



Filing Receipt

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Control Number - 54488
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DOCKET NO. 54488

APPLICATION OF FOREST GLEN	§	BEFORE THE
UTILITY COMPANY TO AMEND ITS	§	
CERTIFICATE OF CONVENIENCE	§	PUBLIC UTILITY COMISSION
AND NECESSITY IN MEDINA	§	
COUNTY, TEXAS	§	OF TEXAS

RESPONSE TO ORDER NO. 2

COMES NOW Forest Glen Utility Company (Applicant or Forest Glen) and files this Response to Order No. 2 Joint Motion to Admit Evidence and Remand Proceeding to the Commission. In support thereof, the Parties would show the following:

I. BACKGROUND

On December 16, 2022, Forest Glen filed an application to amend its sewer certificate of convenience and necessity (CCN) No. 21070 in Medina County. On January 17, 2023, staff of the Public Utility Commission of Texas (Commission Staff) filed a recommendation on administrative completeness alleging certain deficiencies. On January 18, 2023, the Commission Administrative Law Judge (ALJ) issued Order No. 2 finding the application administratively incomplete and establishing a deadline of February 17, 2023 to cure deficiencies. Therefore this pleading is timely filed.

II. SUPPLEMENTAL INFORMATION

In response to the January 17, 2023 memoranda of David Lopez and Fred Bednarski, Forest Glen provides the following in the order presented in the memo:

1. As discussed with and agreed to by Applicant and Commission Staff, no rate study is required for an existing CCN. Forest Glen will charge the same rate as the Commission previously authorized or may authorize in the future.¹

¹ See Exhibit A, affidavit of Forest Glen General Manager Mia Natalino, P.E.

2. A budget for each of the required capital improvements with corresponding timeline is attached as Exhibit B, which is a revised preliminary engineering report.
3. A description of the funding sources for each of the improvements is attached as Exhibit C, including a current bank statement, filed confidentially pursuant to Title 30 Tex. Admin. Code (TAC) § 22.71(d).
4. As discussed with Commission Staff, Forest Glen or its affiliate BVRT Utility Holding Company, LLC will fund all improvements necessary to serve the new service area, not the developers. Requests for service and developer agreements were previously filed as part of the original application.
5. An original copy of the most recent year-end audited financial statement is attached as Exhibit D, filed confidentially pursuant to Title 30 Tex. Admin. Code (TAC) § 22.71(d).
6. As discussed with Commission Staff, there are no loan approval documents for the installation of capital improvements required to serve the requested area. *See also* Exhibit C.

In response to the January 17, 2023 memorandum of Jaspinder Singh, Forest Glen provides the following in the order presented in the memo:

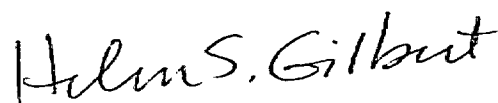
7. As discussed with Commission Staff, no TCEQ Emergency Preparedness Plan is required for the filing and consideration of the subject CCN application, as the proposed CCN is for a wastewater system. TCEQ Emergency Preparedness Plans are required for water systems only.
8. A copy of the last TCEQ comprehensive compliance investigation is attached as Exhibit E.
9. Complete information in response to Question 33 of the application is attached as a replacement of page 11 of the application.
10. Revised general and detailed mapping is attached as Exhibit F while revised digital mapping was filed contemporaneously with this Response.

III. PRAYER

WHEREFORE, PREMISES CONSIDERED, Forest Glen respectfully prays that the Commission ALJ issue an Order finding the application administratively complete and establishing a procedural schedule, and for all other relief to which it is entitled.

Respectfully submitted,

Randall B. Wilburn
State Bar No. 24033342
Helen S. Gilbert
State Bar No. 00786263
BARTON BENSON JONES PLLC
7000 N. MoPac Expwy, Suite 200
Austin, Texas 78731
Telephone: (210) 640-9174
Telecopier: (210) 600-9796
hgilbert@bartonbensonjones.com



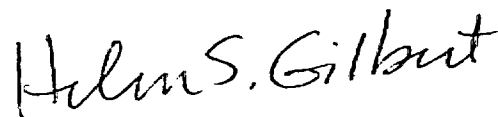
By: _____

Helen S. Gilbert

**ATTORNEYS FOR FOREST GLEN
UTILITY COMPANY**

CERTIFICATE OF SERVICE

I hereby certify that I have or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail, or Certified Mail Return Receipt Requested on all parties on the 17th of February 2023.



