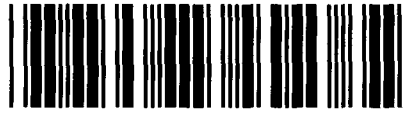


Control Number: 49196



Item Number: 3

Addendum StartPage: 0

**DOCKET NO. 49196**

**APPLICATION OF THE CITY OF §  
LINDALE TO AMEND A WATER §  
CERTIFICATE OF CONVENIENCE §  
AND NECESSITY IN SMITH COUNTY §**

**PUBLIC UTILITY COMMISSION,**

**OF TEXAS**

2019 FEB 10 10:27 AM  
FILED CLERK

**COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS AND PROPOSED NOTICE**

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and in response to Order No. 1 files this Commission Staff's Recommendation on Administrative Completeness and Proposed Notice. Staff recommends that the application be deemed insufficient for further review and that the applicant be ordered to address the identified deficiencies. In support thereof, Staff shows the following:

**I. BACKGROUND**

On February 8, 2019, the City of Lindale (Applicant) filed an application to amend its water Certificate of Convenience and Necessity (CCN) No. 12795 in Smith County. The total area being requested include approximately 28.7 acres and zero (0) current customers.

On February 13, 2019, the Administrative Law Judge issued Order No. 1, setting a deadline of March 8, 2019 for Staff to file comments on the administrative completeness of the application, the sufficiency of the proposed notice, and to propose a procedural schedule. This pleading is therefore timely filed.

**II. ADMINISTRATIVE COMPLETENESS**

As detailed in the attached memorandum from Kathryn Eiland in the Commission's Water Utility Regulation Division, Staff has reviewed the application and recommends that it be found administratively incomplete. Staff recommends that the Applicant be ordered to cure the deficiencies identified in Ms. Eiland's memorandum by April 22, 2019, and that Staff be given a deadline of May 13, 2019, to file a supplemental recommendation on the administrative completeness of the application. Staff notes that Applicant should not issue notice until the application is found administratively complete.

### **III. COMMENTS ON PROCEDURAL SCHEDULE**

In accordance with Staff's deficiency recommendation, Staff does not propose a procedural schedule for further processing of this docket at this time. Staff intends to propose a procedural schedule alongside a subsequent recommendation for application sufficiency.

### **IV. CONCLUSION**

For the reasons stated above, Staff respectfully recommends that the application be found administratively incomplete at this time and that the Applicant be ordered to file a supplement addressing the identified deficiencies in the application by April 22, 2019.

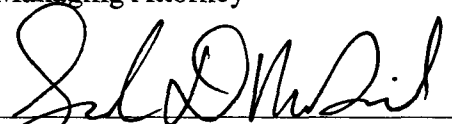
**DATED:** March 8, 2019

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF  
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Katherine Lengieza Gross  
Managing Attorney

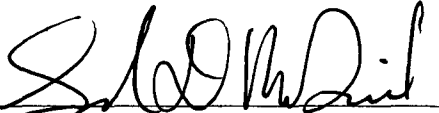


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**DOCKET NO. 49196**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on March 8, 2019, in accordance with 16 TAC § 22.74.

  
Sarah D. McDaniel

## PUC Interoffice Memorandum

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**To:** Sarah McDaniel, Attorney  
Legal Division

**Thru:** Lisa Fuentes, Manager  
Water Utility Regulation Division

**From:** Kathryn Eiland, Financial Analyst  
Water Utility Regulation Division

**Date:** March 8, 2019

**Subject:** **Docket No. 49196**, *Application of the City of Lindale to Amend a Water Certificate of Convenience and Necessity in Smith County*

On February 8, 2019, the City of Lindale (City or Applicant) filed with the Public Utility Commission of Texas (Commission) an application to amend its water Certificate of Convenience and Necessity (CCN) No. 12795 in Smith County, Texas pursuant to Texas Water Code Ann. (TWC) §§ 13.242 to 13.250 and the 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237.

Staff has reviewed the information provided by the Applicant and recommends the application be deemed administratively incomplete and not accepted for filing due to the deficiencies detailed below:

**Application Content:**

The City stated there are no customers, facilities or requests for service in the requested area. The City must provide a need for service and if necessary, proof that plans have been submitted to the Texas Commission on Environmental Quality for the infrastructure construction.

**Financial Content:**

The City did not provide any historical or projected financial information. The City must provide the following:

- 1) An electronic copy of the City's most recent audited financial statements,
- 2) An electronic copy of the City's most recent approved budget,
- 3) A written description of the sources of funding for all the water system facility improvements that will be constructed to serve the City's requested area,
- 4) A capital improvement plan, including a budget tied to a current estimated timeline for the improvements needed to the City's water system.

**Mapping Content:**

The digital data for the requested area does not properly align with surrounding CCNs. The requested area overlaps area already certificated to the City of Lindale (CCN No. 12795) and Lindale Rural WSC (CCN No. 10758). There are also unintended gaps with the City of Lindale's CCN. The maps and digital data should be revised to only include area that is uncertificated. The general location and detailed maps should remove surrounding CCNs.

Applicant must submit the following items to resolve the mapping deficiencies:

- A general location map identifying only the requested area, in reference to the nearest county

boundary, city, or town. Clearly label surrounding roads, streets and highways.

- A detailed map identifying only the requested area, in reference to verifiable man-made and natural landmarks, such as roads, rivers, and railroads.
- Digital data for the requested area provided as a single polygon record, in a shapefile (SHP) format, and georeferenced in either NAD83 Texas Statewide Mapping System (Meters) or NAD83 Texas State Plane Coordinate System (US Feet).

Staff recommends the Applicant contact mapping staff for additional guidance to resolve these mapping deficiencies.

Note: Any confidential items should be submitted as confidential filings with the PUC. The instructions for filing confidential documents can be found on our website at: (<http://www.puc.texas.gov/industry/filings/FilingProceed.aspx>).