

Control Number: 44382



Item Number: 15

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DOCKET NO. 44382

FILED

APPLICATION OF AQUA WATER §
SUPPLY CORPORATION TO §
AMEND A WATER CERTIFICATE §
OF CONVENIENCE AND §
NECESSITY IN BASTROP COUNTY §

PUBLIC UTILITY COMMISSION

2015 JUL 22 AM 10:31
PUBLIC UTILITY COMMISSION
OF TEXAS

COMMISSION STAFF'S FINAL RECOMMENDATION

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Final Recommendation, and would show the following:

I. BACKGROUND

On January 28, 2015, Aqua Water Supply Corporation (Aqua WSC) filed an application to amend its water certificate of convenience (CCN) No. 10294 in Bastrop County, Texas. Aqua WSC seeks to decertify the area addressed in this application because the area is currently receiving retail water utility service from the City of Bastrop.

On April 20, 2015, Order No. 3 was issued, consistent with Staff's recommendation, deeming Aqua WSC's application administratively complete and establishing a procedural schedule. Order No. 3 also required Staff to file a final recommendation, request a hearing or recommend a further procedural schedule by June 22, 2105.

On June 22, 2015, Order No. 4 was issued, granting Staff's extension to the procedural schedule and setting July 22, 2015 as the deadline for Staff to file its final recommendation, request a hearing, or recommend a further procedural schedule. Therefore, this final recommendation is timely.

II. FINAL RECOMMENDATION

The proposed area being decertified by Aqua WSC consists of 85 acres with no facilities or customers in the area. Aqua WSC never received any service requests for properties in the proposed area, it never installed any facilities in the proposed area, and thus never had any customers in the proposed area.

The City of Bastrop is currently the exclusive provider of retail water and wastewater services to the entire proposed area to be decertified. Although, the City of Bastrop currently holds water CCN No. 11198, its status as a retail public utility exempts it from the requirement that it

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first obtain a CCN before rendering retail water service to the public in areas not currently certified to another retail public utility. Therefore, the decertification of Aqua WSC from the proposed area will allow the City of Bastrop to legally service the area without first obtaining an amendment to its CCN.

Notice was published on May 2, 2015 and May 9, 2015, in the Bastrop Advertiser. Notice was provided to neighboring systems, landowners, cities and affected parties in Bastrop County on May 6, 2015. Aqua WSC filed affidavits of notice on May 13, 2015. The comment period ended May 10, 2015. The Commission did not receive any opt-out requests or requests for a public hearing. Since the Aqua WSC has no facilities or customers in the area to be decertified, its financial and managerial capabilities were not assessed.

Staff has completed its formal review of the application on the merits and, based upon the attached memorandum of Debbie Reyes Tamayo, in the Commission's Water Utilities Division, Staff recommends approval of the application. Aqua WSC meets all of the statutory requirements of TWC Chapter 13 and the 16 TAC Chapter 24. Approving this application to amend CCN No. 10294 is necessary for the service, accommodation, convenience and safety of the public. Aqua WSC consented to the attached map and certificate on June 26, 2015.

III. CONCLUSION

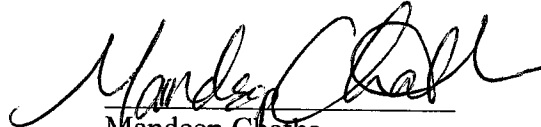
Staff respectfully requests that the ALJ issue an order consistent with this Response.

Dated: July 22, 2015

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division



Mandeep Chatha
Attorney-Legal Division
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Austin, Texas 78711-3326

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this July 22, 2015 in accordance with 16 TAC § 22.74.



Mandeep Chatha

Public Utility Commission of Texas

Memorandum

TO: Mandeep Chatha, Attorney
Legal Division

THRU: Tammy Benter, Director
Water Utility Division

FROM: Debbie Reyes Tamayo, Program Specialist
Water Utility Division

SUBJECT: **Docket No. 44382**, *Recommendation and Approval of Application of Aqua Water Supply Corporation, (WSC) for an Amendment to Water Certificate of Convenience and Necessity (CCNs) in Bastrop County*

DATE: July 1, 2015

On January 28, 2015, Aqua WSC, (Applicant), filed an application to amend Certificate of Convenience and Necessity (CCN) No. 10294, in Bastrop County, Texas. This application is being reviewed under the Public Utility Commission's (Commission) Substantive Rules in Chapter 24, §§ 24.102 and 24.107.

