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PUC DOCKET NO. 53696

PETITION BY AQUA TEXAS, INC.	§	PUBLIC UTILITY COMMISSION
FOR PARTIAL DECERTIFICATION	§	
OF CERTIFICATES OF	§	OF TEXAS
CONVENIENCE AND NECESSITY	§	
IN MONTGOMERY COUNTY	§	

JOINT MOTION TO ADMIT EVIDENCE AND PROPOSED NOTICE OF APPROVAL

COMES NOW Aqua Texas, Inc. (Aqua) together with the Staff (Staff) of the Public Utility Commission (Commission) (collectively, the Parties), representing the public interest, and files this Joint Motion to Admit Evidence along with a Proposed Notice of Approval. The sole Intervenor in this matter, Chapel Run Land Investment Company, LLC, concurs with this motion. In support thereof, the Parties show the following:

I. BACKGROUND

On June 7, 2022, Aqua Texas, Inc. filed an Application (Application), with the Public Utility Commission of Texas (Commission), to amend its certificates of convenience and necessity (CCN) in Montgomery County, Texas. Aqua seeks approval to decertify a portion of its water CCN No. 13203 and sewer CCN No. 21065. On July 12, 2022, Order No. 3 was filed finding the application administratively complete, waving notice, and requiring comments by Staff. On July 25, 2022, Order No. 4 was issued establishing a deadline of September 23, 2022 for the Parties to file proposed findings of fact and conclusions of law. Therefore this pleading is timely filed.

II. JOINT MOTION TO ADMIT EVIDENCE

The Parties move to admit the following evidence into the record of this proceeding:

- (a) Aqua's Petition for Partial Decertification (Interchange Item No. 1, filed June 7, 2022);
- (b) Aqua's submission of additional mapping (Interchange Item No. 4, filed June 20, 2022); (c)
- Chapel Run Land Investment Company, LLC's Motion to Intervene (Interchange Item No. 5, filed

June 21, 2022); (d) Commission Staff's Recommendation on Administrative Completeness, Waiver of Notice and Proposed Procedural Schedule (Interchange Item No. 7, filed July 8, 2022); (e) Aqua's Consent Form (Interchange Item. No. 11, filed on September 2, 2022); (f) Commission Staff's Final Recommendation (Interchange Item No. 12, filed on September 9, 2022); and (g) the CCN map and certification consented to by Aqua on September 2, 2022, included as Attachment A.

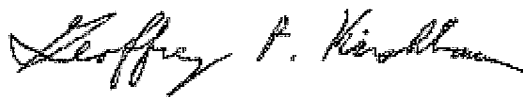
III. PROPOSED NOTICE OF APPROVAL

The Parties respectfully request that the Commission adopt the findings of fact, conclusions of law, and ordering paragraphs contained in the attached proposed notice of approval.

IV. CONCLUSION

The Parties respectfully request that the Commission grant this motion, admit evidence as requested herein, and issue a Notice of Approval consistent with the attached Joint Proposed Notice of Approval.

Respectfully submitted,

By: 

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ATTORNEY FOR AQUA TEXAS, INC.

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

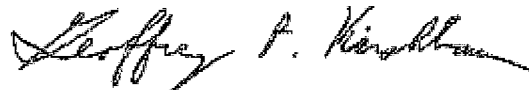
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Division Director

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(512) 936-7465
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Ian.Groetsch@puc.texas.gov

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 23, 2022, in accordance with the Orders Suspending Rules issued in Project No. 50664.



Geoffrey P. Kirshbaum

PUC DOCKET NO. 53696

PETITION BY AQUA TEXAS, INC.	§	PUBLIC UTILITY COMMISSION
FOR PARTIAL DECERTIFICATION	§	
OF CERTIFICATES OF	§	OF TEXAS
CONVENIENCE AND NECESSITY	§	
IN MONTGOMERY COUNTY	§	

JOINT PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the application (Application) of Aqua Texas, Inc. (Aqua or Petitioner) for Commission approval of an amendment to Certificates of Convenience and Necessity (CCN) Nos. 13203 and 21065 in Montgomery County, Texas. Aqua seeks approval to decertify a portion of its water CCN No. 13203 and sewer CCN No. 21065. Through its Application, Aqua seeks to voluntarily decertify a portion of its service area that is owned by Chapel Run Land Investment Company, LLC. The requested area to be decertified includes 0 customer connections being served by Aqua and approximately 45.7 acres within CCN Nos. 13203 and 21065. Staff (Staff) of the Public Utility Commission of Texas (Commission) recommended approval of this application. The application is approved. The Commission adopts the following findings of fact and conclusions of law:

I. FINDINGS OF FACT

The Commission makes the following findings of fact.

