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DOCKET NO. 52126

APPLICATION OF THE SAN	§	PUBLIC UTILITY COMMISSION
ANTONIO WATER SYSTEM AND	§	
YANCEY WATER SUPPLY	§	OF TEXAS
CORPORATION FOR APPROVAL OF	§	
SERVICE AREA CONTRACT UNDER	§	
TEXAS WATER CODE § 13.248 AND	§	
TO AMEND CERTIFICATES OF	§	
CONVENIENCE AND NECESSITY IN	§	
MEDINA COUNTY	§	

NOTICE OF APPROVAL

This Notice of Approval addresses the application of San Antonio Water System and Yancey Water Supply Corporation for approval of a service-area contract under Texas Water Code (TWC) § 13.248 and to amend water certificates of convenience and necessity (CCNs) in Medina County. The application seeks to transfer approximately 31 acres from Yancey WSC's service area under CCN number 11463 to San Antonio Water System's service area under CCN number 10640, and approximately 46 acres from San Antonio Water System's service area under CCN number 10640 to Yancey WSC's service area under CCN 11463. The Commission approves the service-area contract and amends CCN numbers 10640 and 11463 accordingly.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicants

1. Yancey WSC is a Texas nonprofit corporation registered with the Texas secretary of state under file number 44417301.
2. Yancey WSC was created under Texas Water Code (TWC) chapter 67.
3. Yancey WSC operates, maintains, and controls facilities for providing retail water service in Medina County under water CCN number 11463.
4. San Antonio Water System is municipally owned water and sewer utility owned by the City of San Antonio.

5. San Antonio Water System operates, maintains, and controls facilities for providing water service in Medina County under CCN number 10640.

Application

6. On April 21, 2021, Yancey WSC and San Antonio Water System executed a service area agreement (the service-area contract) to transfer approximately 31 acres of service area from Yancey WSC under CCN number 11463 to San Antonio Water System under CCN number 10640, and approximately 46 acres from San Antonio Water System under CCN number 10640 to Yancey WSC under CCN number 11463.
7. On May 13, 2021, Yancey WSC and San Antonio Water System filed the application at issue in this proceeding for approval of the service-area contract and to amend CCN numbers 10640 and 11463.
8. The application included a copy of the service-area contract executed by Yancey WSC and San Antonio Water System.
9. The 46 acres that will be transferred to Yancey WSC under CCN number 11463 are within San Antonio Water System's certificated water service area in Medina County.
10. The 31 acres that will be transferred to San Antonio Water System under CCN number 10640 are within Yancey WSC's certificated water service area in Medina County.
11. There are no customers, tangible assets, or facilities within any of the 77 acres of service area being transferred.
12. There will be no transfer of customers, tangible assets, or facilities as a result of the service-area contract or application.
13. In Order No. 2 filed on June 23, 2021, the administrative law judge (ALJ) found the application administratively complete.

Notice

14. On March 9, 2021, Yancey WSC's board of directors considered and approved the service-area contract at a public meeting.

15. The application included a copy of the agenda and minutes from the March 9, 2021 Yancy WSC board of directors' meeting as well as a supporting affidavit from Scooter Mangold, general manager of Yancey WSC.
16. The decision of San Antonio Water System to enter into the service-area contract was not discussed at a meeting of the utility's board of directors because the board has delegated the decision-making authority for entering into such contracts to the utility's president and chief executive officer.
17. The application included an affidavit from Keith Martin, senior corporate counsel to San Antonio Water System, attesting that the president and chief executive officer of the utility has been delegated the decision-making authority for entering into service-area contracts.
18. In Order No. 2 filed on June 23, 2021, the ALJ found the notice sufficient.

Certificates and Map

19. On July 19, 2021, Commission Staff emailed its proposed map and certificates to the applicants.
20. On July 21, 2021, San Antonio Water System filed its consent to the map and certificates provided by Commission Staff.
21. On July 22, 2021, Yancey WSC filed its consent to the map and certificates provided by Commission Staff.
22. On August 16, 2021, the parties filed the proposed map and certificates as attachments to the parties' proposed notice of approval.

