

Control Number: 48161



Item Number: 16

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**DOCKET NO. 48161**

**APPLICATION OF CITY OF LOS  
FRESNOS AND EAST RIO HONDO  
WATER SUPPLY CORPORATION  
FOR APPROVAL OF A SERVICE  
AREA CONTRACT UNDER TEXAS  
WATER CODE § 13.248 AND TO  
AMEND CERTIFICATES OF  
CONVENIENCE AND NECESSITY  
IN CAMERON COUNTY, TEXAS**

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**PUBLIC UTILITY COMMISSION**

**OF TEXAS**

**COMMISSION STAFF'S FINAL RECOMMENDATION**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest and files this Final Recommendation.

**I. BACKGROUND**

On March 13, 2018, the City of Los Fresnos (City) and East Rio Hondo Water Supply Corporation (ERHWSC) (collectively, Applicants) filed an application with the Public Utility Commission (Commission) for approval of a service area contract under Tex. Water Code § 13.248 (TWC), to amend City's Certificate of Convenience and Necessity (CCN) No. 11554 and ERHWSC's CCN No; 11552) in Cameron County, Texas. Specifically, the Applicants seek single certification in CCN service areas where they are currently dually certificated. Additionally, one small service area with no existing customers, which is singly certificated to the City will be transferred to WSC.

Order No.4 required that Staff shall file a final recommendation on or before October 8, 2018. Therefore, this pleading is timely filed.

**II. STAFF'S FINAL RECOMMENDATION**

Staff has reviewed the application and recommends that this application for a CCN amendment be approved. As supported by the memorandum of Gregory Charles of the Water Utility Regulation Division at Attachment A, Staff recommends that the application be found to comply with the criteria outlined for CCN amendments in the Texas Water Code § 13.248 (TWC). In accordance with this recommendation, the corresponding map (Attachment B) and certificates (Attachment C) were consented by the Applicants on September 25, 2018. On or before October

15, 2018, the parties will jointly proposed findings of fact, conclusions of law and ordering paragraphs. Staff further recommends that the Applicants file certified copies of the CCN map along with a written description of the CCN service area in the county clerk's office pursuant to TWC §§ 13.257(r)-(s).

### **III. CONCLUSION**

Staff respectfully requests that the ALJ issue an order consistent with the above recommendations.

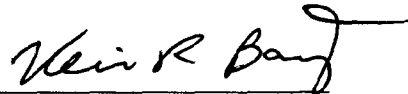
**Date:** October 8, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF  
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Karen S. Hubbard  
Managing Attorney

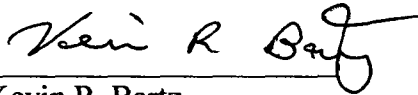


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**DOCKET NO. 48161**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on the October 8, 2018 in accordance with 16 TAC § 22.74.

  
\_\_\_\_\_  
Kevin R. Bartz

# **ATTACHMENT A**

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

**TO:** Kevin Bartz, Attorney  
Legal Division

**THRU:** Heidi Graham, Manager  
Water Utility Regulation Division

**FROM:** Gregory Charles, Engineer  
Water Utility Regulation Division

**DATE:** October 8, 2018

**SUBJECT:** **Docket No. 48161**, *Application of City of Los Fresnos and East Rio Hondo Water Supply Corporation for Approval of a Service Area Contract Under Texas Water Code § 13.248 and to Amend Certificates of Convenience and Necessity in Cameron County, Texas*

On March 13, 2018, the City of Los Fresnos (City) and East Rio Hondo Water Supply Corporation (ERHWSC), (Collectively, Applicants) filed an application with the Public Utility Commission of Texas for approval of a service area contract under Texas Water Code § 13.248 (TWC), to amend Certificates of Convenience and Necessity (CCN) Nos. 11554 (City) and 11552 (ERHWSC) in Cameron County, Texas. Specifically, the Applicants seek single certification in CCN service areas where they are currently dually certificated. Additionally, one small service area with no existing customers which is singly certificated to the City will be transferred to the ERHWSC.

Proof of Notice sent to affected parties subject to the transaction was filed on July 18, 2018.

The application meets all of the statutory requirements of TWC Chapter 13 and 16 Texas Administrative Code (TAC) Chapter 24 rules and regulations. Staff recommends approval of the application.

The Applicants consented to the attached maps and certificates on September 25, 2018.

Based on the above information, Staff recommends the Commission do the following:

- Issue an order approving the application;
- Provide the attached maps and certificates to the Applicants.

Staff further recommends that the Applicants file certified copies of the CCN maps along with a written description of the CCN service areas in the county clerk's office pursuant to TWC §§ 13.257 (r)-(s).

# **ATTACHMENT B**



# **Public Utility Commission of Texas**

## **By These Presents Be It Known To All That East Rio Hondo Water Supply Corporation**

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, East Rio Hondo Water Supply Corporation is entitled to this

### **Certificate of Convenience and Necessity No. 11552**

to provide continuous and adequate water utility service to that service area or those service areas in Cameron County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 48161 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of East Rio Hondo Water Supply Corporation, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this \_\_\_\_\_ day of \_\_\_\_\_ 2018.



