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SOAH DOCKET NO. 473-17-2285.WS PUC DOCKET NO. 46333

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APPLICATION OF PK-RE	§	BEFORE THE STATE OFFICE: 24
DEVELOPMENT COMPANY, INC.	§	THIS OLDER WHOSE
D/B/A GREENSHORES UTILITY	§	
SERVICES AND D/B/A OAK SHORES	§	OF
WATER SYSTEM FOR AUTHORITY	§	
TO CHANGE RATES AND TARIFFS	§	
IN TRAVIS COUNTY	§	ADMINISTRATIVE HEARINGS

STATUS REPORT

COMES NOW, Undine Development LLC ("Undine"), Intervenor herein, and files this Status Report, pursuant to State Office of Administrative Hearings ("SOAH") Orders No. 6 and 7.

On June 19, 2017, Undine filed an Agreed Motion to Abate the Procedural Schedule ("Motion") for 45 days to allow the parties an opportunity to finalize settlement negotiations. On June 20, 2017, SOAH Order No. 6 granted the Motion in part and required the parties to file a status report on settlement negotiations. On June 22, 2017, PK-RE Development Company, Inc. ("PK-RE"), Applicant herein, filed a letter extending the effective date an additional 45 days. SOAH Order No. 7, issued on June 27, 2017, granted the Motion in full, applied the 45-day abatement to all ongoing matters in this proceeding, and continued indefinitely the hearing on the merits. SOAH Order No. 7 reiterated the August 1, 2017 deadline for the parties to file a status report on the settlement negotiations.

The parties have identified the basic principles that will form the basis for a settlement, and Undine has recently distributed an initial draft settlement agreement, which the parties are now reviewing. The parties are hopeful that a settlement agreement will resolve all outstanding issues in this docket and in the docket concerning the application of Undine to purchase the assets of PK-RE.¹ The parties intend to diligently pursue finalization of the agreement.

Application of PK-RE Development Company, Inc., d/b/a Oak Shores Water System and Undine Development LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Travis County, SOAH Docket No. 473-17-0685.WS, PUC Docket No. 46150.

In order to allow sufficient time for the parties to discuss and finalize the settlement agreement and for the affected entities and associations to meet to approve same, the parties ask that they be allowed to file another status report by Friday, August 25, 2017.

All parties agree with this Status Report. PK-RE has additionally agreed to extend the effective date of the rates for an additional 30 days to June 23, 2017 (see attached). By extending the proposed effective date until June 23, 2017, the 265-day suspension period ordered by SOAH will continue until March 15, 2018.

Respectfully submitted,

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ATTORNEYS FOR UNDINE DEVELOPMENT LLC

CERTIFICATE OF SERVICE

I hereby certify that on August 1, 2017, true and correct copy of the foregoing document has been served on all parties of record in accordance with 16 Tex. Admin. Code § 22.74.

GEORGIA N. CRUMP

RUSSELL EPPRIGHT Hill County Galleria, Bldg. B 13301 Galleria Circle, Suite B175 Bee Cave, Texas 78738 (512) 347-1530

August 1, 2017

VIA HAND DELIVERY

The Honorable Elizabeth Drews
Administrative Law Judge
State Office of Administrative Hearings
Attn: Central Records
Public Utility Commission of Texas
1701 N. Congress Avenue, Room 8-100
Austin, Texas 78701

RE: SOAH Docket No. <u>473-17-2285</u>; PUC Docket No. 46333, Application of PK-RE Development Company, Inc. d/b/a Greenshores Utility Services and d/b/a Oak Shores Water System for Authority to Change Rates and Tariffs in Travis County

Dear Judge Drews:

In SOAH Order No. 1, the effective date of the rates requested by PK-RE Development Company, Inc. ("PK-RE") in Phase 1 was determined to be March 19, 2017. That Order also suspended the effective date of the rates for 265 days under Texas Water Code § 13.0871(g), until December 9, 2017. In SOAH Order No. 3, the effective date was revised to December 30, 2017, in accordance with the agreed extension filed on April 17, 2017.

As noted in SOAH Order No. 6, the parties have agreed to further abate the procedural schedule in order to allow time to finalize settlement discussions. In SOAH Order No. 7, the effective date was revised to May 24, 2017 in order to allow parties to finalize settlement discussions. By extending the proposed effective date until May 24, 2017, the 265-day suspension period ordered by SOAH was continued until February 13, 2018.

SOAH Order No. 7 also requires parties to file a status report on August 1, 2017. The parties are reviewing a draft settlement agreement and intend to diligently pursue finalization of the agreement. Therefore, PK-RE hereby extends its effective date an additional thirty (30) days, or until June 23, 2017. The parties agree with this extension. By extending the proposed effective date until June 23, 2017, the 265-day suspension period ordered by SOAH will continue until March 15, 2018.

Sincerely,

Russell Eppright, President

PK-RE Development Company,

Inc.

cc: All Parties of Record