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**DOCKET NO. 44843**

**APPLICATION OF CHILDRESS' §  
CREEK WATER SUPPLY §  
CORPORATION TO AMEND ITS §  
WATER CERTIFICATE OF §  
CONVENIENCE AND NECESSITY IN §  
BOSQUE COUNTY BY §  
DECERTIFYING THE VM §  
NEIGHBORS WATER GROUP §  
TRACTS §**

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**COMMISSION STAFF'S PROPOSED NOTICE OF APPROVAL**

Commission Staff of the Public Utility Commission of Texas files its Proposed Notice of Approval.

Date: August 26, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF  
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director  
Legal Division

Stephen Mack  
Managing Attorney  
Legal Division



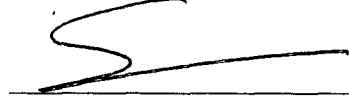
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Austin, Texas 78711-3326  
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**DOCKET NO. 44843**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on August 26, 2016, in accordance with 16 TAC § 22.74.

  
\_\_\_\_\_  
Sam Chang

**DOCKET NO. 44843**

<b>APPLICATION OF CHILDRESS</b>	<b>§</b>	<b>PUBLIC UTILITY</b>
<b>CREEK WATER SUPPLY</b>	<b>§</b>	
<b>CORPORATION TO AMEND ITS</b>	<b>§</b>	<b>COMMISSION OF TEXAS</b>
<b>WATER CERTIFICATE OF</b>	<b>§</b>	
<b>CONVENIENCE AND NECESSITY IN</b>	<b>§</b>	
<b>BOSQUE COUNTY BY</b>	<b>§</b>	
<b>DECERTIFYING THE VM</b>	<b>§</b>	
<b>NEIGHBORS WATER GROUP</b>	<b>§</b>	
<b>TRACTS</b>	<b>§</b>	

**COMMISSION STAFF'S PROPOSED NOTICE OF APPROVAL**

This Notice of Approval addresses the application filed by Childress Creek Water Supply Corporation (Childress Creek WSC) regarding a decertification of a portion of its service area certificated under water certificate of convenience and necessity (water CCN No. 11000). The service area is in Bosque County, Texas. Childress Creek WSC's application and requested decertification of a portion of its service area certificated under water CCN No. 11000 are approved.

The Commission adopts the following findings of fact and conclusions of law:

**I. Findings of Fact**

1. On June 16, 2015, Childress Creek WSC filed an application with the Commission. Childress Creek WSC requested a decertification of a portion of its service area located in Bosque County, Texas and certificated under water CCN No. 11000. The purpose of the decertification is to allow VM Neighbors Water Group to obtain exempt registration status in Docket No. 44849.<sup>1</sup>
2. On July 3, 2015, notice of Childress Creek WSC's application was published in the *Texas Register*.<sup>2</sup>
3. On April 20, 2016, the Administrative Law Judge entered Order No. 3, which deemed Childress Creek WSC's application administratively complete. Order No. 3 also required

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<sup>1</sup> See *Application of VM Neighbors Water Group for Exempt Utility Registration*, Docket No. 44849 (pending).

<sup>2</sup> See 40 Tex. Reg. 4420 (Jul. 3, 2015).

Childress Creek WSC to provide and publish notice of its application.

