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APPLICATION OF LA TIERRA WATER FOR EXEMPT UTILITY REGISTRATION 2016 MAD PUBLIC UTILITY COMMISSION 11: 07 PUBLIC UTILITY COMMISSION OF TEXAS FILING CLERK

COMMISSION STAFF'S FINAL RECOMMENDATION

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files Commission Staff's Final Recommendation 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) (TWC) 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. On February 23, 2016, the Administrative Law Judge issued Order No. 3 directing Commission Staff to file a final recommendation on final disposition or to request a hearing by March 4, 2016. Therefore, this pleading is timely filed.

II. Recommendation on Final Disposition

Staff has reviewed Tierra's Application and, as supported by the attached memorandum of Debbie Reyes Tamayo of the Water Utilities Division, has concluded that Tierra meets the requirements of an exempt utility pursuant to TWC § 13.242(c) and 16 TAC § 24.103(d). Staff recommends that the Commission issue an order approving the transaction and issue an order to Cancel CCN 12235; and, provide the attached map and exempt tariff to the Applicant.

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Respectfully Submitted,

Margaret Uhlig Pemberton Division Director Legal Division

Karen S. Hubbard Managing Attorney Legal Division

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 Landon.Lill@puc.texas.gov

DOCKET NO. 45421

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on March 3, 2016 in accordance with 16 TAC § 22.74.

Landon J. Lill

<u>Public Utility Commission of Texas</u> 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:	February 3, 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 and Travis Counties.

16 TAC §24.103(d) states that a utility is exempt from the requirement to possess a Certificate of Convenience and Necessity (CCN) in order to provide retail water service if it has less than 15 potential service connections. Based on the information provided, it appears the Applicant has the potential to serve less than 15 retail water service connections. The application states that there are 9 active connections and a potential of 14 connections.

The Applicant has been registered with the Commission as an Exempt Utility and assigned Exempt Registration No. N0071.

The applicant meets all of the statutory requirements of Texas Water Code Chapter 13 and the Commission's Chapter 24 rules and regulations. Approving this application to register as an Exempt Utility under Registration No. N0071 and to cancel the Applicant's CCN No. 12235 is necessary for the service, accommodation, convenience and safety of the public.

As a retail public utility, the Applicant is required to collect and remit the Regulatory Assessment Fee (RAF) to the Commission annually. For investor owned utilities, this fee is 1% of the amount you will receive for providing water utility service.

The Applicant consented to the attached map and tariff on February 1, 2016, and filed with the PUC on February 3, 2016.

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APPLICATION OF LA TIERRA WATER FOR EXEMPT UTILITY REGISTRATION

PUBLIC UTILITY COMMISSION

OF TEXAS

COMMISSION STAFF'S FINAL RECOMMENDATION

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II. Recommendation on Final Disposition

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Respectfully Submitted,

Margaret Uhlig Pemberton Division Director Legal Division

Karen S. Hubbard Managing Attorney Legal Division

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Landon J. Lill

EX	EMPT UTI	LITY INFO	2MAT		
January 14, 2016	45421			ION FORM	
Effective Date	Docket No.	N0071 Registration	No.		
LA TIERRA WATER	ł				
(Water S	ystem Name)			830-825-0133	
24815 HAMILTO				(Phone Num	ber)
(Utility A		ROUND MOU		TX	78663-8570
	adi (35)	(City	<i>r</i>)	(State)	(Zip Code)
RATE SCHEDULE Residential	Monthl 12.00	y Minimum Charg (INCLUDING	e 3,000	Gallonage Ch GALLONS)	arge \$ 4.00
Commercial	\$	_ (INCLUDING		GALLONS)	per 1000 gallons \$
TAP FEE					per 1000 gallons \$ 250.00
OTHER EXTENSION	FEES				φ _230.00
REGULATORY ASSES A REGULATORY ASSES SERVICE ONLY, MUST RECONNECTION FEE THE RECONNECT FEE W WHO HAS BEEN DISCO	SMENT, EQUAL BE COLLECTED VILL BE CHARG NNECTED FOR 7 Non payment of	ED BEFORE SERVI THE FOLLOWING I f bill (not to exceed)	CE CAN E	BE RESTORED TO A	CUSTOMER
b	Subtomer s requ	lest		de Justification)	\$\$
С	Other Reasons (specify):			\$
LATE CHARGE For bill not received by d RETURNED CHECK CHA CUSTOMER DEPOSIT METER TEST FEE (Not to	uce	either \$5.00 <u>or</u> 109	%)		\$ <u>0.00</u> \$ <u>0.00</u> 0.00
The attached Service Rules		tariff		\$	0.00

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LA TIERRA WATER

(Utility Name)

Meter Requirements, Readings, and Testing

One meter or connection may be required for each customer. The exempt utility will, upon the request of a customer, and, if the customer so desires, in his or her presence or in that of his or her authorized representative, make a test of the accuracy of the customer's meter. The test may be made using a container of known volume.