The purpose of this application is to decertify the proposed area since the area is currently is served by the City of Bastrop. The proposed area being consists of approximately 85 acres and the Applicant has no facilities or customers in the area.

Notice was published on May 2, 2015 and May 9, 2015, in the Bastrop Advertiser. Notice was provided to neighboring systems, landowners, cities and affected parties in Bastrop County on May 6, 2015. The Applicant filed affidavits of notice on May 13, 2015. The comment period ended May 10, 2015. The Commission did not receive any opt-out requests or requests for a public hearing.

Since the Applicant has no facilities or customers in the area to be decertified, the Applicant's financial and managerial capabilities were not assessed.

TWC §13.246(c) requires the Commission to consider nine criteria when granting or amending a CCN. Therefore, the following criteria were considered:

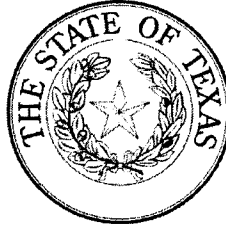
- TWC §13.246(c)(1): adequacy of service currently provided in requested area.
 - The Applicant has no facilities or customers in the proposed area. Therefore, this factor is not applicable for this application.
- TWC §13.246(c)(2): the need for service in the requested area.
 - The Applicant has no facilities or customers in the proposed area. Therefore, this factor was not considered for this application.
- TWC §13.246(c)(3): the effect of the application on the Applicant, landowners and on any other retail water utility servicing the proximate area.

- The Applicant's CCN will be amended to exclude the proposed area from its CCN boundaries. The applicant has no facilities or customers in the proposed area. No other retail water utilities will be affected.
- TWC §13.246(c)(4): the ability of the applicant to provide adequate service.
 - The Applicant has no facilities or customers in the proposed area. Therefore, this factor is not applicable for this application.
- TWC §13.246(c)(5): the feasibility of obtaining service from an adjacent retail public utility.
 - The Applicant is seeking to decertify a portion of its CCN boundaries. Therefore, this factor is not applicable for this application.
- TWC §13.246(c)(6): the financial ability of the applicant to pay for facilities necessary to provide continuous and adequate service.
 - Since the Applicant has no facilities or customers in the area to be decertified, the Applicant's financial and managerial capabilities were not assessed.
- TWC §§13.246(7) and (9) require the Commission to consider the environmental integrity and the effect on the land to be included in the certificate.
 - The Applicant has no facilities or customers in the proposed area. Therefore, this factor is not applicable for this application.
- TWC § 13.246(8): the probable improvement in service or lowering of cost to consumers.
 - The Applicant has no facilities or customers in the proposed area. Therefore, this factor is not applicable for this application.

The Applicant meets all of the statutory requirements of Texas Water Code Chapter 13 and the Commission's Chapter 24 rules and regulations. Approving this application to amend CCN No. 10294 is necessary for the service, accommodation, convenience and safety of the public.

The Applicant is capable of providing continuous and adequate service. Staff recommends approval of the application. The Applicant consented to the attached map and certificate on June 26, 2015. Staff also recommends that the Applicant file certified copies of the CCN map along with a written description of the CCN service area in the county clerk's office pursuant to Texas Water Code Section 13.257 (r) and (s).

