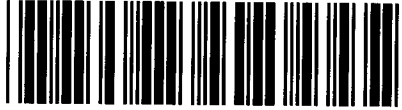




Control Number: 42958



Item Number: 31

Addendum StartPage: 0

DOCKET NO. 42958

RECEIVED

2015 SEP 15 10:19 AM

PUBLIC UTILITY COMMISSION
FILING CLERK

APPLICATION OF AQUA UTILITIES, §
INC. AND AQUA TEXAS, INC. D/B/A §
AQUA TEXAS 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) §

PUBLIC UTILITY COMMISSION
OF
TEXAS

COMMISSION STAFF'S AMENDED RESPONSE TO ORDER NO. 11

COMES NOW Commission Staff (Staff) of the Public Utility Commission of Texas (Commission) and files this Amended Response to Order No. 11 in order to amend Attachment B to provide the corrected form of notice. In support of its Response, Staff states the following:

I. BACKGROUND

On June 4, 2014, Aqua Texas, Inc. d/b/a Aqua Texas (Applicant) filed an application with the Texas Commission on Environmental Quality (TCEQ) regarding the sale, transfer, or merger (STM) and amendment of Certificate of Convenience and Necessity (CCN) No. 11157 in Chambers, Jefferson, and Liberty Counties, Texas pursuant to Tex. Water Code Ann. § 13.301 and Title 16, Tex. Admin. Code (16 TAC) §§ 24.109 and 24.112. Effective September 1, 2014, the Commission began the economic regulation of water and sewer utilities and this case, formerly pending at the TCEQ, was transferred to the Commission.

III. AMENDMENT OF NOTICE DOCUMENT

On August 28, 2015, Staff filed its Response to Order No. 11, Supplemental Recommendation on the Application, and proposed procedural schedule. In this Response, Staff recommended that the application was sufficient and directed the Applicant to provide notice in the form provided at Attachment B. However, the notice document attached to Staff's Response inadvertently included language regarding the ability of landowners with 25 acres or more to request to opt out of the proposed area as allowed in CCN amendment applications. There is no

statutory provision allowing this type of request in STM applications such as this one. Staff has provided the corrected form of notice (Amended Attachment B).

V. CONCLUSION

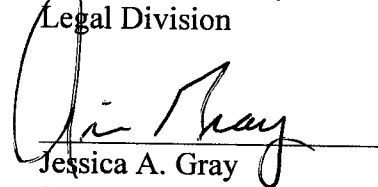
For the reasons stated herein, Staff recommends that the Applicants provide notice of the application as directed by Staff and by using the corrected form attached to this pleading.

Date: September 15, 2015

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

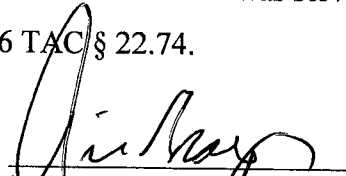
Karen Hubbard
Managing Attorney
Legal Division



Jessica A. Gray
State Bar No. 24079236
Attorney, Legal Division
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7228
(512) 936-7268 (facsimile)

DOCKET NO. 42958
CERTIFICATE OF SERVICE

I certify that a copy of this document was served his document was served on all parties of record on September 15, 2015 in accordance with 16 TAC § 22.74.



Jessica A. Gray, Attorney

AMENDED ATTACHMENT B

Notice to Neighboring Systems, Landowners and Cities

NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO TRANSFER PORTIONS OF WATER SERVICE AREAS AND WATER SYSTEM ASSETS FOR SOUTHEAST REGION IN CHAMBERS, JEFFERSON AND LIBERTY COUNTIES

To: _____ Date Notice Mailed: _____, 2015
 (Name of Customers)

 (Address)

 (City State Zip)

Aqua Utilities, Inc. 1106 Clayton Ln., Ste. 400 W. Austin TX 78723
 (Sellers) (Address) (City) (State) (Zip Code)

has submitted an application with the Public Utility Commission to transfer portions of CCN No. 11157 areas and water system assets for Southeast Region in Chambers, Jefferson and Liberty Counties:

Aqua Texas, Inc. dba Aqua Texas 1106 Clayton Ln., Ste. 400 W. Austin TX 78723
 (Purchaser) (Address) (City) (State) (Zip Code)

The **water service areas** subject to this transaction are located as described below:

