



## Filing Receipt

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**DOCKET NO. 53696**

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

**NOTICE OF APPROVAL**

This Notice of Approval addresses the petition of Aqua Texas, Inc. to amend its certificates of convenience and necessity (CCN) numbers 13203 and 21065 to decertify approximately 45.7 acres of water and sewer service area in Montgomery County. The Commission amends Aqua Texas's CCN numbers 13203 and 21065 to decertify the requested area, to the extent provided in this Notice of Approval.

**I. Findings of Fact**

The Commission makes the following findings of fact.

**Petitioner**

1. Aqua Texas is a Texas corporation registered with the Texas secretary of state under file number 0800304878.
2. Aqua Texas is a wholly owned subsidiary of Essential Utilities, Inc., a Pennsylvania corporation.
3. Aqua Texas operates, maintains, and controls facilities for providing retail water and sewer service for its geographic southeast operating region under water CCN number 13203 and sewer CCN number 21065.

**Petition**

4. On June 7, 2022, Aqua Texas filed the petition at issue in this proceeding.
5. On June 8 and 20, 2022, Aqua Texas filed supplements to the petition.
6. In its petition, Aqua Texas seeks to amend its CCN numbers 13203 and 21065 by decertifying approximately 45.7 acres of water and sewer service area.
7. The water and sewer service areas to be decertified have identical boundaries.

8. The requested area is located in Conroe, Texas, and is generally bounded on the north by Copland Chapel Road, on the east by McCaleb Road, on the south by Chapel Road, and on the west by Tejas Boulevard.
9. The petition includes the affidavit of Craig L. Blanchette, president of Aqua Texas, attesting to, among other things, that it has entered an agreement with Chapel Run Investment, LLC, the owner of the requested area, regarding the decertification.
10. The requested area has no customers and no infrastructure.
11. In Order No. 3 filed on July 12, 2022, the administrative law judge (ALJ) found the petition, as supplemented, administratively complete.

### **Notice**

12. On June 2, 2022, Aqua Texas requested waiver of the notice requirements under Texas Water Code (TWC) § 13.301(a)(2), because Aqua Texas and Chapel Run have executed an agreement regarding the requested area.
13. In Order No. 3 filed on July 12, 2022, the ALJ found good cause to waive the notice requirements of TWC § 13.301(a)(2).

### **Intervention**

14. On June 21, 2022, Chapel Run filed a motion to intervene as owner of requested area and in support of the petition.
15. In Order No. 2 filed on June 29, 2022, the ALJ granted Chapel Run's motion to intervene.

### **Evidentiary Record**

16. In Order No. 5 filed on October 11, 2022, the ALJ admitted the following evidence into the record: (a) Aqua Texas's petition and all attachments filed on June 7, 2022; (b) Aqua Texas's supplements to the petition filed on June 8 and 20, 2022; (c) Chapel Run's motion to intervene filed on June 21, 2022; (d) Commission Staff's recommendation on administrative completeness, waiver of notice and proposed procedural schedule filed on July 8, 2022; (e) Aqua Texas's signed consent form filed on September 2, 2022; (f) Commission Staff's final recommendation filed on September 9, 2022; and (g) the final maps and certificates attached to the joint motion to admit evidence and proposed notice of approval filed on September 23, 2022.

**Circumstances of Decertification**

17. Aqua Texas has never provided water or sewer services to any customers in the requested area.
18. Aqua Texas has not received any requests for water or sewer service in the requested area.
19. The requested area for decertification is located inside (or will be located inside) the boundaries of the City of Conroe.

**Effect on Customers and Landowners in the Requested Area**

20. There are no customers that Aqua Texas serves in the requested area being decertified.
21. Aqua Texas does not own any facilities in the requested area.
22. Chapel Run is the only landowner in the requested area and consented to the decertification.
23. After decertification, Aqua Texas will not be obligated to provide adequate and continuous service to the requested area.

