



Control Number: 50014



Item Number: 26

Addendum StartPage: 0

APPLICATION BIG WOOD SPRINGS	*	PUBLIC UTILITY COMMISSION
	*	
WATER SYSTEM FOR A PRICE INDEX	*	
	*	
RATE ADJUSTMENT	*	OF TEXAS

RECEIVED  
 2320 AM 9:19  
 PUBLIC UTILITY COMMISSION  
 FILING CLERK

APPLICANT’S RESPONSE TO ORDER NO. 10 REQUESTING INFORMATION

On or about February 6, 2020, The Estate of Patetreen Petty McCoy filed Item Number 19 entitled Applicant’s Response to Order No. 6 Finding Application Insufficient and Requiring Response, which included all the documents and a lengthy explanation of the “transfer” of the water company and the ownership of the Estate of Patetreen Petty McCoy. (included as Exhibit “A” and incorporated by reference for all purposes)

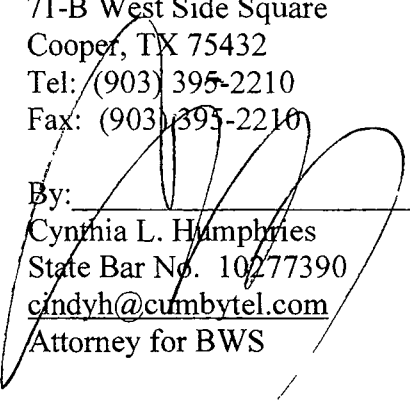
On or about May 1, 2020, Staff filed Item Number 23 entitled Response to Order No. 8, whereby they reviewed the background facts and gave their opinion as to the ownership of the water company. (included as Exhibit “B” and incorporated by reference for all purposes)

On or about July 9, 2020 this ALJ filed Item Number 24 entitled Order No. 9 Finding Application Administratively Complete and Accepting for Filing, and Restyling Docket (included as Exhibit “C” and incorporated by reference for all purposes)

During the pendency of the filings in 50014, the water company contracted with CSWR-Texas Utility Operating Company, LLC to sell the water company to CSWR. Upon the filing of the application, CSWR was informed that the PUC had re-styled the name of the water company to the Estate of Patetreen Petty McCoy which caused the filing of the application to be styled “The Estate of Patetreen Petty McCoy DBA Big Wood Springs Water Company” filed in docket number 51222, which has currently been abated.

The only asset of the Estate of Patetreen Petty McCoy is the water utility.

Respectfully Submitted,  
Cynthia L. Humphries  
P.O. Box 162  
71-B West Side Square  
Cooper, TX 75432  
Tel: (903) 395-2210  
Fax: (903) 395-2210

By:   
Cynthia L. Humphries  
State Bar No. 10277390  
[cindyh@cumbytel.com](mailto:cindyh@cumbytel.com)  
Attorney for BWS

THIS DOCUMENT CONTAINED A BAR CODE

UNABLE TO SCAN

TO VIEW DOCUMENT(S) PLEASE CONTACT  
CENTRAL RECORDS (512)-936-7180

DOCKET NO. 50014

APPLICATION BIG WOODS SPRINGS  
WATER SYSTEM FOR A PRICE INDEX  
RATE ADJUSTMENT

\*  
\*  
\*

RECEIVED  
2020 FEB 05 AM 9:20  
PUBLIC UTILITY COMMISSION  
OF TEXAS  
PUBLIC UTILITY COMMISSION  
FILING CLERK

APPLICANT'S RESPONSE TO ORDER NO. 6 FINDING APPLICATION  
INSUFFICIENT AND REQUIRING RESPONSE

Please consider this Applicant's Response to Order No. 6 Finding Application  
Insufficient and Requiring Response:

In 1990, David Petty's mother, Patetreen "Pat" Petty was issued a CCN by the Texas Water Commission. The name of the company it was issued to establish Pat Petty DBA Big Woods Springs Water Company. (Ex. A ). Ms. Petty purchased the personal property of the water utility from Mr. Baker and Morse who had established a BWS Water Supply, Inc. which became inactive in 1985 with Mr. Morse listed as the registered agent.

After a diligent search of the Wood County records, evidently Ms. Petty (later married McCoy) never actually filed a DBA with Wood County. Pat Petty DBA Big Woods Springs Water Company was just a name. I assume the Texas Water Commission didn't require the actual filing of the DBA to grant the CCN.

When Ms. Petty (McCoy) passed away in 2000 and her Executor began to file all the proper reports with TCEQ he searched the TCEQ online records. The water company was called Big Wood Springs Water System by TCEQ.

After reviewing old documents from Ms. Petty's estate it is clear that the CCN was issued in the name of **Pat Petty DBA Big Woods Springs Water Company. That is the name of the utility.** Whatever it was referred to after that point is incorrect. The Executor has currently filed an Assumed Name Record (D.B.A.) with Wood County to alleviate any problem recognizing the name of the utility.

As far as ownership is concerned, when Patetreen "Pat" Petty McCoy passed away she still owned a 100% of the CCN because a CCN can only be sold/transferred with the permission of the regulatory agency through the application process.