Evidentiary Record

23. On August 17, 2021, the parties filed a joint motion to admit evidence and notice of approval.
24. In Order No. 3 filed on August 30, 2021, the ALJ admitted the following evidence into the record of this proceeding: (a) the application filed on May 13, 2021 and all attachments; (b) Commission Staff's recommendation on sufficiency of application and notice filed on June 14, 2021; (c) San Antonio Water System's executed consent form filed on July 21, 2021; (d) Yancey WSC's executed consent form filed on July 22, 2021; (e) Commission Staff's recommendation on final disposition filed on August 9, 2021; and (f) the map and

certificates attached to the joint proposed notice of approval and motion to admit evidence filed on August 17, 2021.

Informal Disposition

25. More than 15 days have passed since the completion of the notice provided in this docket.
26. No person filed a protest or motion to intervene.
27. San Antonio Water System, Yancey WSC, and Commission Staff are the only parties to this proceeding.
28. No party requested a hearing and no hearing is needed.
29. Commission Staff recommended approval of the application.
30. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over the application under TWC §§ 13.041 and 13.248.
2. San Antonio Water System and Yancey WSC are retail public utilities as defined in TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
3. Under TWC § 13.248, contracts between retail public utilities designating areas to be served by those retail public utilities, when approved by the Commission, are valid and enforceable and incorporated into the affected CCNs.
4. The application meets the requirements of 16 TAC § 24.253.
5. Public notice of the application was provided in compliance with TWC § 13.248 and 16 TAC § 24.253(c).
6. The application was processed in accordance with the TWC, the Administrative Procedure Act,¹ and Commission rules.
7. Under TWC § 13.257(r) and (s), San Antonio Water System and Yancey WSC must each record a certified copy of its approved map and certificate, along with a boundary

¹ Tex. Gov't Code §§ 2001.001-.903.

description of its service area, in the real property records of Medina County within 31 days of this Notice of Approval and must submit evidence of the recording to the Commission.

8. The requirements for informal disposition under 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 approves the service-area contract to the extent provided in this Notice of Approval.
2. The Commission amends San Antonio Water System's water CCN number 10640 as described in this Notice of Approval and as shown in the map attached to this Notice of Approval.
3. The Commission amends Yancey WSC's water CCN number 11463, as described in this Notice of Approval, and as shown in the map attached to this Notice of Approval.
4. The Commission approves the map attached to this Notice of Approval.
5. The Commission issues the certificates attached to this Notice of Approval.
6. San Antonio Water System must provide service to every customer and qualified applicant for water service within the approved service area under CCN number 10640 that requests water service and meets the terms of San Antonio Water System's water service, and such service must be continuous and adequate.
7. Yancey WSC must provide service to every customer and qualified applicant for water service within the approved service area under CCN number 11463, that requests water service and meets the terms of Yancey WSC's water service, and such service must be continuous and adequate.
8. San Antonio Water System and Yancey WSC must each comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Medina County affected by the

application and file in this docket proof of the recording no later than 45 days after the date of this Notice of Approval.

9. The Commission denies all other motions and any other requests for general or specific relief not expressly granted herein.

