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#### **DOCKET NO. 44963**

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APPLICATION OF TWIN LAKES WATER SUPPLY FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY IN TARRANT COUNTY 2016 JAN -5 PM 1: 59 PUBLIC UTILITY COMMISSION PUBLIC UTILITY COMMISSION FILING CLERK OF

#### TEXAS

# COMMISSION STAFF'S RESPONSE TO ORDER NO. 3 RECOMMENDATION AND PROPOSED PROCEDURAL SCHEDULE

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Response to Order No. 3. In support thereof, Staff shows the following:

#### **I. BACKGROUND**

On July 22, 2015, Twin Lakes Water Supply (Twin Lakes or Applicant) filed with the Public Utility Commission of Texas (Commission) an application (Application) to obtain a new water certificate of convenience and necessity (CCN) in Tarrant County, Texas.

Order No. 3 deemed the Application sufficient and instructed the Applicant to issue notice. The Applicant provided proof of notice. Order No. 3 allowed Staff until January 5, 2016 to file a recommendation and/or an additional procedural schedule.

#### **II. RECOMMENDATION**

As noted by the Memorandum of Heidi Graham of the Water Utilities Division (Attachment A), the Applicant has not provided sufficient proof of notice and needs to submit another affidavit. Attachment A also notes that regarding the technical review, Staff has concerns

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about whether the TCEQ has approved its well. Staff recommends the Applicant submit documentation to the Commission to alleviate this concern.

# III. PROPOSED PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule:

| Event  | Date             |
|--|------------------|
| Deadline for Applicant to submit affidavit of notice   | February 5, 2016 |
| Deadline for Staff to file an additional procedural schedule and/or make a supplemental recommendation | March 22, 2016   |

# **IV. CONCLUSION**

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

Respectfully Submitted,

Margaret Uhlig Pemberton Division Director Legal Division

Stephen Mack Managing Attorney Legal Division

Douglas M. Brown Attorney, Legal Division State Bar No. 24048366 (512) 936-7203 (512) 936-7268 (facsimile) Public Utility Commission of Texas 1701 N. Congress Avenue P.O. Box 13326 Austin, Texas 78711-3326

### DOCKET NO. 44963 CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on or before

January 5, 2016 in accordance with 16 TAC § 22.74.

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Douglas M. Brown

# ATTACHMENT A

# **PUC Interoffice Memorandum**

| То:      | Doug Brown, Attorney<br>Legal Division  |
|----------|---|
| Thru:    | Tammy Benter, Director<br>Lisa Fuentes, Work Leader<br>Water Utilities Division |
| From:    | Heidi Graham, Engineering Specialist<br>Water Utilities Division                |
| Date:    | January 4, 2016   |
| Subject: | Docket No. 44963, Application of Twin Lakes W                                   |

**Subject: Docket No. 44963,** Application of Twin Lakes Water Supply, to Obtain a Water Certificate of Convenience and Necessity in Tarrant County, Texas

On July 22, 2015, Twin Lakes Water Supply (Applicant) filed with the Public Utility Commission of Texas (Commission) an application to obtain a water Certificates of Convenience and Necessity (CCN) in Tarrant County, Texas. The application is being reviewed under the PUC's Substantive Rules in Chapter 24, §§24.102 - 24.107.

The Applicant filed an affidavit of notice to neighboring utilities and affected parties on December 7, 2015. Staff reviewed the affidavit and found that Aqua Texas was not included in the list of entities who were provided notice. Staff called the Applicant and was told that the Applicant noticed Aqua Texas, but failed to include them on the affidavit of notice. Staff recommends that the Applicant add Aqua Texas to the affidavit and refile it with the Commission.

In addition, it is Staff's opinion that the Applicant has not demonstrated adequate technical capability to provide service to the area proposed for certification. TWC § 13.246(c) requires the Commission to consider nine criteria when granting or amending a CCN. In regard to the Applicant's capability to serve the proposed area, Staff has a concern with the following criteria:

• TWC § 13.246(c)(1) requires the Commission to consider the adequacy of service currently provided to the requested area and TWC § 13.246(c)(4) requires the Commission to consider the ability of the applicant to provide adequate service. Per TCEQ, the Applicant has an active violation for lack of well records. The Applicant received approval for construction of their wells but did not receive approval for use of their wells. In order for the Applicant to meet the requirements of TWC § 13.246(c)(1) and (c)(4), Staff recommends that the Applicant submit their well completion information to TCEQ in order to receive approval to use their wells.