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DOCKET NO. 55142

PETITION OF CENTURY LAND	§	PUBLIC UTILITY COMMISSION
HOLDINGS II, LLC AND GRBK	§	
EDGEWOOD, LLC TO DECERTIFY A	§	OF TEXAS
PORTION OF AQUA WATER SUPPLY	§	
CORPORATION’S CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY IN	§	
BASTROP COUNTY	§	

COMMISSION STAFF’S AMENDED FINAL RECOMMENDATION

On June 14, 2023, Century Land Holdings II, LLC and GRBK Edgewood, LLC (jointly, Applicants) filed a petition to decertify a portion of its certificate of convenience and necessity number 10294 in Bastrop County. Applicants filed supplemental information on August 11 and 15, 2023, February 5, 2024, and February 7, 2024.

On January 9, 2024, the administrative law judge (ALJ) filed Order No. 6, requiring Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a final recommendation on the application by February 23, 2024. On February 20, 2024, Staff filed its final recommendation, but omitted the attached map and certificate. Therefore, Staff files this amended final recommendation with the map and certificate attached.

I. FINAL RECOMMENDATION

As detailed in the attached memorandum from Chase Lipscomb of the Infrastructure Division, Staff has reviewed the application and information that has been provided and recommends that the application be approved. The certificate and map that Century Land Holdings II, LLC and GRBK Edgewood, LLC consented to in their consent forms, respectively filed on February 5, 2024, are attached. The parties will file a joint proposed findings of fact and conclusions of law by March 8, 2024, in accordance with the procedural schedule established by Order No. 6.

II. CONCLUSION

For the reasons discussed above, Staff recommends that the application be approved.

Dated: February 28, 2024

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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/s/ David Berlin
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CERTIFICATE OF SERVICE

I certify that unless otherwise ordered by the presiding officer, notice of the filing of this document will be provided to all parties of record via electronic mail on February 28, 2024 in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ David Berlin
David Berlin

Public Utility Commission of Texas

Memorandum

TO: David Berlin, Attorney
Legal Division

FROM: Chase Lipscomb, Infrastructure Analyst
Infrastructure Division

DATE: February 20, 2024

RE: Docket No. 55142 – *Petition of Century Land Holdings II, LLC And GRBK Edgewood, LLC to Decertify a Portion of Aqua Water Supply Corporation's Certificate of Convenience and Necessity in Bastrop County*

1. Application

On June 14, 2023, Century Land Holdings II, LLC (Century Land) and GRBK Edgewood, LLC (Edgewood) filed a petition to decertify a portion of Aqua Water Supply Corporations (Aqua WSC) water Certificate of Convenience and Necessity (CCN) No. 10294 in Bastrop County, Texas under Texas Water Code (TWC) § 13.254(a) and 16 Texas Administrative Code (TAC) § 24.245(d). The result of the petition will be the subtraction of approximately 384.1 acres from Aqua WSC's water CCN No. 10294.

Based on the review by Dave Babicki, Infrastructure Division:

- The requested area includes 29 landowners who are customers of and receive retail water service from Elgin Municipal Utility District (MUD) No. 2 and approximately 384.1 acres, comprised of decertified area from Aqua WSC (CCN No. 10294).
- The petition proposes the subtraction of approximately 384.1 acres from CCN No. 10294.

2. Notice

An affidavit was provided affirming that notices were submitted to approximately 56 landowners in the requested area.

The deadline to intervene was January 10, 2024; there were no motions to intervene, protests, or opt-out requests received.

3. Factors Considered

Under TWC §§ 13.250, 13.254(a)(1), and 16 TAC § 24.245, the Commission must consider certain factors when decertifying a portion of a water CCN. Therefore, the following factors were considered.

3.1. *Consideration of whether the Applicant qualifies for decertifying a portion of its Water CCN (TWC 13.254(a)(1); 16 TAC § 24.245(d)(1)).*

Aqua WSC has never provided water service to any customers in the requested area. Aqua WSC has not received any requests for water service in the requested area.

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

Aqua WSC does not own any facilities in the requested area. The requested area includes 29 landowners who are customers of and receive retail water service from Elgin MUD No. 2. Aqua WSC provides and will continue to provide wholesale water service to Elgin MUD No. 2. This petition will eliminate any confusion for customers on who provides their retail water services.

3.3. *Consideration of the Applicant's ability to serve continuous and adequate service to all remaining customers within its certificated area (TWC § 13.250(a)).*

Decertification of the requested area will not impact Aqua WSC's ability to serve the remaining customers in its certificated area. The remaining customers receive service outside of the requested area.

