



Control Number: 50520



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DOCKET NO. 50520

**APPLICATION OF CORIX UTILITIES
TEXAS, INC. TO AMEND ITS WATER
CERTIFICATE OF CONVENIENCE AND
NECESSITY IN BLANCO COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

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**AGREED MOTION TO ADMIT EVIDENCE AND PROPOSED NOTICE OF
APPROVAL**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff) and files this Motion to Admit Evidence and Proposed Notice of Approval with agreement from Corix Utilities Texas, Inc. (Corix) (collectively, the Parties). In support thereof, the Parties show the following:

I. BACKGROUND

On February 6, 2020, Corix Utilities Texas, Inc. (Corix) filed an application to amend its Certificate of Convenience and Necessity (CCN) in Blanco County, Texas. Corix holds water CCN number 13227. The requested service area consists of 131 acres and 0 existing customers.

On June 24, 2020, the Administrative Law Judge (ALJ) issued Order No. 4 requiring Staff to file a recommendation on sufficiency of notice by July 13, 2020. Therefore, this pleading is timely filed.

II. MOTION TO ADMIT EVIDENCE

The Parties request the entry of the following items into the record of this proceeding: (a) Corix's application including the confidential response to Question 30 filed on February 6, 2020 (AIS Item Nos. 1 & 2); (b) Corix's Response to Staff's First Request for Information including confidential response to Staff 1-1 filed on March 19, 2020 (AIS Item Nos. 7 & 8); (c) Corix's proof of notice filed on April 13, 2020 (AIS Item No. 9); (d) Corix's Response to Staff's 2nd Request for Information filed on May 14, 2020 (AIS Item No. 13); (e) Texas Commission on Environmental Quality (TCEQ) Approval for Construction filed on June 3, 2020 (AIS Item No. 14); (f) Corix's

consent form filed on June 30, 2020 (AIS Item No. 17); and (g) Commission Staff's Recommendation on Final Disposition and attachments, filed on July 7, 2020 (AIS Item No. 18).

III. JOINT PROPOSED NOTICE OF APPROVAL

The Parties have agreed on the attached Proposed Notice of Approval, which would grant Corix's application to amend water CCN No. 13227. The Parties request that the Commission adopt the findings of fact, conclusions of law, and ordering paragraphs from the Notice of Approval.

IV. CONCLUSION

The Parties respectfully request that the items listed above be admitted into the record of this proceeding as evidence and that the attached Proposed Notice of Approval be adopted.

Dated: July 13, 2020

Respectfully Submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Rachelle Nicolette Robles
Division Director

/s/ Rashmin J. Asher
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CERTIFICATE OF SERVICE

I hereby certify that, unless otherwise ordered by the presiding officer, a true and correct copy of the foregoing document was transmitted by electronic mail to the parties of record on July 13, 2020 in accordance with the Order Suspending Rules issued in Docket No. 50664.

/s/ Rashmin J. Asher
Rashmin J. Asher

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APPLICATION OF CORIX UTILITIES	§	PUBLIC UTILITY COMMISSION
TEXAS, INC. TO AMEND ITS WATER	§	
CERTIFICATE OF CONVENIENCE AND	§	OF TEXAS
NECESSITY IN BLANCO COUNTY	§	
	§	

PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the application of Corix Utilities Texas, Inc. (Corix) to amend its water certificate of convenience and necessity (CCN) number 13227 to add 131 acres to its water service area in Blanco County. The application is approved, the requested area is added to water CCN number 13227.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicant

1. Corix is a domestic corporation registered with the Texas Secretary of State under charter number 801600117.
2. Corix operates, maintains, and controls facilities that provide water service under CCN number 13227 in Blanco County.

Application

3. On February 6, 2020, Corix filed an application to amend its water CCN number 13227 in Blanco County.
4. The total requested area is 131 acres, is located approximately 2 miles north/northeast of downtown Round Mountain, TX, and is generally bounded on the north by 0.3 mile south of county Road 313 and US Hwy 281 intersection; on the east by Old Marble Falls Road (County Road 305); on the south by 0.8 mile south of County Road 313 and US Hwy 281 intersection; and on the west by US Hwy 281.
5. In Order No. 2 issued on March 12, 2020, the administrative law judge (ALJ) found the application administratively complete.

Notice

6. On April 13, 2020, Corix filed the affidavit of Scott B. Ahlstrom, Corix's authorized representative, attesting that notice was mailed to neighboring utilities, county authorities, municipalities, and affected parties on March 17, 2020.
7. On April 13, 2020 Corix filed the affidavit of Suzanne Hunter attesting to publication of notice in the *Blanco County News*, a newspaper of general circulation in Blanco County, on March 25, 2020 and April 1, 2020.
8. In Order No. 3 issued on April 28, 2020, the ALJ found the notice sufficient.

Map, Tariff, and Certificate

9. On June 1, 2020, Commission Staff emailed its proposed certificate to Corix; on June 2, 2020, Commission Staff emailed its revised proposed map to Corix; and on June 29, 2020, Commission Staff emailed its revised proposed tariff to Corix.
10. On June 30, 2020, Corix filed its consent to the proposed map, certificate, and tariff.
11. On July 7, 2020, Commission Staff filed the proposed map, certificate, and tariff as attachments to its recommendation on final disposition.