**Ability to Provide Continuous and Adequate Service to Remaining Customers**

24. Decertification of the requested area will not impact Aqua Texas's ability to serve the remaining customers in its certificated areas under CCN numbers 13203 and 21065. Aqua Texas's remaining customers are served by public water systems and sewer systems outside of the requested area.

**Adverse Impact on the Requested Area in the Present or Future**

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

**Compensation from a Prospective Retail Public Utility**

26. Aqua Texas is not entitled to compensation from a prospective retail public utility if the request to decertify the requested area is granted.

**Maps and Certificates**

27. On August 19, 2022, Commission Staff emailed the proposed final maps and certificates to Aqua Texas.
28. On September 2, 2022, Aqua Texas filed its consent to the proposed final maps and certificates.

29. On September 23, 2022, the parties filed the proposed final maps and certificates as attachments to the joint motion to admit evidence and proposed notice of approval.

**Informal Disposition**

30. Good cause exists to waive the notice in this docket.
31. Aqua Texas, Commission Staff, and Chapel Run are the only parties to this proceeding.
32. No party requested a hearing and no hearing is necessary.
33. Commission Staff recommended approval of the petition.
34. 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 this petition under TWC §§ 13.242, 13.244, 13.246, 13.250, and 13.254.
2. Aqua Texas is a retail public utility as defined in TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
3. Aqua Texas's petition meets the requirements of TWC § 13.244.
4. Good cause exists to waive the notice requirements of TWC § 13.301(a)(2) and no further notice is required under TWC § 13.254 and 16 TAC § 24.245.
5. The Commission processed the petition as required by the TWC, the Administrative Procedure Act,<sup>1</sup> and Commission rules.
6. Aqua Texas demonstrated that the petition meets the requirements set forth in TWC § 13.254 and 16 TAC § 24.245 to be granted decertification amendments to its CCN numbers 13203 and 21065, by consent.
7. Aqua Texas demonstrated that the requested decertification amendments of its water CCN number 13203 and sewer CCN number 21065 will not affect Aqua Texas's ability to provide retail water or sewer utility service to customers in its remaining certificated

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<sup>1</sup> Tex. Gov't Code §§ 2001.001–.903.

service areas and neither the present nor future convenience and necessity in those areas will be adversely affected, as required by TWC § 13.250(a) and (b).

8. Under TWC § 13.257(r) and (s), Aqua Texas must record a certified copy of the approved maps and certificates, 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 submit evidence of the recording to the Commission.
9. 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. The Commission amends Aqua Texas's CCN numbers 13203 and 21065 to decertify the approximately 45.7 acres described in this Notice of Approval and shown on the attached maps.
2. The Commission approves the maps attached to this Notice of Approval.
3. The Commission issues the certificates attached to this Notice of Approval.
4. Aqua Texas must provide service to every customer within the approved area under CCN number 13203 who requests water service and meets the terms of Aqua Texas's water service policies, and such service must be continuous and adequate.
5. Aqua Texas must provide service to every customer within the approved area under CCN number 21065 who requests sewer service and meets the terms of Aqua Texas's sewer service policies, and such service must be continuous and adequate.
6. Aqua Texas must comply with the recording requirements in TWC § 13.257(r) and (s) for the areas in Montgomery County affected by this petition and must file in this docket proof of the recording no later than 31 days after the date of this Notice of Approval.
7. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the 18th day of October 2022.