The personal property used to operate the utility is a different matter. Ms. Petty bought the personal property and all other assets of BWS Water Supply from Baker and Morse. Ms. Petty/McCoy then transferred an undivided one-half of the personal property to Mr. McCoy in 1998. (Ex. B )

When Ms. Petty/McCoy passed, she willed her undivided one-half interest in the personal property used to operate the company to her sons, David, Rickey, and James. At that moment, David, Rickey, and James owned an undivided one-half interest in the personal property and Mr. McCoy owned the other half of the personal property. (Ex. C )

In 2001, Mr. McCoy sold his one-half undivided interest in the personal property of the utility to David, Rickey, and James, Ms. Petty/McCoy's sons. So, in 2001 the CCN was still owned by the Estate of which David Petty is the Executor and Ms. Petty's sons owned 100% of the personal property of the utility. (Ex. D)

In 2018, Rickey and James sold their interest in the personal property of the utility to David Petty. (Ex. E)

#### **Timeline**

1990 CCN granted to Pat Petty DBA Big Woods Springs Water Company

1990 Ms. Petty had previously purchased personal property belonging to BWS Water Supply, Inc. to operate the water utility

1998 Undivided one-half of personal property sold to James McCoy (spouse)

2000 Ms. Petty's undivided one-half interest in personal property devised to sons David, Rickey, and James

2001 Mr. McCoy sold his undivided one-half interest in personal property to sons David, Rickey, and James.

**AT THAT POINT** the Estate owned 100% of the CCN that had never been sold or transferred and Ms. Petty's sons, David, Rickey, and James owned a 100% of the personal property used to operate the Utility

2018 Rickey and James sold their interest in personal property to David Petty.

**NOW** the Estate owns 100% of the CCN, operated by David Petty as the Executor and David Petty owns 100% of the personal property used to operate the Utility

Please consider the request for a raise to reflect the appropriate name of Pat Petty DBA Big Woods Springs Water Company. This issue will have to be addressed as well with TCEQ, since that entity has the utility listed as Big Wood Springs Water System.

This water company has contracted with a buyer for this utility and is in the process of selling the utility. A dba indicative of the CCN filing has been filed with the Wood County clerk's office. (Ex. F)

Respectfully submitted,

CYNTHIA L HUMPHRIES

PO Box 162

71-B West Side Square

Cooper, TX 75432

Tel: (903) 395-2210

Fax: (903) 300-3210

By: \_\_\_\_\_

Cynthia L. Humphries  
State Bar No. 10277390  
cindyh@cumbytel.com  
Attorney for BWS

THE STATE OF TEXAS  
COUNTY OF TARRANT

TEXAS WATER COMMISSION

I hereby certify that this is a true and correct copy of a Texas Water Commission document, the original of which is filed in the permanent records of the Commission.



Given under my hand and the seal of Office on SEP 12 1990

*Brenda H. ...*  
Brenda H. ...  
Texas Water Commission

APPLICATION NO. 8498-C

IN THE MATTER OF THE APPLICATION § BEFORE THE  
OF PAT PETTY DBA BIG WOODS § TEXAS WATER COMMISSION  
SPRINGS WATER COMPANY FOR A WATER §  
CERTIFICATE OF CONVENIENCE AND §  
NECESSITY IN WOOD COUNTY, TEXAS §

ORDER

On September 5, 1990, the Texas Water Commission pursuant to Chapter 13 of the Texas Water Code considered the application of Pat Petty dba Big Woods Springs Water Company for a water Certificate of Convenience and Necessity in Wood County. After considering the evidence, the Commission finds that:

No person has requested a public hearing on the application;

Notice of the application was given all affected and interested parties;

The applicant's system fails to meet the Texas Water Commission Rule §291.88(a) by not having meters at all customer connections;

The criteria set forth in Section 13.246(c) have been considered by the Commission; and

Granting the application is necessary for the service, accommodation, convenience and safety of the public.

NOW, THEREFORE, BE IT ORDERED BY THE TEXAS WATER COMMISSION that the application is granted and Certificate of Convenience and Necessity No. 12367 is issued to Pat Petty dba Big Woods Springs Water Company in accordance with the terms and conditions set forth herein and in the certificate.

BE IT FURTHER ORDERED that Pat Petty dba Big Woods Springs Water Company shall serve every customer or applicant for service within the area certified under Certificate of Convenience and Necessity No. 12367 and that such service shall be continuous and adequate.

EX-A




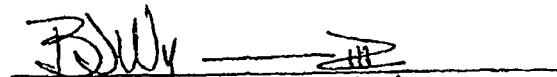
BE IT FURTHER ORDERED that Pat Petty dba Big Woods Springs Water Company shall install meters at all connections within 6 months of the date of this order to meet Texas Water Commission Rule §291.88; and, upon completion of this requirement, notify the Rates Section of the Commission's Water Utilities Division in writing of its compliance making reference to this order and application number.

Signed Date: SEP 10 1990

TEXAS WATER COMMISSION

ATTEST:

  
Brenda W. Foster, Chief Clerk

  
B. J. Wynne, III, Chairman

01000  
W000

BILL OF SALE

Date: July 24, 1998

Seller: PATETREEN PETTY MCCOY

Seller's Mailing Address (including county): Route 9, Box 90848, Winnsboro, Wood County, Texas 75494

Buyer: JAMES MCCOY

Buyer's Mailing Address (including county): Route 9, Box 90848, Winnsboro, Wood County, Texas 75494

Consideration: Ten Dollars (\$10.00) and other good and valuable consideration and the further assumption by Buyer of one-half (1/2) of Seller's obligation evidenced by Promissory Note dated July 24, 1998 in the original principal sum of Fifteen Thousand and No/100 Dollars (\$15,000.00) payable to Cecil Suttle and wife, Paula Suttle, secured by Deed of Trust of even date therewith, recorded in Volume 1522, Page 655 of the Real Property Records of Wood County, Texas.

Personal Property:

An undivided one-half interest in the Personal Property which Seller acquired from Cecil Suttle and wife, Paula Suttle, by Warranty Deed and Bill of Sale dated July 24, 1998, recorded in Volume 1622, Page 652 of the Real Property Records of Wood County, Texas, said personal property including, but not limited to, the following Personal Property assets:

Model 300 Davis ditch digger and trailer

22000 gallon water tank, pump house, pumps, one water well and all other items enclosed within chain link fence around pump house in William P. Kinkennon Survey, A-357, Wood County, Texas, and other water well in Southwest corner of said Kinkennon Survey.

All water distribution lines consisting of six or seven miles made up of 4", 3", 2", 1-1/2", 1", 3/4" and 1/2" lines along with all easements herewith and those reserved from lots previously sold.

1000 shares of BWS Water Supply, Inc. stock.

