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JOINT APPLICATION OF CITY OF  
EDINBURG AND NORTH ALAMO  
WATER SUPPLY CORPORATION  
TO AMEND WATER  
CERTIFICATES OF  
CONVENIENCE AND NECESSITY  
IN HIDALGO COUNTY

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PUBLIC UTILITY COMMISSION  
FILING CLERK  
PUBLIC UTILITY COMMISSION OF  
TEXAS

**APPLICANT’S RESPONSE TO ORDER NO. 3 AND  
NORTH ALAMO WATER SUPPLY CORPORATION’S REQUEST  
FOR EXTENSION OF TIME TO PROVIDE CONSENT**

COMES NOW, North Alamo Water Supply Corporation (“North Alamo”) a co-applicant in the above-entitled and numbered Docket, and files this Response to Order No. 3, including North Alamo’s Request for Extension of Time to Provide Consent. In support thereof, North Alamo shows the following:

**I. BACKGROUND**

On September 30, 2015, the City of Edinburg (“Edinburg”) and North Alamo (collectively “Applicants”) filed an application to amend Certificate of Convenience and Necessity (“CCN”) No. 12106 with the Public Utility Commission of Texas (“Commission”) and to decertify a portion of North Alamo’s service area under CCN No. 10553. The area involved in the proceeding currently contains zero customer accounts and approximately 40.00 undeveloped acres in Hidalgo County. The proposed amendment will enable provision of retail water and fire protection in the area by Edinburg. The area to which Edinburg seeks single certification is entirely within the incorporated boundaries of Edinburg<sup>1</sup> and is currently certified to North Alamo. The parties have agreed in writing that the area sought may be served by Edinburg and the Application filed with the Commission included the executed Agreement. <sup>2</sup>

On October 5, 2015, the Commission issued Order No. 1, which required Commission

<sup>1</sup> Application at Attachment 12

<sup>2</sup> Application at Attachment 6

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Staff and Edinburg to file comments/recommendations regarding how this petition should be processed and whether or not the Application was sufficient for filing by November 5, 2015. On November 5, 2015, Commission Staff filed its response to Order No. 1 finding the application incomplete and requesting that the Applicants be allowed time to cure the noted deficiencies. Commission Staff's response indicated that the noted deficiencies in the Application would be cured by Applicants' submission of: 1) a small scale (general location) map only showing the location of the proposed service area in the vicinity of the nearest town, city, or county with the proposed service area in reference to the current corporate boundaries of Edinburg, verifiable man-made and natural landmarks such as roads, railroads or rivers clearly marked and labeled; and 2) a large scale map showing the proposed service area with enough detail to accurately locate the service area subject to be transferred in the vicinity of nearby roads, streets, and rivers with the proposed service area in reference to the current corporate boundaries of Edinburg, verifiable man-made and natural landmarks such as roads, railroads or rivers clearly marked and labeled; and 3) documentation from the USDA showing that it has approved the transfer from North Alamo to Edinburg, as the USDA currently holds a lien against North Alamo's property.

On November 9, 2015, the Commission issued Order No. 2, which set a deadline of December 8, 2015 for the Applicants to amend the Application by submitting: 1) a small scale (general location) map only showing the location of the proposed service area in the vicinity of the nearest town, city, or county with the proposed service area in reference to the current corporate boundaries of Edinburg, verifiable man-made and natural landmarks such as roads, railroads or rivers clearly marked and labeled; and 2) a large scale map showing the proposed service area with enough detail to accurately locate the service area subject to be transferred in the vicinity of nearby roads, streets, and rivers with the proposed service area in reference to the current corporate boundaries of Edinburg, verifiable man-made and natural landmarks such as roads, railroads or rivers clearly marked and labeled; and 3) documentation from the USDA showing that it has approved the transfer from North Alamo to Edinburg.