- **1 - Gray Utility Service:** The water service area subject to this transaction consists of seven areas located approximately 3 miles southeast of downtown **Mont Belvieu, Chambers County, Texas** and generally bounded on the north by IH 10; on the east by Old River Lake; on the south by Wildlife Way; and on the west by Grand Parkway. The total area being requested is approximately **600 acres** and has **989 current customers**.
- **2 - Leaning Oaks Water Association and Towering Oaks I:** The water service area subject to this transaction is located approximately 2.4 miles northeast of downtown **Old River-Winfree, Chambers and Liberty Counties, Texas** and is generally bounded on the north by Picketts Bayou; on the east by Solis Road; on the south by Lost Lake; and on the west by Goodyear Road and FM 565. The total area being requested includes approximately **176 acres** and **74 current customers**.

- **3 - Trinity Cove Subdivision:** The water service area subject to this transaction is located approximately 3 miles southwest of downtown **Cove, Chambers County**, Texas and is generally bounded on the north by South FM 565; on the east by FM 3180; on the south by FM 2354; and on the west by the intersection of FM 565 and FM 2354. The total area being requested includes approximately **22 acres** and **32 current customers**.
- **4 - Carriage Trail Subdivision:** The water service area subject to this transaction is located approximately .8 miles south-southeast of downtown **Old River-Winfree, Chambers County**, Texas and is generally bounded on the north by FM 565; on the east by FM 565; on the south by B and B Lane; and on the west by Sunnyside Drive. The total area being requested includes approximately **26 acres** and **33 current customers**.
- **5 - Hackberry Creek Subdivision:** The water service area subject to this transaction is located approximately 2 miles southwest of downtown **Cove, Chambers County**, Texas and is generally bounded on the north by Harmon Road; on the east by the intersection of Harmon Rd and FM 565; on the south by FM 565; and on the west by FM 3180. The total area being requested includes approximately **71 acres** and **58 current customers**.
- **6 - Barrow Ranch:** The water service area subject to this transaction is located approximately .5 miles north of downtown **Beach City, Chambers County**, 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 **308 acres** and has **195 current customers**.
- **7 - Oak Meadows II Subdivision and Oak Meadows III Subdivision:** The water service area subject to this transaction is located approximately 1.7 miles northeast of downtown **Old River-Winfree, Liberty County**, Texas and is generally bounded on the north by Picketts Bayou; on the east by CR 4014; on the south by Lost Lake; and on the west by CR 4001. The total area being requested includes approximately **152 acres** and has **83 current customers**.

- **8 - Icet Cove:** The water service area subject to this transaction consists of three areas located approximately 3.8 miles east-southeast of downtown **Mont Belvieu, Liberty County, Texas** and is generally bounded on the north by the intersection of Old Irish Farm and FM 535; on the east by FM 565; on the south by IH 10; and on the west by Eagle Drive. The total area being requested includes approximately **238 acres** and has **0 current customers**.
- **9 - Webb Way Subdivision:** The water service area subject to this transaction is located approximately 6.5 miles northwest of downtown **Dayton, Liberty County, Texas** and is generally bounded on the north by Parish Road 684; on the east by State Hwy 321; on the south by Webb Road. The total area being requested includes approximately **50 acres** and has **16 current customers**.
- **10 - Sunchase Subdivision:** The water service area subject to this transaction is located approximately 2 miles north of downtown **Hamshire, Jefferson County, 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 **217 acres** and has **50 current customers**.

See attached map of the proposed service area.

Affected persons may file written protests and/or request a public hearing within 30 days of this notice.

To request a hearing, you must:

- (1) state your name, mailing address and daytime telephone number;
- (2) state the applicant's name, application number or another recognizable reference to this application;
- (3) the statement "I/we request a public hearing";
- (4) write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
- (5) state your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled.

Persons who wish to intervene or comment should file a request in writing within thirty (30) days from the date of this publication or notice with:

Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, Commission will not transfer the CCN and 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, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

Si desea informacion en Espanol, puede llamar al 1-888-782-8477

Utility Representative

Utility Name

PUBLIC UTILITY COMMISSION



AFFIDAVIT OF NOTICE TO NEIGHBORING SYSTEMS, LANDOWNERS AND CITIES

DOCKET NO. 42958

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

that the attached notice was provided to customers and other affected parties by

(METHOD USED TO PROVIDE NOTICE)

on or about the following date, to wit: _____
(DATE)

(SIGNATURE OF UTILITY OFFICIAL)

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 _____