For value received Seller sells and delivers the personal property to Buyer and warrants and agrees to defend title to the personal property to Buyer and Buyer's successors against all lawful claims.

When the context requires, singular nouns and pronouns include the plural.

SELLER:

*Patetreen Petty McCoy*  
PATETREEN PETTY MCCOY

BUYER:

*James O. McCoy*  
JAMES MCCOY

W:\k\realty\mccoy.doc

Ex.B

0100060074

STATE OF TEXAS )  
COUNTY OF WOOD )

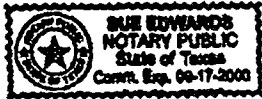
This instrument was acknowledged before me on the 19th day of August, 1998, by PATETREEN PETTY MCCOY.



Sue Edwards  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS )  
COUNTY OF WOOD )

This instrument was acknowledged before me on the 19th day of August, 1998, by JAMES MCCOY.



Sue Edwards  
NOTARY PUBLIC, STATE OF TEXAS

PREPARED IN THE LAW OFFICE OF:  
BROWN, KERR & KING  
P. O. BOX 1029  
QUITMAN, TEXAS 75783

WHEN RECORDED RETURN TO:  
James McCoy  
Route 9, Box 90848  
Winnaboro, TX 75494

\\jtl\cred\ty\mccoy.law

FILED AND RECORDED THE 19th DAY OF Aug, 1998 AT 1:16 O'CLOCK P M  
BRENDA TAYLOR, COUNTY CLERK WOOD COUNTY, TEXAS

BY Kendra Richey DEPUTY

EX.B

LAST WILL AND TESTAMENT

OF

**PATETREEN PETTY McCOY**

I, **PATETREEN PETTY McCOY**, of the County of **WOOD** and the State of Texas, being in good health, of sound and disposing mind and memory, do make and declare this instrument to be my Last Will and Testament, hereby expressly revoking all former Wills and Codicils made by me at any time heretofore, and intending hereby to dispose of all the property of whatever kind and wherever situated which I own, or in which I have any kind of interest at the time of my death.

I.

IDENTITY OF THE FAMILY

My husband's name is **JAMES E. McCOY**. All references in this Will to my "spouse" or to my "husband" are to him. At the time of the execution of this Will, I have four children, namely, **DAVID PAUL PETTY, RICKEY DEAN PETTY, JAMES AUBREY PETTY and PAULA JANE PETTY SUTTLE**, none of which belong to **JAMES E. McCOY**. I have no children with **JAMES E. McCOY**.

II.

PAYMENT OF EXPENSES

I direct that all the expenses of my last illness, my funeral expenses, and my just personal debts, including any inheritance taxes, transfer taxes, and estate taxes which may be levied by the United States Government or by any state by reason of my death, shall be paid by my Independent Executor out of the residue of my estate as soon as conveniently may be done; provided that my Independent Executor, in such Executor's sole discretion, may distribute from time to time any real or personal property in my estate which at my death is subject to a lien securing an indebtedness upon it without discharging said indebtedness, if in my Independent Executor's judgment, the condition of my estate so requires. The distributee shall then be considered as having received my estate's equity in the property.

*Patetreen Petty McCoy*

Ex. C

III.  
DISPOSITION OF ESTATE

A. I hereby permit my husband to live in the house where we are presently residing along with the two lots for such time as he desires to make it his home, or until he remarries. At the time of his remarriage or at such time as he moves from said house, the fee simple title to said property shall pass and vest in my three sons, **DAVID PAUL PETTY, RICKEY DEAN PETTY, and JAMES AUBREY PETTY**, share and share alike.

B. I give, devise and bequeath to my sons, **DAVID PAUL PETTY, RICKEY DEAN PETTY and JAMES AUBREY PETTY**, my undivided interest in BWS Water Supply, Inc. also known as BIG WOODS SPRINGS WATER SYSTEM, share and share alike. It is also my intentions that my sons permit my husband, **JAMES E. McCOY** to continue to operate said water system for as long as he is physically able to do such work.

C. I give, devise and bequeath to my daughter, **PAULA JANE PETTY SUTTLE**, the sum of \$1.00, because I feel that I have sufficiently given her assets during my lifetime.

D. I give, devise and bequeath all of the rest of my estate of whatsoever kind and wheresoever situated to my sons, **DAVID PAUL PETTY, RICKEY DEAN PETTY, JAMES AUBREY PETTY**, in equal shares; provided, however, that if one of my three boys of mine shall not then survive me, but should leave issue then surviving me, such then surviving issue shall take, per stirpes, the share that such deceased boy would have taken by surviving me, or if none is then living, then said share shall be distributed, in equal shares, to my then living boys or their issue per stirpes, or if none of my descendants is then living, then said share shall be distributed as provided in the paragraph below.

IV.  
DEFINITION OF SURVIVAL

Any legatee, devisee, donee, person or beneficiary with respect to all or any part of my estate who shall not survive until ninety (90) days after the date of my death, or until this Will is probated, whichever occurs earlier, shall be deemed to have predeceased me, and shall be treated for all purposes herein as though such person had predeceased me.

*Patricia Petty McCoy*

EX. C

V.  
APPOINTMENT OF EXECUTOR

A. I hereby nominate, constitute and appoint my son, **DAVID PAUL PETTY**, as Independent Executor of my estate.

B. It is my will and desire and I hereby direct that in the administration of my estate, my Independent Executor or any successor shall not be required to furnish any bond of any kind and that no action shall be had in any court in the administration of my estate other than the probating of this, my Last Will and Testament, and the filing of any inventory, appraisement and list of claims of my estate that may be required.

VI.  
POWERS OF EXECUTOR

The estate created or arising by virtue of my death and this instrument, my Last Will and Testament, shall be governed by and administered in accordance with the following provisions:

A. I hereby grant unto my Independent Executor or any successor named above, full power and authority over any and all of my estate and they are hereby authorized to sell, manage, and dispose of the same or any part thereof, and in connection with any such sale or transaction, make, execute and deliver proper deeds, assignments and other written instruments and to do any and all things proper or necessary in the orderly handling and management of my estate.

