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DOCKET NO. 52048

**APPLICATION OF THE CITY OF
JUSTIN AND AQUA TEXAS, INC. FOR
APPROVAL OF A SERVICE AREA
CONTRACT UNDER TEXAS WATER
CODE § 13.248 AND TO AMEND
CERTIFICATES OF CONVENIENCE
AND NECESSITY IN DENTON
COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

2021 MAY 21 AM 11:17

**COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE
COMPLETENESS AND NOTICE**

On April 21, 2021, the City of Justin and Aqua Texas, Inc. (Aqua Texas) (collectively, Applicants) filed an application for approval of a service area contract under Texas Water Code (TWC) § 13.248 and to amend City of Justin's water certificate of convenience and necessity (CCN) No. 10167 and Aqua Texas's water CCN No. 13201 in Denton County, Texas. The Applicants' TWC § 13.248 service area contract is being reviewed in accordance with 16 Texas Administrative Code (TAC) § 24.253. Specifically, City of Justin and Aqua Texas entered into a contractual agreement which permits City of Justin to provide water services within the agreed upon 202-acre water service area. Applicants will not transfer assets or facilities under the terms of the agreement.

On April 22, 2021, the administrative law judge filed Order No. 1, establishing a deadline of May 21, 2021, for the Staff of the Public Utility Commission of Texas (Staff) to file a recommendation on administrative completeness and notice. Therefore, this pleading is timely filed.

I. ADMINISTRATIVE COMPLETENESS

After review, and as detailed in the attached memorandum of Pai Liu of the Commission's Infrastructure Division, Staff recommends that the application satisfies the requirements of TWC § 13.248 and 16 TAC § 24.253. Therefore, Staff recommends that the application be deemed administratively complete.

II. NOTICE

Staff recommends that notice be deemed sufficient. Under 16 TAC § 24.253(c)(2), if a regulatory authority's board decides to enter into a contract at a duly posted meeting, then the meeting agenda and minutes of the meeting can serve as notice. Aqua Texas is an investor-owned utility; therefore, 16 TAC § 24.253(c)(2) is applicable only to the City of Justin. The meeting agenda and minutes for the applicable City of Justin meeting, held on March 29, 2021, were filed on April 21, 2021 as notice of the application. An affidavit attesting to notice, signed by Darrell Gentry, Director of Planning and Development for City of Justin, was also included. Staff also recommends that individual notice under 16 TAC § 24.253(c)(1) is not required because the service area to be transferred does not contain any existing customers.

III. PROPOSED PROCEDURAL SCHEDULE

Staff, with the agreement of Applicants, proposes the following procedural schedule for the continued processing of this application:

Event	Date
Deadline for intervention	April 28, 2021
Deadline for Commission Staff to provide final maps, certificates, and tariffs (if applicable) to Applicants	June 18, 2021
Deadline for Applicants to file signed consent forms with the Commission	July 2, 2021
If no hearing is requested, deadline for Staff to file a final recommendation on the application	July 12, 2021
If no hearing is requested, deadline for the parties to file joint proposed findings of fact and conclusions of law	July 19, 2021

IV. CONCLUSION

Staff respectfully requests the issuance of an order consistent with the foregoing recommendation.

Dated: May 21, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Eleanor D'Ambrosio
Managing Attorney

/s/ Merritt Lander
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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record on May 21, 2021 in accordance with the Order Suspending Rules filed in Project No. 50664.

/s/ Merritt Lander
Merritt Lander

Public Utility Commission of Texas

Memorandum

TO: Merritt Lander, Attorney
Legal Division

FROM: Pai Liu, Infrastructure Analyst
Infrastructure Division

DATE: May 21, 2021

RE: Docket No. 52048 – *Application of the City of Justin and Aqua Texas, Inc. for Approval of a Service Area Contract Under Texas Water Code § 13.248 and to Amend Certificates of Convenience and Necessity in Denton County*

On April 21, 2021, the City of Justin and Aqua Texas, Inc. (Aqua Texas) (collectively, Applicants) filed an application for approval of a service area contract under Texas Water Code (TWC) § 13.248 and to amend the City of Justin's water certificate of convenience and necessity (CCN) No. 10167 and Aqua Texas's water CCN No. 13201 in Denton County, Texas. The Applicants' TWC § 13.248 service area contract is being reviewed in accordance with 16 Texas Administrative Code (TAC) § 24.253.

Specifically, the City of Justin and Aqua Texas entered into a contractual agreement which permits the City of Justin to provide water services within the agreed upon water service area. The Applicants will not transfer assets or facilities under the terms of the agreement.

The requested area includes 0 current customers and approximately 202 acres, comprised of 202 acres of area transferred from CCN No. 13201.

The result of the application will be the addition of approximately 202 acres to CCN No. 10167.

The result of the application will be the subtraction of approximately 202 acres from CCN No. 13201.

The City of Justin submitted documentation to satisfy the notice requirements under 16 TAC § 24.253(c). Specifically, the City of Justin submitted copies of its meeting minutes approving the agreement and agendas that were posted prior to each of its meetings. The City of Justin also provided an affidavit attesting to the date notice was posted and the date that the meeting approving the agreement transpired.

Based on the mapping review by Gary Horton, Infrastructure Division, and my technical and managerial review of the information filed by the Applicants, I recommend that the application be deemed administratively complete.