



Control Number: 44849



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DOCKET NO. 44849

APPLICATION OF VM NEIGHBORS § PUBLIC UTILITY COMMISSION
WATER GROUP FOR EXEMPT §
UTILITY REGISTRATION § OF TEXAS

**COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE
COMPLETENESS**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Commission Staff's Recommendation on Administrative Completeness. In support thereof, Staff shows the following:

I. BACKGROUND

On June 16, 2015, VM Neighbors Water Group (VM Neighbors) filed an application for exempt utility registration. On July 16, 2015, Order No. 2 was issued finding VM Neighbors' application deficient, and identified the need for the nine tracts making up CM Neighbors' requested area to be decertified from the Childress Creek Water Supply Corporation certification of convenience and necessity (CCN) No. 11000. In response to Order No. 2, VM Neighbors requested that the Commission abate this docket until such decertification was complete in Docket No. 44843.¹ Order No. 3, issued August 20, 2015 granted the requested abatement.

On July 28, 2017, VM Neighbors filed a motion to lift the abatement and supplement to its application. On August 1, 2017, Order No. 6 was entered, lifting the abatement and requiring Staff to file a recommendation on the administrative completeness of the amended application by August 28, 2017. Therefore, this pleading is timely filed.

II. RECOMMENDATION

Staff has reviewed VM Neighbors' supplement to its application and, as detailed in the attached memorandum of Debbie Reyes Tamayo, Staff recommends that the application is administratively incomplete. Specifically, the requested area overlaps the district boundaries of Middle Trinity Groundwater Conservation District. Pursuant to 16 Tex. Admin. Code

¹ *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*, Docket No. 44843 (Sep. 7, 2016).

§ 24.103(e)(1)(D), an exempt utility may not be located within the corporate boundaries of a district or municipality unless it receives written authorization from the district or municipality. Therefore, Staff recommends that VM Neighbors file written authorization from Middle Trinity Groundwater Conservation District for it to be located within the district's boundaries.

Staff recommends that VM Neighbors be given until September 27, 2017 to file the required authorization, and that Staff be given until October 23, 2017 to file a supplemental recommendation.

III. CONCLUSION

Staff respectfully requests the entry of an order consistent with the above recommendation.

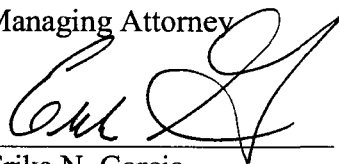
Dated: August 28, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

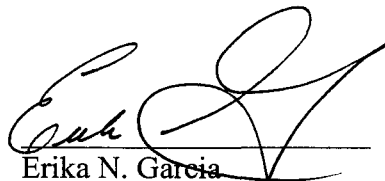
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**DOCKET NO. 44849
CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on August 28, 2017 in accordance with 16 TAC § 22.74.



Erika N. Garcia

PUC Interoffice Memorandum

To: Erika Garcia, Attorney
Legal Division

From: Debbie Reyes Tamayo, Program Specialist
Water Utilities Division

Thru: Lisa Fuentes, Manager
Water Utility Regulation Division

Date: August 18, 2017

Subject: Docket No. 44849, *Application of VM Neighbors Water Group for Exempt Utility Registration*

On June 17, 2015, VM Neighbors Water Group (Applicant), filed an application for exempt utility registration pursuant 16 Tex. Admin Code § 24.103(e) (TAC) for a utility with less than 15 potential connections. The requested area includes approximately 100 acres and nine (9) active water service connections. The Applicant asserts that there are no plans to add additional service connections.

Staff has reviewed the Applicant's revised documentation filed on July 28, 2017, and recommends the application be deemed insufficient for filing and administratively incomplete.

Application Content

The requested area overlaps the district boundaries of Middle Trinity Groundwater Conservation District. 16 TAC § 24.103 (e)(1)(D) states that an exempt water utility or exempt water supply corporation may not exist within the corporate boundaries of a district or municipality unless it receives written authorization from the district or municipality.

Staff recommends the Applicant file written authorization from Middle Trinity Groundwater Conservation District allowing the Applicant to operate as an exempt utility within the boundaries of the district.