Forest Glen Utility Company - Exhibit A

DOCKET NO. 54488

APPLICATION OF FOREST GLEN
UTILITY COMPANY TO AMEND ITS
CERTIFICATE OF CONVENIENCE AND
NECESSITY IN MEDINA COUNTY,
TEXAS

§
§
§
§
§

BEFORE THE

PUBLIC UTILITY COMMISSION

OF TEXAS

AFFIDAVIT OF MIA NATALINO, P.E.

STATE OF TEXAS §
§
COUNTY OF BEXAR §

BEFORE ME, the undersigned notary, on this day personally appeared Mia Natalino, P.E., a person whose identity is known to me. After I administered an oath to Mia Natalino, P.E. upon her oath, she said:

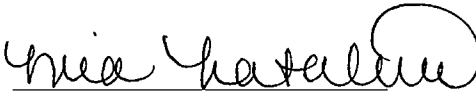
"My name is Mia Natalino, P.E. I am over 18 years of age, of sound mind, and capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct to the best of my knowledge.

I am the general manager for Forest Glen Utility Company (Forest Glen), a retail public utility authorized by the Public Utility Commission of Texas to provide residential sewer service in Medina County under Certificate of Convenience and Necessity (CCN) No. 21070.

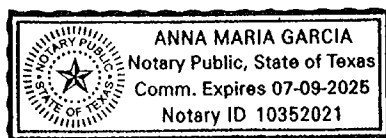
Under my supervision, Forest Glen filed an application to amend its CCN area on December 16, 2022, currently pending review in Docket No. 54488. In that docket, Staff of the Public Utility Commission of Texas (Commission) filed a recommendation that the application be declared administratively incomplete until certain alleged deficiencies were cured. Although Forest Glen has an existing CCN area and the application form does not require it, Commission Staff requested the submission of a rate study. After conferring with Commission Staff, Staff confirmed that no such rate study was in fact required but requested that Forest Glen affirm that it would charge only the rate ultimately ordered upon the Commission's final action on the application.

Forest Glen will charge the same rate as the rate ordered by the Commission.

Further affiant sayeth not.


Mia Natalino, P.E.

Given under my hand and seal of office on February 13, 2023.




Notary Public, State of Texas



Southwest Engineers

TPBE No. F-1909
307 St. Lawrence Street, Gonzales, TX 78629
P: 830.672.7546 F: 830.762.2034

Forest Glen Utility Company
Sewer CCN Amendment (No. 21070)
Preliminary Engineering Report



I. Purpose

This report is prepared for the purpose of obtaining approval from the Public Utility Commission (PUC) for an amendment to the current Sewer CCN for Forest Glen Utility Company (No. 21070). This preliminary engineering report serves as a summary of the improvements needed to provide wastewater service to these additional areas and design assumptions used to determine this.

II. Introduction

Forest Glen Utility Company (FGU) has received requests for wastewater service to six new developments in close proximity to their existing wastewater system in Medina County – see Table 1 below. These are all single-family residential subdivisions, with the exception of the Microsoft Data Center. This will require upgrades to their existing wastewater facility on Barden Parkway (WRRF 1), as well as the addition of two new wastewater treatment facilities (WRRF 2 & WRRF 3). The locations of each of these developments, as well as the three WRRF sites, are shown in the attached Exhibit A. The following sections will further describe the improvements needed at each of FGU's facilities to serve these new developments.

Table 1

<u>Name</u>	<u>Approx. Acres</u>	<u>LUEs</u>	<u>WRRF</u>
Potranco West	41.2	116	1
Potranco Oaks 2	218.8	500	1
Microsoft Data Center	206.2	100	2
Megan's Landing	210.3	386	2
Medina Estates	80.1	115	2
Stinson Tract	293.7	700	3
TOTAL	1050.3	1917	

III. Design Assumptions

Wastewater flows of 170 gallons per day (gpd) per one living unit equivalent (LUE) were used to estimate the size of wastewater treatment facility needed to serve these new developments. This is based on the average flow being observed by the operator at the current FGU WRRF 1. Each single-family residence in these proposed subdivisions is equal to 1 LUE. The LUE calculation for the Microsoft Data Center was based on the fixtures in the proposed buildings.

