



Control Number: 42958



Item Number: 17

Addendum StartPage: 0

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PUBLIC UTILITY COMMISSION  
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APPLICATION OF AQUA UTILITIES, §  
 INC. AND AQUA TEXAS, INC. FOR §  
 SALE, TRANSFER, OR MERGER OF §  
 FACILITIES AND TO AMEND §  
 CERTIFICATES OF CONVENIENCE §  
 AND NECESSITY IN CHAMBERS, §  
 JEFFERSON AND LIBERTY §  
 COUNTIES (GRAY UTILITY §  
 SERVICE WATER SYSTEM; 37943-S) §

### AQUA TEXAS' FIRST SUPPLEMENTAL RESPONSE TO ORDER NO. 6

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

COME NOW, Aqua Utilities, Inc. and Aqua Texas, Inc. d/b/a Aqua Texas ("Aqua Texas" or "Applicants") and file this First Supplemental Response to Order No. 6 ("Response"). In support thereof, Aqua Texas would show the following.

#### I. BACKGROUND

The STM application pending in this docket involves several water systems acquired from Gray Utility Service, L.L.C. through a previous STM application approved by TCEQ. *See* TCEQ Final Order, TCEQ Application No. 36695-S (November 2, 2011). Aqua Texas refers to these systems as its Southeast Region-Gray ("SE Gray") water systems.

On January 30, 2015, the Applicants filed revised application maps in response to Order No. 4. On March 30, 2015, Commission Staff filed a recommendation identifying certain deficiencies in those maps. In Order No. 6, Applicants were directed to cure those deficiencies by April 7, 2015. Aqua Texas conferred with the Commission Staff about map issues on March 31, 2015 and again on April 7, 2015. On April 7, 2015, Applicants filed a response to Order No. 6 in accordance with those discussions. On May 8, 2015, Commission Staff informed Applicants that an additional issue related to application notice documents needed to be addressed and conferred with Applicants about that issue. Later on May 8, 2015, Commission Staff filed its response to Order No. 6 and sought an extension of time to file its second supplement recommendation regarding administrative completeness and to propose a procedural schedule because it was "working with the Applicant to develop an adequate description of the multiple areas subject to this application for inclusion in the

notice document.”<sup>1</sup> On May 12, 2015, Applicants provided the requested descriptive information to Commission Staff via e-mail. On May 13, 2015, Order No. 7 granted Commission Staff’s requested deadline extension until May 26, 2015. On May 21, 2015, Commission Staff requested that Applicants formally file in this docket the same descriptive information shared informally with Commission Staff. Thus, Applicants file this supplemental response in accordance with that directive.

## **II. SUPPLEMENTAL APPLICATION INFORMATION PROVIDED**

The general descriptions of the retail water utility CCN service areas proposed for transfer in this docket, as shared with Commission Staff, are hereby provided below:

**Gray Utility Service** (PWS ID No. 0360005): The water service area subject to this transaction is located approximately 3 miles southeast of downtown Mont Belvieu, Chambers County, Texas and is generally bounded on the north by IH 10; on the east by FM 565; on the south by Harmon Road; and on the west by FM 3180. The total area being requested is approximately 491 acres and has 989 current customers.

**Leaning Oaks Water Association** (PWS ID No. 0360081): The water service area subject to this transaction is located approximately 12 miles south of downtown Dayton, Texas and is generally bounded on the north by County Line Rd; on the east by CR 4018; on the south by County Line Rd; and on the west by CR 4018. The total area being requested includes approximately 62 acres and 30 current customers.

**Trinity Cove Subdivision** (PWS ID No. 0360084): The water service area subject to this transaction is located approximately 17 miles south of downtown Dayton, Texas and is generally bounded on the north by FM 565; on the east by FM 3180; on the south by 1250' south of FM 3180; and on the west by 1000' east of FM 3180. The total area being requested includes approximately 23 acres and 32 current customers.

