

ORDINANCE NO.

AN ORDINANCE DENYING AN INCREASE IN WATER AND WASTEWATER RATES PROPOSED BY AQUA TEXAS, INC. FOR ITS CUSTOMERS LOCATED IN THE CITY'S CORPORATE LIMITS IN COUNCIL DISTRICTS 5, 8, AND 10.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. On June 20, 2025, Aqua Texas, Inc. (Aqua) filed an Application and Statement of Intent with the City to change water and wastewater rates for its customers in the corporate limits of the City in the areas known as Rivercrest and Mooreland in Council Districts 5, 8, and 10.

PART 2. Pursuant to Texas Water Code Chapter 13, Council has original regulatory authority over water and wastewater utility rates charged by investor-owned utilities to customers who reside in the City's corporate limits.

PART 3. On July 24, 2025, in accordance with its authority under Texas Water Code Section 13.187, Council adopted Ordinance No. 20250724-20 suspending the effective date of Aqua's proposed rate changes so that the City's utility rate analysts could review and formulate a recommendation.

PART 4. The City's utility rate analysts concluded their review of Aqua's rate filing to evaluate whether Aqua's proposed water and wastewater rate changes result in just and reasonable rates and, after holding a formal meeting with Aqua on September 29, 2025, as required by City Code Section 15-4-91(B), determined that Aqua's Statement of Intent fails to show that its proposed changes to water and wastewater rates, including consolidation of all customers into a single statewide rate structure, are just and reasonable.

PART 5. In accordance with its authority pursuant to Texas Water Code Chapter 13 and City Code Section 15-4-54, upon conclusion of the public hearing on October 9, 2025, Council finds that Aqua's Statement of Intent fails to establish that the proposed change in water and wastewater rates results is just and reasonable and hereby denies Aqua's requested changes in water and wastewater rates for Aqua's customers residing in the City's corporate limits. The attached proposed order (Exhibit A) is adopted and incorporated into this ordinance.

PART 6. The City Manager is authorized to participate in any related proceedings, including intervention at the Public Utility Commission of Texas, and in a court of law.

PART 7. Notice of this ordinance shall be provided to Aqua.

PART 8. This ordinance takes effect on _____, 2025.

PASSED AND APPROVED

_____, 2025 § _____
 § _____
 § _____
 Kirk Watson
 Mayor

APPROVED: _____ **ATTEST:** _____
Deborah Thomas Erika Brady
City Attorney City Clerk