



Control Number: 44534



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APPLICATION OF AQUA TEXAS, INC. §
 D/B/A AQUA TEXAS TO AMEND ITS §
 CERTIFICATES OF CONVENIENCE §
 AND NECESSITY IN HARRIS COUNTY §

PUBLIC UTILITY COMMISSION

2016 APR 11 AM 11:45

OF TEXAS

PUBLIC UTILITY COMMISSION
FILING CLERK

STAFF'S RECOMMENDATION ON APPLICATION AND JOINT PROPOSED PROCEDURAL SCHEDULE

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Response to Order No. 9, Recommendation on Application and Joint Proposed Procedural Schedule, and would show the following:

I. Background

On March 13, 2015, Aqua Texas, Inc. d/b/a Aqua Texas (Aqua Texas) filed with the Public Utility Commission of Texas (Commission) an application to amend its water and sewer certificate of convenience and necessity (CCN) Nos. 13203 and 21065, respectively, in Harris County. Aqua Texas seeks to amend its CCNs in order to provide water and wastewater utility services to a commercial development, comprising 620.652 acres. On August 26, 2015, in Order No. 5, the matter was abated.

On March 31, 2016, Order No. 9 was issued unabating the proceeding, requiring Staff to file a recommendation regarding the application if referral to the State Office of Administrative Hearings (SOAH) is no longer warranted, and requiring both Staff and Aqua Texas to file a proposed procedural schedule by April 11, 2016. Accordingly, this pleading is timely filed.

II. Recommendation on Application

Staff recommends that the application undergo technical review by Staff and that referral to SOAH is not warranted at this time. On July 27, 2015, the City of Tomball (Tomball) filed a letter protesting Aqua Texas' application and requesting a hearing. On August 25, 2016, Aqua Texas and Tomball filed a joint motion to abate the proceeding to explore ways to resolve their differences outside the context of a SOAH contested case hearing. Staff did not oppose the motion.

On March 9, 2016, Tomball withdrew its protest. Staff recommends that referral to SOAH is not warranted at this time because the issues that gave rise to Tomball's protest letter have been resolved and the protest withdrawn.

Staff has not conducted its technical review of the application under 16 Tex. Admin. Code §§ 24.101 to 24.107 (TAC) or made a final determination regarding whether a referral to SOAH is ultimately warranted. As supported by the attached memorandum from Debbie Reyes Tamayo, Program Specialist, and Tracy Montes, GIS Specialist with the Water Utility Regulation Division, Staff recommends that Aqua Texas supplement its application with the following documentation in order for Staff to conduct its technical review of the application:

- Written consent from Gulf Coast Waste Disposal Authority allowing the Applicant to provide retail sewer service within the district's boundary.
- Written consent from Harris County MUD 416 allowing Applicant to provide retail water within the district's boundary.

III. Proposed Procedural Schedule

Staff has conferred with Aqua Texas, and the parties jointly propose the following procedural schedule:

| <u>Event</u> | <u>Date</u> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Deadline for Aqua Texas to supplement its application | July 11, 2016 |
| Deadline for Staff to request a hearing or to file a recommendation on final disposition. | August 25, 2016 |
| Deadline for Aqua Texas to request a hearing or respond to Staff's recommendation on final disposition; or if no disputed issues exist, deadline for parties to file proposed findings of fact, conclusions of law, and ordering paragraphs. | Within 10 working days from Staff's recommendation on final disposition. |

IV. Conclusion

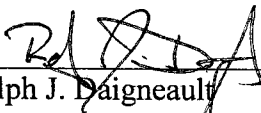
Staff respectfully requests that an order be issued consistent with this Recommendation.

Dated: April 11, 2016

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director – Legal Division


Karen S. Hubbard
Managing Attorney – Legal Division



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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on April 11, 2016, in accordance with 16 TAC § 22.74.



Ralph J. Daigneault

PUC Interoffice Memorandum

To: Ralph Daigneault, Attorney
Legal Division

Thru: Tammy Benter, Director
Water Utility Regulation Division

From: Debbie Reyes Tamayo, Program Specialist
Tracy Montes, GIS Specialist
Water Utility Regulation Division

Date: April 11, 2016

Subject: *Docket No. 44534*, Application of Aqua Texas, Inc. for an Amendment to Water and Sewer Certificates of Convenience and Necessity (CCNs) in Harris County

On March 13, 2015, Aqua Texas, Inc., (Applicant) filed an application with the Commission to amend its water CCN. No. 13203 and sewer CCN No. 21065 in Harris County under P.U.C. Substantive Rules 24.101 – 24.107.

Staff recommends that the applicant submit the following documentation to achieve the requested intent:

- Written consent from Gulf Coast Waste Disposal Authority allowing the Applicant to provide retail sewer service within the district's boundary.
- Written consent from Harris County MUD 416 allowing Applicant to provide retail water within the district's boundary.

TB/DRT