IV. FGU WRRF 1

FGU's existing wastewater treatment facility has a current capacity of 108,000 GPD. However, construction is underway on an expansion that will increase the capacity to 175,000 GPD. The construction is scheduled to be complete in Summer 2023 and estimated to cost a total of \$4,690,000 (see Exhibit B). Once this expansion is operational, the facility will have adequate capacity for all existing developments, as well as the Potranco West Subdivision listed above. However, the plant will eventually need to be expanded to around 350,000 GPD to serve the Potranco Oaks 2 Subdivision. Both the influent lift station and the chlorine contact chamber currently under construction are being oversized to accommodate this ultimate capacity. Additional tankage will be required in the future for anoxic and aerobic treatment processes, as well as a new membrane basin. However, there is adequate area on the site for this expansion, including the necessary buffer zone. This expansion is currently projected to start construction in Fall 2026 and be complete in Summer 2027, with an estimated construction cost of \$3,845,000 (see Exhibit B). This current TCEQ discharge permit (WQ0015030001) has an ultimate capacity of 240,000 GPD, so a major amendment may be needed in the future to increase its capacity.

V. FGU WRRF 2

Design is currently underway on FGU WRRF 2, which will provide wastewater service to the Microsoft Data Center, Megan's Landing Subdivision, and Medina Estates Subdivision. This facility is currently scheduled to begin construction in Spring 2023 and be operational in early 2024, with an estimated cost of \$4,475,000 (see Exhibit B). The initial phase of construction will have a capacity of 60,000 GPD. However, both the influent and effluent lift stations will be sized for ultimate development of this facility. The second phase of construction will increase the capacity to 150,000 GPD, which is adequate for full buildout of all three of these developments. This expansion is currently projected to start construction in Spring 2025 and be complete in early 2026, with an estimated construction cost of \$4,815,000 (see Exhibit B). Additionally, this plant site has enough area to expand this facility up to at least 750,000 GPD in the future if needed, which is the ultimate capacity of the TCEQ discharge permit currently under review.

VI. FGU WRRF 3

A new treatment facility will be necessary to serve the Stinson Tract. The details and timeline for this facility have not been finalized yet, but it will likely start with a 60,000 GPD plant around Fall 2027 with completion in Summer 2028 and an estimated construction cost of \$3,275,000. The second phase of construction will likely increase the capacity to 150,000 GPD, which is adequate for full buildout of this development. This expansion is currently projected to start construction in Fall 2029 and be complete in Summer 2030, with an estimated construction cost of \$4,815,000 (see Exhibit B). A new TCEQ discharge permit will also be necessary for this facility.



VII. Summary

This preliminary engineering report is intended to summarize what we believe to be the best engineering options to provide wastewater service to the proposed developments in this area. FGU will submit the necessary applications to the TCEQ to obtain approval of new discharge permits and discharge permit amendments for each of these facilities, as well as the required TCEQ Summary Transmittal Letters once design of each phase of each facility is completed.

Forest Glen Utility Company - Exhibit B

EXHIBIT A

O:\CompanyData\Clients\0762 - BVRT Water Resources, LP\0762-016-21 - FGU CCN Exhibits (Task Order #17)\PER_2022\Exhibit A.dwg

FOREST GLEN UTILITY COMPANY

Southwest Engineers

TBPE NO. F-1909
www.swengineers.com

307 Saint Lawrence Street, Gonzales TX 78629
P: 830.672.7546 F: 830.672.2034

205 Cimarron Park Loop, Ste. B, Buda TX 78610
P: 512-312-4336

SCALE: 1" = 2000'

