



Control Number: 48700



Item Number: 16

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2019 JAN 29 PM 2:00

PETITION OF DENTON SORRELLS, §
LLC TO AMEND AQUA TEXAS, §
INC.'S CERTIFICATE OF §
CONVENIENCE AND NECESSITY IN §
DENTON COUNTY BY EXPEDITED §
RELEASE §

PUBLIC UTILITY COMMISSION
OF TEXAS

FILING CLERK

NOTICE OF APPROVAL

This Notice of Approval addresses the petition of Denton Sorrells, LLC to amend Aqua Texas, Inc.'s certificate of convenience and necessity (CCN) 13201 by expedited release. The Commission approves the petition and releases 324.64 acres owned by Denton Sorrells from Aqua Texas's water CCN number 13201 in Denton County.

The Commission adopts the following findings of fact and conclusions of law:

I. Findings of Fact

Petitioner

1. Denton Sorrells is a domestic limited liability company registered with the Texas secretary of state on December 2, 2016, under file number 802596138.
2. Denton Sorrells owns 324.64 contiguous acres of land located within the boundaries of Aqua Texas, Inc.'s water CCN number 13201 in Denton County.

Petition

3. In Docket No. 48700 filed on September 19, 2018, Denton Sorrells and Punkadilly, Ltd jointly filed a petition for expedited release of roughly 386 acres land from the service area of Aqua Texas, Inc. CCN number 13201. Of the 386 acres to be released, Denton Sorrells owns 324.64 acres and Punkadilly owns 61.58 acres.
4. On December 3, 2018, Denton Sorrells and Punkadilly jointly filed a motion to sever the joint petition into two separate petitions for expedited release, one for the land owned by Denton Sorrells and the other for the land owned by Punkadilly. An amended petition for

the tract of land owned by Denton Sorrells and a separate petition for the tract of land owned by Punkadilly were attached to the motion to sever.

5. In Order No. 3 in the present docket, issued December 14, 2018, the ALJ granted the motion to sever.
6. The property owned by Denton Sorrells is located in Denton County, which is qualifying county.
7. Denton Sorrells provided a general warranty deed confirming its ownership of the tract of land and maps confirming the land's location.
8. Stephanie Sorrells, registered agent of Denton Sorrells, provided a notarized affidavit signed on September 14, 2018, affirming that the tract of land is owned by Denton Sorrells, is more than 25 acres, is not receiving water or sewer service, is within the boundaries of CCN number 13201 held by Aqua Texas, and is located entirely in Denton County.
9. In Order No. 4 issued January 7, 2019, the ALJ found the petition administratively complete.

Notice

10. On December 3, 2018, Denton Sorrells certified that a true and correct copy of the amended petition was sent via certified mail to Aqua Texas.
11. In Order No. 4 issued on January 7, 2019, the ALJ found the notice sufficient.

Intervention

12. Aqua Texas did not seek to intervene in this proceeding.

Water Service

13. There is no evidence that Aqua Texas has committed or dedicated facilities or lines providing water service to the tract of land.
14. There is no evidence that Aqua Texas has performed acts or supplied anything to the tract of land.

15. Aqua Texas has not committed facilities or lines providing water service to the tract of land.
16. Aqua Texas has not performed acts or supplied anything to the tract of land.
17. The tract of land is not receiving water service from Aqua Texas.

Determination of Useless or Valueless Property

18. There is no evidence that Aqua Texas owns any property that will be rendered useless or valueless by the decertification.

Informal Disposition

19. More than 15 days have passed since the completion of the notice in this docket.
20. Commission Staff and Denton Sorrells are the only parties to this proceeding.
21. There were no protests, motions to intervene, or requests for hearing filed.
22. The granting of the petition will not be adverse to any party; therefore, no hearing is required.
23. No party disputed any issue of law or fact.
24. On January 18, 2019, Commission Staff recommended approval of the petition.

II. Conclusions of Law

1. The Commission has jurisdiction over this petition under Texas Water Code (TWC) § 13.254(a-5).
2. Notice of the petition was provided in compliance with 16 Texas Administrative Code (TAC) §§ 22.55 and 24.245(l).
3. To obtain release under TWC § 13.254(a-5), a landowner must demonstrate that the landowner owns a tract of land that is at least 25 acres, that the tract of land is located in a qualifying county, and that the tract of land is not receiving water service.
4. Denton County is a qualifying county under TWC § 13.254(a-5) and 16 TAC § 24.245(l)

5. The tract of land is not receiving water service from Aqua Texas in accordance with TWC § 13.254(a-5).
6. Because Aqua Texas did not intervene in this case, it can be presumed that no property has been rendered useless or valueless by the decertification; therefore, under TWC § 13.254(d) through (g) and 16 TAC § 24.245(n)(3) no compensation is owed to Aqua Texas.
7. Because no compensation is owed under TWC § 13.254(d) through (g), a retail public utility may render retail water service directly or indirectly to the public in the decertified area without providing compensation to Aqua Texas.
8. Sorrell has satisfied the requirements of TWC § 13.254(a-5) and 16 TAC § 24.245(l) by adequately demonstrating ownership of a tract of land that is at least 25 acres, is located in a qualifying county, and is not receiving water service.
9. The Commission processed the petition in accordance with the TWC, the Administrative Procedure Act,¹ and Commission rules.
10. Under TWC § 13.257(r) and (s), Aqua Texas is required to record a certified copy of the approved certificate and map, along with a boundary description of the service area, in the real property records of each county in which the service area or a portion of the service area is located, and submit to the Commission evidence of the recording.
11. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

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

1. The Commission grants the petition and removes the 324-acre tract of land owned by Denton Sorrells from Aqua Texas's water CCN number 13201.

