



Control Number: 44024



Item Number: 33

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DOCKET NO. 44024

RECEIVED

APPLICATION OF AQUA TEXAS,
INC. AND UNION HILL WATER
SUPPLY CORPORATION FOR SALE
TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN HENDERSON COUNTY

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PUBLIC UTILITY COMMISSION 26

PUBLIC UTILITY COMMISSION
OF TEXAS
FILING CLERK

PROPOSED NOTICE OF APPROVAL

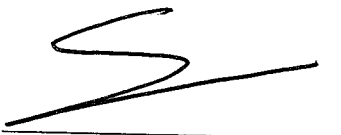
Commission Staff of the Public Utility Commission of Texas files this Proposed Notice of Approval.

Date: January 25, 2016

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division



Sam Chang
State Bar No. 24078333
Attorney, Legal Division

Public Utility Commission of Texas
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P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7261
(512) 936-7268 (facsimile)
sam.chang@puc.texas.gov

*Commission Staff of the Public Utility
Commission of Texas*

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DOCKET NO. 44024

CERTIFICATE OF SERVICE

I certify that a copy of this document was served on all parties of record on January 25, 2016, in accordance with 16 Tex. Admin. Code § 22.74.

A handwritten signature in black ink, appearing to be 'Sam Chang', written over a horizontal line.

Sam Chang

DOCKET NO. 44024

APPLICATION OF AQUA TEXAS,	§	PUBLIC UTILITY COMMISSION
INC. AND UNION HILL WATER	§	
SUPPLY CORPORATION FOR SALE	§	OF TEXAS
TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN HENDERSON COUNTY	§	

PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the application filed by Aqua Texas, Inc. (Aqua Texas) regarding the sale and transfer of Union Hill Water Supply Corporation's facilities and corresponding water certificate of convenience and necessity (water CCN No. 11439) for a certificated service area in Henderson County, Texas. On January 4, 2016, Commission Staff (Staff) of the Public Utility Commission of Texas (Commission) recommended that the Commission approve Aqua Texas' application and the sale and transfer of Union Hill Water Supply Corporation's and corresponding water CCN No. 11439.

The Commission approves Aqua Texas' application and the sale and transfer of Union Hill Water Supply Corporation's facilities in Henderson County, Texas and corresponding water CCN No. 11439 to Aqua Texas. The Commission makes the following findings of fact and conclusions of law:

I. Findings of Fact

1. Union Hill Water Supply Corporation, the seller/transferor, is a water supply corporation. Union Hill Water Supply owns certain facilities and corresponding water CCN No. 11439 for a certificated service area in Henderson County, Texas.
2. Aqua Texas, the purchaser/transferee, is a corporation.
3. On December 22, 2014, Aqua Texas filed its application requesting Commission approval of the sale and transfer of Union Hill Water Supply Corporation's facilities in Henderson County, Texas and corresponding water CCN No. 11439.
4. On April 28, 2015, the Administrative Law Judge entered Order No. 4, which found Aqua Texas' application to be administratively complete and established a procedural schedule regarding notice and intervention.
5. On May 15, 2015, Aqua Texas filed their affidavits regarding the provision and publication

of notice of its application. Notice of the application was provided to affected parties on May 5, 2015. Additionally, notice of the application was published in the *Athens Daily Review* on May 1 and 8, 2015.

6. On July 20, 2015, Staff filed its Recommendation on Final Disposition. Staff recommended that the Commission approve Aqua Texas' application. Additionally, Staff recommended that Aqua Texas has adequate financial, managerial, and technical capability to provide continuous and adequate service to customers in the service area in Henderson County, Texas formerly certificated under Union Hill Water Supply Corporation's water CCN No. 11439.
7. On August 12, 2015, the Administrative Law Judge issued Order No. 6, which approved the application and the sale and transfer transaction between Aqua Texas and Union Hill Water Supply Corporation. Order No. 6 also required Aqua Texas to submit closing documents regarding the sale and transfer transaction within one (1) year of the August 12, 2015 approval date.
8. On October 2 and 27, 2015, Aqua Texas filed closing documents regarding the sale and transfer transaction with Union Hill Water Supply Corporation. Among the closing documents were a bill of sale and HUD-1 settlement statement.
9. On November 16, 2015, Staff filed its Recommendation on Closing Documents. Staff determined that Aqua Texas and Union Hill Water Supply Corporation consummated their sale and transfer transaction.
10. On November 17, 2015, the Administrative Law Judge entered Order No. 8, which deemed the closing documents filed by Aqua Texas sufficient and established a procedural schedule. Order No. 8 established January 4, 2016 as the deadline for Staff to file its final recommendation regarding Aqua Texas' application.
11. On January 4, 2016, Staff filed its Final Recommendation. Staff recommended that the Commission approve Aqua Texas' application and the sale and transfer of Union Hill Water Supply Corporation's facilities in Henderson County, Texas and corresponding water CCN No. 11439. Additionally, Staff recommended that Aqua Texas has adequate financial, managerial, and technical capability to provide continuous and adequate service to customers in the service area in Henderson County, Texas formerly certificated under Union Hill Water Supply Corporation's water CCN No. 11439.