Applicant

1. Aqua is a domestic for-profit corporation registered with the Texas Secretary of State under file number 0800304878 (Texas Taxpayer No. 32014405503).
2. Aqua is 100% owned by Essential Utilities, Inc, a Pennsylvania corporation.
3. Aqua is an investor-owned utility that owns and operates various water and wastewater systems for its geographic Southeast operating region (Southeast Region) under water CCN No. 13203 and sewer CCN No. 21065.

Procedural History and Application

4. On June 7, 2022, Aqua filed an application to amend its water CCN No. 13203 and sewer CCN No. 21065 in Montgomery County, Texas.
5. The total proposed service area reduction requested in this Application consists of approximately 45.7 acres, 0 current customers, and no infrastructure.
6. The Map of the requested service area subject to this transaction is provided in **Attachment A**.
7. In Order No. 3, filed on July 12, 2022, the ALJ found the application administratively complete.

Notice

8. On June 2, 2022, Aqua Texas requested a waiver of the notice requirements under 16 Texas Administrative Code (TAC) § 24.245(d)(2)(A).
9. On June 21, 2022, Chapel Run Land Investment Company, LLC (Chapel Run) filed a Motion to Intervene as owner of the subject property and in support of the Application.
10. On July 8, 2022, Staff recommended granting Aqua's request for waiver of notice.
11. In Order No. 3, filed on July 12, 2022, the ALJ found good cause to waive the notice.

Evidentiary Record

12. In Order No. ____ issued on September ___, 2022, the ALJ admitted the following evidence into the record: (a) Aqua's Petition for Partial Decertification (Interchange Item No. 1, filed June 7, 2022); (b) Aqua's submission of additional mapping (Interchange Item No. 4, filed June 20, 2022); (c) Chapel Run Land Investment Company, LLC's Motion to Intervene (Interchange Item No. 5, filed June 21, 2022); (d) Commission Staff's Recommendation on Administrative Completeness, Waiver of Notice and Proposed

Procedural Schedule (Interchange Item No. 7, filed July 8, 2022); (e) Aqua's Consent Form (Interchange Item. No. 11, filed on September 2, 2022); (f) Commission Staff's Final Recommendation (Interchange Item No. 12, filed on September 9, 2022); and (g) the CCN map and certification consented to by Aqua on April 28, 2022, included as **Attachment A**.

13. On September 23, 2022, Aqua and Commission Staff filed a joint motion to admit evidence and proposed notice of approval.

Consideration of whether the Applicant qualifies for decertifying a portion of its water or sewer CCN (16 TAC § 24.245(d)(1)).

14. Aqua has never provided water or sewer service to any customers in the requested area.
- Aqua has not received any requests for water or sewer service in the requested area.

Consideration of the effect of granting the decertification on the current CCN holder, any existing customers, and the landowners in the requested decertification area (16 TAC § 24.245(d)(2)(C)).

15. Aqua will not be required to provide adequate and continuous service to the requested area.
- Aqua does not own any facilities in the requested decertification area. Aqua does not serve customers in the requested decertification area.

Consideration of the Applicant's ability to provide continuous and adequate service to all remaining customers within its certificated areas (Texas Water Code (TWC) § 13.250(a)).

16. Decertification of the requested area will not impact Aqua's ability to serve the remaining customers in its certificated areas. The remaining customers are served by public water systems and wastewater systems outside of the requested decertification area.

Consideration of whether the requested decertification area will be adversely impacted in the present or future (TWC § 13.250(b)).

