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DOCKET NO. 55366

APPLICATION OF AQUA WATER	§	PUBLIC UTILITY COMMISSION
SUPPLY CORPORATION TO	§	
DECERTIFY A PORTION OF ITS	§	OF TEXAS
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY IN BASTROP	§	
COUNTY	§	

COMMISSION STAFF'S FINAL RECOMMENDATION

On August 15, 2023, Aqua Water Supply Corporation (Aqua WSC) filed an application to decertify a portion of its sewer Certificate of Convenience and Necessity (CCN) No. 20962 in Bastrop County under Texas Water Code (TWC) § 13.254(a) and 16 Texas Administrative Code (TAC) § 24.245(d). Aqua WSC filed supplemental information on October 26, 2023, November 8, 2023, December 5, 2024, and February 26, 2024.

On February 2, 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 March 20, 2024. Therefore, this pleading is timely filed.

I. FINAL RECOMMENDATION

Staff has reviewed the application and supplemental information, and as detailed in the attached memorandum from Patricia Garcia, Infrastructure Division, recommends that the application be approved. The certificate and map that Aqua WSC consented to in their consent form filed on February 26, 2024, are attached. The parties will file a joint motion to admit evidence, along with proposed findings of fact, conclusions of law, and ordering paragraphs by April 3, 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: March 20, 2024

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Marisa Lopez Wagley
Division Director

Andy Aus
Managing Attorney

/s/ Dylan King
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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 March 20, 2024 in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Dylan King
Dylan King

Public Utility Commission of Texas

Memorandum

TO: Dylan King, Attorney
Legal Division

FROM: Patricia Garcia, Infrastructure Analysis Section Director
Infrastructure Division

DATE: March 20, 2024

RE: Docket No. 55366 – *Application of Aqua Water Supply Corporation to Decertify a Portion of Its Certificate of Convenience and Necessity in Bastrop County*

1. Application

On August 15, 2023, Aqua Water Supply Corporation (Aqua WSC) filed a petition to decertify a portion of its sewer Certificate of Convenience and Necessity (CCN) No. 20962 in Bastrop County, Texas under Texas Water Code (TWC) § 13.254(a) and 16 Texas Administrative Code (TAC) § 24.245(d).

Based on the mapping review by Hank Journeay, Infrastructure Division, the revised maps and digital mapping data submitted with Item 8 on November 8, 2023 are sufficient.

- The requested area 1 includes 0 customer connections and approximately 24.3 acres to decertify from Aqua WSC (CCN No. 20962).
- The requested area 2 includes 0 customer connections and approximately 17.3 acres to decertify from Aqua WSC (CCN No. 20962).
- **The total requested area includes 0 customer connections and approximately 41.6 acres to decertify from Aqua WSC (CCN No. 20962).**
- The application proposes the subtraction of approximately 41.6 acres from CCN No. 20962.

2. Notice

Affidavits were provided affirming that notices were submitted to all customers and landowners in the requested area.

The deadline to intervene was January 4, 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 sewer CCN. Therefore, the following factors were considered.

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

Aqua WSC has never provided sewer service to any customers in the requested area. Aqua WSC has not received any requests for sewer 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 will not be required to provide continuous and adequate service to the requested area. Aqua WSC does not own any facilities in the requested area. There are no current customers.

The requested area is being decertified due to a request from Cayetano Development LLC. The area will be served by Integra Water Texas, LLC (CCN No. 21126).

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 are served by separate sewer systems 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. New facilities would need to be constructed by a future CCN holder to serve the area.

