



**Meeting Date:** April 30, 2026      **Agenda Type:** Action Items

**From:** Adam Willard      **Reviewed by:** Michael Short, P.E.  
Chief Engineer of Water      Director of Engineering  
Services

**Submitted by:** Mark Steelman      **Approved by:** Ryan Kelso  
Chief Operations Officer      Chief Executive Officer

**RECOMMENDED ACTION:** Provide an Update on the Certificate of Convenience and Necessity Project and Discuss and Consider Adoption of Resolution #2026-207 Authorizing the CEO or His Designee to Submit an Application to the Public Utility Commission of Texas to Decertify From Its Water Certificate of Convenience and Necessity the Following Tracts of Real Property in Comal County, Texas (I) an Approximately 1.58 Acre Tract Generally Located Immediately West of the Intersection of FM 306 and Hoffman Lane, (II) an Approximately 0.62 Acre Tract Generally Located on the West Side of FM 306 Approximately 0.3 Miles South of the Intersection of Hoffman Lane and FM 306, and (III) an Approximately 97.68 Acre Tract Generally Located East of Shady Hollow and Northeast of Cambridge Drive (Comal Appraisal District Parcel No. 73415), and Other Matters in Connection Therewith

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## **BACKGROUND**

New Braunfels Utilities (“NBU”) holds a Certificate of Convenience and Necessity (“CCN”) issued by the Public Utility Commission of Texas (“PUC”) that defines NBU’s authorized water service area. Over time, three (3) portions of NBU’s certificated area have developed in ways that no longer align with NBU’s planned or practical service capabilities.

Areas 1 and 2 are located just south of Hoffman Lane and west of FM 306 and are being developed within Comal County Municipal Utility District (“MUD”) 5 and will be served by that district. NBU does not currently provide water service to these areas and does not intend to extend service to them.

Area 3 is located northeast of Cambridge Drive, just outside the River Chase subdivision, and is not currently served by any public water utility. Due to surrounding development and system constraints, NBU cannot practically extend service to this location. As with Areas 1 and 2, NBU does not currently serve this area and does not plan to do so.

To ensure that NBU's CCN accurately reflects existing and planned service conditions, staff proposes submitting an application to the PUC to decertify these three (3) areas. This action is administrative in nature and does not involve adding or expanding any certificated territory. Decertification will improve regulatory clarity and reduce confusion regarding service responsibility and long-term planning.

Staff recommends that the Board adopt the resolution authorizing NBU to submit an application to the PUC requesting decertification of the three (3) identified areas currently outside NBU's practical service plans.

This item is being presented to the Board because it involves a proposed modification to NBU's existing water CCN.

This application may be the first in a series submitted to the PUC. What may follow is an application to amend the Water CCN where it overlaps with Schertz, and an application to amend the overall Water CCN and the overall Sewer CCN. Each of these possible subsequent applications will be presented to the Board for consideration before submittal to the PUC at a future date.

## **FINANCIAL IMPACT**

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There will be no operational, financial, or service impacts to NBU as a result of the proposed decertification. There are no existing NBU customers affected, no NBU infrastructure or assets are involved, and no change to NBU's water service or reliability will occur.

Costs associated with preparing and submitting the PUC application are minimal and routine. No long-term financial impacts are anticipated.

## **LINK TO STRATEGIC PLAN**

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### **Customers and Community**

### **Stewardship**

## **EXHIBITS**

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1. Resolution #2026-207
2. PUC Application with maps