B. My Independent Executor or any successor named above, shall have full power and authority to compromise, settle and adjust any and all debts, claims and taxes which may be due from or owing by my estate.

C. My Independent Executor or any successor named above, shall have full power and authority to deal with any person, firm, or corporation.

D. My Independent Executor or any successor named above, shall have full power to borrow money at any time and in any amount from time to time for the benefit of my estate, from any person, firm, or corporation or from any bank or trust company and to secure the loan or loans by pledge, deed of trust, mortgage or other encumbrances on the assets of the estate and from time to time to renew such loans and give additional security.

Patricia Petty McKay

Ex. C

VII.  
SPENDTHRIFT PROVISION

No interest of any beneficiary in the corpus or income of my estate shall be subject to assignment, alienation, pledge, attachment, or claims of creditors of such beneficiary and may not otherwise be alienated or encumbered by such beneficiary, except as may be otherwise expressly provided herein.

VIII.  
DEFINITIONS AND INTERPRETATIONS

For purposes of interpretation of this, my Last Will and Testament, and the administration of the estate established herein, the following provisions shall apply:

A. The words "child, children, descendants, issue," and similar terms shall be deemed only to include children born to, or adopted (on or before eighteen years of age) in, a lawful marriage.

B. When a distribution is directed to be made to any person's descendants "per stirpes," the division into stirpes shall begin at the generation nearest to such person that has a living member.

C. The use of the masculine, feminine or neuter genders shall be interpreted to include the other genders, and the use of either the singular or the plural number shall be interpreted to include the other number, unless such an interpretation in a particular case is inconsistent with the general tenor of this instrument. Any references herein relating to my Independent Executor shall include his successors regardless of the gender of the successors.

D. This Will shall be probated in accordance with the laws of Texas, and should any provisions of the same be held unenforceable or invalid for any reason, the unenforceability or invalidity of said provision shall not effect the enforceability or validity of any other part of this Will.

Bathleen Ruth McGuy

Ex. C

IN WITNESS WHEREOF, I, PATETREEN PETTY McCOY, hereby sign my name to this, my last Will, on each page of which I have signed my name, on this 1st day of September, 1999, at SULPHUR SPRINGS, Texas.

Patetreen Petty McCoy  
PATETREEN PETTY McCOY, Testatrix

ATTESTATION

The foregoing instrument was signed in our presence by PATETREEN PETTY McCOY and declared by her to be her last Will. We, at the request and in the presence of PATETREEN PETTY McCOY and in the presence of each other, have subscribed our names below as witnesses on this 1st day of September, 1999.

Wanda Crowson

Witness

441 S. Moore

Street Address

SULPHUR SPRINGS, TX 75482

Shannon Brock

Witness

644 Rascoe

Street Address

SULPHUR SPRINGS, TX 75482

Patetreen Petty McCoy

EX. C



SELF PROVING AFFIDAVIT

STATE OF TEXAS

COUNTY OF HOPKINS

BEFORE ME, the undersigned authority, on this day personally appeared PATETREEN PETTY McCOY, Wanda Crowson and Shannon Brock, known to me to be the Testatrix and the witnesses, respectively, whose names are subscribed to the annexed or foregoing instrument in their respective capacities, and all of said persons being by me duly sworn, the said PATETREEN PETTY McCOY, Testatrix, declared to me and to the said witnesses in my presence that said instrument is her Last Will and Testament and that she had willingly made and executed it as her free act and deed; and the said witnesses, each on their oath stated to me, in the presence and hearing of the said Testatrix, that the said Testatrix had declared to them that said instrument is her Last Will and Testament, and that she executed same as such and wanted each of them to sign it as a witness; and upon their oaths each witness stated further that they did sign the same as witnesses in the presence of the said Testatrix and at her request; that said Testatrix was at that time eighteen years of age or over (or being under such age, was or had been lawfully married, or was then a member of the armed forces of the United States or of an auxiliary thereof or of the Maritime Service) and was of sound mind; and that each of said witnesses was then at least fourteen years of age.

Patreen Petty McCoy  
PATETREEN PETTY McCOY, Testatrix

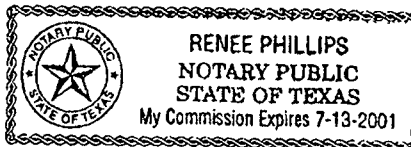
Wanda Crowson  
Witness  
Address: 941 S. Moore  
SULPHUR SPRINGS, TX 75482

Shannon Brock  
Witness  
Address: 644 Rosene  
SULPHUR SPRINGS, TX 75482

SUBSCRIBED AND SWORN TO BEFORE ME by the said PATETREEN PETTY McCOY, Testatrix, and by the said Wanda Crowson and Shannon Brock, Witnesses, this 1st day of September, A.D. 1999.

Renee Phillips  
Notary Public, State of Texas

Patreen Petty McCoy



EX. C

No. 9962

# Letters Testamentary

**The State of Texas**  
County of WOOD

**IN COUNTY COURT,**  
WOOD County, Texas

I, BRENDA TAYLOR Clerk of the County Court of

WOOD County, Texas, do hereby certify that on the 25TH  
day of SEPTEMBER A.D. 2000

DAVID PAUL PETTY

was duly granted by said Court Letters Testamentary of the Estate of  
PATETREEN PETTY MCGOY deceased

and that he qualified as such INDEPENDENT EXECUTOR of said Estate  
on the 25TH day of SEPTEMBER A.D. 2000 as the law requires,  
and that said appointment is still in full force and effect.