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

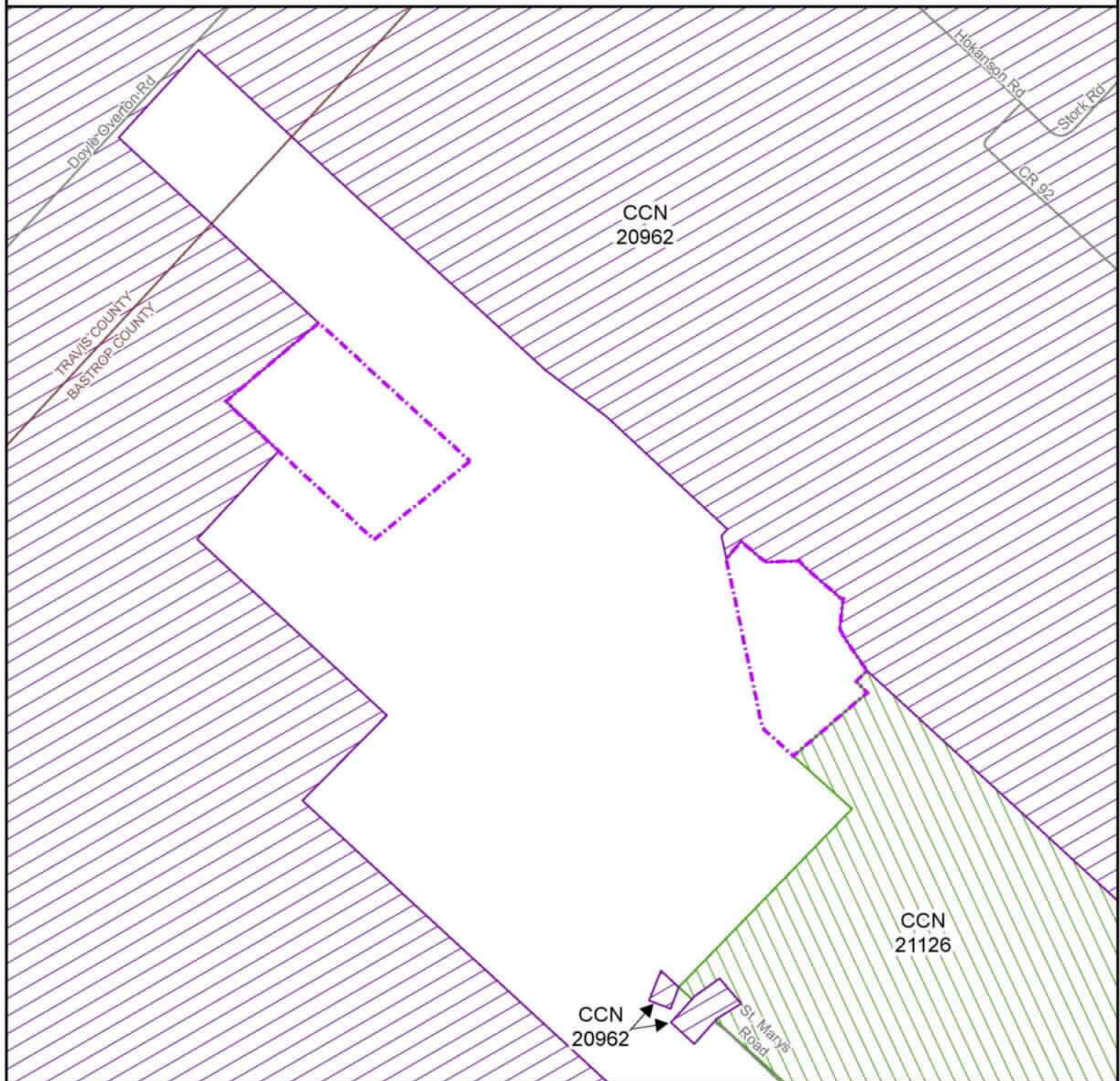
The provisions of 16 TAC § 24.245(d)(2)(F) makes clear that Aqua WSC is not entitled to compensation from a prospective retail public utility if the request to decertify the requested area is granted.

4. Recommendation

Based on the mapping review by Hank Journeay, Infrastructure Division, and my technical and managerial review, I recommend that Aqua WSC meets all of the statutory requirements of TWC 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. 20962 is necessary.

Aqua WSC consented to the attached map and certificate on February 26, 2024.

PUCT Docket No. 55366
Aqua WSC
Portion of Sewer CCN No. 20962
Decertify a Portion of CCN No. 20962 in Bastrop County



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

Sewer CCN

- 20962 - Aqua WSC
- 21126 - Integra Water Texas LLC

Portion to Decertify

0 450 900
Feet



Map by: Komal Patel
Date: February 16, 2024
Project: 55366AquaWSC.mxd



Public Utility Commission of Texas

By These Presents Be It Known To All That

Aqua Water Supply Corporation

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 Water Supply Corporation is entitled to this

Certificate of Convenience and Necessity No. 20962

to provide continuous and adequate sewer utility service to that service area or those service areas in Bastrop and Travis counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 55366 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.