# **ATTACHMENT C**



# **Public Utility Commission of Texas**

**By These Presents Be It Known To All That**

**City of Los Fresnos**

having obtained certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, the City of Los Fresnos is entitled to this

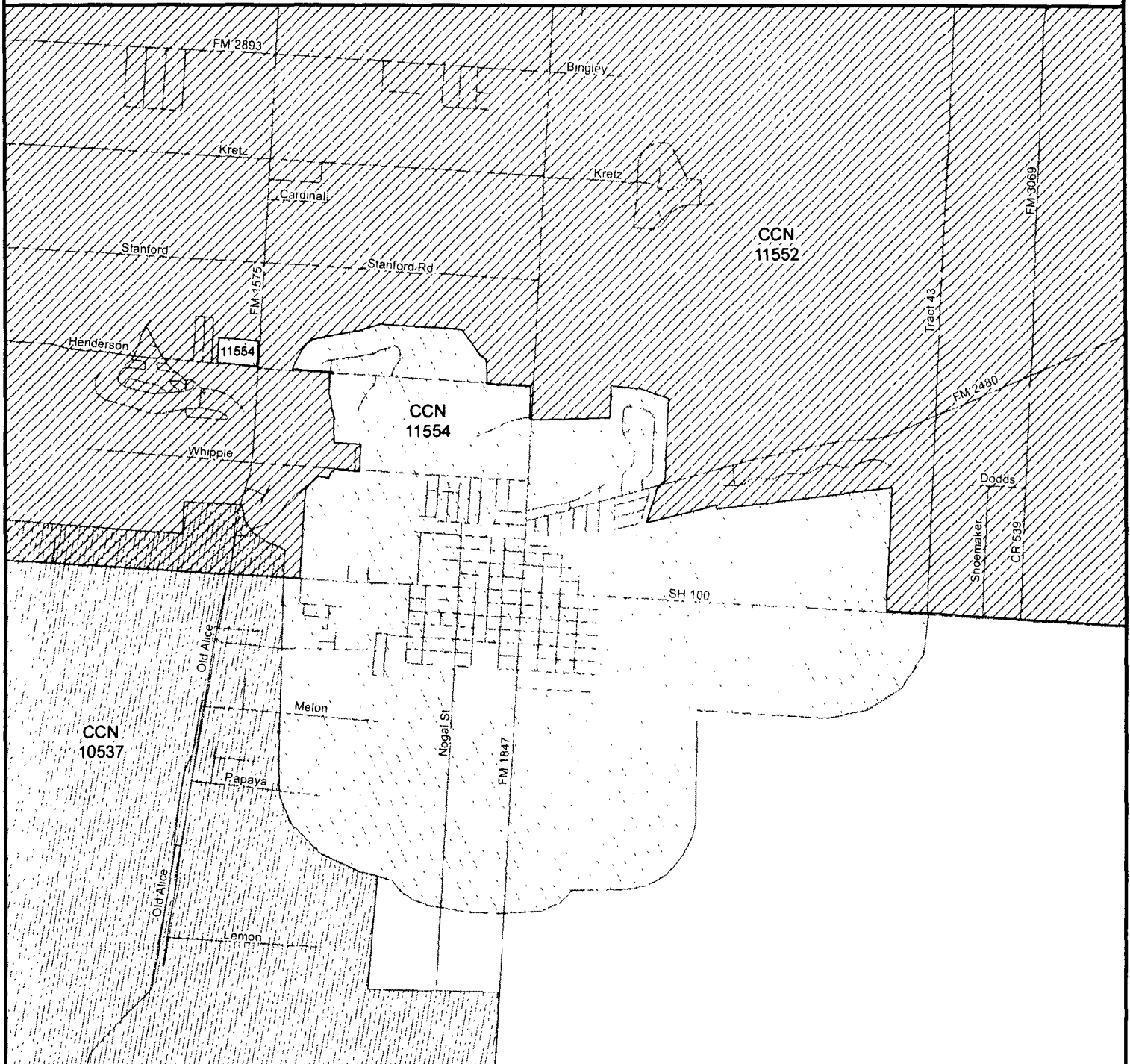
## **Certificate of Convenience and Necessity No. 11554**

to provide continuous and adequate water utility service to that service area or those service areas in Cameron County as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 48161 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the City of Los Fresnos, to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this \_\_\_\_\_ day of \_\_\_\_\_ 2018.




# **ATTACHMENT D**

East Rio Hondo WSC, CCN No. 11552 - Portion of Water Service Area and  
City of Los Fresnos, CCN No. 11554 - Water Service Area  
PUC Docket No. 48161  
13.248 Agreement to Amend East Rio Hondo WSC, CCN No. 11552 and  
City of Los Fresnos, CCN No. 11554 in Cameron County



Public Utility Commission of Texas  
1701 N. Congress Ave  
Austin, TX 78701

**Water CCN**

-  11552 - East Rio Hondo WSC
-  11554 - City of Los Fresnos
-  10537 - Olmito WSC

0 1,750 3,500  
Feet



Map by: Komal Patel  
Date created: August 31, 2018  
Project Path: n:\vinalmapping\  
48161EastRioHondo.mxd