TB/DRT



Public Utility Commission of Texas

By These Presents Be It Known To All That

Aqua Water Supply Corporation

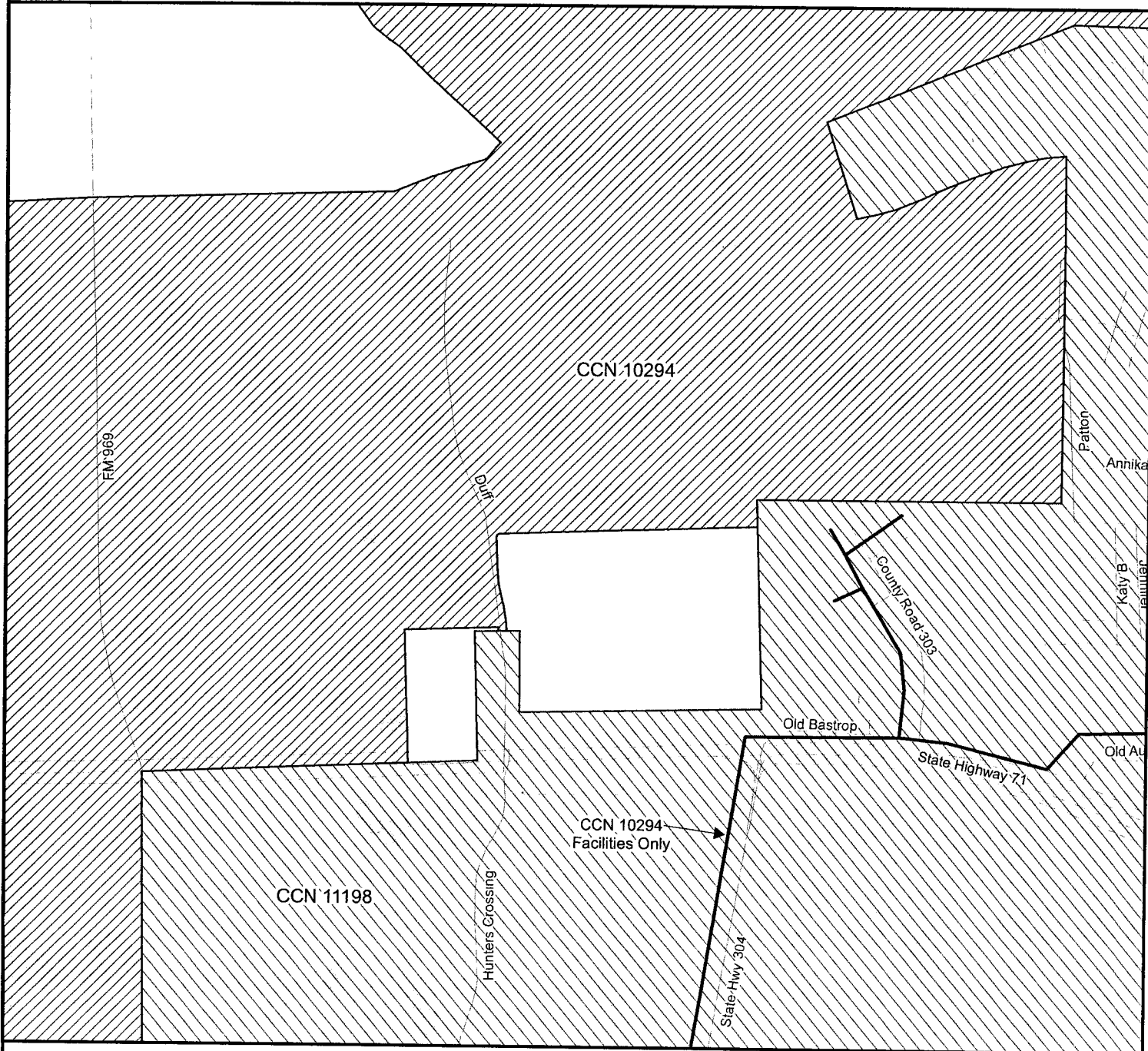
having duly applied for certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled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

Certificate of Convenience and Necessity No. 10294

to provide continuous and adequate water utility service to that service area or those service areas in Bastrop, Caldwell, Lee and Travis Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 44382 are on file at the Commission offices in Austin, Texas; and are 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 Water Supply Corporation 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 Water Supply Corporation
 Portion of Water Service Area
 CCN No. 10294
 PUC Docket No. 44382
 Decertified a Portion of CCN No. 10294
 in Bastrop County




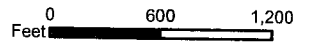
Public Utility Commission of Texas
 1701 N. Congress Ave
 Austin, TX 78701

Water CCN Service Areas

-  10294 - Aqua WSC
-  11198 - City of Bastrop

Facilities Only Water CCNs

-  10294 - Aqua WSC



Map by: Suzanne Burt
 Date created: June 24, 2015
 Project path: n:/gis/projects/applications/44382.mxd