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DOCKET NO. 52197

APPLICATION OF AQUA TEXAS, INC.	§	PUBLIC UTILITY COMMISSION
TO AMEND A CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY IN	§	OF TEXAS
WILLIAMSON COUNTY	§	

COMMISSION STAFF'S PROPOSED LIST OF ISSUES

I. BACKGROUND

On June 1, 2021, Aqua Texas, Inc. (Aqua Texas, Applicant) filed an application to amend its sewer Certificate of Convenience and Necessity (CCN) number 21116 in Williamson County. The requested service area consists of 127 acres and 0 current customers. Aqua Texas filed confirmation of mailed notice on July 2 and July 27, 2020. On July 30, 2021, Jonah Water Special Utility District (Jonah) filed a motion to intervene. On September 8, 2021, the City of Georgetown (City) filed a second motion to intervene and request a hearing.

On September 9, 2021, the Commission's Office of Policy and Docket Management issued an Order requesting lists of issues. The Order required interested parties to file with the Commission a list of issues to be addressed in this proceeding, along with identifying any issues which should not be addressed in the docket, and any threshold legal and/or policy issues which should be briefed for purposes of a preliminary order by September 15, 2021. Therefore, this pleading is timely filed.

II. LIST OF ISSUES

The Staff (Staff) of the Public Utility Commission (Commission) recommends that the Commission adopt the following list of issues to be addressed in this docket:

1. Has the applicant given notice consistent with TWC § 13.246 and 16 TAC § 24.235?
2. Does the applicant's requested sewer service area overlap with the certificated service area of other entities? If so, what specific areas overlap? Has the applicant received appropriate consent to provide sewer service within the entities' service boundaries?
3. What modifications, if any, must be made to the applicant's requested sewer service area to reflect land removed from the requested service area because of a

qualified landowner's election to exclude some or all of the landowner's property pursuant to TWC § 13.2451(b) and 16 TAC § 24.227(i)?

4. Does the applicant possess the financial, managerial, and technical capability to provide continuous and adequate sewer service? TWC § 13.241(a) and 16 TAC §24.227(a).
5. Does the applicant possess the capability to provide drinking water that meets the requirements of TWC § 13.241(c) and 16 TAC § 24.227(a)(2)?
6. Does the applicant possess a TCEQ-approved system that is capable of meeting TCEQ's design criteria for sewer treatment plants, TCEQ rules, and the Texas Water Code? 16 TAC § 24.227(a)(2)?
7. Would the requested sewer service area require construction of a physically separate sewer system? If so, has the applicant proven that regionalization or consolidation with a retail public utility for sewer service is not economically feasible? TWC § 13.241(d) and 16 TAC 24.227(b).
8. Is the requested sewer certificate necessary for the service, accommodation, convenience, or safety of the public? TWC § 13.246(b) and 16 TAC § 24.227(d).
9. Does the balance of factors under TWC § 13.246(c) and 16 TAC § 24.227(e) weigh in favor of granting the requested sewer certificate? In answering this issue, please address the following sub-issues:
 - a. Is the requested sewer service area currently receiving adequate sewer service? TWC § 13.246(c)(1) and 16 TAC 24.227(e)(1).
 - b. Does the requested sewer service area need additional sewer service? TWC § 13.246(c)(2) and 16 TAC 24.227(e)(2).
 - i. Have any landowners, prospective landowners, tenants, or residents requested sewer service?
 - ii. Are there economic needs for additional sewer service?
 - iii. Are there environmental needs for additional sewer service?
 - iv. Are there written applications or requests for sewer service?
 - v. Are there reports or market studies demonstrating existing or anticipated growth in the area?

- c. What is the effect, under TWC § 13.246(c)(3) and 16 TAC § 24.227(e)(3) of granting the requested sewer amendment on
 - i. The applicant,
 - ii. Landowners in the requested service areas, and
 - iii. Any retail public utility that provides the same service and that is already serving any area within two miles of the boundary of the requested area?
- d. Is the applicant capable of providing adequate sewer service, including meeting the standards of the TCEQ and the Commission, taking into consideration the current and projected density and land use of the requested area? TWC § 13.246(c)(4) and 16 TAC § 24.227(e)(4).
- e. What is the feasibility of obtaining sewer service from an adjacent retail public utility? TWC § 13.246(c)(5) and 16 TAC § 24.227(e)(5).
- f. Is the applicant financially able to pay for the facilities necessary to provide continuous and adequate sewer service? TWC § 13.246(c)(6) and 16 TAC § 24.227(e)(6).
- g. Is the applicant financially stable, including, if applicable, its debt-to-equity ratio? TWC § 13.246(c)(6) and 16 TAC § 24.227(e)(6).
- h. How would environmental integrity be affected, if at all, by granting the requested sewer certificate? TWC § 13.246(c)(7) and 16 TAC § 24.227(e)(7).
- i. Is it probable that sewer service would be improved or costs to consumers in that area would be lowered by granting the requested certificate? TWC § 13.246(c)(8) and 16 TAC § 24.227(e)(8).
- j. How would the land in the requested area be affected, if at all, by granting the requested certificate? TWC § 13.246(c)(9) and 16 TAC § 24.227(e)(9).
- 10.** Should the Commission require the applicant, pursuant to TWC § 13.246(d) and 16 TAC § 24.227(f), to provide a bond or other financial assurance to ensure that continuous and adequate sewer service is provided?
- 11.** If applicable, what were the applicant's efforts to:
 - a. Extend sewer service to any economically distressed area, within the meaning of TWC § 15.001, located within the applicant's certified service area; and

- b. Enforce rules adopted under TWC § 16.343, regarding minimum standards for safe and sanitary sewer services? TWC § 13.246(e).

III. ISSUES NOT TO BE ADDRESSED

Staff has not identified any issues that should not be addressed in this docket.

IV. THRESHOLD LEGAL/POLICY ISSUES

Staff has not identified any legal or policy issues that should be briefed for the purposes of a preliminary order.

Date: September 15, 2021

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Rachelle Nicolette Robles
Division Director

Rustin Tawater
Managing Attorney

/S/ Phillip Lehmann
Phillip Lehmann
State Bar No. 24100140
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711
(512) 936-7385
(512) 936-7268 (facsimile)
phillip.lehmann@puc.texas.gov

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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 via electronic mail on September 15, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/S/ Phillip Lehmann
Phillip Lehmann