



Control Number: 51407



Item Number: 54

APPLICATION OF DOS AGUAS, LLC  
FOR A WATER CERTIFICATE OF  
CONVENIENCE AND NECESSITY IN  
WALKER, MONTGOMERY, AND SAN  
JACINTO COUNTIES

§ PUBLIC UTILITY COMMISSION  
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§  
§ OF TEXAS  
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**ORDER REMANDING PROCEEDING TO DOCKET MANAGEMENT**

This Order addresses the motions for rehearing filed by Dos Aguas, LLC. The Commission grants rehearing to reconsider its decision and remands this proceeding to Docket Management for further processing.

For the proposed certificate of convenience and necessity (CCN) area in this proceeding, Dos Aguas identified a 5,286-acre area within Walker, Montgomery, and San Jacinto counties that will serve up to 2,200 connections in two residential subdivisions.<sup>1</sup> Dos Aguas stated that there are 34 written requests for water service from homeowners interconnected to Dos Aguas' public water system.<sup>2</sup>

In total, Dos Aguas plans to construct three separate plants to have sufficient capacity to serve up to 2,200 connections. To date, Dos Aguas provided the following information for plant one. It was funded by equity from Dos Aguas' members and with no debt,<sup>3</sup> the Texas Commission on Environmental Quality (TCEQ) conditionally approved the construction of Dos Aguas' public water system,<sup>4</sup> Dos Aguas provided facilities maps,<sup>5</sup> the construction was completed,<sup>6</sup> and Dos Aguas awaits the final approval for public use letter from TCEQ.<sup>7</sup>

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<sup>1</sup> Dos Aguas' Application at 96 (Oct. 9, 2020).

<sup>2</sup> Dos Aguas' Second Motion for Rehearing at 5 (Mar. 24, 2022).

<sup>3</sup> Dos Aguas' Motion for Rehearing, Affidavit of Scott Rohe at 5, ¶ 26.

<sup>4</sup> *Id.* at 2, ¶ 9.

<sup>5</sup> *Id.*, Attachment 1D, Final Submittal to TCEQ for Water Plant No. 1.

<sup>6</sup> *Id.*, Affidavit of Scott Rohe at 2-3, ¶ 10.

<sup>7</sup> *Id.* at 3, ¶ 15.

For plant two, Dos Aguas filed no information on the estimated costs to construct plant two and limited information on the funding for plant two,<sup>8</sup> in accordance with 16 Texas Administrative Code (TAC) §§ 24.11(e)(5)(B)(ii) and 24.233(a)(6). The conditional letter from TCEQ approving construction of the Dos Aguas public water system does not state whether it includes plant two, no facilities maps were filed as required by Texas Water Code (TWC) § 13.244(b) and 16 TAC § 24.257(a)(4), and construction is expected to be completed in April of 2022.<sup>9</sup>

For plant three, preliminary engineering is underway, and Dos Aguas expects to construct and install the facilities when the need for service to additional connections is more imminent.<sup>10</sup> Dos Aguas has not filed the budget estimate or funding information for construction, facilities maps, or an approval letter from TCEQ for the plans and specifications of this portion of the public water system.

Based on the additional documents filed with Dos Aguas' two motions for rehearing, it appears that Dos Aguas has demonstrated that it has the financial, managerial, and technical ability to obtain a CCN only for the portion of the requested 5,286-acre area that can be served by plant one. However, on remand, additional evidence regarding the specific number of connections that can be served by plant one is needed.

Dos Aguas initially stated that plants one and two will be able to provide water service to a minimum of 583 connections.<sup>11</sup> In its motion for rehearing, Dos Aguas stated that it oversized the well design for plant one, resulting in double the water capacity than contemplated from the original design, or 350 gallons per minute compared to 175 gallons per minute.<sup>12</sup> Further, Dos Aguas provided an affidavit stating that a pump test for plant one confirmed the pump output of 350 gallons per minute.<sup>13</sup>

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<sup>8</sup> *Id.* at ¶ 13.

<sup>9</sup> *Id.* at ¶ 11.

<sup>10</sup> *Id.*, ¶ 14.

<sup>11</sup> Dos Aguas' Response to Commission Staff's Third Requests for Information at 1 (Aug. 18, 2021).

<sup>12</sup> Motion for Rehearing, Affidavit of Scott Rohe at 2–3, ¶ 10; *see also id.*, Attachment 1D, Final Submittal to TCEQ for Water Plant No. 1.

<sup>13</sup> *Id.*, Affidavit of Scott Rohe at 2, ¶ 10.

On remand, Dos Aguas must amend its application to identify the number of connections that it has the current capacity to serve with plant one, identify the location of the connections it has the facilities and capacity to serve with plant one, identify the total number of acres in the revised service area that Dos Aguas has the capacity to serve with plant one, and Dos Aguas must also include mapping information for the revised requested area required by Commission rules and needed by Commission Staff to create the applicable water CCN service area map. Further, if Dos Aguas receives the final approval for public use letter from TCEQ for plant one while this proceeding is remanded to Docket Management for further processing, Dos Aguas must file such letter in this docket in accordance with 16 TAC § 24.233(a)(14)(A).

To facilitate a revised proposed order, Dos Aguas should file an amended application with the information described above, as well as all information provided as attachments to the motions for rehearing, and move for the admission of additional evidence into the record. Commission Staff should file a revised final recommendation with a revised water CCN map, and Docket Management should file a revised proposed order.

The Commission grants rehearing to reconsider its decision and remands this proceeding to Docket Management for further processing consistent this Order.

Signed at Austin, Texas the 21<sup>st</sup> day of April 2022.

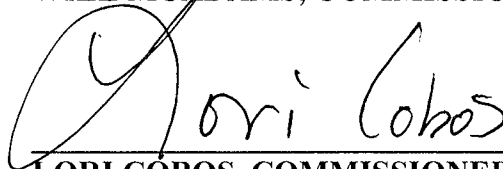
**PUBLIC UTILITY COMMISSION OF TEXAS**



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