Witness my hand and seal of office at QUITMAN, TEXAS this  
25TH day of SEPTEMBER A.D. 2000

BRENDA TAYLOR Clerk

County Court WOOD County, Texas

By Melba Kelly Deputy  
MELBA KELLY

EX.C

No. 9962

FILED FOR RECORD

00 SEP 25 PM 4:12

IN THE ESTATE OF

PATETREEN PETTY MCCOY,

DECEASED

IN THE COUNTY COURT

OF

WOOD COUNTY, TEXAS

BRENDA TAYLOR  
COUNTY CLERK, WOOD CO., TEXAS

BY \_\_\_\_\_, DEPUTY

**OATH OF INDEPENDENT EXECUTOR**

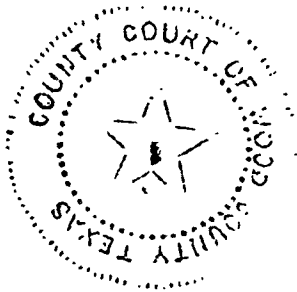
I, DAVID PAUL PETTY, do solemnly swear that the writing which has been offered for probate is the last Will of PATETREEN PETTY McCOY, so far as I know or believe, and that I will well and truly perform all the duties as Independent Executor of the Will and of the Estate of PATETREEN PETTY McCOY, Deceased.

*David Paul Petty*  
\_\_\_\_\_  
DAVID PAUL PETTY

STATE OF TEXAS

COUNTY OF WOOD

SWORN TO AND SUBSCRIBED BEFORE ME on this the 25th day of Sept., 2000 by the said DAVID PAUL PETTY, in the capacity therein stated.



*BRENDA TAYLOR, Wood County Clerk*  
~~Notary Public, State of Texas~~  
By: *Melba Kelly, Deputy*

EX.C

0075672

Bill of Sale

Date: *September*  
~~August~~ 21, 2001

Seller: JAMES E. McCOY

Seller's Mailing Address:

JAMES E. McCOY  
RT 9 BOX 90648  
WINNSBORO, TX 75494  
WOOD County

Buyer: DAVID PAUL PETTY; RICKEY DEAN PETTY; and JAMES AUBREY PETTY

Buyer's Mailing Address:

DAVID PAUL PETTY  
P O BOX 557  
CUMBY, TX 75433  
HOPKINS County

RICKEY DEAN PETTY

CUMBY, TX 75433  
HOPKINS County

JAMES AUBREY PETTY  
104 LINE STREET  
CUMBY, TX 75433  
HOPKINS County

Consideration:

Ten Dollars (\$10.00) and other good and valuable consideration.

Transferred Properties:

Model 300 Davis ditch digger and trailer;

22000 gallon water tank, 22000 gallon water tank, pump house, pumps, including booster pumps, one water well and all other items enclosed within chain link fence around pump house in William P. Kirkennon Survey, A-357, Wood County, Texas and a water well in Southwest corner of said Kirkennon Survey;

All water distribution lines consisting of six or seven miles made up of 4", 3", 2", 1-1/2",

0  
1  
8  
0  
9  
  
0  
0  
4  
0  
1

EX. D

0180906482

1", 3/4" and 1/2" lines along with all easements herewith and those reserved from lots previously sold;

All journals, ledgers, accounts receivables, accounts payable and any other records pertaining to BWS Water Supply, Inc.

1000 shares of BWS Water Supply, Inc. stock;

**Reservations from Transfer:**

None.

**Exceptions to Transfer and Warranty:**

None.

Seller, for the Consideration and subject to the Reservations from Transfer and the Exceptions to Transfer and Warranty, sells, transfers, and delivers the Transferred Properties to Buyer, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Buyer and Buyer's heirs, successors, and assigns forever. Seller binds Seller and Seller's heirs and successors to warrant and forever defend all and singular the Transferred Properties to Buyer and Buyer's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Seller but not otherwise, except as to the Reservations from Transfer and the Exceptions to Transfer and Warranty.

WITH THE EXCEPTION OF THE WARRANTIES OF TITLE, INCLUDING THE WARRANTY THAT NO LIENS EXIST ON THE TRANSFERRED PROPERTIES EXCEPT AS RECITED, SELLER HAS MADE NO AFFIRMATION OF FACT OR PROMISE RELATING TO THE TRANSFERRED PROPERTIES THAT HAS BECOME ANY BASIS OF THIS BARGAIN, AND FURTHER, SELLER HAS MADE NO AFFIRMATION OF FACT OR PROMISE RELATING TO THE TRANSFERRED PROPERTIES THAT WOULD CONFORM TO ANY SUCH AFFIRMATION OR PROMISE. SELLER DISCLAIMS ANY WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE WHATEVER WITH RESPECT TO THE TRANSFERRED PROPERTIES. THE TRANSFERRED PROPERTIES ARE SOLD ON AN "AS IS" BASIS.

Ex. D

000000000000000000

When the context requires, singular nouns and pronouns include the plural.

SELLER:

James E. McCoy  
JAMES E. MCCOY

BUYERS:

David Paul Petty  
DAVID PAUL PETTY

Ricky Dean Petty  
RICKEY DEAN PETTY

James Aubrey Petty  
JAMES AUBREY PETTY

STATE OF TEXAS )

COUNTY OF <sup>Hopkins</sup> WOOD )

This instrument was acknowledged before me on September 21, 2001, by JAMES MCCOY.



WANDA CROWSON, Notary Public  
in and for the State of Texas  
My Commission Expires 6-15-2004

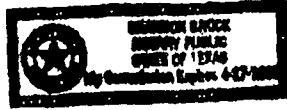
Wanda Crowson  
Notary Public, State of Texas

Ex. D

01889  
00484

STATE OF TEXAS )  
                  Hopkins )  
COUNTY OF WOOD )

This instrument was acknowledged before me on October 2, 2001, by DAVID PAUL PETTY.



Shannon Brock  
Notary Public, State of Texas

STATE OF TEXAS )  
                  Hopkins )  
COUNTY OF WOOD )

This instrument was acknowledged before me on October 15, 2001, by RICKEY DEAN PETTY.



