



Control Number: 45719



Item Number: 4

Addendum StartPage: 0

DOCKET NO. 45719

**APPLICATION OF PONDEROSA
AND WESTERN VILLAGE WATER
SUPPLY CORPORATION AND EL
PASO WATER UTILITIES PUBLIC
SERVICE BOARD FOR SALE,
TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN EL PASO COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

RECEIVED

FILED

COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this Recommendation on Sufficiency and response to Order No. 1 and would show the following:

I. BACKGROUND

On March 11, 2016, El Paso Water Utilities Public Service Board (El Paso) and Ponderosa & Western Village Water Supply Corporation (Ponderosa) filed an application for sale, transfer, or merger of facilities and certificate rights in El Paso County. Specifically, El Paso seeks approval to acquire all of the customers, facilities, and service area of Ponderosa, and Ponderosa will dissolve. El Paso's water certificate of convenience and necessity (CCN) No. 10211 will be amended and Ponderosa's CCN No. 11017 will be cancelled.

Order No. 1, issued on March 17, 2016, set April 11, 2016 as the deadline for Commission Staff to file a recommendation regarding the administrative completeness of the application, notice and the possible waiver of that notice, as well as propose a schedule for processing. This pleading is therefore timely filed.

II. RECOMMENDATION

Staff recommends that the application be found sufficient, as supported by the memorandum of Jolie Mathis and Gary Horton of the Water Utilities Division. In addition, Staff recommends that notice be issued in a newspaper of general circulation in the affected area each week for two consecutive weeks. The area at issue is within El Paso's extraterritorial jurisdiction and El Paso has been maintaining and operating the Ponderosa water system on behalf of

4

Ponderosa since 2004, and provides billing and collection services. There will be no disruption of service and most customers will see a decreased cost of water service.

III. PROPOSED PROCEDURAL SCHEDULE

The Commission must either approve this application or require a public hearing after a 120 day notification period.¹ If newspaper notice is required, the 120 day deadline begins on the last date of the publication of that notice.² Staff recommends giving El Paso 30 days to publish notice and to file proof of that notice.

Event	Date
Date application filed	March 11, 2016
Deadline to file proof of newspaper notice with attached affidavits attesting to that notice	May 11, 2016
Deadline for Staff to file a recommendation on sufficiency of notice	May 25, 2016

IV. CONCLUSION

Staff respectfully requests that the ALJ issue an order reflecting the above request.

Dated: April 11, 2016

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

¹ 16 Tex. Admin. Code § 24.109(e).

² 16 Tac 24.109(a)(3).

Karen S. Hubbard
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DOCKET NO. 45719
CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on or before April 11, 2016 in accordance with 16 TAC § 22.74.



Alexander Petak

PUC Interoffice Memorandum

To: Alexander Petak, Attorney
Legal Division

Through: Tammy Benter, Director
Water Utilities Division

From: Jolie Mathis, Engineering Specialist
Gary Horton, GIS Specialist
Water Utilities Division

SUBJECT: **Docket No. 45719**, *Application of Ponderosa and Western Village Water Supply Corporation and El Paso Water Utilities Public Service Board for Sale, Transfer, or Merger of Facilities and Certificate Rights in El Paso County*

DATE: April 7, 2016

On March 11, 2016, El Paso Water Utilities Public Service Board (EPWU) and Ponderosa and Western Village Water Supply Corporation (Ponderosa) filed an application for sale, transfer, or merger of facilities and certificate rights in El Paso County. Specifically, El Paso seeks approval to acquire all of the customers, facilities and service area of Ponderosa, and Ponderosa will dissolve. El Paso's water certificate of convenience and necessity (CCN) No. 10211 will be amended and Ponderosa's CCN No. 11017 will be cancelled.

EPWU also requested that the PUC waive the public notice for good cause shown. EPWU has been operating and maintaining the Ponderosa water system on behalf of Ponderosa since 2004. EPWU also provides billing and collection services to Ponderosa. Additionally, while the customers of Ponderosa will see a change in their water rates, for most customers, the cost of water service will go down after the transfer of ownership. There will be no disruption of service or any difference in the quality of service that is provided to the customers. With exception of a small part of the area certificated to Ponderosa, EPWU is dually certificated to areas in which Ponderosa is certified. Also, all of the area is within the City of El Paso's extraterritorial jurisdiction, which is the owner of EPWU.

Based on the information in the paragraph above, Staff recommends that the PUC waive mailed notice but to require published notice instead in a newspaper of general circulation in El Paso County.

Notice for Publication

PONDEROSA AND WESTERN VILLAGE WATER SUPPLY CORPORATION'S NOTICE OF INTENT TO TRANSFER WATER SERVICE AREA AND CANCEL CCN NO. 11017, TO EL PASO WATER UTILITIES PUBLIC SERVICE BOARD, IN EL PASO COUNTY, TEXAS

Ponderosa and Western Village Water Supply Corporation has filed an application with the Public Utility Commission of Texas to transfer their water service area and cancel CCN No. 10048, to the El Paso Water Utilities Service Board, CCN No. 10211 in El Paso County. The sale is scheduled to take place as approved by the Commission (Texas Water Code 13.301)

The proposed areas subject to this transaction is located approximately 11 miles northwest of downtown El Paso, Texas, and is generally bounded on the north by Bosque Road; on the east by I-10; on the south by W. Borderland Road; and on the west by State Hwy 260.

The total area being requested includes approximately 108 acres and serves 319 current customers. The proposed service area includes the Ponderosa and Western Village Subdivision. This transaction will have no effect on current customer's services since El Paso Water Utilities Service Board already provides service to the customers. The customers will be charged the City's outside-city rates

A copy of the proposed service area map is available at:
1145 Hawkins Drive, El Paso, TX 79925; 915/594-5594

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Persons who wish to intervene or comment should write the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the commission will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477