4. On May 19, 2016, Childress Creek WSC filed affidavits regarding the provision and publication of notice of its application. Childress Creek WSC provided notice of its application to affected parties on April 26, 2016. Childress Creek WSC published notice of its application in the *Clifton Record*, a newspaper of general circulation in Bosque County, Texas, on April 27, 2016 and May 4, 2016.
5. On June 2, 2016, the Administrative Law Judge entered Order No. 7, which established a procedural schedule. Order No. 7 established deadlines for Staff to provide final maps and certificates to Childress Creek WSC, for Childress Creek WSC to file consent forms with the Commission, and for Staff to file its recommendation.
6. On July 15, 2016, Childress Creek WSC filed its consent form with the Commission.
7. On August 22, 2016, Staff filed its Final Recommendation. Staff recommended that the Commission approve Childress Creek WSC's application and approve the requested amendment to its water CCN No. 11000. Additionally, Staff recommended that the Commission find that Childress Creek WSC is capable of providing continuous and adequate service. As part of its recommendation, Staff attached the proposed amendment to Childress Creek WSC's service area map and the proposed amendment to Childress Creek WSC's water CCN No. 11000.
8. On August 29, 2016, Staff filed its Proposed Notice of Approval.
9. On August 29, 2016, Staff filed its Motion to Admit Evidence. Staff requested that certain evidence be admitted into the record in support of its Proposed Notice of Approval.
10. On \_\_\_\_\_, the Commission granted Staff's Motion to Admit Evidence. The following evidence was admitted into the record:
  - a. Exhibit 1: Application to Obtain or Amend a Water or Sewer Certificate of Convenience and Necessity and accompanying attachments (filed on June 15, 2015);
  - b. Exhibit 2: Childress Creek WSC's affidavits regarding the provision and publication of notice (filed May 19, 2016);
  - c. Exhibit 3: Childress Creek WSC's signed Consent Form (filed on July 15, 2016).
  - d. Exhibit 4: Staff's Recommendation on Final Recommendation and accompanying attachments (filed on August 22, 2016).

## **II. Conclusions of Law**

1. The Commission has jurisdiction over Childress Creek WSC's application under Tex. Water Code §§ 13.241, 13.246 and 13.254.
2. Childress Creek WSC is a retail public utility, as defined by Tex. Water Code § 13.002(19) and 16 Tex. Admin. Code § 24.3(58).
3. Notice of Childress Creek WSC's application was provided to affected parties, as required by Tex. Water Code § 13.246 and 16 Tex. Admin. Code § 24.113.
4. Childress Creek WSC's application was processed in accordance with the requirements of the Administrative Procedures Act, Tex. Gov't Code §§ 2001.001-2001.902; Tex. Water Code §§ 13.241, 13.246, and 13.254; and 16 Tex. Admin. Code §§ 24.102, 24.106, and 24.113.
5. The requirements for informal disposition under 16 Tex. Admin. Code § 22.35 have been met in this proceeding. At least fifteen (15) days have passed since the completion of notice requirements, and it is not necessary to hold a hearing on the merits regarding Childress Creek WSC's application.
6. Based on the evidence admitted into the record, Childress Creek WSC has demonstrated that it has adequate financial, managerial, and technical capability to provide continuous and adequate service to customers in its service area located certificated under water CCN No. 11000 after the decertification. Additionally, Childress Creek WSC has demonstrated that its application meets the requirements in Tex. Water Code §§ 13.241, 13.246, and 13.254 and 16 Tex. Admin. Code §§ 24.102, 24.106, and 24.113.
7. An amendment of Childress Creek WSC's water CCN No. 11000 is necessary for the service, accommodation, convenience, or safety of the public, as required by Tex. Water Code § 13.246(b) and 16 Tex. Admin. Code § 24.102(c).

## **III. Ordering Paragraphs**

The Commission issues the following ordering paragraphs in accordance with these findings of fact and conclusions of law:

1. Childress Creek WSC's application is approved.
2. Childress Creek WSC's water CCN No. 11000 is amended, as requested in its application.

Childress Creek WSC will provide continuous and adequate retail water services to its remaining service area certificated under water CCN No. 11000 after the decertification. Childress Creek WSC's amended water CCN No. 11000 and new service area map are attached to this Notice of Approval.

3. All other motions, requests for entry of specific findings of fact or conclusions of law, and any other requests for general or specific relief, if not expressly granted in this Notice of Approval, are denied.

**SIGNED IN AUSTIN, TEXAS, this \_\_\_\_\_ day of \_\_\_\_\_, 2016**

**PUBLIC UTILITY COMMISSION OF TEXAS**

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**STEPHANIE FRAZZELL  
ADMINISTRATIVE LAW JUDGE**