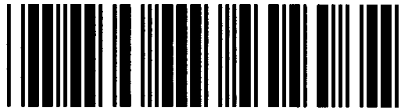


Control Number: 45212



Item Number: 5

Addendum StartPage: 0

**DOCKET NO. 45212**

**APPLICATION OF KEMPNER WATER  
SUPPLY CORPORATION AND CITY  
OF COPPERAS COVE FOR SALE,  
TRANSFER, OR MERGER OF  
FACILITIES AND CERTIFICATE  
RIGHTS IN CORYELL COUNTY  
(BRADFORD OAKS RANCH  
SUBDIVISION)**

**PUBLIC UTILITY COMMISSION**

**OF TEXAS**

2015 OCT 30 PM 2:11  
PUBLIC UTILITY COMMISSION  
FILING CLERK

**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 files this Response to Order No. 1, and would show the following:

**I. Background**

On September 30, 2015, Kempner Water Supply Corporation (Kempner) and the City of Copperas Cove (the City) (together the Applicants) filed an application for approval of a sale, transfer, or merger (STM) of facilities and certificate rights in Coryell County. The parties seek approval to transfer portions of Kempner's water certificate of convenience and necessity (CCN) No. 10456 and associated facilities to the City and amend the City's CCN No. 10449 accordingly. This application affects approximately 112.69 acres and 27 current customers in the Bradford Oaks Ranch Subdivision.

On October 2, 2015, Order No. 1 was issued requiring Staff to file comments on the administrative completeness of the application, proposed notice, and comments/recommendation regarding how this petition should be processed and propose a procedural schedule by October 30, 2015. Accordingly, this pleading is timely filed.

**II. Recommendation on Administrative Sufficiency**

Based on the attached memorandum from Andrew Novak, Financial Analyst and Tracy Montes, GIS Specialist with the Water Utility Regulation Division, Staff finds the application administratively incomplete and deficient. Pursuant to 16 Tex. Admin. Code § 24.8(a) (TAC),

applications are not considered filed until a determination of administrative completeness is made, thus at this time the application is not considered filed with the Commission.

Specifically, Staff requests that the Applicants submit the following to resolve the deficiencies:

**Mapping:**

1. A revised general location (small scale) map only showing the proposed service area with enough detail to accurately locate the service area within the nearest city, town or county. Clearly mark and label the proposed service area in reference to verifiable man-made and natural landmarks such as roads, railroads or rivers.
2. Submit a large scale map only showing the proposed service area with enough detail to accurately locate the service area to be transferred in the vicinity of surrounding roads, streets, and rivers. Clearly mark and label the proposed service area in reference to verifiable man-made and natural landmarks such as roads, railroads or rivers. Since this map is used to determine if the proposed digital data is accurately positioned on PUC's base maps, do not display property data, extraterritorial or city limit boundaries on this map.

**Technical:**

1. Provide written documentation from Brazos River Authority allowing the Applicant to provide retail water service within the district boundary.
2. Provide an electronic copy of the City of Copperas Cove's purchased water contracts.

Staff's review of water STM applications is a meticulous, time intensive practice, and Staff has limited resources to process this kind of application. The Applicants have the burden of providing the required information with its application in a timely manner. Processing of the application cannot proceed until the requested items are received and reviewed.

### **III. Proposed Procedural Schedule**

Due to the deficiencies in the application, Staff does not recommend a procedural schedule for the evaluation of the merits at this time. Staff recommends that the Applicants be given until December 4, 2015 to cure the deficiency identified in the attached memorandum.

#### **IV. Conclusion**

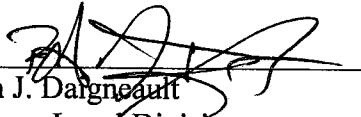
Staff respectfully requests that an order be issued consistent with this Response.

**Dated: October 30, 2015**

Respectfully Submitted,

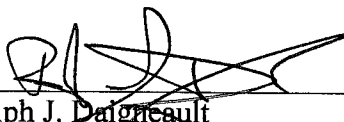
Margaret Uhlig Pemberton  
Division Director – Legal Division

Karen S. Hubbard  
Managing Attorney – Legal Division

  
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Ralph J. Daigneault  
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(512) 936-7268 (facsimile)  
Public Utility Commission of Texas  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

#### **CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on October 30, 2015, in accordance with 16 TAC § 22.74.

  
\_\_\_\_\_  
Ralph J. Daigneault

## PUC Interoffice Memorandum

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**To:** Ralph Daigneault  
Legal Division

**Thru:** Tammy Benter, Director  
Water Utility Regulation Division

**From:** Andrew Novak, Financial Analyst  
Tracy Montes, GIS Specialist  
Water Utilities Division

**Date:** October 30, 2015

**Subject:** **Docket 45212**, *Application of Kempner Water Supply Corporation and City of Copperas Cove for Sale, Transfer, or Merger of Certificate Rights in Coryell County.*

On September 30, 2015, Kempner Water Supply Corporation (Kempner) and the City of Copperas Cove (the City) filed an application for approval of a Sale, Transfer, or Merger (STM) of facilities and water service area in Coryell County. The application was filed pursuant to criteria in Texas Water Code Ann. (TWC), § 13.301 and the 16 Tex. Admin. Code (TAC) §§ 24.106, 24.109, and 24.112. The application is being reviewed for administrative completeness pursuant to 16 TAC § 24.8(a). The parties seek approval to transfer portions of Kempner's water Certificate of Convenience and Necessity (CCN) No. 10456 and associated facilities to the City and amend the City's CCN No. 10449 accordingly. This application affects approximately 15.238 acres and 47 current customers in Skyline Flats Phase 2, Section 2.

After review of the above referenced application, staff finds the application is insufficient in the content provided and recommends the application be found administratively incomplete. Staff recommends the applicant correct the following deficiencies:

**Mapping:**

Staff requests that the Applicants submit the following to resolve the mapping deficiencies:

1. A revised general location (small scale) map only showing the proposed service area with enough detail to accurately locate the service area within the nearest city, town or county. Clearly mark and label the proposed service area in reference to verifiable man-made and natural landmarks such as roads, railroads or rivers.
2. Submit a large scale map only showing the proposed service area with enough detail to accurately locate the service area to be transferred in the vicinity of surrounding roads, streets, and rivers. Clearly mark and label the proposed service area in reference to verifiable man-made and natural landmarks such as roads, railroads or rivers. Since this map is used to determine if the proposed digital data is accurately positioned on PUC's

base maps, do not display property data, extraterritorial or city limit boundaries on this map.

**Technical:**

In addition, to correct other application deficiencies staff recommends that the Applicant:

1. Provide written documentation from Brazos River Authority allowing the Applicant to provide retail water service within the district boundary.
2. Provide an electronic copy of the City of Copperas Cove's purchased water contracts.