



Control Number: 44582



Item Number: 8

Addendum StartPage: 0

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PUBLIC UTILITY COMMISSION  
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REQUEST OF WEST TRAVIS  
COUNTY PUBLIC UTILITY  
AGENCY TO PLACE DEER  
CREEK WATER COMPANY  
UNDER A TEMPORARY  
MANAGEMENT OR SUPERVISION

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BEFORE THE

PUBLIC UTILITY COMMISSION

OF TEXAS

### STATUS REPORT AND REQUEST FOR EXTENSION

Pursuant to 16 Tex. Admin. Code § 22.4

COMES NOW the West Travis County Public Utility Agency ("WTCPUA"), by and through its attorneys of record, and files this Status Report and Request for Extension, and would show the following:

#### I. BACKGROUND

On September 7, 2006, the WTCPUA<sup>1</sup> and Deer Creek Water Company ("Utility") entered into a Wholesale Water Services Agreement ("Treated Water Agreement"), whereby the WTCPUA agreed to divert and treat Utility's raw water supply,<sup>2</sup> and to deliver treated, potable water to Utility at a certain point of delivery (collectively, "Wholesale Water Treatment Services"), for compensation. For such Services, the WTCPUA invoices Utility on a monthly basis, charging the Utility a minimum monthly fee and a volumetric charge (based upon a cost per thousand gallons rate). The WTCPUA does not provide retail water service to Utility, and Utility's retail water service area is not located within the boundaries of WTCPUA's water certificate of convenience and necessity ("CCN") No. 13027.

<sup>1</sup> The Treated Water Agreement was originally entered into between the Utility and the Lower Colorado River Authority ("LCRA"). The WTCPUA acquired the West Travis County Water and Wastewater System from the LCRA on January 17, 2012 and was assigned all applicable contracts and agreements, including the Treated Water Agreement, effective March 19, 2012.

<sup>2</sup> It is WTCPUA's understanding that the Utility has secured its raw water supply from the LCRA under a separate contract.

Prior to December 30, 2014, the Utility had a significant delinquent account balance with the WTCPUA in the amount of \$101,825.07, as of December 30, 2014.

On December 30, 2014, and consistent with the terms of the Treated Water Agreement, the WTCPUA delivered a Notice of Default letter (the "*Notice*") to Utility, informing it that Utility was in default of the Treated Water Agreement in the amount of \$101,825.07. In the Notice, WTCPUA stated that if Utility did not cure its breaches of the Treated Water Agreement by 5:00 p.m. on January 30, 2015, namely, pay the unpaid balance in full, then the WTCPUA may either restrict or terminate providing Wholesale Water Treatment Services to Utility.

Utility filed a Request for Emergency Relief (the "*Emergency Request*") under Texas Water Code ("*TWC*") § 13.041(d) with the Public Utility Commission (the "*Commission*") on February 23, 2015 in Docket No. 44477. The WTCPUA provided a response on February 27, 2015, asserting, among other arguments, a request that the Commission initiate enforcement, receivership and temporary management measures under TWC Chapter 13, Subchapter K (the "*Management Request*"). On March 5, 2015, the Commission dismissed the Emergency Request in Docket No. 44477, stating that because the Utility had paid amounts owed to the WTCPUA and the WTCPUA would not terminate the Utility's treated water supply, an emergency condition no longer existed. On September 9, 2015, the Administrative Law Judge ("*ALJ*") filed Order No. 1 in this Docket No. 44582 requesting that Commission Staff file a response to the Management Request on or before October 5, 2015. On October 2, 2015, the ALJ filed Order No. 2 granting Commission Staff's request for an extension until December 3, 2015. On December 1, 2015, the ALJ filed Order No. 3, granting Commission Staff's request for an extension to respond in this Docket No. 44582 and allow the WTCPUA Board of Directors additional time to meet and make a decision how to proceed in this matter. Pursuant to

Order No. 3, the WTCPUA is required to provide a status report on or before January 7, 2016, and Commission Staff is required to provide a response and procedural schedule on or before February 4, 2016.

## **II. REQUEST FOR AN EXTENSION**

The WTCPUA has been in consistent contact with Commission enforcement Staff to ensure continued payment of invoices for treated water services by the Utility. Once these enforcement measures relating to payment are in place and confirmation that the Utility has paid any outstanding liabilities, the WTCPUA Board of Directors may consider requesting withdrawal of the Management Request.

Good cause exists for an additional 60 day period extension of time to allow the WTCPUA Board of Directors additional time to obtain the necessary information to make a determination on this matter. The WTCPUA has notified Commission Staff of this request for an extension of time; however, the WTCPUA is unaware of Commission Staff's position at this time.

## **III. CONCLUSION**

For the reasons stated herein, WTCPUA respectfully requests an extension of time for an additional 60 days to allow the WTCPUA additional time to obtain the necessary information to make a determination on this matter.

Respectfully submitted.

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ATTORNEYS FOR WEST TRAVIS COUNTY  
PUBLIC UTILITY AGENCY

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document was transmitted by fax, hand-delivery and/or regular, first class mail on this 7th day of January, 2016 to the parties of record.

  
Stefanie Albright