A meter test will cost \$ 25.00 Following the completion of any requested test, the utility will promptly advise the customer in writing of the results. If the meter is in error by more than 3% the meter should be replaced at the utility's expense. Meters will be read at (preferably monthly) intervals.

Billing

Bills from the utility will be mailed at intervals specified in the service agreement. The due date of bills for utility service will be at least sixteen (16) days from the date of issuance. The postmark on the bill or, if there is no postmark on the bill, the recorded date of mailing by the utility will constitute proof of the date of issuance. Payment for utility service is delinquent if full payment, including late fees, is not received at the designated payment location by 5:00 p.m. on the due date. If the due date falls on a holiday or weekend, the due date for payment purposes will be the next work day after the due date.

Late Fee

A late penalty may be charged (if listed on the tariff) on bills received after the due date. The utility must maintain a record of the date of mailing to charge the late penalty.

Each bill will provide the following information (at a minimum): The total amount due for water service, the due date of the bill and a telephone number (or numbers) for customers to call if they have questions.

Metered Service

If service is metered the bill must also state the date and reading of the meter at the beginning and end of the period for which the bill is rendered, and the numbers of gallons consumed.

Service Disconnection and Disputed Bills

If a customer or applicant for service files a complaint about all or a portion of the bill, the utility will promptly investigate the matter and advise the complainant of the results. Service may not be disconnected pending completion of the investigation. If the complainant is dissatisfied with the utility's response, the utility must advise the complainant that he/she has recourse through the Public Utility Commission of Texas complaint process. Pending resolution of a complaint, the commission may require continuation or restoration of service.

The utility will maintain a record of all complaints which shows the name and address of the complainant, the date and nature of the complaint and the adjustment or disposition thereof, for a period of two years after the final settlement of the complaint.

WATER SERVICE APPLICATION/AGREEMENT

Date 11/19/2015

Exempt Utility Name
Business Address Street
City, State, Zip
(AC)Telephone

LA TIERRA WATER 24815 HAMILTON POOL RD

ROUND MOUNTAIN TX 78663-8570

(830)825-0133

APPLICATION FOR WATER SERVICE

Name of Applicant/Customer:	
Service Location:	
Billing Address:	
City, State, Zip:	
*	
-	

Check Applicable Items:

Residential X Owner

Commercial

Tenant

The Exempt Utility agrees to sell and deliver water to the Applicant and the Applicant agrees to purchase and receive water from the Utility in accordance with the rules and regulations required by the Public Utility Commission of Texas which are included in its Exempt Utility Tariff and any other rules or requirements contained in this agreement.

Water will Will not X be disinfected. Water will X will not be measured by meters which are furnished, installed, owned and maintained by the Utility. The meter and/or connection is for the sole use of the Applicant/Customer to serve water to one dwelling, business or property. The Applicant/Customer shall not share, resell, or submeter water to any other dwelling, business, property, etc., without the specific written authorization of the Utility and in compliance with applicable laws and regulations.

The Utility has the right to locate a water service meter/connection and the pipe necessary to connect the meter to the utility's water main on the property of the Applicant at a point mutually agreeable to both the Utility and the Applicant. The Applicant/Customer will allow the Utility access at all reasonable times to its property and equipment located upon Applicant/Customer's premises for the limited purposes of reading the water meter, repairing or replacing existing facilities and the inspection of the Applicant/Customer's facilities to check for illegal connections or unsafe plumbing practices or cross-connections, in compliance with the requirements of the Texas Commission on Environmental Quality's "Rules and Regulations for Public Water Systems."

The Applicant will install, at his own expense, a service line from the water meter/connection to the Applicant's point of use which <u>includes</u> X /<u>does not include</u> a cutoff valve on the Applicant's side of the water meter/connection. The Applicant/Customer will be responsible for maintenance and repair of the Applicant/Customer's service line. The Applicant/Customer shall hold the Utility harmless from any and all claims or demands for damage to real or personal property occurring from the point the Applicant/Customer ties on the water meter/connection to the final destination of the line installed by Applicant/Customer.

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