12. On January 25, 2016, Staff filed its Proposed Notice of Approval.
13. On January 25, 2016, Staff filed its Motion to Admit Evidence. Staff requested that certain evidence be admitted into the record in support of its Proposed Notice of Approval.
14. On _____, the Commission granted Staff's Motion to Admit Evidence. The following evidence was admitted into the record:
 - a. Exhibit 1: Aqua Texas' Application for Sale, Transfer, or Merger of a Retail Public Utility and accompanying attachments;
 - b. Exhibit 2: Affidavit regarding notice to customers, neighboring utilities and other affected parties;
 - c. Exhibit 3: Affidavit regarding publication of notice;
 - d. Exhibit 4: Staff's Recommendation on Final Disposition and accompanying attachments (filed on July 20, 2015);
 - e. Exhibit 5: Closing documents (filed by Aqua Texas on October 2 and 27, 2015);
 - f. Exhibit 6: Aqua Texas' Consent Form (filed on December 29, 2015); and
 - g. Exhibit 7: Staff's Final Recommendation and accompanying attachments (filed on January 4, 2016).

II. Conclusions of Law

1. The Commission has jurisdiction over Aqua Texas' application under Tex. Water Code §§ 13.251 and 13.301.
2. Aqua Texas and Union Hill Water Supply Corporation are retail public utilities as defined by Tex. Water Code § 13.002(19) and 16 Tex. Admin. Code § 24.3(58).
3. Notice of Aqua Texas' application was provided to affected parties, as required by Tex. Water Code § 13.301(a)(2) and 16 Tex. Admin. Code §§ 24.109(a) and 24.112(c).
4. Aqua Texas' application was processed in accordance with the requirements of the Texas Administrative Procedures Act, Tex. Gov't Code §§ 2001.001-2001.902; Tex. Water Code § 13.301; and 16 Tex. Admin. Code §§ 24.109 and 24.112.
5. Aqua Texas and Union Hill Water Supply Corporation consummated the sale and transfer of Union Hill Water Supply Corporation's facilities in Henderson County, Texas and corresponding water CCN No. 11439 within one (1) year from the date of the Commission's approval of their sale and transfer transaction, as required by 16 Tex.

Admin. Code § 24.112(e).

6. The requirements for informal disposition under 16 Tex. Admin. Code § 22.35 have been met in this proceeding. At least fifteen (15) days have passed since the completion of notice requirements, and it is not necessary to hold a hearing on the merits regarding Aqua Texas' application.
7. Aqua Texas has demonstrated that it has adequate financial, managerial, and technical capability to provide continuous and adequate service to customers in the service area in Henderson County, Texas formerly certificated under Union Hill Water Supply Corporation's water CCN No. 11439.

III. Ordering Paragraphs

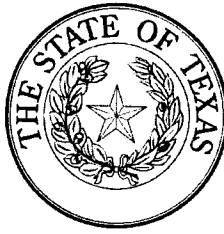
In accordance with these findings of fact and conclusions of law, the Commission issues the following ordering paragraphs:

1. Aqua Texas' application is approved.
2. The sale and transfer of Union Hill Water Supply Corporation's water facilities in its certificated area in Henderson County, Texas and corresponding water CCN No. 11439 to Aqua Texas is approved.
3. Union Hill Water Supply Corporation's water CCN No. 11439 is cancelled, and Aqua Texas' water CCN No. 13201 is amended to reflect service to Union Hill Water Supply Corporation's formerly certificated area in Henderson County, Texas. The amendment of Aqua Texas' water CCN No. 13201 and the revised map of the Aqua Texas' acquired service area in Henderson County, Texas are attached to this Notice of Approval.
4. All other motions, requests for entry of specific findings of fact or conclusions of law, and any other requests for general or specific relief, if not expressly granted in this Notice of Approval, are denied.