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

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

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

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

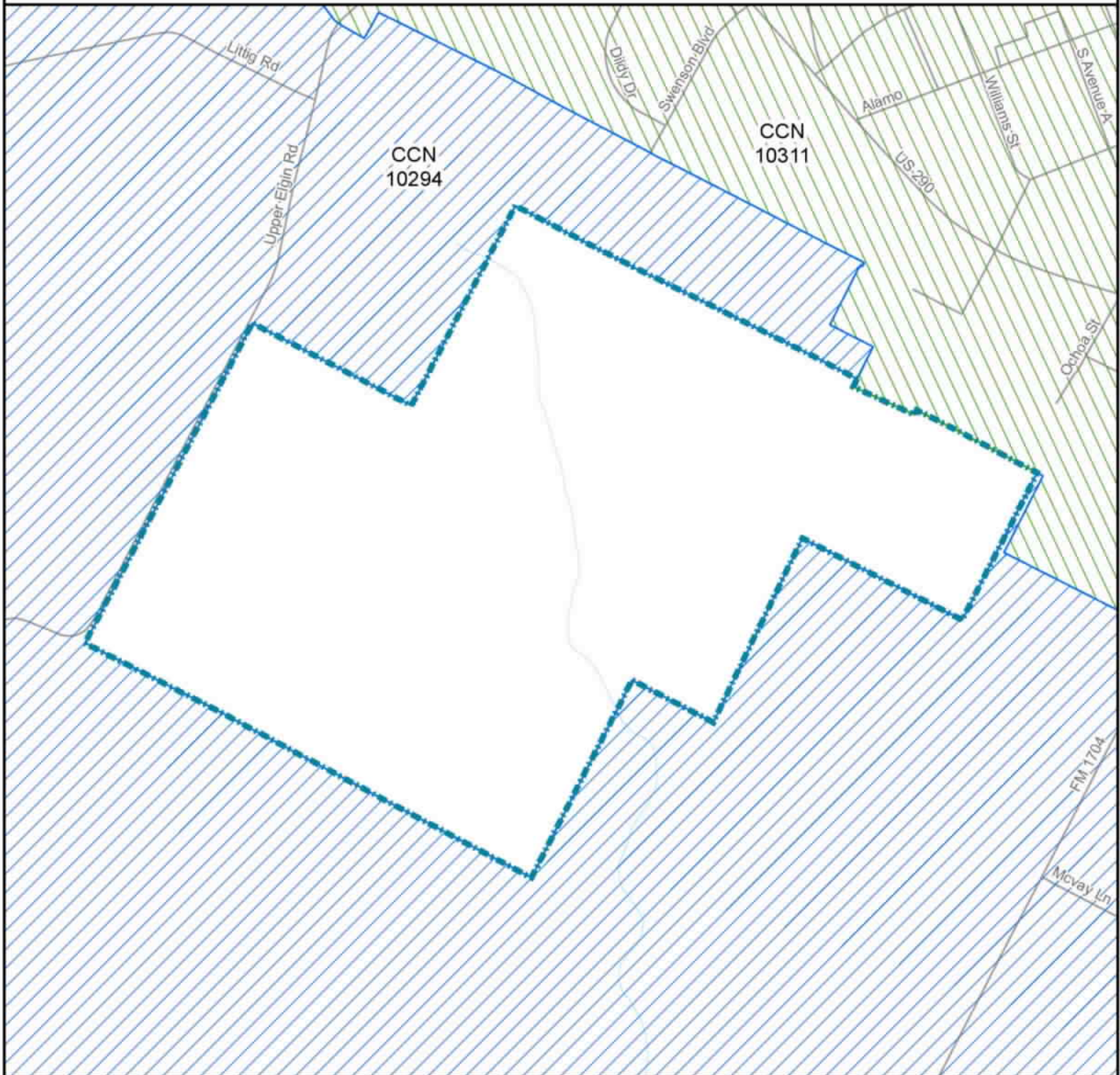
4. Recommendation

Based on the mapping review by Dave Babicki, Infrastructure Division, and my technical and managerial review, I recommend that Aqua WSC meets all of the statutory requirements of Texas Water Code Chapter 13 and the Commission's Chapter 24 rules and regulations, is capable of providing continuous and adequate service to its remaining customers and approving this application to decertify a portion of its CCN No. 10294 is necessary.

Aqua WSC consented to the attached map and certificate on February 7, 2024.



Century Land and Edgewood consented to the attached map and certificate on February 5, 2024.


PUCT Docket No. 55142
Aqua WSC
Portion of Water CCN No. 10294
13.254 Petition to Decertify a Portion of Aqua WSC's CCN in Bastrop County



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

Water CCN

-  10294 - Aqua WSC
-  10311 - City of Elgin

 Portion to Decertify

0 500 1,000
Feet



Map by: Komal Patel
Date: January 24, 2024
Project: 55142AquaWSC.mxd



Public Utility Commission of Texas

By These Presents Be It Known To All That

Aqua Water Supply Corporation

having obtained certification to provide water utility service for the convenience and necessity of the public, and it is having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Aqua Water Supply Corporation is entitled to this

Certificate of Convenience and Necessity No. 10294

to provide continuous and adequate water utility service to that service area or those service areas in Bastrop, Caldwell, Fayette, Lee, Travis and Williamson counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 55142 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 Aqua 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.