WANDA CROWSON, Notary Public  
in and for the State of Texas  
My Commission Expires 6-15-2004

Wanda Crowson  
Notary Public, State of Texas

STATE OF TEXAS )  
                  Hopkins )  
COUNTY OF WOOD )

This instrument was acknowledged before me on October 15, 2001, by JAMES AUBREY PETTY.



WANDA CROWSON, Notary Public  
in and for the State of Texas  
My Commission Expires 6-15-2004

Wanda Crowson  
Notary Public, State of Texas

AFTER RECORDING RETURN TO:

DAVID PAUL PETTY  
P O BOX 557  
CUMBY, TX 75433

FILED AND RECORDED THE 17TH DAY OF OCT, 2001 AT \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M  
BERNDA TAYLOR, COUNTY CLERK WOOD COUNTY, TEXAS

BY \_\_\_\_\_ DEPUTY

Ex. D

**SPECIAL WARRANTY DEED**

**Date:** February 7, 2018

**Grantors:** Rickey Dean Petty, as his separate property  
James Aubrey Petty, as his separate property

**Grantors' Mailing Address (including county):**

Rickey Dean Petty  
304 Depot Street  
Cumby, Hopkins County, TX 75433

James Aubrey Petty  
207 Line Street  
Cumby, Hopkins County, TX 75433

**Grantee:** David Petty, as his separate property

**Grantee's Mailing Address (including county):**

P. O. Box 557  
Cumby, Hopkins County, TX 75433

**Consideration:** TEN AND 00/100 DOLLARS (\$10.00) and other good and valuable consideration.

**Property (including any improvements):**

All that certain lot, tract or parcel of land situated in the W. P. Kinkennon Survey, Abstract No. 357, Wood County, Texas being Lot Nos. 212 and, 213, Tract No. 1, Section 3 of the Big Woods Springs Addition, according to the Amended Plant of said addition recorded of record in Book No. 56, Page 34 of the Plat Records of Wood County, Texas.

Including all real and Personal Property of the Estate of Patetreen Petty McCoy: The property constituting all of the real and personal property of the Estate of Patetreen Petty McCoy, including, but not limited to Big Wood Springs Water System (CCN 12367 PWS TX2500019) and any and all assets of Big Wood Springs Water System, including but not limited to a 22,000 gallon above-ground storage tank, three (3) booster pumps at two (2) locations, one (1) active well, four (4) small buildings located therein, all meters, distribution lines, and easements.

**Reservations from and Exceptions to Conveyance and Warranty:**

This deed is subject to all easements, restrictions, conditions, covenants, and other instruments of record.

Ex. E



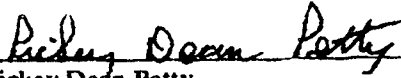
Grantors, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantors bind Grantors and Grantors' heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty, when the claim is by, through, or under Grantors but not otherwise.


For the same Consideration, Grantors sell, transfers, and deliver the Personal Property to Grantee. Title in the Personal Property passes at the time this deed is delivered.

THE PERSONAL PROPERTY TRANSFERRED TO GRANTEE IS SOLD, TRANSFERRED, AND DELIVERED "AS IS" AND "WITH ALL FAULTS"; FURTHER, GRANTORS EXCLUDES ALL WARRANTIES AND REPRESENTATIONS, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

When the context requires, singular nouns and pronouns include the plural.

Grantee assumes all ad valorem taxes due on the property for the current year.

  
\_\_\_\_\_  
Rickey Dean Petty

  
\_\_\_\_\_  
James Aubrey Petty

EX-3

ACKNOWLEDGMENT

STATE OF TEXAS

§

COUNTY OF HOPKINS

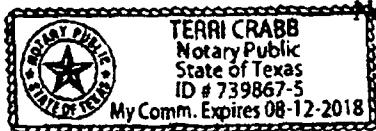
§

§

This instrument was acknowledged before me on February 7, 2018, by Rickey Dean Petty.

*TERRI CRABB*

Notary Public, State of Texas



ACKNOWLEDGMENT

STATE OF TEXAS

§

COUNTY OF HOPKINS

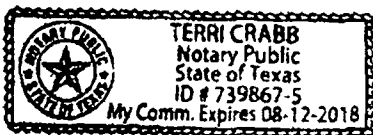
§

§

This instrument was acknowledged before me on February 7, 2018, by James Aubrey Petty.

*TERRI CRABB*

Notary Public, State of Texas



AFTER RECORDING RETURN TO:

David Petty  
P. O. Box 557  
Cumby, TX 75433

THE STATE OF TEXAS  
COUNTY OF WOOD

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the OPR Records of Wood County, Texas

2018-00011199 chaggerty  
12/07/2018 11:42 AM



*Kelley Price*

Kelley Price, County Clerk  
Wood County, Texas

EX-E

26

ASSUMED NAME RECORD (D.B.A.)  
CERTIFICATE OF OWNERSHIP FOR BUSINESS OR PROFESSION

Notice: This certificate of ownership properly executed is to be filed immediately with the County Clerk as provided by Law.



2020-00000859 Pages:2 Kelley Price Wood County



KELLEY PRICE

COUNTY CLERK, WOOD COUNTY  
P. O. BOX 1796, QUITMAN, TX 75783 (903) 763-2711

NAME UNDER WHICH BUSINESS IS TO BE CONDUCTED

Pat Petty DBA Big Woods Springs Water Company

BUSINESS ADDRESS: 1604 PR 8692 CITY: Winnsboro STATE Tx ZIP 75494

MAILING ADDRESS: P.O. Box 557 CITY: Cumby STATE TX ZIP 75433

TIME PERIOD BUSINESS NAME WILL BE USED (not to exceed 10 years) \_\_\_\_\_ years.

NOTICE: CERTIFICATES OF OWNERSHIP ARE VALID ONLY FOR A TIME PERIOD NOT TO EXCEED 10 YEARS FROM DATE FILED WITH THE COUNTY CLERK (BUSINESS AND COMMERCE CODE SECTION 71.151)

CERTIFICATE OF OWNERSHIP

I/We the undersigned, are the owner(s) of the above business and my/our name(s) and address(es) given is/are true and correct and there are no other owners in said business.