SIGNED IN AUSTIN, TEXAS, this _____ day of _____, 2016

PUBLIC UTILITY COMMISSION OF TEXAS

JEFFREY J. HUH
ADMINISTRATIVE LAW JUDGE



Public Utility Commission of Texas

By These Presents Be It Known To All That

Aqua Texas, Inc.

having duly applied for certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

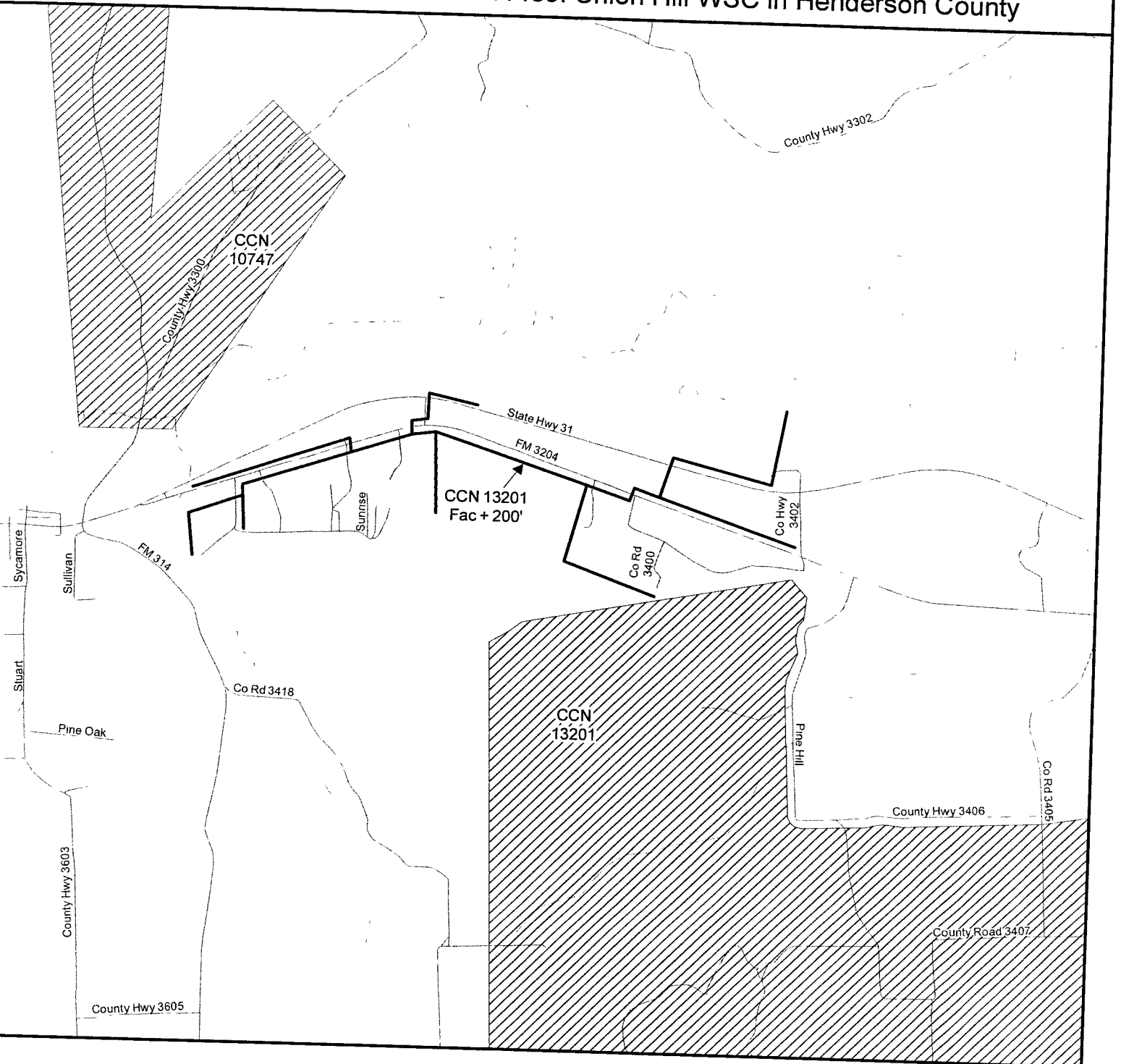
Certificate of Convenience and Necessity No. 13201

to provide continuous and adequate water utility service to that service area or those service areas in Anderson, Bosque, Camp, Cherokee, Collin, Cooke, Denton, Erath, Grayson, Gregg, Henderson, Hood, Hunt, Johnson, Kaufman, Marion, McLennan, Parker, Smith, Somervell, Tarrant, Taylor, Wise and Wood Counties as by final Order or Orders duly entered by this Commission, which Order resulting from Docket No. 44024 is on file at the Commission offices in Austin, Texas; and is a matter of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of Aqua Texas, Inc., to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, the _____ day of _____ 2015.

Aqua Texas, Inc.
Portion of Water Service Area
CCN No. 13201
PUC Docket No. 44024

Transferred & Cancelled CCN No. 11439: Union Hill WSC in Henderson County



Public Utility Commission of Texas
1111 N. Congress Ave
Austin, TX 78701

Facilities + 200' Water CCN

— 13201 - Aqua Texas Inc

Water CCN Service Areas

▨ 13201 - Aqua Texas Inc

▨ 10747 - Edom WSC

0 1,500 3,000
Feet



Map by: Komal Patel
Date created: December 11, 2015
Project path: n:\finalmapping\44024 Aqua Texas