



## Filing Receipt

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<b>APPLICATION OF AQUA TEXAS, INC.</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>TO AMEND ITS CERTIFICATES OF</b>	<b>§</b>	
<b>CONVENIENCE AND NECESSITY IN</b>	<b>§</b>	<b>OF TEXAS</b>
<b>COLLIN COUNTY</b>	<b>§</b>	

**ORDER NO. 7  
REQUIRING CLARIFICATION FROM THE PARTIES**

In this matter, Aqua Texas, Inc. is seeking to prove that it satisfies the financial leverage and operations tests by relying upon data from its affiliate, Essential Utilities, Inc. Before he can find that Aqua Texas satisfies these two tests, additional information is required.

First, under 16 Texas Administrative Code (TAC) § 24.11(e)(2)(E), an applicant may satisfy the leverage test through an affiliate. However, the applicant must prove that the affiliate “is capable, available, and willing to cover temporary cash shortages” that the applicant may experience. Is there anything in the existing record of this case demonstrating that Essential Utilities is capable, available, and willing to cover temporary cash shortages that Aqua Texas may experience? If so, Aqua Texas must, by November 23, 2021, specifically identify where in the record that evidence can be found. If not, Aqua Texas must, by the same date, file supplemental evidence making that demonstration, and move for its admission.

Second, under 16 TAC § 24.11(e)(3), an applicant may satisfy the operations test through an affiliate. However, the affiliate must provide a written guarantee that it will cover any temporary cash shortages experienced by the applicant. Is there, in the existing record of this case, a written guarantee from Essential Utilities that it will cover any temporary cash shortages experienced by Aqua Texas? If so, Aqua Texas must, by November 23, 2021, specifically identify where in the record that evidence can be found. If not, Aqua Texas must, by the same date, file the written guarantee, and move for its admission.

By December 7, 2021, Commission Staff must make a supplemental final recommendation, solely as to the financial aspects of the application.

Signed at Austin, Texas the 10th day of November 2021.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink, appearing to read 'HB', is written over a horizontal line.

HUNTER BURKHALTER  
CHIEF ADMINISTRATIVE LAW JUDGE