17. Aqua has no customers and owns no facilities in the requested decertification area so service to the requested decertification area will not be discontinued, reduced, or impaired.

Compensation from a prospective retail public utility (16 TAC §24.245(d)(2)(F)).

18. The provisions of 16 TAC § 24.245(d)(2)(F) make clear that Aqua is not entitled to compensation from a prospective retail public utility if the request to decertify the requested area is granted.

Informal Disposition

19. More than 15 days have passed since completion of the notice provided in this docket.
20. Chapel Run filed a motion to intervene in support of the application.
21. Aqua, Commission Staff, and Chapel Run are the only Parties to this proceeding.
22. No party requested a hearing, and no hearing is necessary.
23. Commission Staff recommended approval of the application.
24. The decision is not adverse to any party.

II. CONCLUSIONS OF LAW

The Commission makes the following conclusions of law.

1. The Commission has jurisdiction and authority over this docket pursuant to Texas Water Code (TWC) §§ 13.041, 13.250, and 13.254.
2. Aqua is a retail public utility as defined in TWC § 13.002(19) and 16 TAC § 24.3(31).
3. Good cause exists to waive the notice requirements of Texas Water Code § 13.301(a)(2) to the extent it applies, but this is not a sale, transfer, or merger application.

4. The Commission processed the application as required by the TWC, the Administrative Procedure Act,¹ and Commission Rules.
5. Aqua has demonstrated that the Application meets the requirements set forth in TWC § 13.254 and in 16 TAC § 24.245 to be granted decertification amendments to its CCNs by consent.
6. Aqua has demonstrated that the requested decertification amendments of its water CCN No. 13203 and sewer CCN No. 21065 will not affect Aqua's ability to provide retail public water or sewer utility service to remaining customers in Aqua's certificated service areas and neither the present nor future convenience and necessity in those areas will be adversely affected. TWC § 13.250(a)-(b).
7. Aqua must record a certified copy of the approved maps and certificates approved by this Notice of Approval, along with a boundary description of the service areas, in the real property records of Montgomery County within 31 days of this Notice of Approval and must submit evidence of the recording to the Commission as required by TWC § 13.257(r) and (s).
8. The requirements for informal disposition pursuant to 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. Aqua's water CCN No. 13203 and sewer CCN. 21065 are hereby amended to reflect the removal of 45.7 acres of its service area in Montgomery County, Texas.

¹ Tex. Gov't Code §§ 2001.001 - .903.

2. The Commission approves the certificates and maps attached to this Notice of Approval.
3. Aqua must comply with the recording requirements in TWC § 13.257(r) and (s) for the areas in Montgomery County affected by this application and must file in this docket proof of the recording no later than 31 days after the date of this Notice of Approval.
4. All other motions, requests for entry of specific findings of fact and conclusions of law, and any other requests for general or specific relief, if not expressly granted herein, are denied.

Signed at Austin, Texas the ____ day of _____ September 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

CHRISTINA DENMARK
ADMINISTRATIVE LAW JUDGE



Public Utility Commission of Texas

By These Presents Be It Known To All That

Aqua Texas, Inc.

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, Aqua Texas, Inc. is entitled to this

Certificate of Convenience and Necessity No. 13203

to provide continuous and adequate water utility service to that service area or those service areas in Brazoria, Chambers, Fort Bend, Grimes, Harris, Jefferson, Liberty, Matagorda, Montgomery, Polk, San Jacinto, Trinity, Victoria, and Wharton Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 53696 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 Aqua Texas, Inc. 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