PRINT OR TYPE NAME. NOTE: SIGNATURE(S) MUST BE SIGNED IN FRONT OF A NOTARY.

NAME: Executor, David Petty SIGNATURE: X Cynthia David Petty

ADDRESS: P.O. Box 557 Cumby, TX 75433

NAME: \_\_\_\_\_ SIGNATURE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

NAME: \_\_\_\_\_ SIGNATURE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

NAME: \_\_\_\_\_ SIGNATURE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

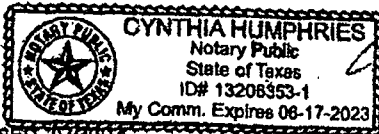
THE STATE OF TEXAS }  
COUNTY OF WOOD }

Before me, the undersigned authority, on this day personally appeared Executor, David Petty

those person(s) whose name(s) are listed above known to me to be the person(s) subscribed to the foregoing instrument and acknowledged to me that they are the owner(s) of the above named business and that they signed the same for the purpose and consideration herein expressed GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS 27th DAY OF January, 2020

(SEAL)

Signature of notary public/deputy county clerk



REVISED 07/30/14

EX F

THE STATE OF TEXAS  
COUNTY OF HOOD

I hereby certify that this instrument was FILED on the  
date and the time stamped hereon by me and was duly  
RECORDED in the OPR Records of Hood County, Texas.

2020-00000869 dhaggerty  
01/29/2020 02:06 PM



*Kelley Price*

Kelley Price, County Clerk  
Hood County, Texas

EXF

THIS DOCUMENT CONTAINED A BAR CODE

UNABLE TO SCAN

TO VIEW DOCUMENT(S) PLEASE CONTACT  
CENTRAL RECORDS (512)-936-7180



**DOCKET NO. 50014**

**APPLICATION OF BIG WOOD  
SPRINGS WATER SYSTEM FOR A  
PRICE INDEX RATE ADJUSTMENT** §  
§  
§

**PUBLIC UTILITY COMMISSION  
OF TEXAS**

**COMMISSION STAFF'S RESPONSE TO ORDER NO. 8**

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Response to Order No. 8 and would show the following:

**I. BACKGROUND**

On September 17, 2019, Big Wood Springs Water System (Applicant) filed an application for a rate adjustment under Texas Water Code (TWC) § 13.1872 and 16 Texas Administrative Code (TAC) § 24.49.

On October 23, 2019, the Administrative Law Judge (ALJ) issued Order No. 3 requesting clarification from Staff on the legal name of the Applicant and the issuance of a new tariff with the correct name, if applicable, by October 30, 2019. Staff requested and received two extensions to this deadline.

In its response to Order No. 3 filed on December 11, 2019, Staff indicated that it was unable to clarify the legal name of the utility in this docket and recommended that the Applicant withdraw its application until it could establish the legal name and ownership of the utility. In Order No. 6 filed on January 8, 2020, the ALJ requested that the Applicant file proof of ownership of the utility requesting a class D rate adjustment and provide the name of the utility that should be reflected on the tariff for the utility and certificate of convenience and necessity number (CCN) 12367. On February 6, 2020, the Applicant filed its response to Order No. 6.

Order No. 7 issued by the ALJ on April 9, 2020, directed Staff to file comments on the Applicant's response on or by April 24, 2020, that include an analysis on sufficiency of the application. Staff filed a request for extension on April 23, 2020, and Order No. 8, issued on April 28, 2020, granted staff's request to extend the deadline to May 1, 2020. Therefore, this pleading is timely filed.

## II. OWNERSHIP OF THE UTILITY

Staff has reviewed the documents submitted by the Applicant and has concluded that CCN No. 12367 is held by the Estate of Patetreen Petty McCoy (Estate) with David Petty serving as the executor of the estate. The Applicant has established through documentation that Pat Petty d/b/a Big Woods Springs Water Company was initially granted CCN No. 12367 by the Texas Water Commission on September 5, 1990.<sup>1</sup> At some point between September 5, 1990 and July 24, 1998, Ms. Petty married James McCoy and took his last name. On July 24, 1998, Ms. Petty McCoy transferred an undivided one-half interest in the facilities of the Big Wood Springs water system to Mr. McCoy.<sup>2</sup>

Ms. Petty McCoy then passed away and her will was probated in Wood County on September 25, 2000.<sup>3</sup> At this time, CCN No. 12367 came under the control of the Estate and Ms. Petty McCoy's undivided one-half interest in the facilities passed to her sons David Petty Rickey Petty, and James Petty.<sup>4</sup> In 2001, James McCoy sold his undivided one-half interest to David, Rickey, and James.<sup>5</sup> In 2018, Rickey and Jams sold their portion of the undivided one-half interest in the facilities to David.<sup>6</sup>

Under TWC § 13.301(h), a sale, acquisition, lease, or rental of any water or sewer system owned by an entity required by law to possess a CCN is void unless it is completed in accordance with section 13.301. The Applicant has not shown that any of the transfers of the undivided one-half interest in the Big Wood Springs water facilities, beginning with the transfer from Pat Petty McCoy to James McCoy, were carried out in accordance with the TWC § 13.301. Therefore, these transfers are void and the Estate owns 100% of the facilities.

Whether the Estate also holds the CCN due to the simple facts that: (1) the CCN was granted to Ms. Petty McCoy operating as a sole proprietor; and (2) Ms. Petty McCoy is now

---

<sup>1</sup> Applicant's Response to Order No. 6- Finding Application Insufficient and Requiring Response at 4 (Feb. 6, 2020).

<sup>2</sup> *Id.* at 6 - 7.

<sup>3</sup> *Id.* at 8 - 15.

<sup>4</sup> *Id.*

<sup>5</sup> *Id.* at 16 - 19.