FGU000055

Forest Glen Utility Company - Exhibit B

EXHIBIT B

Forest Glen Utility Company - Exhibit B

WRRF 1 - 175,000 GPD Plant

Preliminary Cost Estimate

February 10, 2023

Construction Cost					
	Item	Quantity	Units	Unit Cost	Total Cost
1	Mobilization	1	LS	\$25,000	\$25,000
2	Site Clearing & Prep	1	LS	\$90,000	\$90,000
3	Erosion Control	1	LS	\$15,000	\$15,000
4	Site Grading	1	LS	\$65,000	\$65,000
5	Concrete Tanks	1	LS	\$750,000	\$750,000
6	Concrete Pads & Sidewalks	1	LS	\$300,000	\$300,000
7	Equipment Enclosure	1	LS	\$150,000	\$150,000
8	Access Road	1	LS	\$125,000	\$125,000
9	Electrical	1	LS	\$300,000	\$300,000
10	WW Piping	1	LS	\$110,000	\$110,000
11	Influent Wet Well	1	LS	\$250,000	\$250,000
12	Water Service	1	LS	\$35,000	\$35,000
13	Jib Crane	1	LS	\$60,000	\$60,000
14	Fencing	1	LS	\$65,000	\$65,000
15	Drainage/Culverts	1	LS	\$50,000	\$50,000
16	Treatment Equipment	1	LS	\$2,300,000	\$2,300,000

TOTAL: \$4,690,000

This opinion of probable cost represents best judgment as a design professional familiar with the engineering and construction industry and based on opinions and evaluations of current market rates for labor, materials and equipment. It is based on the understanding of the project at the time of its creation only. There is no warranty that any bid will not vary from this opinion.

Forest Glen Utility Company - Exhibit B

WRRF 1 - 350,000 GPD Expansion Preliminary Cost Estimate February 10, 2023

Construction Cost					
Item		Quantity	Units	Unit Cost	Total Cost
1	Mobilization	1	LS	\$25,000	\$25,000
2	Site Clearing & Prep	1	LS	\$150,000	\$150,000
3	Erosion Control	1	LS	\$15,000	\$15,000
4	Site Grading	1	LS	\$65,000	\$65,000
5	Concrete Tanks	1	LS	\$550,000	\$550,000
6	Concrete Pads & Sidewalks	1	LS	\$300,000	\$300,000
7	Equipment Enclosure	1	LS	\$150,000	\$150,000
8	Access Road	1	LS	\$50,000	\$50,000
9	Electrical	1	LS	\$150,000	\$150,000
10	WW Piping	1	LS	\$75,000	\$75,000
11	Water Service	1	LS	\$15,000	\$15,000
12	Treatment Equipment	1	LS	\$2,300,000	\$2,300,000
				TOTAL:	\$3,845,000

This opinion of probable cost represents best judgment as a design professional familiar with the engineering and construction industry and based on opinions and evaluations of current market rates for labor, materials and equipment. It is based on the understanding of the project at the time of its creation only. There is no warranty that any bid will not vary from this opinion.

Forest Glen Utility Company - Exhibit B

**WRRF 2 - 60,000 GPD Plant
Preliminary Cost Estimate
February 10, 2023**

Construction Cost					
	Item	Quantity	Units	Unit Cost	Total Cost
1	Erosion Control	1	LS	\$25,000	\$25,000
2	Clearing & Grading	1	LS	\$50,000	\$50,000
3	Site Fencing	1	LS	\$65,000	\$65,000
4	Limestone Base Pad	1	LS	\$15,000	\$15,000
5	Concrete Dumpster Pad	1	LS	\$12,500	\$12,500
6	Access & Site Roads	1	LS	\$80,000	\$80,000
7	Influent Gravity Mains	1	LS	\$600,000	\$600,000
8	Influent Lift Station	1	LS	\$500,000	\$500,000
9	Effluent Lift Station	1	LS	\$500,000	\$500,000
10	Discharge Piping	1	LS	\$400,000	\$400,000
11	Support Building	1	LS	\$250,000	\$250,000
12	Water Service	1	LS	\$17,500	\$17,500
13	Electrical Service	1	LS	\$750,000	\$750,000
14	Temp. 60K Treatment Unit	1	LS	\$1,210,000	\$1,210,000
				TOTAL:	\$4,475,000

This opinion of probable cost represents best judgment as a design professional familiar with the engineering and construction industry and based on opinions and evaluations of current market rates for labor, materials and equipment. It is based on the understanding of the project at the time of its creation only. There is no warranty that any bid will not vary from this opinion.