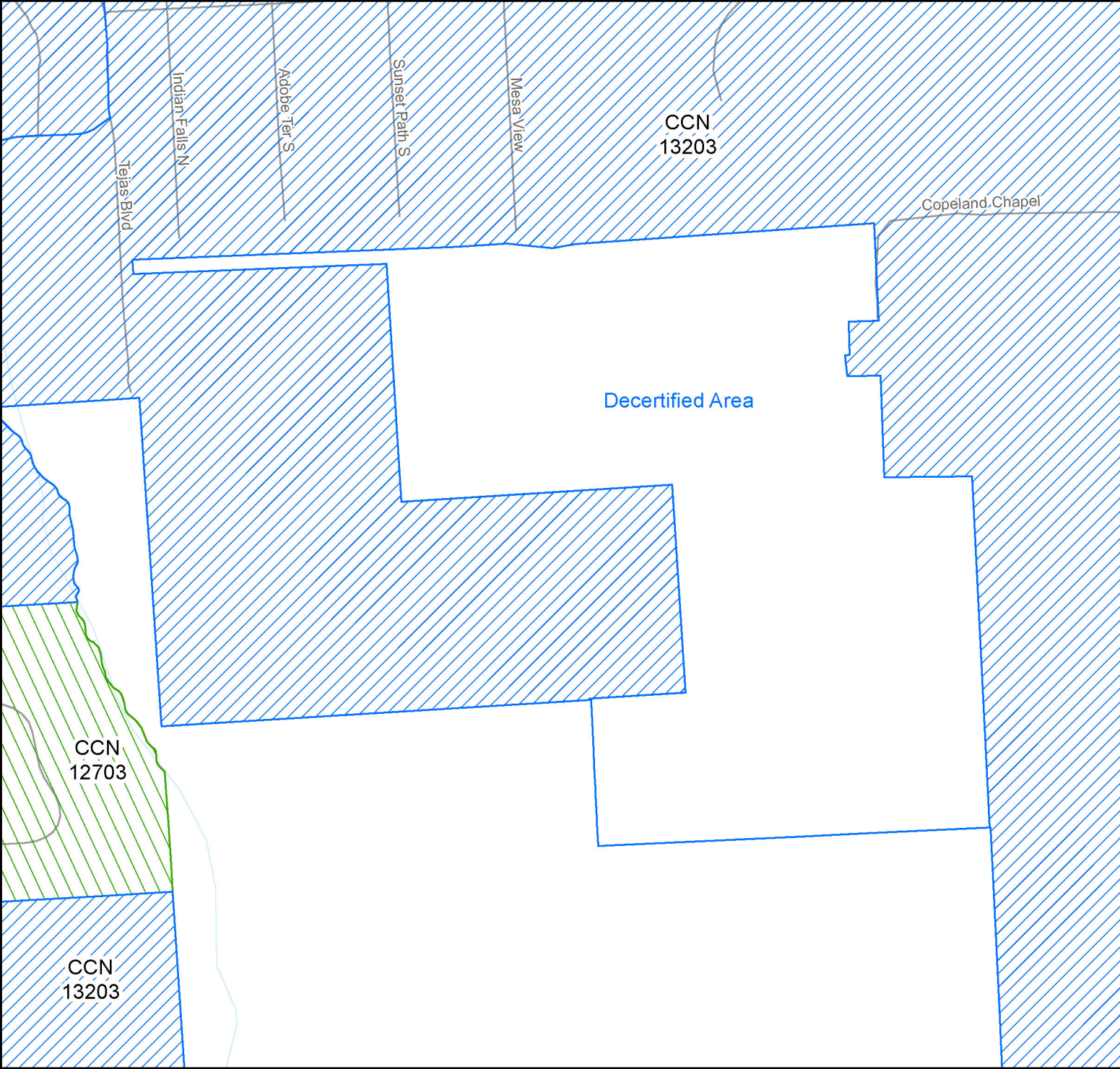
Aqua Texas, Inc.

having obtained certification to provide sewer 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, Aqua Texas, Inc. is entitled to this

Certificate of Convenience and Necessity No. 21065



to provide continuous and adequate sewer utility service to that service area or those service areas in Brazoria, Chambers, Fort Bend, Harris, Jefferson, Montgomery, Polk, Trinity, and Victoria Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 53696 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 Aqua Texas, Inc. 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.