<sup>6</sup> *Id.* at 20 - 22.

deceased, is a separate question.<sup>7</sup> If the CCN did not pass to the Estate upon Ms. Petty McCoy's death, then Staff believes that an application for a sale, transfer, or merger (STM) from the Estate to David Petty is the most viable course of action to establish a new CCN holder for regulatory purposes. This transaction would also align the regulatory and legal status of the ownership of the Big Wood Springs facilities because the Applicant has provided bills of sale and deeds supporting the conclusion that David Petty is the legal owner of a 100% interest in the facilities. However, Staff recommends that a STM application from the Estate to David Petty may not be the best course of action at this time because the Applicant has informed Staff that is in negotiations to sell the system to a third party that is not David Petty.<sup>8</sup>

Based on the supplemental information provided by the Applicant, Staff recommends that the Applicant has established that the Estate of Patetreen Petty McCoy holds the CCN and owns the associated water facilities.

### III. APPLICATION AND NOTICE

As detailed in the recommendation on administrative completeness and recommendation on final disposition and supporting memorandum of Spencer English filed on October 17, 2019, Staff recommends that the application be found administratively complete and accepted for filing under TWC § 13.1872 and 16 TAC § 24.49. Staff further recommends approval of the application and the proposed rates as also reflected in Mr. English's memorandum. Finally, Staff recommends that the notice proposed by the Applicant is sufficient except for the proposed effective date of October 30, 2019, which has now passed.

### III. PROPOSED PROCEDURAL SCHEDULE

In the event that the ALJ determines that the processing of this docket may proceed, Staff proposes the following procedural schedule:

---

<sup>7</sup> See 16 TAC § 24.245(c) ("A CCN or other order of the commission in any proceeding under this section does not create a vested property right").

<sup>8</sup> Staff does not believe that requiring an STM from the Estate to David Petty followed by a second STM transferring the CCN and associated facilities to a third party promotes administrative efficiency or the conservation of Commission and utility resources.



Event	Deadline
Deadline for Applicant to provide notice to customers	At least 30 days before the effective date established in the Order approving or modifying Applicant's application. <sup>9</sup>

#### IV. REQUEST TO RESTYLE THE DOCKET

If the ALJ concurs with Staff's recommendation regarding the ownership of the utility, Staff recommends that the docket be restyled as *Application of the Estate of Patetreen Petty McCoy for a Class D Annual Rate Adjustment*. This change will accurately reflect the correct name of the applicant as well as the fact that this application was filed after September 1, 2019. The current version of TWC § 13.1872, which no longer requires that a rate increase requested under that section be tied to a price index established by the Commission, was effective on September 1, 2019.

#### V. CONCLUSION

Staff respectfully requests an order consistent with the foregoing.

Dated: May 1, 2020

---

<sup>9</sup> See 16 TAC § 24.49(e). After the Applicant receives a written Order by the Commission approving or modifying the Applicant's application, including the proposed notice of approved rates, and at least 30 days before the effective date of the proposed change established in the Commission's Order, the Applicant must send by mail, or by e-mail if the ratepayer has agreed to receive communications electronically, the approved or modified notice to each ratepayer describing the proposed rate adjustment.

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Rachelle Nicolette Robles  
Division Director

Eleanor D'Ambrosio  
Managing Attorney

s/ Kourtnee Jinks

Kourtnee Jinks  
State Bar No. 24097146  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7265  
(512) 936-7268 (facsimile)  
kourtnee.jinks@puc.texas.gov

**DOCKET NO. 50014**

**CERTIFICATE OF SERVICE**

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on May 1, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

s/ Kourtnee Jinks

Kourtnee Jinks

THIS DOCUMENT CONTAINED A BAR CODE

UNABLE TO SCAN

TO VIEW DOCUMENT(S) PLEASE CONTACT  
CENTRAL RECORDS (512)-936-7180



DOCKET NO. 50014

APPLICATION OF THE ESTATE OF  
PATETREEN PETTY MCCOY FOR A  
CLASS D ANNUAL RATE  
ADJUSTMENT

§  
§  
§  
§

PUBLIC UTILITY COMMISSION  
OF TEXAS

**ORDER NO. 9  
FINDING APPLICATION ADMINISTRATIVELY  
COMPLETE AND ACCEPTED FOR FILING, AND RESTYLING DOCKET**

This Order addresses Commission Staff's response to Order No. 8, filed on May 1, 2020, regarding the administrative completeness of the Estate of Patetreen Petty McCoy's (Estate) application. Commission Staff recommended that the application be found administratively complete and accepted for filing. Commission Staff recommended that, in order for the notice to comply with Texas Water Code § 13.1872(c)(1), the Estate should be required to issue notice at least 30 days before the effective date established in the Commission's order approving or modifying the estate's application.

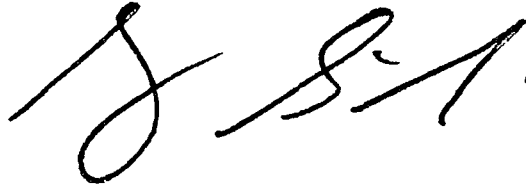
The administrative law judge (ALJ) finds the Estate's application administratively complete and accepted for filing. The ALJ establishes an effective date of the rate increase of August 13, 2020.

Under 16 Texas Administrative Code § 24.49(e), the Estate is required to provide notice to each ratepayer after it receives a written notice of approval issued by the Commission and at least 30 days before the effective date of the proposed rate change. Because the notice of approval has not yet been issued, the ALJ instructs the Estate not to provide notice to ratepayers until the notice of approval is issued in the present docket.

Commission Staff also requested that the docket be restyled. The ALJ restyles the docket as reflected in this Order.

Signed at Austin, Texas the 9th day of July 2020.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink, appearing to read 'G. R. Siemankowski', written in a cursive style.

---

GREGORY R. SIEMANKOWSKI  
ADMINISTRATIVE LAW JUDGE

q:\cadm\doCKET management\water\rates\class d rate adj\50014-9 admin complete.docx