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APPLICATION OF HUBERT-WATSON SUBDIVISION WATER SUPPLY, INC. FOR APPROVAL OF A CHANGE IN OWNERSHIP 2017 OCT 19 PM 1: 24-PUBLIC UTILITY COMMISSION PUBLIC UTILITY COMMISSION FILING CLERK

OF TEXAS

JOINT PROPOSED NOTICE OF APPROVAL AND MOTION TO ADMIT EVIDENCE

The Staff (Staff) of the Public Utility Commission of Texas (Commission) and Hubert-Watson Subdivision Water Supply, Inc (Hubert-Watson or HW) file this Joint Motion to Admit Evidence. Staff and HW request that certain evidence be admitted into the record in support of their filed Proposed Notice of Approval.

I. Background

On June 15, 2017 Hubert-Watson Subdivision Water Supply, Inc filed an application for approval of a change in ownership. Specifically, Hubert-Watson seeks approval to acquire all Hubert-Watson shares held by the Betty Hubert Wise Trust and allow Randal Boenigk to become a shareholder owner of Hubert-Watson. Such actions are pursuant to Tex. Water Code § 13.302 (TWC) and 16 Tex. Admin. Code § 24.111 (TAC).

On September 8, 2017 Order No. 3 was issued, finding the application administratively complete.

On October 9, 2017 Staff recommended the application be approved and that a joint proposed notice of approval be filed by October 23, 2017 in accordance with the procedural schedule established in Order No. 3. Therefore, this Motion and Proposed Notice of Approval is timely filed.

II. Joint Motion to Admit Evidence

Staff and HW request that the following evidence be admitted as evidence in the record:

- a. Application of HW for approval of described ownership changes, including its supporting documentation, filed on June 15, 2017;
- b. Hubert-Watson filing of July 11, 2017 answering three questions from Staff about the proposed application.
- c. Hubert-Watson filing of September 7, 2017 answering Staff's First Request for Information questions 1-1 and 1-2
- d. Staff's Recommendation on Final Disposition, filed October 9, 2017.

III. Joint Proposed Notice of Approval

Attached to this pleading is the parties' agreed joint proposed notice of approval. The parties respectfully request the entry of a final notice of approval in this proceeding consistent with the attached joint proposed notice of approval.

Dated: October 19, 2017

Respectfully Submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this October 19, 2017 in accordance with 16 TAC § 22.74.

Kennedy R. Meler

DOCKET NO. 47289

APPLICATION OF HUBERT- WATSON SUBDIVISION WATER	§ § §	PUBLIC UTILITY COMMISSION
SUPPLY, INC. FOR APPROVAL OF A CHANGE IN OWNERSHIP	§ §	OF TEXAS

PROPOSED NOTICE OF APPROVAL

This Notice addresses the application by Hubert-Watson Subdivision Water Supply, Inc. (Hubert-Watson) for approval of ownership changes. Staff (Staff) of the Public Utility Commission of Texas (Commission) recommended approval of said application.

The application is approved.

The Commission adopts the following findings of fact and conclusions of law.

I. Findings of Fact

Procedural History

- 1. On June 15, 2017 Hubert-Watson filed with the Commission an application for its approval to acquire all shares held by the Betty Hubert Wise Trust and allow Randal Boenigk to become a shareholder owner of Hubert-Watson. Such changes are pursuant to Tex. Water Code § 13.302 (TWC) and 16 Tex. Admin. Code § 24.111 (TAC).
- 2. On June 20, 2017 Order No 1 was issued requiring Staff's comments/recommendation on the subject application on or before July 7, 2017.
- 3. Hubert-Watson Subdivision Water Supply, Inc is a Texas Subchapter S corporation. Hubert-Watson operates a single water system for the Hubert-Watson Subdivision in Matagorda County, Texas with 37 currently active connections. Hubert-Watson holds a single CCN, number 12123.
- 4. On June 20, 2017 notice was given to the public of Hubert-Watson's application for approval of a change in ownership and assigned Docket Number 47289. The notice appeared in the June 30, 2017 issue of the Texas Register.
- 5. On July 7, 2017 Order No 2 was issued pertaining to Staff's recommendation that Hubert-Watson supply information or clarification on three items with a deadline of August 7, 2017.

- 6. On July 11, 2017 Hubert-Watson filed responses to Order No 2
- 7. On August 23, 2017 Staff made a First Request for Information
- 8. On September 7, 2017 Hubert-Watson responded to Staff's First Request for Information
- 9. On September 8, 2017 Order No 3 was issued finding Hubert-Watson's application sufficient and established a procedural schedule that specified three deadlines: 1) October 9, 2017 for Staff to request a hearing or file a recommendation on final disposition; 2) October 23,2017 for filing of a joint proposed notice of approval including findings of fact, conclusions of law, and ordering paragraphs; and 3) November 7, 2017 being the expiration of the 60 day deadline for a hearing to be requested under Texas Water Code § 13.302(e) and 16 Texas Admin. Code § 24.111(e).
- 10. On October 9, 2017 Staff recommended that the application be approved stating: "Specifically, Staff has reviewed the application and the supplemental material that has been provided, and recommends that Hubert-Watson and Randal Boenigk possess the necessary financial, managerial, and technical capability to provide continuous and adequate service."
- 11. No hearing requests pursuant to the June 20, 2017 Public Notice of said application have been filed and no issues of fact or law are disputed by any party; therefore, no hearing is required.
- 12. On October 19, 2017 Staff and Hubert-Watson filed a Joint Proposed Notice of Approval and a Joint Motion to Admit Evidence, such filings being timely as required by Order No 3.

13.	On	, Order No.	was issued,	admitting	evidence.
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II. Conclusions of Law

- 1. The Commission has jurisdiction over this proceeding pursuant to TWC §§ 13.041–.042, 13.302 and 16 TAC § 24.111.
- 2. Hubert-Watson Subdivision Water Supply, Inc is a retail public utility, as defined by TWC § 13.002(19) and 16 TAC § 24.3(59).
- 3. This docket was processed in accordance with the requirements of the Texas Water Code, the Texas Administrative Procedure Act, and Commission rules.
- 4. Hubert-Watson Subdivision Water Supply, Inc has demonstrated that the application meets the requirements in TWC § 13.302 and 16 TAC § 24.111.

¹ Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001-.902 (West 2016).

- 5. Hubert-Watson Subdivision Water Supply, Inc is entitled to approval of the application having demonstrated that it has adequate financial and managerial capability to provide continuous and adequate service to the requested area.
- 6. The requirements for informal disposition pursuant to 16 TAC § 22.35 have been met in this proceeding

Ordering Paragraphs III.

In accordance with these findings of fact and conclusions of law, the Commission issues the following order:

- 1. The application is approved.
- 2. Hubert-Watson Subdivision Water Supply, Inc may acquire all shares held by the Betty Hubert Wise Trust and allow Randal Boenigk to obtain a shareholder ownership interest in Hubert-Watson.
- 3. Hubert-Watson or Randal Boenigk must notify the Commission within 30 days after the date that the transaction is completed, consistent with 16 TAC § 24.111(g).
- 4. CCN 12123 will remain in the name of Hubert-Watson Subdivision Water Supply, Inc.
- 5. All other motions, requests for entry of specific findings of fact, conclusions of law, and ordering paragraphs, and any other requests for general or specific relief, if not expressly granted in this Order, are denied.

SIGNED AT AUSTIN, TEX	AS on the	day of	, 2017.
	PUBLIC UTILIT	TY COMMISSIO	N OF TEXAS
	SUSAN E. GOO	DSON	
	ADMINISTRAT	IVE LAW JUDG	E