

Control Number: 50083



Item Number: 8

Addendum StartPage: 0

RECEIVED

**APPLICATION OF SOLAR VILLAGE
HOMEOWNERS ASSOCIATION TO
OBTAIN A WATER CERTIFICATE OF
CONVENIENCE AND NECESSITY IN
KERR COUNTY**

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PUBLIC UTILITY COMMISSION

PUBLIC UTILITY COMMISSION
OF TEXAS

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

COMES NOW the Staff of the Public Utility Commission of Texas (Commission), representing the public interest, and files this response to Order No. 2, Commission Staff's Supplemental Recommendation on Administrative Completeness and Proposed Notice. Staff recommends that the application be deemed sufficient for further review and that the applicant be ordered to address the identified deficiencies. In support thereof, Staff shows the following:

I. BACKGROUND

On October 9, 2019, Solar Village Homeowners Association (Applicant) filed an application to obtain a water Certificate of Convenience and Necessity (CCN) in Kerr County. The requested service area consists of 16.7 acres and has 15 customer connections.

On November 25, 2019, the Commission Administrative Law Judge (ALJ) issued Order No. 2, finding the application administratively incomplete and insufficient for further review, and requiring Applicant to file a supplement to cure the application of the deficiencies identified by Staff its November 19, 2019 filing. Applicant filed supplemental information on December 17, 2019.

Order No. 2 also directed Staff to file a supplemental recommendation on the administrative completeness of the application and to propose a procedural schedule for further processing of the application by January 21, 2020. Therefore, this pleading is timely filed.

II. ADMINISTRATIVE COMPLETENESS

As detailed in the attached memorandum from Roshan Pokhrel in the Commission's Infrastructure Division, Staff has reviewed the application and supplemental information filed by Applicant and recommends that it be found administratively complete and accepted for filing.

7.

Staff's recommendation on administrative completeness is not a comment on the merits of the application, but only that it is complete for further processing.

III. NOTICE

As detailed in the attached memorandum, Staff recommends that Applicant proceed with providing public notice. Specifically, Staff recommends that Applicant be directed to use the attached *Notice for Publication* form to publish notice once each week for two (2) consecutive weeks in a newspaper of general circulation in Kerr County. Staff further recommends that Applicant be directed to use the attached *Notice to Landowners, Neighboring Systems, and Cities* form to complete the following actions:

1) Provide notice of the application to the following:

- a) cities, districts, and neighboring retail public utilities providing the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the requested area;
- b) the county judge of each county that is wholly or partially included in the requested area;
- c) each groundwater conservation district that is wholly or partially included in the requested area;
- d) landowners who own a tract of land that is at least 25 acres and is wholly or partly located in the requested area to be certified. The landowner information may be obtained from the county appraisal district tax rolls for the county or counties in which the requested area is located;
- e) any affected customers, and other affected parties in the requested area; and
- f) publish notice once each week for two (2) consecutive weeks in a newspaper of general circulation in Kerr County.

2) Provide correct notice of the application to the following:

- Aqua Utilities Inc. (CCN No. 11157)
- City of Kerrville (CCN No. 12928)
- SWWC Utilities Inc. (CCN No. 11106)
- Headwater Groundwater Conservation District
- Lower Colorado River Authority
- Upper Guadalupe River Authority
- Kerr County Judge

3) Provide an accurate map delineating the requested area with each individual notice to neighboring utilities, other affected parties, and customers. Information related to districts including addresses can be obtained by the Applicant from the Texas Commission on Environmental Quality's (TCEQ) web site located at <http://www14.tceq.texas.gov/iwud/>

- 4) File in the docket a map and copy of notice along with an affidavit specifying every person and entity to whom notice was provided, the date that the notice was provided, and the publisher's affidavit for proof of newspaper publication. It is recommended that the Applicant use the attached notices and affidavits to meet these requirements.

Technical Review

Staff also needs the following information in order to make a final recommendation for this application:

- 1) Provide supporting documentation that the drought contingency plan was submitted and accepted by the TCEQ.
- 2) Explain why the expense amounts on the SVHOA 2018-2023 Proforma Revenues & Expense Statement provided in attachment 5 for fiscal year (FY) 2019 are projected to increase to total \$18,076.
- 3) Provide purchase orders, accepted bids, quotes, contracts or any other documentation supporting each of the cost increase amounts identified in No. 2 or any other known cost increases.
- 4) Provide a copy of each of the invoices supporting the expense amount of \$9,111 for FY 2018 reported on the SVHOA 2018-2023 Proforma Revenues & Expense Statement.
- 5) Provide a list of each of the Applicant's water utility assets including the original cost of plant and infrastructure in service, the date the item was placed in service, accumulated depreciation amount for each asset, and the annual depreciation expense amount for FY 2018.
- 6) Verify any cost amount that the Applicant incurs for each type of fee listed in Section 1.0 of the proposed tariff filed in this docket.

