



Control Number: 46381



Item Number: 7

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APPLICATION OF SHERMAN'S MILL §  
 WATER SUPPLY CORPORATION TO §  
 OBTAIN A WATER CERTIFICATE OF §  
 CONVENIENCE AND NECESSITY IN §  
 KERR COUNTY §

PUBLIC UTILITY COMMISSION

2016 OCT 19 PM 2:

OF TEXAS

PUBLIC UTILITY COMMISS  
FILING CLERK

### COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS

Comes now the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files its Recommendation on Administrative Completeness in response to Order No. 2. In support thereof, Staff would show the following:

#### I. Background

On September 19, 2016, Sherman's Mill Water Supply Corporation ("Sherman Mill" or "Applicant") filed an application to obtain a new water certificate of convenience and necessity (CCN) in Kerr County. The proposed total area being requested includes approximately 53.65 acres and 15 current customers. On October 12, 2016, the Administrative Law Judge (the "ALJ") issued Order No. 2, requiring Staff to file a recommendation on administrative completeness and propose a procedural schedule by October 19, 2016. This pleading is timely filed.

#### II. Staff's Recommendation

Staff has reviewed Sherman Mill's application and, and as detailed by the attached memorandum of Debbie Reyes Tamayo of the Water Utilities Division, Staff recommends that the application be deemed insufficient for filing and, therefore, administratively incomplete.

Staff is unable to verify the location of the area proposed to be covered by the CCN. Therefore, Staff recommends that the Applicant contact mapping staff to resolve this deficiency.

Further, Staff has identified multiple issues that will need to be addressed during the technical review if the application is hereafter deemed administratively complete. In particular, the follow items will be necessary:

- Documentation that the TCEQ violation issued on June 8, 2016, for failure to provide an adequate water level indicator on the elevated storage tank, has been resolved.
- A copy of the Applicant's tariff.

- A copy of the TCEQ approved Drought Contingency Plan: DCP from TCEQ.

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

Because the application is insufficient for filing, Staff does not recommend a procedural schedule for the evaluation of the merits of the application at this time. Staff recommends that Sherman's Mill be given a deadline of November 10, 2016, by which to contact Staff and cure any deficiencies in the application, and that Staff be given until November 30, 2016, to review the amended application. Pursuant to 16 TAC § 24.8(d), an application is not considered filed until the Commission makes a determination of administrative completeness. If the ALJ agrees with Staff's deficiency recommendation, then the petition is not administratively complete and, therefore, is not considered filed.

### **IV. Conclusion**

For the reasons stated above, Staff respectfully recommends that an order be issued finding Sherman's Mill's application administratively incomplete and ordering Sherman's Mill to cure the deficiency in its application by November 10, 2016, and that Staff be given until November 30, 2016, to review the amended application.

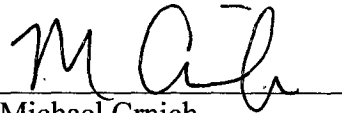
Dated: October 19, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Katherine Lengieza Gross  
Managing Attorney

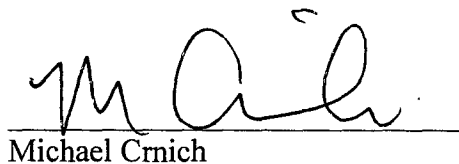


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**DOCKET NO. 46381**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on October 19, 2016, in accordance with 16 TAC § 22.74.



Michael Crnich

## PUC Interoffice Memorandum

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**To:** Mike Crnich, Attorney  
Legal Division

**Thru:** Tammy Benter, Director  
Lisa Fuentes, Manager  
Debi Loockerman, Manager  
Heidi Graham, Manager  
Water Utilities Division

**From:** Debbie Reyes Tamayo, Program Specialist  
Kristi Nguyen – GIS Specialist  
Fred Bednarski III, Financial & Managerial Review Specialist  
Ricky Herrera, Engineering Specialist  
Water Utilities Division

**Date:** October 19, 2016

**Subject:** **Docket No. 46381:** *Application of Sherman's Mill Water Supply Corporation (WSC) to Obtain a Water Certificate of Convenience and Necessity in Kerr County*


On September 19, 2016, Sherman's Mill WSC (Applicant) filed with the Public Utility Commission of Texas (Commission) an application requesting to obtain a water Certificate of Convenience and Necessity (CCN) in Kerr County, Texas. The application is being reviewed under Texas Water Code §13.254(d) (TWC) and 16 Tex. Admin. Code §§ 24.115 and 24.102(a)(1) (TAC). The proposed total area being requested includes approximately 53.65 acres and 15 current customers.

Based on a review of the information in the application, Staff recommends that the application be deemed insufficient for filing and found administratively incomplete.

### Mapping

Staff is unable to determine the proposed area from the maps provided. Staff cannot continue with mapping review without verification of the proposed area from the Applicant. It is recommended for the applicant to contact mapping staff to resolve the mapping issue.

Separate from the administrative review, the following information will be needed during the technical review:

- Documentation that the TCEQ violation issued on June 8, 2016, for failure to provide an adequate water level indicator on the elevated storage tank, has been resolved.
- A copy of the Applicant's tariff.
- A copy of the TCEQ approved Drought Contingency Plan: DCP from TCEQ. <https://www.tceq.texas.gov/assets/public/permitting/watersupply/drought/20191.pdf>. For 'water supply corporation (TCEQ-20187) Word  or PDF 