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**APPLICATION OF AQUA TEXAS, INC. § PUBLIC UTILITY COMMISSION
FOR THE AUTHORITY TO CHANGE §
RATES § OF TEXAS**

**COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON
ADMINISTRATIVE COMPLETENESS AND NOTICE, PROPOSED PROCEDURAL
SCHEDULE, AND MOTION TO FURTHER SUSPEND EFFECTIVE DATE**

On June 20, 2025, Aqua Texas, Inc. (Aqua) filed a Class A application for authority to change water and sewer rates under Texas Water Code (TWC) § 13.187. Aqua holds water Certificate of Convenience and Necessity (CCN) Nos. 13201, 13203, and 13254, and sewer CCN Nos. 21059, 21065, and 21116.

On September 5, 2025, the administrative law judge (ALJ) filed Order No. 22, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental recommendation on the administrative completeness of the application, comments on notice, and to propose a procedural schedule, as appropriate, by September 23, 2025. Therefore, this pleading is timely filed.

I. ADMINISTRATIVE COMPLETENESS AND NOTICE

Staff has reviewed Aqua's second errata to the application and its responses to Staff's requests for information and recommends that the supplemented application be deemed administratively complete. Aqua's second errata to the application corrected its proposed rates.

As some of the revised proposed rates are lower than the proposed rates included in Aqua's statement of intent sent to customers, Staff recommends that Aqua be ordered to provide notice to customers of the corrected proposed rates pursuant to TWC § 13.187(a-1) in an updated statement of intent. Sections 13.187(a-1)(2) and (3) of the TWC require a statement of intent to include the following information:

- (2) a billing comparison regarding the existing water rate and the new water rate computed for the use of:
 - (A) 5,000 gallons of water; and
 - (B) 10,000 gallons of water;
- (3) a billing comparison regarding the existing sewer rate and the new sewer rate computed for the use of 5,000 gallons, unless the utility proposes a flat rate for sewer services;

Accordingly, Staff recommends that Aqua be ordered to provide customers notice of the corrected proposed rates. Staff has previously recommended, and the Commission has previously required applicants to provide corrected notice to customers of corrected proposed rates.¹

To minimize rate case expenses, Staff recommends that Aqua provide the updated statement of intent to customers via e-mail for customers that have agreed to receive communications electronically pursuant to TWC § 13.187(a-1) and 16 TAC 24.27(c)(1)(D). As Aqua witness Trey Reginelli stated in response to OPUC 1-8, Aqua has the capability of sending communications to customers electronically.² As Staff does not have the capability to verify which Aqua customers have agreed to receive communications electronically, for those customers that are noticed via e-mail, Staff recommends that Aqua be ordered to provide an affidavit attesting to the electronic provision of notice that includes a list of customers that have agreed to receive communications electronically.

II. PROPOSED PROCEDURAL SCHEDULE

Staff recommends that Aqua be ordered to file proof of notice to customers of the revised proposed rates by October 14, 2025, and that Staff be given a deadline of October 30, 2025, to file a recommendation on notice and to propose a procedural schedule for further processing of this proceeding.

III. MOTION TO FURTHER SUSPEND EFFECTIVE DATE OF PROPOSED RATES

In Order No. 23 filed on September 11, 2025, the ALJ suspended the effective date of the proposed rates while the application is incomplete pursuant to TWC § 13.187(d). Because Staff now recommends that the supplemented application be deemed administratively complete but the notice be found deficient, Staff respectfully requests that the effective date for all proposed rates

¹ See, e.g., *Application of Nerro Supply, LLC for Authority to Change Rates*, Docket No. 53759, Commission Staff's Recommendation on Administrative Completeness and Proposed Notice and Proposed Procedural Schedule (July 28, 2022); *Application of Trent Water Works, Inc. for Authority to Change Rates*, Docket No. 51408, Commission Staff's Second Supplemental Recommendation on Administrative Completeness, Notice, and Proposed Procedural Schedule (Apr. 14, 2021); *Application of CVWS, Inc. for Authority to Change Rates*, Docket No. 56431, Commission Staff's Supplemental Recommendation on Administrative Completeness (Sept. 17, 2024).

² See Aqua Texas, Inc.'s Response to OPUC's First Request for Information at Response to OPUC 1-8 (Sept. 17, 2025).

continue to be suspended pursuant to TWC § 13.187(d) and 16 TAC § 24.33(b)(1) until Aqua files an updated statement of intent noticed to customers.

IV. CONCLUSION

For the reasons detailed above, Staff respectfully requests that Aqua's supplemented application be deemed administratively complete, that Aqua be directed to file proof of notice to customers of the corrected proposed rates, that the proposed effective date of the proposed rates remain suspended, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: September 23, 2025

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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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 September 23, 2025, in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Kelsey Daugherty

Kelsey Daugherty