IV. PROCEDURAL SCHEDULE

Staff recommends the application be found administratively complete. Staff therefore proposes the following procedural schedule:

Event	Date
Deadline for Applicant to file with the Commission signed affidavits that the notice was given along with a copy of the notice sent to the affected parties and published in a newspaper of general circulation	March 9, 2020
Deadline for Staff to file a recommendation on sufficiency of notice	March 17, 2020
Deadline to intervene	Thirty (30) days after notice is issued

V. CONCLUSION

For the reasons detailed above, Staff recommends that the application, as supplemented, be found administratively complete, that Applicants be directed to provide notice as detailed above and in the attached memorandum, and that the procedural schedule proposed above be adopted.

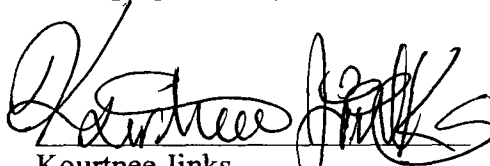
Dated: January 21, 2020

Respectfully Submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Thomas S. Hunter
Division Director

Rachelle Nicolette Robles
Managing Attorney

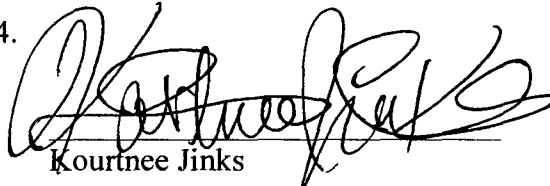
A handwritten signature in black ink, appearing to read 'Kourtnee Jinks', written over a horizontal line.

Kourtnee Jinks
State Bar No. 24097446
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7265
(512) 936-7268 (facsimile)
kourtnee.jinks@puc.texas.gov

DOCKET NO. 50083

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on January 21, 2020, in accordance with 16 TAC § 22.74.

A handwritten signature in black ink, appearing to read 'Kourtnee Jinks', written over a horizontal line.
Kourtnee Jinks

PUC Interoffice Memorandum

To: Kourtnee Jinks, Attorney
Legal Division

From: Roshan Pokhrel, Engineering Specialist
Infrastructure Division

Date: January 21, 2020

Subject: **Docket No. 50083**, *Application of Solar Village Homeowners Association to Obtain a Certificate of Convenience and Necessity in Kerr County*

On October 9, 2019, Solar Village Homeowners Association (Applicant) filed with the Public Utility Commission of Texas an application to obtain a water Certificate of Convenience and Necessity (CCN) in Kerr County, under Texas Water Code (TWC) §§ 13.242 to 13.250 and the 16 Texas Administrative Code (TAC) §§ 24.225 to 24.237.

Staff notes that the current style of this docket considers only a portion of the application regarding Applicants' request to obtain a CCN, not the request for decertification of a portion of the City of Kerrville's CCN area. Consequently, Staff requests that the style of the docket be changed to "*Application of Solar Village Homeowners Association to Obtain a Certificate of Convenience and Necessity and to Decertify a Portion of the City of Kerrville's Certificate of Convenience and Necessity in Kerr County.*"

Staff has reviewed the additional information filed by the Applicant on December 17, 2019 and recommends that the application be deemed sufficient for filing and administratively complete. Staff further recommends the Applicant be ordered to do the following:

- 1) Provide notice of the application to the following:
 - a) Cities, districts, and neighboring retail public utilities providing the same utility service whose corporate boundaries or certificated service area are located within two miles from the outer boundary of the requested area;
 - b) The county judge of each county that is wholly or partially included in the requested area;
 - c) Each groundwater conservation district that is wholly or partially included in the requested area;
 - d) Any affected customers, and other affected parties in the requested area; and
 - e) Publish notice once each week for two (2) consecutive weeks in a newspaper of general circulation in Kerr County.

- 2) Provide correct notice of the application to the following:
 - Aqua Utilities Inc. (CCN No. 11157)
 - City of Kerrville (CCN No. 12928)
 - SWWC Utilities Inc. (CCN No. 11106)
 - Headwater Groundwater Conservation District
 - Lower Colorado River Authority
 - Upper Guadalupe River Authority
 - Kerr County Judge

- 3) Provide an accurate map delineating the requested area with each individual notice to neighboring utilities, other affected parties, and customers. Information related to districts including addresses can be obtained by the Applicant from the Texas Commission on Environmental Quality's (TCEQ) web site located at <http://www14.tceq.texas.gov/iwud/>
- 4) File in the docket a map and copy of notice along with an affidavit specifying every person and entity to whom notice was provided, the date that the notice was provided, and the publisher's affidavit for proof of newspaper publication. It is recommended that the Applicant use the attached notices and affidavits to meet these requirements.