**PUBLIC UTILITY COMMISSION OF TEXAS**

A handwritten signature in black ink, appearing to read "Christina Denmark". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

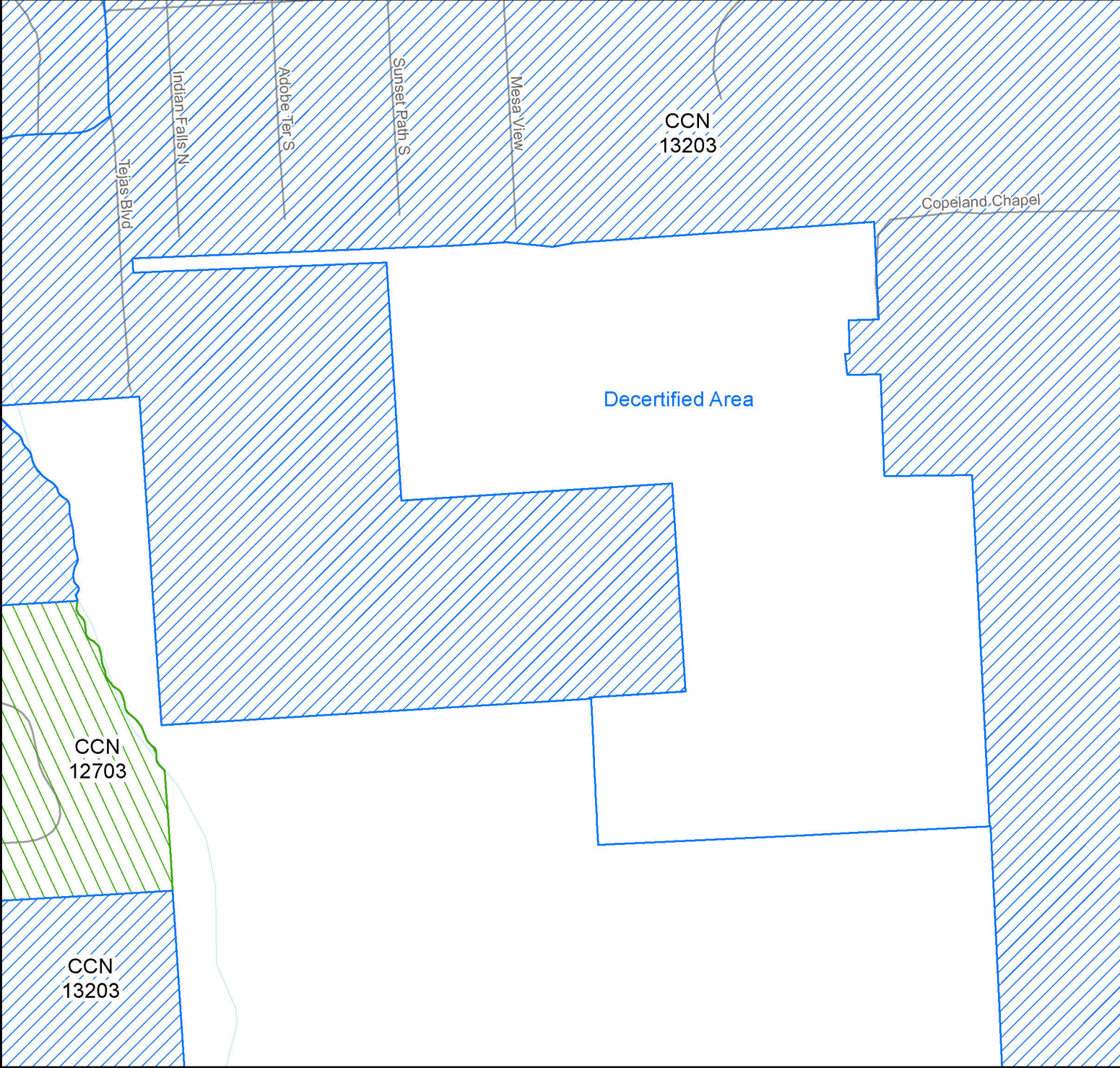
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**CHRISTINA DENMARK  
ADMINISTRATIVE LAW JUDGE**

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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

