



Control Number: 46719



Item Number: 27

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<b>APPLICATION OF CITY OF HASLET</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>TO AMEND A WATER</b>	<b>§</b>	
<b>CERTIFICATE OF CONVENIENCE</b>	<b>§</b>	<b>OF TEXAS</b>
<b>AND NECESSITY AND DECERTIFY</b>	<b>§</b>	
<b>A PORTION OF CITY FORT</b>	<b>§</b>	
<b>WORTH'S SERVICE AREA IN</b>	<b>§</b>	
<b>TARRANT COUNTY</b>	<b>§</b>	

**COMMISSION STAFF'S RESPONSE TO ORDER NO. 7**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this Response to Order No. 7. In support thereof, Staff would show the following:

**I. BACKGROUND**

On January 3, 2017, the City of Haslet (Haslet) filed an application to amend its water Certificate of Convenience and Necessity (CCN) No. 12856 to provide water utility service in Tarrant County and to decertify a portion of the City of Fort Worth's service area in Tarrant County.

On May 2, 2018, the administrative law judge (ALJ) issued Order No. 9 which extended Staff's deadline to respond to the issues raised in Order No. 7 to May 10, 2018. This pleading is therefore timely filed.

**II. RESPONSE**

In Order No. 7, the ALJ required Staff to confirm whether Haslet's existing PWS has the capacity to serve the proposed development and whether the infrastructure improvements identified in Exhibit G of the development agreement are the type of improvements that require a TCEQ permit prior to approval. In its motion to dismiss, Staff cited 16 Texas Administrative Code (TAC) § 24.102(a)(1)(A), noting the requirement of a water system approved by the Texas Commission on Environmental Quality (TCEQ). However, under 16 TAC § 24.105(a)(14)(A), for CCN amendments which require construction of a new public drinking water system or facilities, a copy of the letter from TCEQ approving the plans and specifications is necessary.

Staff inadvertently referred to permits<sup>1</sup> when in fact the Application was lacking a letter approving plans and specifications. Furthermore, in Staff's recommendation on administrative completeness, Staff stated that there was no need for TCEQ approval of plans because there were no development plans.<sup>2</sup> However, Haslet's Response to Commission Staff's First Request for Information indicates that there are "improvements contemplated in Exhibit G" which will service "approximately 510 new connections."<sup>3</sup> These improvements constitute "facilities" within the meaning of 16 TAC § 24.105(a)(14)(A)<sup>4</sup> and, as such, require TCEQ approval of plans and specifications. Haslet failed to seek these approvals during the period of abatement, and thus Staff re-urges its motion to dismiss.

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<sup>1</sup> Commission Staff's Motion to Dismiss, at 1 (Jan. 12, 2018).

<sup>2</sup> Commission Staff's Recommendation Regarding Administrative Completeness, at 1-2 (Jan. 27, 2017).

<sup>3</sup> City of Haslet's Response to Commission Staff's First Request for Information, Response No. 1-1 (May 1, 2018).

<sup>4</sup> See 16 Tex. Admin. Code (TAC) § 24.3(24) (defining "facilities").

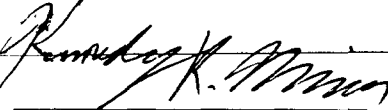
Dated: May 9, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF  
TEXAS  
LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

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Managing Attorney

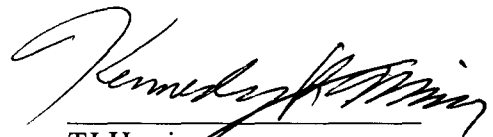


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**DOCKET NO. 46719**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on May 9, 2018 in accordance with 16 TAC § 22.74.



TJ Harris *w/ permission*

## PUC Interoffice Memorandum

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**To:** Kennedy Meier, Attorney  
Legal Division

**Thru:** Tammy Benter, Director  
Heidi Graham, Manager  
Water Utilities Division

**From:** Jolie Mathis, Engineering Specialist  
Water Utilities Division

**Date:** May 8, 2018

**Subject:** **Docket No. 46719:** Application of the City of Haslet to Amend a Water Certificate of Convenience and Necessity and Decertify a Portion of the City of Fort Worth's Service Area in Tarrant County

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On January 3<sup>rd</sup>, 2017, the City of Haslet (Haslet) filed with the Public Utility Commission of Texas (Commission) an application requesting to amend a water Certificate of Convenience and Necessity in Tarrant County, Texas. The application is being reviewed under Texas Water Code § 13.254 and 16 Texas Administrative Code §§ 24.102, 24.105 and 24.113.

Order No. 7 required Staff to confirm that Haslet's existing public water system does not have the capacity to serve the proposed development and that a separate public water system is required or if Haslet's existing public water system does have the capacity to serve the proposed development, that the infrastructure improvements identified in exhibit G of the development agreement are the type of improvements that require a Texas Commission on Environmental Quality (TCEQ) permit prior to approval of the instant application.

In their response to Commission Staff's RFI filed by the Applicant on May 1<sup>st</sup>, 2018, Haslet confirmed that the proposed development's number of connections exceeds that which according to TCEQ rules, would allow them to forego submitting plans and specifications to TCEQ for construction approval of their new distribution system. Therefore, Staff confirms that Haslet's existing public water system does not have the capacity to serve the proposed development and that a separate public water system is required. Staff continues to recommend dismissal of the application.