Technical Review

Staff also needs the following information in order to make a final recommendation for this application:

- 1) Provide supporting documentation that the drought contingency plan was submitted and accepted by the TCEQ.
- 2) Explain why the expense amounts on the SVHOA 2018-2023 Proforma Revenues & Expense Statement provided in attachment 5 for fiscal year (FY) 2019 are projected to increase to total \$18,076.
- 3) Provide purchase orders, accepted bids, quotes, contracts or any other documentation supporting each of the cost increase amounts identified in No. 2 or any other known cost increases.
- 4) Provide a copy of each of the invoices supporting the expense amount of \$9,111 for FY 2018 reported on the SVHOA 2018-2023 Proforma Revenues & Expense Statement.
- 5) Provide a list of each of the Applicant's water utility assets including the original cost of plant and infrastructure in service, the date the item was placed in service, accumulated depreciation amount for each asset, and the annual depreciation expense amount for FY 2018.
- 6) Verify any cost amount that the Applicant incurs for each type of fee listed in Section 1.0 of the proposed tariff filed in this docket.

Notice for Publication

**NOTICE OF APPLICATION TO OBTAIN A CERTIFICATE OF CONVENIENCE AND NECESSITY TO
PROVIDE WATER UTILITY SERVICE IN KERR COUNTY, TEXAS**

Solar Village Homeowners Association has filed an application with the Public Utility Commission of Texas to obtain a Certificate of Convenience and Necessity (CCN) and to decertify a portion of the City of Kerrville's CCN No. 12928 for the provision of retail water utility service in Kerr County.

The requested area is located approximately 3.6 miles northeast of downtown Kerrville, TX, and is generally bounded on the north by Scenic Hills Road; on the east by Scenic Valley Road; on the south by 700 feet south of the intersection of Scenic Valley Road and Scenic Hills Road; and on the west by Honeycomb Lane.

The requested area includes approximately 17 total acres and 15 current customers.

A copy of the map showing the requested area is available at: Hewitt Engineering Inc., 716 Barnett, Kerrville, TX 78028

Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is (30 days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer). You must send a letter requesting intervention to the commission which is received by that date.

If a valid public hearing is requested, the Commission 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, SOAH will submit a recommendation to the Commission for a final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.

Persons who wish to request this option should file the required documents with the:

Public Utility Commission of Texas
Central Records
1701 N. Congress, P. O. Box 13326
Austin, TX 78711-3326

Si desea información en español, puede llamar al 1-888-782-8477.

Notice to Neighboring Systems, Customers and Cities

**NOTICE OF APPLICATION TO OBTAIN A CERTIFICATE OF CONVENIENCE AND NECESSITY TO
PROVIDE WATER UTILITY SERVICE IN KERR COUNTY, TEXAS**

To: _____
(Neighboring System, Customer or City)

Date Notice Mailed: _____, 20____

(Address)

(City State Zip)

Solar Village Homeowners Association has filed an application with the Public Utility Commission of Texas to obtain a Certificate of Convenience and Necessity (CCN) and to decertify a portion of the City of Kerrville's CCN No. 12928 for the provision of retail water utility service in Kerr County.

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Austin, TX 78711-3326

Si desea información en español, puede llamar al 1-888-782-8477.

PUBLIC UTILITY COMMISSION OF TEXAS



AFFIDAVIT OF NOTICE TO CURRENT CUSTOMERS, NEIGHBORING UTILITIES AND AFFECTED PARTIES DOCKET NO. 50083

STATE OF TEXAS

COUNTY OF _____

_____ has provided individual
notice to the following entities, and customers:

DATE OF NOTICE

OATH

I, _____, being duly sworn, file this form as
_____ (indicate relationship to applicant, that is,
owner, member of partnership, title of officer of corporation, or other authorized representative of
applicant); that in such capacity, I am qualified and authorized to file and verify such form, am
personally familiar with the notices given with this application, and have complied with all notice
requirements in the application and application acceptance letter; and that all such statements made
and matters set for therein are true and correct.

Applicant's Authorized Representative

If the applicant to this form is any person other than the sole owner, partner, officer of the applicant,
or its' attorney, a properly verified Power of Attorney must be enclosed.

Subscribed and sworn to before me this _____ day of _____, 20____,
to certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____

PUBLIC UTILITY COMMISSION OF TEXAS



PUBLISHER'S AFFIDAVIT DOCKET NO. 50083

STATE OF TEXAS

COUNTY OF _____

Before me, the undersigned authority, on this day personally appeared _____,

who being by me duly sworn, deposes and that (s)he is the

_____ of the _____
(TITLE) (NAME OF NEWSPAPER)

that said newspaper is regularly published in _____
(COUNTY/COUNTIES)

and generally circulated in _____, Texas;
(COUNTY/COUNTIES)

and that the attached notice was published in said newspaper on the following dates, to wit:

(DATES)

(SIGNATURE OF NEWSPAPER REPRESENTATIVE)

Subscribed and sworn to before me this _____ day of _____, 20____,
to certify which witness my hand and seal of office.

Notary Public in and for the State of Texas

Print or Type Name of Notary Public

Commission Expires _____