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September 27, 2018

Public Utilities Commission Central Records 1701 N Congress P.O. Box 13326 Austin, TX 78711-3326

RE: Crest Water Company Docket # 48505 Attn: Ms. Justine Tan

Ms. Tan:

This response is to file a motion for waiver of oath, which we respectfully submit the following:

1) Crest Water Company motion for waiver of oath for transferor.

We have included 10 copies of each per Central Records request.

I believe that is all that is required at this time,

Sincerely,

Charles P. Allague III

Charles P. Gillespie III President

CPG/cg

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DOCKET NO. 48505

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APPLICATION OF SHELCON SERVICES AND CREST WATER COMPANY FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN TARRANT COUNTY **PUBLIC UTILITY COMMISSION**

OF TEXAS

CREST WATER COMPANY'S MOTION FOR WAIVER OF OATH FOR TRANSFEROR

TO THE PUBLIC UTILITY COMMISSION OF TEXAS:

Comes now, CREST WATER COMPANY ("Crest"), and files this Motion for Waiver of Oath for Transferor regarding the above-referenced application, and requests a waiver of any further actions to contact said seller pursuant to Tex. Water Code § 13.301 and 16 Texas Administrative Code (TAC) § 24.2. In support thereof, Crest Water Company would respectfully show as follows:

I. BACKGROUND

On July 2, 2018, Crest filed an application for approval of a sale, transfer, or merger of facilities and Certificate of Convenience and Necessity (CCN) rights in Tarrant County, Texas. Specifically, Crest entered into an agreement with Shelcon Services ("Shelcon," or, "the seller") for the purchase of Mustang Creek Estates public water system (PWS). If approved, Crest will purchase the Mustang Creek Estates PWS facilities and water service area under CCN No. 13055. On July 24, 2018, Crest filed a supplement to its application in response to Order No. 1.

On August 14, 2018, Crest amended its application to include supplemental information. Neither the original application¹ nor the amended application² have the seller's signature in the Oath for Transferor, because Crest is unable to locate the representative for Shelcon. Pursuant to Order No. 2, August 6, 2018, the deadline for Commission Staff to file

¹ Application of Shelcon Services and Crest Water Company for Sale, Transfer, or Merger of Facilities and Certificate Rights in Tarrant County (July 2, 2018) at 23. (Original STM Application).

² Response to Order 2 including a cover letter, updated STM application, and letter stating comments on new well or well repair (August 14, 2018) at 14.

a supplemental recommendation on the application is October 4, 2018. Crest is filing this Motion in an effort to request a waiver to the requirement to provide the Oath for Transferor, as well any future requirements to obtain the seller's signature, as the seller is unable to be located. Crest is authorized to represent that Commission Staff is unopposed to this motion.

II. GOOD CAUSE TO WAIVE OATH FOR TRANSFEROR

On December 9, 2016, Shelcon and Crest executed a CONTRACT FOR THE OPERATION AND MAINTENACE OF A PUBLIC DRINKING WATER SYSTEM IN TARRANT COUNTY, TEXAS as well as a CONTRACT FOR THE PURCHASE OF A PUBLIC WATER SYSTEM IN TARRANT COUNTY, TEXAS, in good faith.³ Since that date, Crest has operated and maintained the system as an owner in good standing. Currently, Crest is working with the Texas Commission on Environmental Quality ("TCEQ") on the resolution of TCEQ DOCKET NO. 2017-0159-MLM-E without the benefit of Shelcon, as they are unable to contact any Shelcon representatives.

Crest has made multiple attempts to contact Shelcon in order to obtain the seller's signature for the Oath for Transferor portion of the application, both prior to and after filing the application on July 2, 2018. None of Crest's attempts to contact Shelcon have been successful. On April 17, 2018, at approximately 2:50 pm, Jim Dyche, owner of Crest Water Company placed a call to Michelle Shackelford, owner of Shelcon and received no response. On May 18, 2018, a letter was sent to Ms. Shackelford along with the aforementioned Oath from Seller and was returned to sender. On June 15, 2018 an Oath from Seller along with a written request were mailed to Shelcon's listed business address and was returned as unable to deliver. On June 16, 2018, an Oath from Seller along with a written request were mailed to Ms. Shackelford's home address as listed in the Tarrant County Appraisal District and were returned undeliverable. On July 19, 2018, at approximately 1:15 pm, Jim Dyche placed a call to Ms. Shackelford and received no response.

Pursuant to 16 TAC § 24.2, the Commission may make exceptions to its substantive rules applicable to water and sewer service providers, for good cause shown. Prior to the

³ Original STM Application at 40-56.

December 9, 2016 contracts for Crest to assume ownership of and to operate and maintain Mustang Creek Estates PWS, Shelcon owned and operated Mustang Creek Estates PWS. Under Shelcon's ownership and operation, customers of Mustang Creek Estates PWS experienced various issues with operation and service, including multiple boil water notices. Since assuming the role of operator of the Mustang Creek Estates PWS, Crest has worked to address these issues to provide continuous and adequate water to existing and future customers. Crest is also working with the TCEQ to resolve past violations, as the Mustang Creek PWS is under enforcement by the TCEQ. Therefore, Crest requests that the Commission waive the Oath for Transferor requirement and any future requirement of the seller's signature for good cause shown. Doing so will promote efficiency, ensure continuous and adequate service to the customers of Mustang Creek PWS, and serve the public interest.

III. CONCLUSION

WHEREFORE PREMISES CONSIDERED, Crest Water Company respectfully requests that the Public Utility Commission grant the Motion for Waiver of Oath for Transferor, and all other relief it is entitled. In the alternative, Crest presents the aforementioned executed contracts for sale and operation as proof of agreement between parties.

Respectfully submitted,

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CONSULTING ENVIRONMENTAL ENGINEERS, INC., Authorized Representative By: Charles P. Gillespie, III. 150 N. Harbin Drive – Suite 408 Stephenville, TX 76401

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was transmitted by fax, hand-delivery and/or regular, first class mail on the 27th day of September, 2018 to the parties of record, in accordance with 16 Tex. Admin. Code § 22.74.

Charles P. Gillespie, III

Authorized Representative