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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 OF
TEXAS

APPLICANTS' SUPPLEMENTAL RESPONSE TO ORDER NO. 6

COME NOW, North Alamo Water Supply Corporation ("North Alamo") and City of Edinburg ("City") co-applicants in the above-entitled and numbered Docket, and file this Response to Order No. 6. 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 45.58 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 Edinburg¹ 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.²

¹ Application at Attachment 12

² Application at Attachment 6

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

On January 6, 2016, an extension was requested from the Commission to allow North Alamo an additional 30 days in which to acquire the Consent from USDA-RD based on communications with USDA. Subsequent to the January 6, 2016 filing, USDA granted its consent, and the consent was filed with the Commission with North Alamo's Supplemental Response to **Order No. 3** on January 11, 2016. On January 13, 2016, Commission issued **Order No. 4** Granting the requested extension and revising the deadline.

On February 10, 2016, Commission Staff filed a supplemental recommendation on the application determining that the application remains administratively incomplete because it contained additional material deficiencies, as specifically described in Commission Staff's February 10, 2016 filing. On February 11, 2016, Commission issued **Order No. 5** which set a deadline of March 10, 2016 to amend the application to cure additional deficiencies identified by Commission Staff, which recommended that the Applicants 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, clearly marking and labeling 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; and 2) submitting 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, clearly marking and labeling 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; and 3) revised digital data only including the proposed service area in a shapefile (SHP) format on a data disk (CD). On March 10, 2016, Applicants filed the recommended maps and digital data in response to PUC **Order No. 5**.

On April 11, 2016, Commission Staff filed a supplemental recommendation on the application determining that the application remains administratively incomplete because it contained additional material deficiencies, as specifically described in Commission Staff's April 11, 2016 filing. On April 13, 2016, Commission issued **Order No. 6** which set a deadline of May 12, 2016 to amend the application to cure additional deficiencies identified by Commission

Staff, by submitting: 1) a revised small scale (general location) map only showing the location of the proposed service area in the vicinity of the nearest town, city, or county; 2) revised digital data only including the proposed service area in a shapefile (SHP) format on a data disk (CD), with the proposed service area to include the same total acreage requested in the application and stated in notice documents; 3) clarification whether the application is for 40 or 45 acres and provide a revised large scale map. Staff also requested that Applicant file: 4) a complete list of all utilities districts and municipalities located within a 2-mile buffer of the proposed water service area. The list should also include the groundwater conservation districts and counties located within the requested proposed water service area requested in the application.

On April 13, 2016, the Commission's **Order No. 6**, declared Applicants' Application administratively incomplete based on Commission Staff's recommendation of April 11, 2016, and set a deadline of May 12, 2016 for the Applicants to amend the Application.

Applicants hereby respond to Staff's recommendation of April 11, 2016, recommending that the Applicants amend the Application by submitting: 1) a revised small scale (general location) map only showing the location of the proposed service area in the vicinity of the nearest town, city, or county, and 2) revised digital data only including the proposed service area in a shapefile (SHP) format on a data disk (CD), with the proposed service area to include the same total acreage requested in the application and stated in notice documents, as attached hereto as Exhibit's "A" and "B."

In further response to Staff's recommendation of April 11, 2016, that 3) the Applicant clarify whether the application is for 40 or 45 acres and provide a revised large scale map, Applicants make the following response: When the buyout transaction was originally negotiated and considered between the Applicants, the acreage was estimated at being "approximately 40 acres", however, in preparing the mapping information, it was determined that the area includes 45.58 acres and revised digital data was filed reflecting the revised service area, accordingly. Applicants hereby respectfully request that the Application be amended to reflect the total acreage as being 45.58 acres as reflected in the attached maps and digital data.

Finally, Exhibit "C" attached hereto is filed as Applicants response to Staff's recommendation of April 11, 2016, which requested "4) a complete list of all utilities districts and municipalities located within a 2-mile buffer of the proposed water service area. The list should also include the groundwater conservation districts and counties located within the

requested proposed water service area requested in the application.”

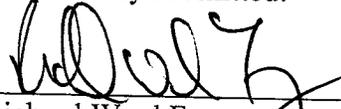
II. CONCLUSION

Applicants respectfully request that the ALJ file the documents attached hereto in response to PUC **Order No. 6**: 1) a revised small scale (general location) map only showing the location of the proposed service area in the vicinity of the nearest town, city, or county; 2) revised digital data only including the proposed service area in a shapefile (SHP) format on a data disk (CD), with the proposed service area to include the acreage being requested in the application and stated in notice documents; 3) the within request that the Application be amended to reflect 45.58 acres; and 4) a complete list of all utilities districts and municipalities located within a 2-mile buffer of the proposed water service area, including the groundwater conservation districts and counties located within the requested proposed water service area requested in the application, and enter its Order finding the application sufficient for filing.

Dated:

May 11, 2016

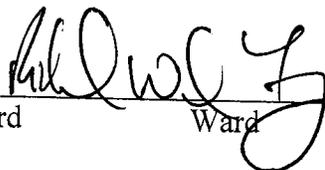
Respectfully submitted:



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ATTORNEY FOR
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 11th day of May, 2016 in accordance with 16 TAC § 22.74.



Richard Ward Fryer

THE CITY OF EDINBURG

May 11, 2016

Retail Public Utilities List:

City of McAllen
1300 Houston Ave.
McAllen, Texas 78501

City of Pharr
118 S. Cage Blvd.
Pharr, Texas 78577

City of San Juan
709 S. Nebraska St.
San Juan, Texas 78589

North Alamo Water Supply Corporation
420 S. Doolittle Rd.
Edinburg, Texas 78542

City of Edinburg
415 W. University Dr.
Edinburg, Texas 78539

Counties Located List:

Hidalgo County, Texas
100 N. Closner Blvd.
Edinburg, Texas 78539



415 W. University Drive • P.O. Box 1079 • Edinburg, Texas 78540
Phone: (956) 388-8212 • Fax: (956) 383-7111



OVERSIZED DOCUMENT

CD ATTACHED

**TO VIEW OVERSIZED
DOCUMENT PLEASE CONTACT
CENTRAL RECORDS
512-936-7180**

OVERSIZED DOCUMENT

MAPS

**TO VIEW OVERSIZED DOCUMENTS, PLEASE
CONTACT CENTRAL RECORDS AT**

512-936-7180