

CHAPTER 24. SUBSTANTIVE RULES APPLICABLE TO WATER AND SEWER SERVICE PROVIDERS.

Subchapter H. CERTIFICATES OF CONVENIENCE AND NECESSITY.

§24.253. Contracts Valid and Enforceable.

- (a) If approved by the commission after notice and hearing, contracts between retail public utilities designating areas to be served and customers to be served by those retail public utilities are valid and enforceable and are incorporated into the corresponding certificates of convenience and necessity (CCNs). This section only applies to the transfer of certificated service area and customers between existing CCN holders. Nothing in this provision negates the requirements of TWC §13.301 to obtain a new CCN and document the transfer of assets and facilities between retail public utilities.
- (b) Retail public utilities may request approval of a contract by filing a written petition with the commission. The written petition shall include the following:
- (1) maps of the requested area in accordance with §24.257(a) of this title (relating to Mapping Requirements for Certificate of Convenience and Necessity Applications);
 - (2) a copy of the executed contract or agreement;
 - (3) the number of customers to be transferred, if any;
 - (4) information described in subsection (c)(3) of this section; and
 - (5) any other information required by the commission.
- (c) For the purpose of this section, notice under §24.235 of this title (relating to Notice Requirements for Certificate of Convenience and Necessity Applications) does not apply. Notice under this section shall be as follows:
- (1) If affected customers will be transferred as part of the contract, then individual notice shall be provided to the affected customers by mail, e-mail, or hand delivery. The notice must contain the current rates, the effective date those rates were instituted, and any other information required by the commission.
 - (2) If the decision to enter into a contract under this section was discussed at a meeting of a city council, a water supply or sewer service corporation's board, district board, county commissioner's court, or other regulatory authority, a copy of the meeting agenda and minutes for the meeting during which the item was discussed may be considered sufficient notice.
 - (3) If notice was provided in accordance with paragraph (1) or (2) of this subsection, both parties to the contract under this section shall ensure that the following are filed with the commission: an affidavit attesting to the date that notice was provided and copies of the notice that was sent.