Aqua Texas, Inc.
Portion of Water CCN No. 13203
PUC Docket No. 53696
Amended CCN No. 13203 in Montgomery County



Public Utility Commission of Texas
1701 N. Congress Ave
Austin, TX 78701

Water CCN

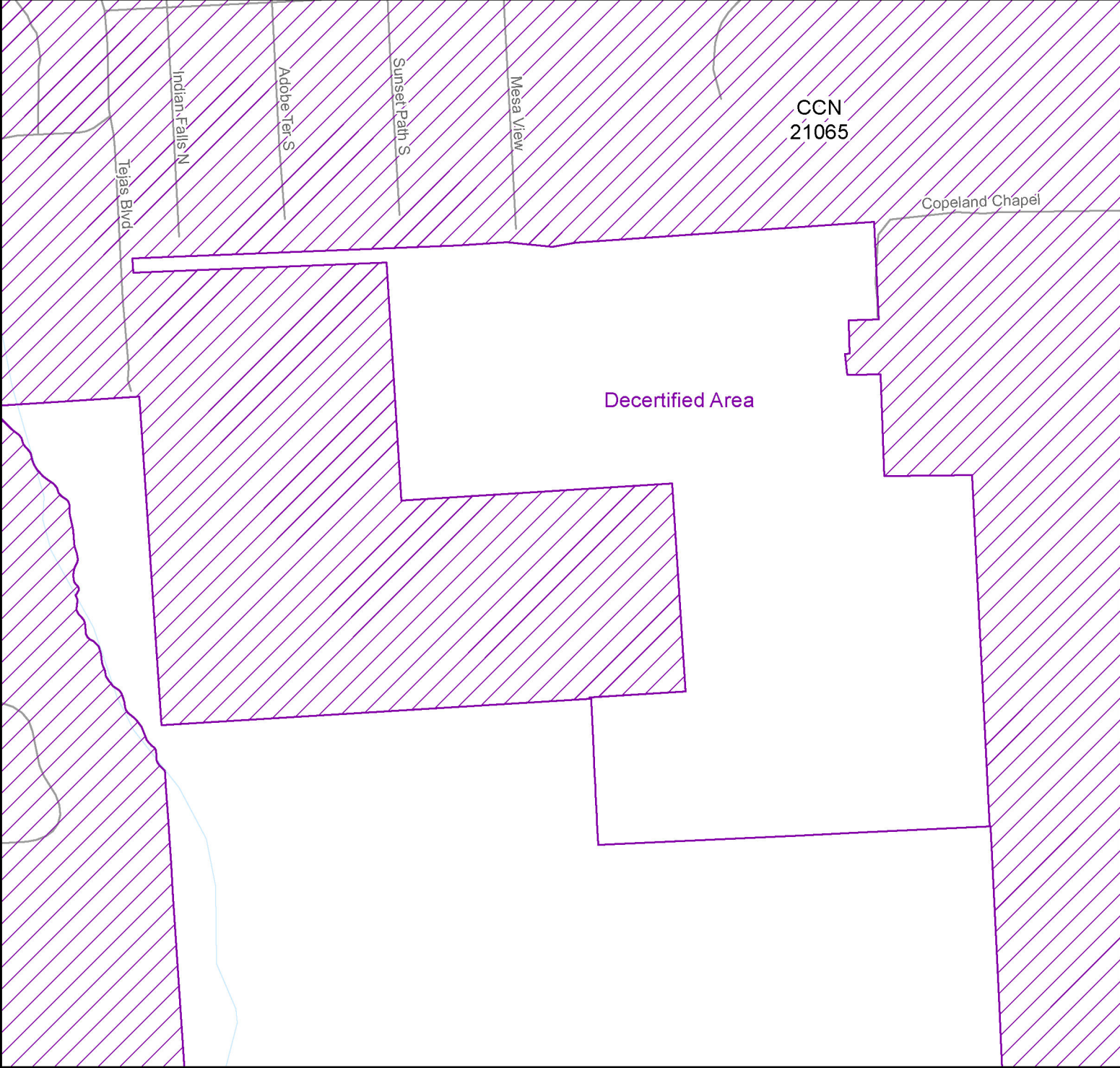
-  13203 - Aqua Texas Inc
-  12703 - Lake Bonanza WSC

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Map by: Komal Patel
Date: July 28, 2022
Project: 53696AquaWater.mxd

Aqua Texas, Inc.
Portion of Sewer CCN No. 21065
PUC Docket No. 53696
Amended CCN No. 21065 in Montgomery County



Sewer CCN

 21065 - Aqua Texas Inc

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