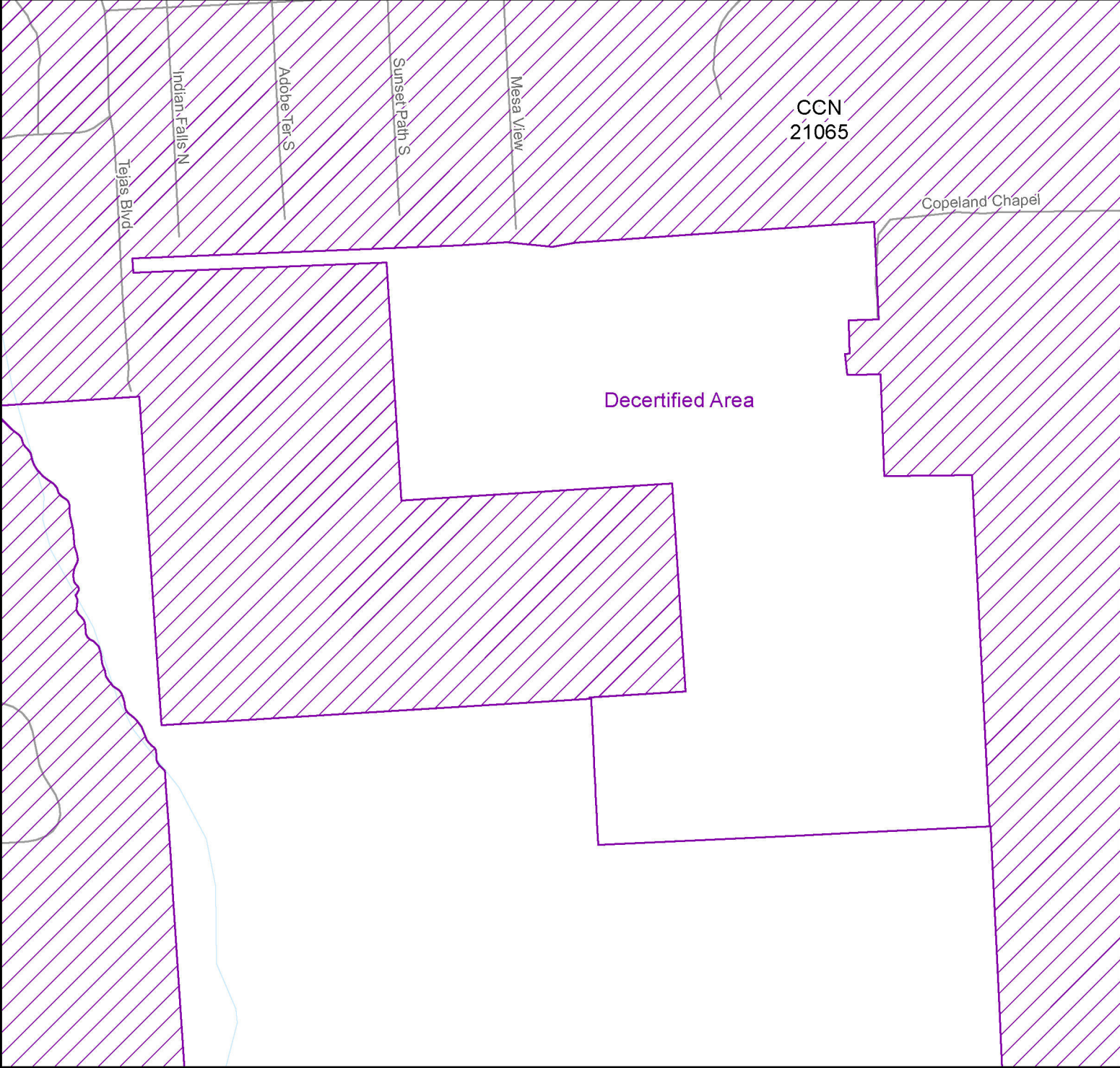
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Map by: Komal Patel  
Date: July 28, 2022  
Project: 53696AquaWater.mxd



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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# **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.