Forest Glen Utility Company - Exhibit B

WRRF 2 - 150,000 GPD Expansion

Preliminary Cost Estimate

February 10, 2023

Construction Cost					
	Item	Quantity	Units	Unit Cost	Total Cost
1	Erosion Control	1	LS	\$25,000	\$25,000
2	Site Grading	1	LS	\$50,000	\$50,000
3	WW Piping	1	LS	\$75,000	\$75,000
4	Water Piping	1	LS	\$15,000	\$15,000
5	Electrical Improvements	1	LS	\$150,000	\$150,000
6	150K Treatment Unit	1	LS	\$4,500,000	\$4,500,000
				TOTAL:	\$4,815,000

This opinion of probable cost represents best judgment as a design professional familiar with the engineering and construction industry and based on opinions and evaluations of current market rates for labor, materials and equipment. It is based on the understanding of the project at the time of its creation only. There is no warranty that any bid will not vary from this opinion.

Forest Glen Utility Company - Exhibit B

WRRF 3 - 60,000 GPD Plant Preliminary Cost Estimate February 10, 2023

Construction Cost					
Item		Quantity	Units	Unit Cost	Total Cost
1	Erosion Control	1	LS	\$25,000	\$25,000
2	Clearing & Grading	1	LS	\$50,000	\$50,000
3	Site Fencing	1	LS	\$75,000	\$75,000
4	Limestone Base Pad	1	LS	\$20,000	\$20,000
5	Concrete Dumpster Pad	1	LS	\$15,000	\$15,000
6	Access & Site Roads	1	LS	\$85,000	\$85,000
7	Influent Lift Station	1	LS	\$500,000	\$500,000
8	Discharge Piping	1	LS	\$35,000	\$35,000
9	Support Building	1	LS	\$250,000	\$250,000
10	Water Service	1	LS	\$20,000	\$20,000
11	Electrical Service	1	LS	\$800,000	\$800,000
12	Temp. 60K Treatment Unit	1	LS	\$1,400,000	\$1,400,000
				TOTAL:	\$3,275,000

This opinion of probable cost represents best judgment as a design professional familiar with the engineering and construction industry and based on opinions and evaluations of current market rates for labor, materials and equipment. It is based on the understanding of the project at the time of its creation only. There is no warranty that any bid will not vary from this opinion.

Forest Glen Utility Company - Exhibit B

**WRRF 3 - 150,000 GPD Expansion
Preliminary Cost Estimate
February 10, 2023**

Construction Cost					
	Item	Quantity	Units	Unit Cost	Total Cost
1	Erosion Control	1	LS	\$25,000	\$25,000
2	Site Grading	1	LS	\$50,000	\$50,000
3	WW Piping	1	LS	\$75,000	\$75,000
4	Water Piping	1	LS	\$15,000	\$15,000
5	Electrical Improvements	1	LS	\$150,000	\$150,000
6	150K Treatment Unit	1	LS	\$4,500,000	\$4,500,000

TOTAL: \$4,815,000

This opinion of probable cost represents best judgment as a design professional familiar with the engineering and construction industry and based on opinions and evaluations of current market rates for labor, materials and equipment. It is based on the understanding of the project at the time of its creation only. There is no warranty that any bid will not vary from this opinion.

Forest Glen Utility Company - Exhibit E

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

January 7, 2021

CERTIFIED MAIL 9489009000276196883218
RETURN RECEIPT REQUESTED

Mr. Harry Hausman, Vice President
Forest Glen Utility
15720 Bandera Road #103
Helotes, Texas 78023

Re: Complaint Investigation at: Potranco Ranch Subdivision Wastewater Treatment Facility
located approximately 3.54 miles west of State Highway 211, on the south side of Farm-
to-Market 1957 (Potranco Road), in Medina County, Texas 78009
Regulated Entity No. RN106339385; TCEQ ID No.: WQ00150300001
Investigation: 1672485

Dear Mr. Hausman:

On October 19, 2020, Ms. Susan Roberts of the Texas Commission on Environmental Quality (TCEQ) San Antonio Region Office conducted an investigation of the above-referenced facility to evaluate compliance with applicable requirements for air. No violations are being alleged as a result of the investigation.

The Texas Commission on Environmental Quality appreciates your assistance in this matter and your compliance efforts to ensure protection of the State's environment. If you or members of your staff have any questions, please feel free to contact Susan Roberts in the San Antonio Region Office at 210-403-4012.