**Carriage Trail Subdivision** (PWS ID No. 0360093): The water service area subject to this transaction is located approximately 13 miles south of downtown Dayton, Texas and is generally bounded on the north by FM 565; on the east by FM 565; on the south by Carriage Trail; and on the west by FM 565. The total area being requested includes approximately 30 acres and 33 current customers.

**Hackberry Creek Subdivision** (PWS ID No. 0360100): The water service area subject to this transaction is located approximately 17 miles south of downtown Dayton, Texas and is generally bounded on the north by Hackberry Creek; on the east by FM 565; on the south by FM 565; and on the west by FM 3180. The total area being requested includes approximately 70 acres and 58 current customers.

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<sup>1</sup> Commission Staff’s Response to Order No. 6 and Request for Extension of Deadline (May 8, 2015), at 3.

**Barrow Ranch** (PWS ID No. 0360122): The water service area subject to this transaction is located approximately 7 miles south-southeast of downtown Mont Belvieu, Texas and is generally bounded on the north by Skylane Drive; on the east by Trinity Bay; on the south by McCollum Park Road; and on the west by South Cotton Lake Road. The total area being requested includes approximately 329 acres and has 195 current customers.

**Sunchase Subdivision** (PWS ID No. 1230083): The water service area subject to this transaction is located approximately 2 miles south of downtown Hamshire, Texas and is generally bounded on the north by FM 365; on the east by IH 10; on the south by IH 10; and on the west by League Road. The total area being requested includes approximately 305 acres and has 50 current customers.

**Oak Meadows II Subdivision** (PWS ID No. 1460096) and **Oak Meadows III Subdivision** (PWS ID No. 1460100): The water service area subject to this transaction is located approximately 12 miles south of downtown Dayton, Texas and is generally bounded on the north by 1500' north of County Line Rd; on the east by Lynn Lane; on the south by County Line Rd; and on the west by Meadow Lane. The total area being requested includes approximately 153 acres and has 83 current customers.

**Webb Way Subdivision** (PWS ID No. 1460137): The water service area subject to this transaction is located approximately 7 miles north of downtown Dayton, Texas and is generally bounded on the north by Parish Road 684; on the east by FM 321; on the south by Webb Road; and on the west by FM 678. The total area being requested includes approximately 155 acres and has 16 current customers.

**Towering Oaks I** (PWS ID No. 1460145): The water service area subject to this transaction is located approximately 12 miles north of downtown Dayton, Texas and is generally bounded on the north by 2900' north of County Line Rd; on the east by 1000' east of CR 4017; on the south by County Line Rd; and on the west by 1000' west of County Line Rd. The total area being requested includes approximately 114 acres and has 44 current customers.

**Icet Cove** (PWS ID No.: N/A): The water service area subject to this transaction is located approximately 5 miles east-southeast of downtown Mont Belvieu, Texas and is generally bounded on the north by Netter Lane; on the east by FM 565; on the south by IH 10; and on the west by Meadowlark Drive. The total area being requested includes approximately 68 acres and has 0 current customers.

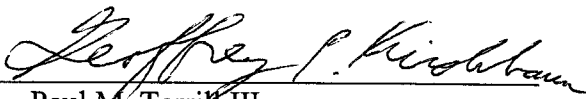
### **III. CONCLUSION**

Aqua Texas respectfully requests, upon confirmation by Commission Staff, that the ALJ issue an order finding the application administratively complete and directing Commission Staff to continue application processing. If for any reason Commission Staff does not view these

descriptions as sufficient for application acceptance, Aqua Texas respectfully requests that it be notified immediately and provided an opportunity to cure any remaining deficiencies that are identified.

**Respectfully submitted,**

**THE TERRILL FIRM, P.C.**

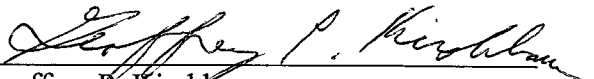
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**ATTORNEYS FOR AQUA UTILITIES, INC.  
AND AQUA TEXAS, INC. D/B/A AQUA TEXAS**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on May 22, 2015 in accordance with P.U.C. Procedural Rule 22.74.

  
Geoffrey P. Kirshbaum