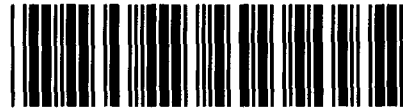


Control Number: 44849



Item Number: 19

Addendum StartPage: 0

APPLICATION OF VM NEIGHBORS
WATER GROUP FOR EXEMPT
UTILITY REGISTRATION

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§

PUBLIC UTILITY COMMISSION

PUBLIC UTILITY COMMISSION
OF TEXAS
CLERK

**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 VM 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. Staff timely filed its recommendation, requesting additional information. Order No. 7, issued August 29, 2017 found the application deficient and required VM Neighbors to file supplemental information by September 27, 2017. VM Neighbors timely filed a response to Order No. 7 with supplemental documentation. Order No. 7 also required Staff to file a supplemental recommendation on the sufficiency of the application by October 23, 2017. Therefore, this pleading is timely filed.

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).

II. RECOMMENDATION

Staff has reviewed VM Neighbors' Response to Order No. 7 and the supplemental documents provided and, as detailed in the attached memorandum of Debbie Reyes Tamayo, Staff recommends that the application is administratively complete. VM Neighbors provided documentation showing that Middle Trinity Groundwater Conservation District was created in 2001 by House Bill 3665 to regulate groundwater in counties in Bosque County, and is governed by Chapter 36 of the Texas Water Code.² Further, House Bill 3665 states that Middle Trinity Groundwater Conservation District is not governed by Chapter 49 of the Texas Water Code.³ Accordingly, Middle Trinity Groundwater Conservation District is not a "district" for purposes of 16 Tex. Admin. Code 24.103(e)(1)(D),⁴ and VM Neighbors is not required to obtain written authorization to be located within the District's corporate boundaries.

Staff recommends that VM Neighbors' application is sufficient to initiate the Commission's review of the relief requested. Staff will file its recommendation concerning the merits of the application as required by the procedural schedule established for this proceeding.

III. PROPOSED PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule for the continued processing of this docket:

Event	Date
Deadline for Commission Staff to file a final recommendation or to request a hearing	November 1, 2017
Deadline for VM Neighbors to respond to Commission Staff's recommendation or request a hearing	November 15, 2017

² See Applicant's Response to Order No. 7 at Exhibit A (Sep. 27, 2017).

³ *Id.*

⁴ For the purposes of the Commission's Chapter 24 substantive rules, "district" has the meaning assigned to it by Tex. Water Code § 49.001(a), which provides that the term "district" shall not include any conservation and reclamation district governed by Chapter 36 unless a special law creating the district or amending the law creating the district states that Chapter 49 applies to that district.

IV. CONCLUSION

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

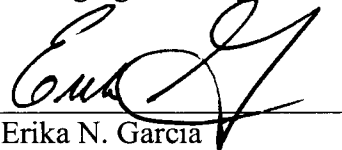
Dated: September 29, 2017

Respectfully Submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Margaret Uhlig Pemberton
Division Director

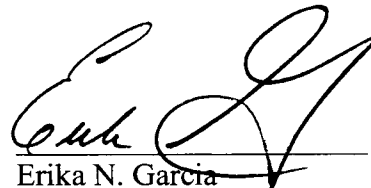
Karen S. Hubbard
Managing Attorney



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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 September 29, 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 Utility Regulation Division

Thru: Lisa Fuentes, Manager
Water Utility Regulation Division

Date: September 27, 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.

On September 26, 2017, the Applicant filed a response to Order No. 7, including additional documents. Staff has reviewed the information and recommends the application be deemed sufficient for filing and administratively complete. Notice is not required for the exempt utility registration process.