



Control Number: 45421



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<p><b>APPLICATION OF LA TIERRA WATER FOR EXEMPT UTILITY REGISTRATION</b></p>	<p>§ § § § § § §</p>	<p><b>PUBLIC UTILITY COMMISSION OF TEXAS</b></p> <p>RECEIVED JAN 8 AM 9:18 PUBLIC UTILITY COMMISSION FILING CLERK</p>
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**COMMISSION STAFF'S RESPONSE REGARDING COMPLETENESS**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files Commission Staff's Response to Order No. 1 Regarding Completeness and would show the following:

**I. BACKGROUND**

On December 8, 2015 La Tierra Water (Tierra) filed with the Public Utility Commission of Texas (Commission) an application for exempt utility registration pursuant to Texas Water Code § 13.242(c) and 16 Tex. Admin. Code § 24.103(d) (TAC). Tierra is currently operating under Certificate of Convenience and Necessity No. 12235 in Hays County, Texas. Order No. 1 was issued on December 14, 2015 requiring Commission Staff (Staff) to file comments by January 8, 2016, regarding the administrative completeness of the application, how the petition should be processed, and propose a procedural schedule, if necessary. Therefore, this pleading is timely filed.

**II. JURISDICTION AND LEGAL AUTHORITY**

The Texas Water Code (TWC) permits the Utility commission to allow a utility to operate without a Certificate of Convenience and Necessity in certain situations:

The utility commission may by rule allow a municipality or utility or water supply corporation to render retail water service without a certificate of public convenience and necessity if the municipality has given notice under Section 13.255 that it intends to provide retail water service to an area or if the utility or water supply corporation has less than 15 potential connections and is not within the certificated area of another retail public utility.

TWC § 13.242(c). The commission has promulgated the following requirements under the Texas Administrative Code:

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:

- (A) has less than 15 potential service connections;
- (B) is not owned by or affiliated with a retail public utility or any other provider of potable water service;
- (C) is not within the certificated area of another retail public utility; and
- (D) is not within the corporate boundaries of a district or municipality unless it receives written authorization from the district or municipality.

16 Tex. Admin. Code § 24.103(d)(1) (TAC). Additionally Administrative Code permits the Commission to “revoke the current certificate of convenience and necessity upon written request by the exempt utility or water supply corporation.”

### **III. COMMENTS ON ADMINISTRATIVE COMPLETENESS**

Staff has reviewed Tierra’s Application and, as supported by the attached memorandum of Debbie Reyes Tamayo of the Water Utilities Division, Staff recommends that the amended petition be found administratively complete. The information contained in the Application is sufficient for Staff to continue its review and make a recommendation on whether Tierra satisfies the requirements of TWC § 13.242(c) and 16 TAC§ 24.103(d)(1).

### **IV. RECOMMENDATION ON PROCESS**

Staff recommends that it sends the final map, tariffs and consent form to Tierra and that Tierra have sufficient time to review the materials and file their signed consent with the Commission.

### **V. PROPOSED PROCEDURAL SCHEDULE**

Consistent with the above recommendation on process, Staff proposed the following procedural schedule:

<b>Event</b>	<b>Date</b>
Staff provides final map, tariffs and consent form to the applicant.	February 8, 2016
Deadline for Applicant to consent to final map, tariffs and consent form	February 22, 2016

## VI. CONCLUSION

For the reasons stated above, Staff respectfully request that an order be issued finding Tierra's Application to be administratively complete and adopting the above procedural schedule.

Respectfully Submitted,

Margaret Uhlig Pemberton  
Division Director  
Legal Division

Karen S. Hubbard  
Managing Attorney  
Legal Division



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Landon J. Lill  
Attorney-Legal Division  
State Bar No. 24092700  
(512) 936-7228  
(512) 936-7268 (facsimile)  
Public Utility Commission of Texas  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

**DOCKET NO. 45421**

## CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on January 7, 2016 in accordance with 16 TAC § 22.74.



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Landon J. Lill

**Public Utility Commission of Texas**  
**Memorandum**

**TO:** Landon Lill, Attorney  
Legal Division

**THRU:** Tammy Benter, Director  
Lisa Fuentes, Work Leader  
Water Utility Regulation

**FROM:** Debbie Reyes Tamayo, Program Specialist  
Water Utility Regulation

**Date:** January 6, 2016

**Subject:** Docket No. 45421, *Application of La Tierra Water for Exempt Utility Registration*

On December 8, 2015, La Tierra Water (Applicant) filed with the Public Utility Commission of Texas (Commission) an application for exempt utility registration pursuant to Texas Water Code § 13.242(c) and 16 Tex. Admin. Code § 24.103(d) (TAC). The purpose of this application is for the Applicant to be classified as an exempt utility rather than an investor owned utility and to cancel the Applicant's CCN No. 12235 in Hays County.

Order No. 1 requests that Commission Staff shall file comments regarding the administrative completeness of the application, how the petition should be processed, and propose a procedural schedule, by January 8, 2016.

Staff recommends that the application be deemed administratively complete and accepted for filing.

Commission Staff recommends the following procedural schedule:

- The final map will be completed by the Commission mapping staff by February 8, 2016.
- Staff will e-mail the final map, tariff and consent form to the Applicant. The applicant will have until February 22, 2016, to file their signed consent form with the Commission. It should be noted that although the application lists the tap fee as \$500.00, the final tariff will show the tap fee as \$250.00, the last approved amount according Commission records.

TB/DRT