Sincerely,

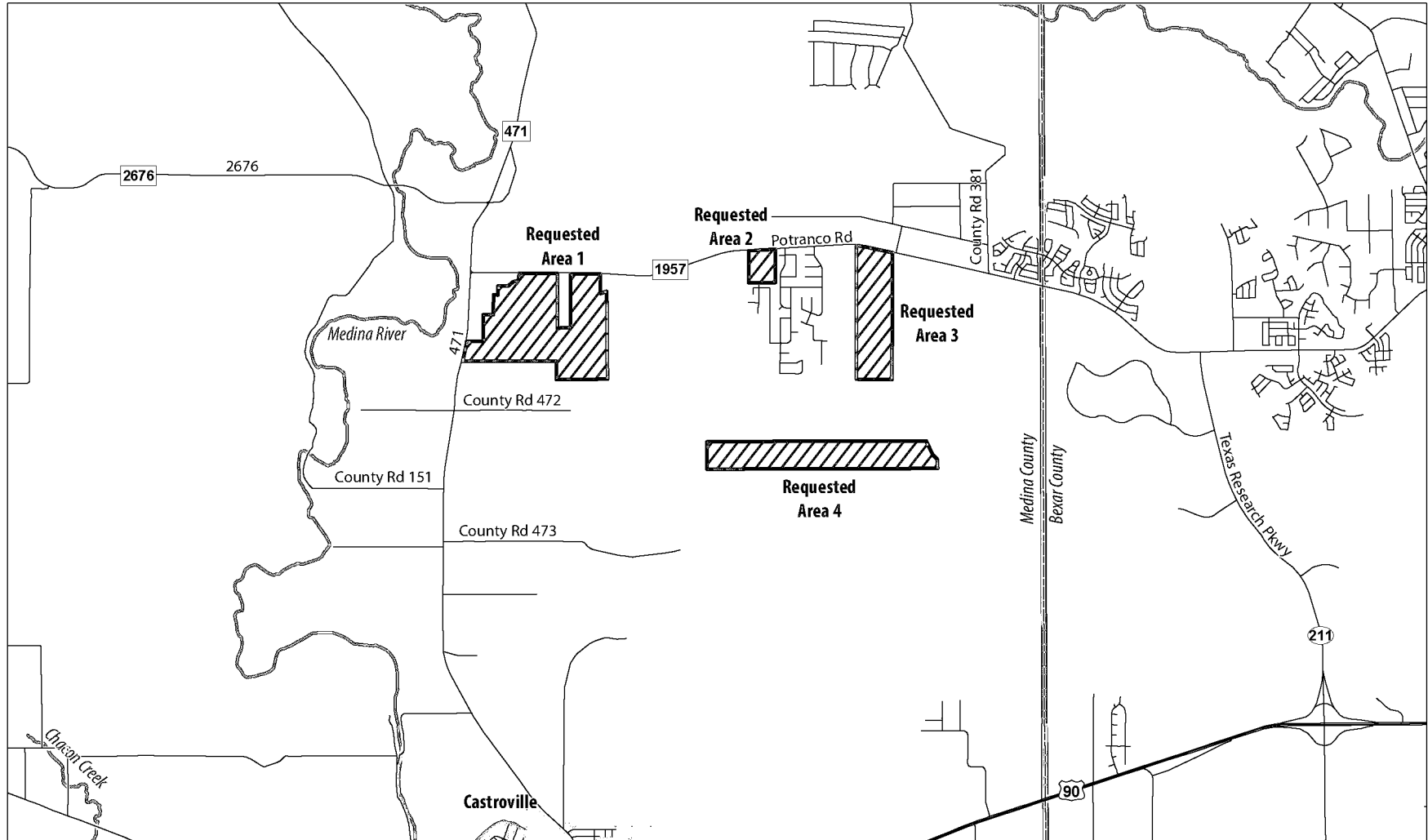
A handwritten signature in black ink, appearing to read "Joy Thurston-Cook".