Evidentiary Record

12. On July 13, 2020, the parties filed an agreed motion to admit evidence and proposed notice of approval.
13. In Order No. 5 issued on _____, 2020, the ALJ admitted the following into evidence: (a) Corix's application including the confidential response to Question 30 filed on February 6, 2020 (AIS Item Nos. 1 & 2); (b) Corix's Response to Staff's First Request for Information including confidential response to Staff 1-1 filed on March 19, 2020 (AIS Item Nos. 7 & 8); (c) Corix's proof of notice filed on April 13, 2020 (AIS Item No. 9); (d) Corix's Response to Staff's 2nd Request for Information filed on May 14, 2020 (AIS Item No. 13); (e) Texas Commission on Environmental Quality (TCEQ) Approval for Construction filed on June 3, 2020 (AIS Item No. 14); (f) Corix's consent form filed on June 30, 2020 (AIS Item

No. 17); and (g) Commission Staff's Recommendation on Final Disposition and attachments, filed on July 7, 2020 (AIS Item No. 18).

Adequacy of Existing Service—TWC § 13.246(c)(1), 16 TAC § 24.227(d)(1)

14. Corix has a newly approved TCEQ Public Water System (PWS), Identification Number 0160041, for Trinity Oaks Preserve at Round Mountain.

Need for Additional Service—TWC § 13.246(c)(2), 16 TAC § 24.227(d)(2)

15. There is a new development needing water service in progress in the requested area.

Effect of Granting the Amendment—TWC § 13.246(c)(3), 16 TAC § 24.227(d)(3)

16. Corix is certified by TCEQ as a regional provider of water and wastewater utilities in this area. 17. Corix's CCN request will incorporate this system into their existing regional service area.

Ability to Serve: Managerial and Technical—TWC §§ 13.241(a), 13.246(c)(4); 16 TAC § 24.227(a), (d)(4)

18. Corix currently owns and operates 15 public water systems in Texas that serve a population of over 15,000.

19. Corix has the managerial and technical capability to provide continuous and adequate service to the requested area.

Service from Other Utilities—TWC § 13.246(c)(5); 16 TAC § 24.227(d)(5)

20. Currently, there are no other water providers in the area.

Regionalization or Consolidation—TWC § 13.241(d), 16 TAC § 24.227(b)

21. Corix has a newly approved TCEQ Public Water System (PWS), Identification Number 0160041, for Trinity Oaks Preserve at Round Mountain.

Ability to Serve: Financial Ability and Stability—TWC §§ 13.241(a), 13.246(c)(6), 16 TAC § 24.11(e), 24.227(a), (d)(6)

22. Corix meets the leverage test and has a debt to equity ratio of less than one.
23. Corix's financial statements indicate projected cash shortages for the first 2 years, however, Corix generates significant annual income as well as sufficient levels of cash to cover the shortages.
24. Corix has the financial ability and financial stability to pay for the facilities necessary to provide continuous and adequate service to the requested area.

Financial Assurance—TWC § 13.246(d), 16 TAC § 24.227(e)

25. There is no need to require Corix to provide a bond or other financial assurance to ensure continuous and adequate service.

Environmental Integrity—TWC § 13.246(c)(7); 16 TAC § 24.227(d)(7) and Effect on the Land—TWC § 13.246(c)(9); 16 TAC § 24.227(d)(9)

26. The development is being performed consistent with regulatory requirements and sound development standards.

Improvement in Service and Lowering of Cost—TWC § 13.246(c)(8); 16 TAC § 4.227(d)(8)

27. Corix will provide new water service to the customers in the area.

Informal Disposition

28. More than 15 days have passed since the completion of notice provided in this docket.
29. No person filed a protest or motion to intervene.
30. Corix and Commission Staff are the only parties to this proceeding.
31. No party requested a hearing and no hearing is needed.
32. Commission Staff recommended that the application be approved.
33. The decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has jurisdiction over this proceeding under TWC §§13.241, 13.244, and 13.246.
2. Corix is a retail public utility as defined by TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(59).
3. Notice of the application complies with TWC § 13.246 and 16 TAC § 24.235.
4. The Commission processed the application in accordance with the requirements of the Administrative Procedure Act,¹ the TWC, and Commission rules.
5. Corix possesses the financial, managerial, and technical capability to provide continuous and adequate service to the requested service area and its current service area in Blanco County as required by TWC § 13.241(a) and 16 TAC § 24.227.
6. The amendment to CCN number 13227 is necessary for the service, accommodation, convenience, and safety of the public as required by TWC § 13.246(b) and 16 TAC § 24.227(c).
7. Corix must record a certified copy of the approved map for the certificate amendment, along with a boundary description of the service area, in the real property records of Blanco County within 30 days of receiving this Notice of Approval and submit to the Commission evidence of the recording in accordance with TWC §§ 13.257(r) and (s).
8. 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 amends Corix water CCN number 13227 as described in this Notice of Approval and shown on the attached map.
2. The Commission grants the certificate and tariff attached to this Notice of Approval.
3. Corix must serve every customer and applicant for service within the approved area under CCN number 13227 who requests water service and meets the terms of Corix water service, and such service must be continuous and adequate.

¹ Tex. Gov't Code § 2001.

4. Corix must comply with the recording requirements in TWC §§ 13.257(r) and (s) for the areas in Blanco County affected by this application.
5. Corix must file in this docket proof of the recording required in ordering paragraph four no later than 45 days after the date this Notice of Approval is signed.
6. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted

Signed at Austin, Texas the _____ day of _____ 2020.

ADMINISTRATIVE LAW JUDGE