



Control Number: 44849



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PUC DOCKET NO. 44849

APPLICATION OF VM NEIGHBORS WATER GROUP FOR EXEMPT UTILITY REGISTRATION	§ § §	PUBLIC UTILITY COMMISSION OF TEXAS 2015 JUL 15 AM 10:58 FILED CLERK
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COMMISSION STAFF'S RESPONSE TO ORDER NO. 1

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest and would show the following:

I. BACKGROUND

On June 17, 2015, VM Neighbors Water Group (Applicant) filed an application for exempt utility registration pursuant to Texas Water Code § 13.242(c) and 16 Tex. Admin. Code (TAC) § 24.103(d). On June 18, 2015, the presiding officer issued Order No. 1, requiring Staff to file comments regarding the administrative completeness of the application by July 16, 2015. This filing is timely.

II. DEFICIENCY RECOMMENDATION & FURTHER PROCESSING

Based on the attached memorandum of Debbie Reyes Tamayo, Program Specialist and Tracy Harbour, GIS Specialist in the Commission's Water Utilities Division, Staff recommends that the application be found administratively incomplete and deficient. Staff recommends that Applicant be given the opportunity to cure the deficiencies indicated in the attached memorandum by August 14, 2015; however, approval of this application is contingent upon the approval of the application in *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*, PUC Docket No. 44843. In Docket 44843, Childress Creek WSC has applied to decertify a portion of its CCN No. 11000. PUC Docket 44843, if approved, would decertify the portion of Childress Creek Water Supply's CCN that VM Neighbors is located in. This area must be decertified before VM Neighbors may obtain its requested relief in this application because 16 TAC § 24.103(d)(1)(C) states that a utility or water supply corporation is exempt from the

requirement to possess a certificate of convenience and necessity in order to provide retail water service if it is not within the certificated area of another retail public utility.¹

Staff recommends that Applicant provide a status report of Docket 44843 along with its August 14 filing curing deficiencies and either: 1) request to abate this proceeding until Docket 44843 can be completely processed or, 2) justify why and explain how this case may proceed without the relief requested in Docket No. 44843 being granted. Staff recommends that Staff's deadline to respond to Applicants filings be set at August 28, 2015.

III. CONCLUSION & PRAYER

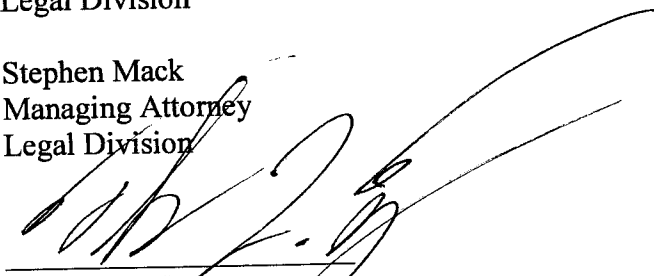
Staff respectfully requests the entry of an order consistent with the above.

DATE: July 15, 2015

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
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¹ 16 TAC § 24.103(d)(1)(C).

PUC DOCKET NO. 43242

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 15th of July, 2015, in accordance with P.U.C. Procedural Rule 22.74.



Thomas L. Tynes

PUC Interoffice Memorandum

To: Thomas Tynes, Attorney
Legal Division

From: Debbie Reyes Tamayo, Program Specialist
Tracy Harbour, GIS Specialist
Water Utilities Division

Thru: Tammy Benter, Director
Water Utility Regulation Division

Date: July 15, 2015

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 (TAC) § 24.103(d) for a utility with less than 15 potential connections. The Applicant asserts that there are nine (9) active water connections and the potential for nine (9) future connections.

Staff has determined that there are material deficiencies with the application content and the Applicant has not satisfied the mapping requirements to determine if the proposed service area meets the requirements of 16 TAC § 24.103(d)(1). Staff recommends the application be deemed insufficient for filing and further recommends the Applicant provide the following:

1. Confirmation of the total of current and future connections. According to the application, the total appears to be 18; however, to be considered an exempt utility, the utility must consist of less than 15 connections pursuant 16 TAC § 24.103(d).
2. A copy of the water purchase agreement from Command Decisions, Inc.
3. Documentation to support the tap fee amount of \$500.00.
4. A large scale (detail) map delineating only the proposed service area with enough detail to accurately locate the proposed service area in close proximity to surrounding roads, streets and highways. Currently, Staff is unable to accurately position the metes and bounds description submitted for the proposed exempt utility. Mapping staff is available to provide guidance on how to resolve the mapping deficiencies.

Further, for the technical review of this application, the processing of this application is contingent upon the approval of Docket No. 44843. In Docket 44843, Childress Creek WSC has applied to decertify a portion of its CCN No. 11000, which is the proposed area in for this docket.

TB/DRT