Joy Thurston-Cook
Water Section Team Leader
San Antonio Region Office

JTC/SVR/sg

RECEIVED
1-20-21

Forest Glen Utility Company - Exhibit F
Forest Glen Utility Company (CCN No. 21070) to Amend CCN No. 21070 in Medina County
General Location Map






FOREST GLEN
UTILITY COMPANY
P.O. Box 701201
SAN ANTONIO, TX 78270
(210) 209-8029

0 3,625 7,250
Feet

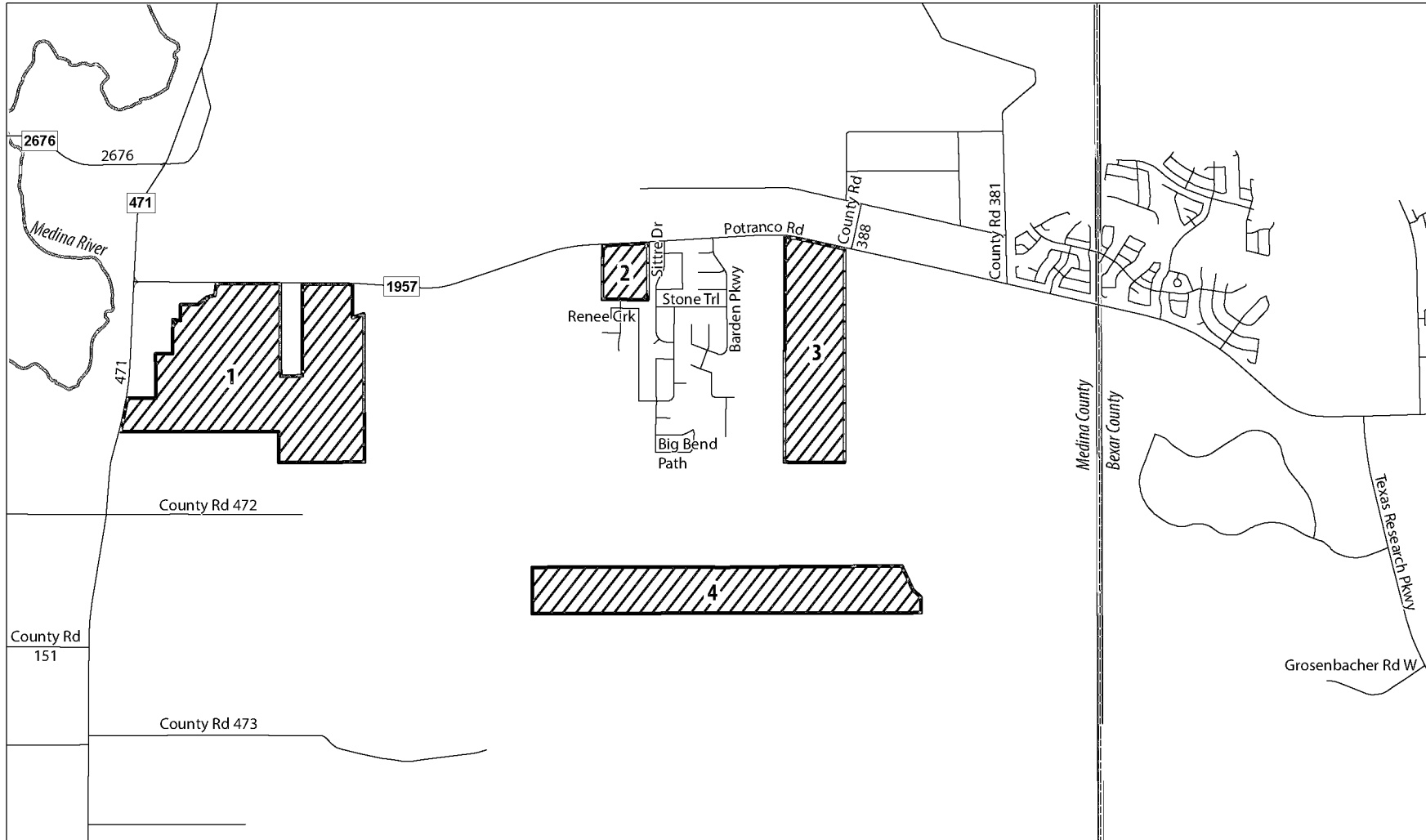


Legend



-  Requested Areas to Amend (Add)
-  City Limits
-  County Boundaries

Updated: 2/8/2023
FGU000072

Forest Glen Utility Company - Exhibit F
Forest Glen Utility Company (CCN No. 21070) to Amend CCN No. 21070 in Medina County
Detailed Map



Legend

-  Requested Areas to Amend (Add) 1-4
-  County Boundaries

The following files are not convertible:

Requested_Areas.shp.xml

Please see the ZIP file for this Filing on the PUC Interchange in order to access these files.

Contact centralrecords@puc.texas.gov if you have any questions.

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