¹ Administrative Procedure Act, Tex. Gov't Code ch. 2001.

2. The Commission amends Aqua Texas's CCN number 13201 in accordance with this Notice of Approval.
3. The Commission's official service area boundary maps for Aqua Texas's CCN will reflect this change, as shown on the attached map.
4. Aqua Texas must comply with the recording requirements of TWC § 13.257(r) and (s) for the area in Denton County affected by the petition and submit to the Commission evidence of the recording no later than 31 days after receipt of this Notice of Approval.
5. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 29th day of January 2019.

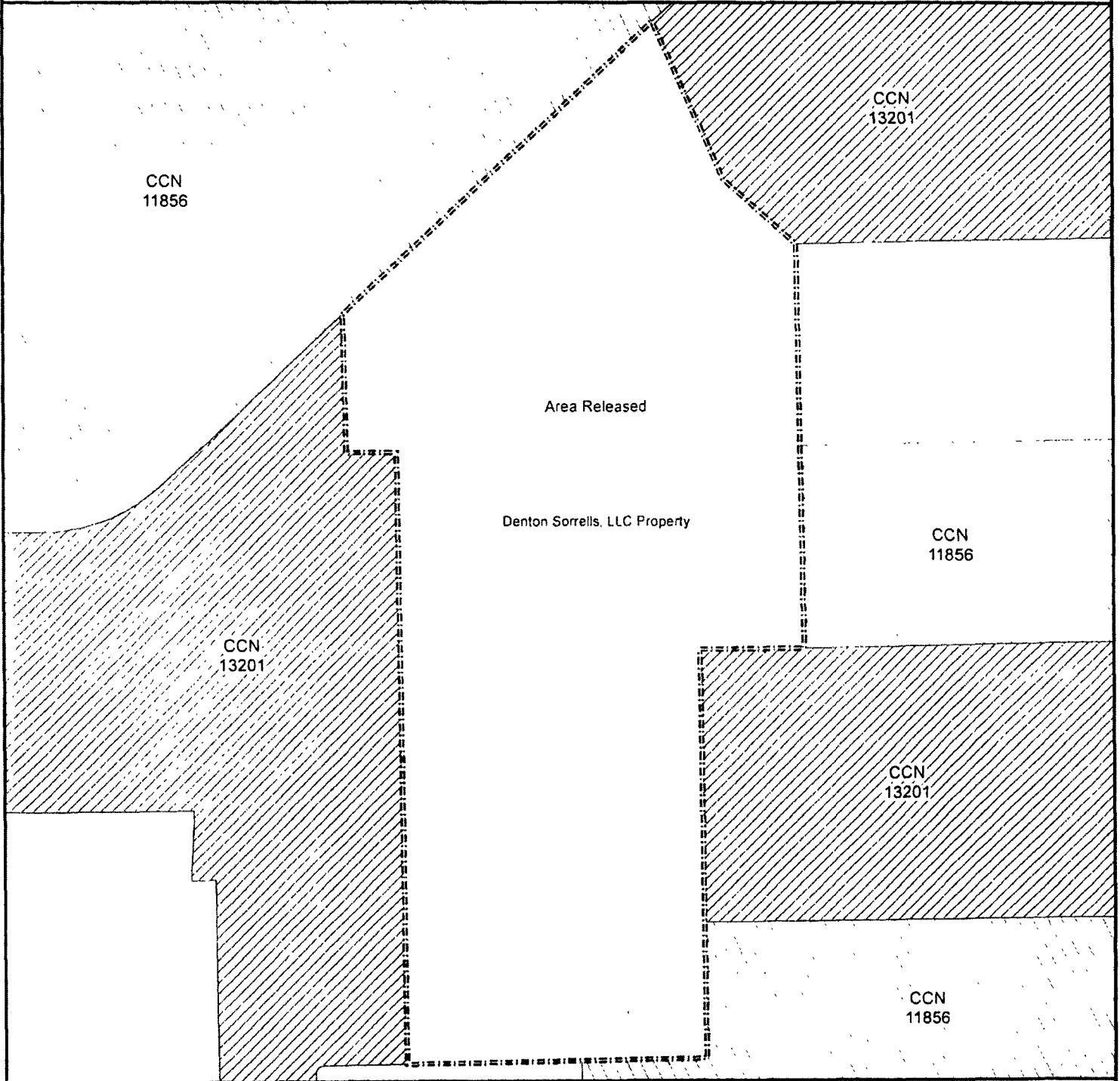
PUBLIC UTILITY COMMISSION OF TEXAS



HUNTER BURKHALTER
ADMINISTRATIVE LAW JUDGE



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Aqua Texas, Inc.
 Portion of Water CCN No. 13201
 PUC Docket No. 48700
 Petition by Denton Sorrells, LLC to Amend
 Aqua Texas, Inc.'s CCN by Expedited Release in Denton County



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

Water CCN

-  13201 - Aqua Texas Inc
-  11856 - Mustang SUD

-  Property Boundary
-  Area Released

0 450 900
 Feet



Map by: Komal Patel
 Date created: January 16, 2019
 Project Path: n:\vinalmap\p\g\48700AquaTX.dwg



Public Utility Commission of Texas

By These Presents Be It Known To All That

Aqua Texas, Inc.

having obtained 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 Aqua Texas, Inc., is entitled to 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 or Orders resulting from Docket No. 48700 are 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 29th day of January 2019.