC § 13.255(l). If it is determined that none of Forney Lake's property will be rendered valueless or useless, the parties will propose a schedule to accommodate the preparation of maps and a proposed order certificating the affected area to Heath.	
Forney Lake and Heath agree that it is not necessary in this case for the Commission to reach a determination regarding the compensation, if any, to be paid to Forney Lake within the 90-day deadline outlined in TWC § 13.255(g-1) and 16 TAC § 14.120(h). Forney Lake and Heath agree to request to extend the 90-day deadline, as needed, to accommodate the agreed proposed schedule.	

III. CONCLUSION

The Parties respectfully request the entry of an order granting a good cause exception to the requirements of 16 TAC § 24.120(h) and adopting the joint proposed procedural schedule.

Date: May 20, 2015

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director – Legal Division

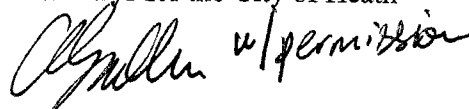
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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on May 20, 2015 in accordance with 16 TAC § 22.74.



A. J. Smullen