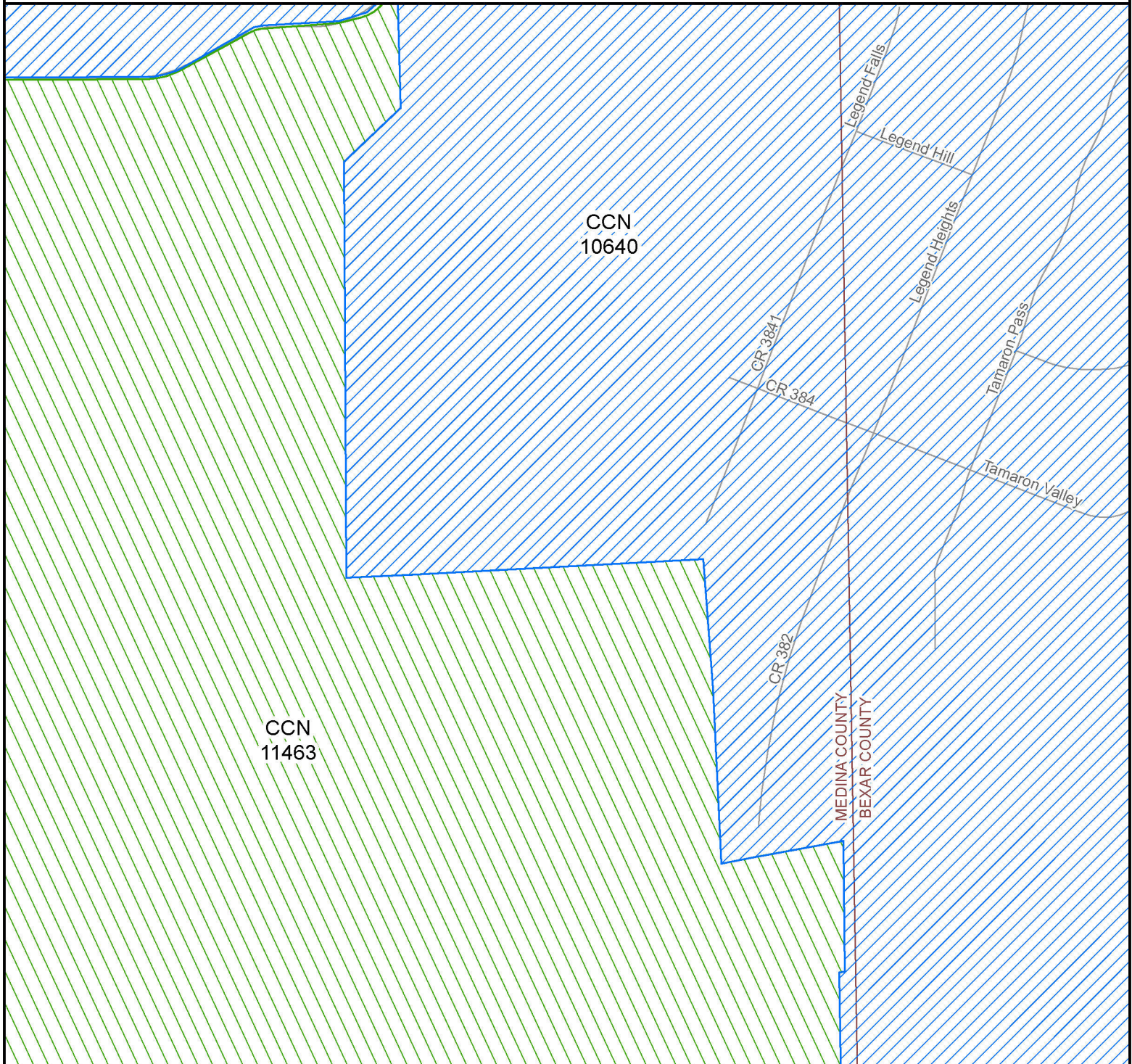
Signed at Austin, Texas the 1st day of September 2021.

PUBLIC UTILITY COMMISSION OF TEXAS




HUNTER BURKHALTER
CHIEF ADMINISTRATIVE LAW JUDGE

San Antonio Water System, Portion of Water CCN No. 10640 and
Yancey Water Supply Corporation, Portion of Water CCN No. 11463
PUC Docket No. 52126

13.248 Agreement to Transfer a Portion of San Antonio Water System, CCN No. 10640 and a
Portion of Yancey Water Supply Corporation, CCN No. 11463 in Medina County



Water CCN

-  10640 - San Antonio Water System
-  11463 - Yancey WSC



Public Utility Commission of Texas

By These Presents Be It Known To All That

San Antonio Water System

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, San Antonio Water System is entitled to this

Certificate of Convenience and Necessity No. 10640

to provide continuous and adequate water utility service to that service area or those service areas in Atascosa, Bexar, Comal, Kendall, and Medina Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 52126 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the San Antonio Water System 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.



Public Utility Commission of Texas

By These Presents Be It Known To All That

Yancey Water Supply Corporation

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, Yancey Water Supply Corporation is entitled to this

Certificate of Convenience and Necessity No. 11463

to provide continuous and adequate water utility service to that service area or those service areas in Frio and Medina counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 52126 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Yancey Water Supply Corporation 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.