On December 8, 2015, based on North Alamo's communications with USDA-RD, an extension was requested from the Commission to allow North Alamo an additional 30 days in which to acquire the Consent from USDA-RD and the mapping data was filed with the Commission. On December 9, 2015, record was made of the filing of the mapping data with the

Commission. On December 16, 2015, the Commission issued Order No. 3 which set a deadline of January 8, 2016 for the Applicants to amend the Application by submitting documentation from the USDA showing that it has approved the transfer from North Alamo to Edinburg. However, while the USDA assures North Alamo that consent will be granted, USDA-RD now indicates that the required consent cannot be provided within USDA's previously estimated timeframe as allowed by Commission. Therefore, North Alamo respectfully requests an extension of time and a revision to the procedural schedule.

## **II. NORTH ALAMO WATER SUPPLY CORPORATION'S REQUEST FOR EXTENSION**

North Alamo has made application to the USDA for its consent to the transaction. USDA has acknowledged its receipt of North Alamo's application. Based on North Alamo's most recent communications with USDA staff, it is believed that USDA will provide its consent to North Alamo within the next 30 days. For this reason, North Alamo respectfully requests that the procedural schedule be amended as follows:<sup>3</sup>

Deadline for Applicants to cure the deficiencies submit USDA consent for review	February 8, 2016
Deadline for Commission Staff to file its supplemental recommendation	March 8, 2016

## **III. CONCLUSION**

Applicant North Alamo respectfully requests that the ALJ adopt the above procedural schedule and extend the deadline for Applicant North Alamo to provide USDA consent to February 8, 2016, and extend the deadline for Commission Staff to file its supplemental recommendation to March 8, 2016.

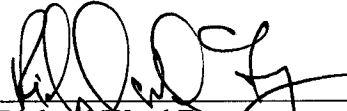
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<sup>3</sup> Applicants have attempted to contact all parties and while a formal response has not been received at the time of filing, it is our understanding that all parties are in agreement with the proposed schedule.

Dated:

January 6, 2016

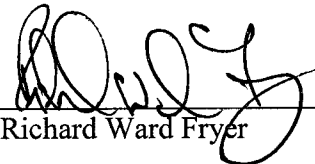
Respectfully submitted:



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NORTH ALAMO WATER SUPPLY  
CORPORATION

DOCKET NO. 45208  
CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the <sup>5</sup>th day of January, 2016 in accordance with 16 TAC § 22.74.



Richard Ward Fryer

**DOCKET NO. 45208**

**APPLICATION OF CITY OF  
EDINBURG AND NORTH ALAMO  
WATER SUPPLY CORPORATION  
TO AMEND WATER CERTIFICATES  
OF CONVENIENCE AND  
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**PUBLIC UTILITY COMMISSION OF  
TEXAS**

**ORDER NO. 4  
GRANTING EXTENSION AND REVISING PROCEDURAL SCHEDULE**

North Alamo Water Supply Corporation ("North Alamo"), a joint applicant herein, hereby requests an extension of the revised procedural schedule established by Order No. 3. Specifically, Applicant North Alamo states it is awaiting receipt of United States Department of Agriculture - Rural Development's ("USDA-RD") consent to the buyout transaction from the USDA. Although application for the required consent has been made to USDA-RD, USDA-RD has indicated that it could take up to an additional 30 days for North Alamo to receive such consent. Upon North Alamo's submission of the required USDA-RD consent to the Commission, Commission Staff can then provide its final recommendation regarding this proceeding.

For the preceding reasons, North Alamo Water Supply Corporation's request for extension is granted and the following revised procedural schedule is adopted.

Deadline for Applicants to cure deficiencies and submit USDA consent for review	February 8, 2016
Deadline for Commission Staff to file its supplemental recommendation	March 8, 2016

SIGNED AT AUSTIN, TEXAS the \_\_\_ day of \_\_\_\_\_, 2015.

PUBLIC UTILITY COMMISSION OF TEXAS

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STEPHANIE FRAZZELL  
ADMINISTRATIVE LAW JUDGE