

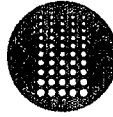


Control Number: 50895



Item Number: 10

Addendum StartPage: 0



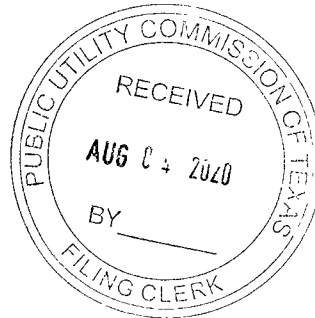
Midway Water Utilities

A SouthWest Water Company

12535 Reed Road
Sugar Land, TX 77478
Phone: 281.207.5800
Fax: 281.207.5861
www.swwc.com

August 3, 2020

Public Utility Commission of Texas
Attention: Filing Clerk
1701 Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326



Re: Docket 50895 - Application of Champs Water Company and Midway Water Utilities, Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Harris and Montgomery Counties

Supplemental Information to Cure Deficiencies in Response to Order No. 3

To the Commission:

Midway Water Utilities, Inc. ("Midway") and Champs Water Company ("Champs", together the "Applicants") filed an application ("Application") on June 1, 2020, requesting approval of the transfer of assets, customers, and CCN from Champs to Midway.

Order No. 3 issued on July 2, 2020 in the above-referenced docket requires the Applicants to supplement the Application to cure deficiencies identified by the Public Utility Commission ("Commission") Staff in a memo dated July 1, 2020. The supplemental information must be provided on or before August 3, 2020; therefore, this response is timely filed.

Staff requests the Applicants supplement the Application with an updated response to Application Question No. 14 and make revisions to certain maps provided with the Application.

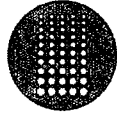
Please contact me if any additional information is required at this time.

Sincerely,

/s/ Brian Bahr

Brian D. Bahr
Director, Regulatory Affairs
SouthWest Water Company
Midway Water Utilities, Inc.
(626) 543-2552
bbahr@swwc.com

10



Midway Water Utilities

A SouthWest Water Company

12535 Reed Road
Sugar Land, TX 77478
Phone: 281.207.5800
Fax: 281.207.5861
www.swwc.com

Application Content:

1. Completed application question number 14: The sum of debits and credits should equal zero, but does not, and the plant in service and accumulated depreciation amounts should equal the sum of the amounts on the asset schedules.

RESPONSE: Please note the proposed accounting entries below are preliminary estimates and are subject to revision; actual amounts will be recorded on the date the transaction closes.

Utility Plant in Service	
Accumulated Depreciation of Plant	
Cash	
Customer Accounts Receivable	
<u>Customer Deposits</u>	
Net Accounting Entries	

THE PROPOSED ACCOUNTING ENTRIES ARE PROVIDED SEPARATELY UNDER CONFIDENTIAL SEAL.

Mapping Content:

1. The general location (small scale) maps are deficient. The general location maps must be revised by zooming in closer to the outer boundaries of each requested area and clearly labeling major highways.

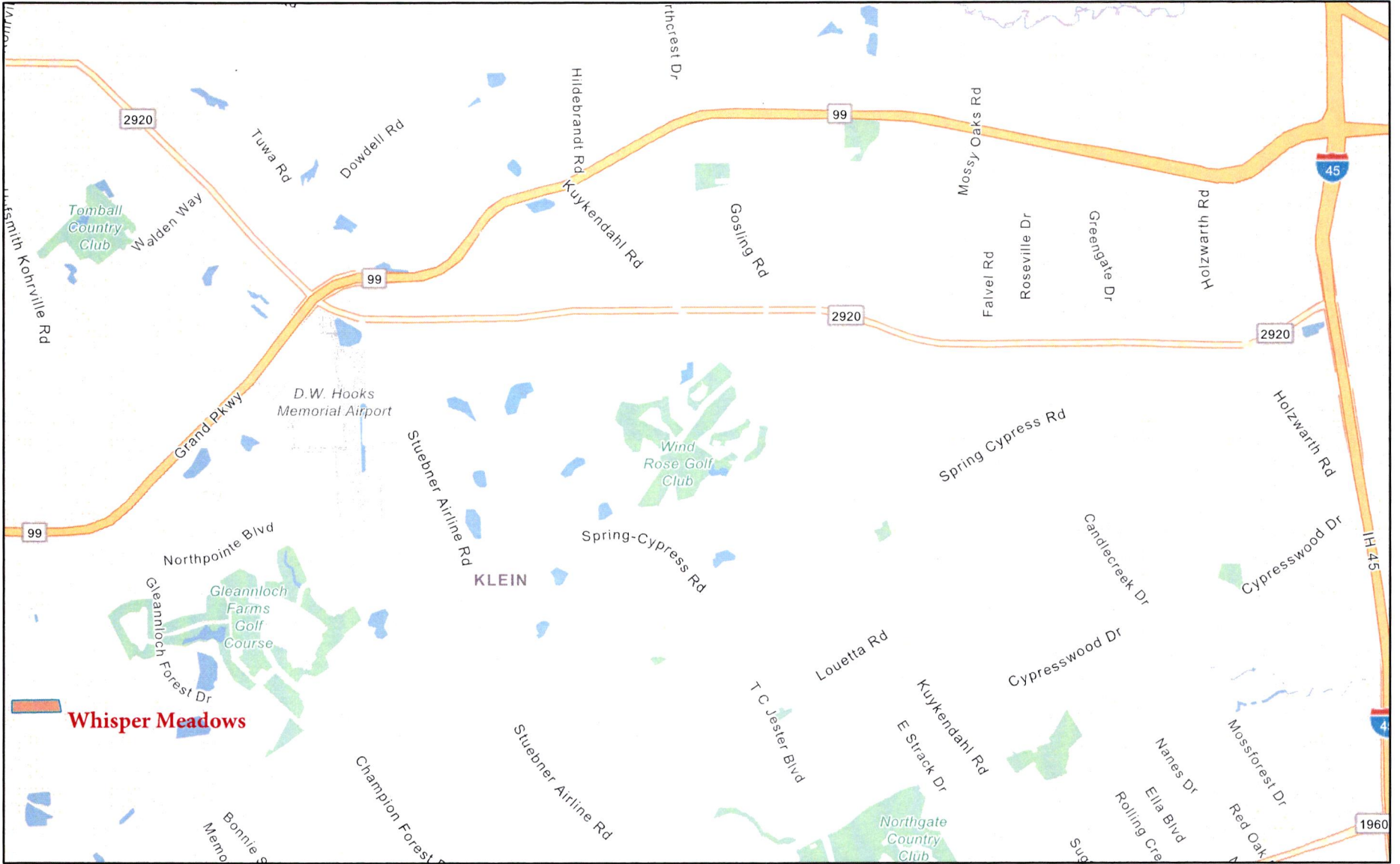
RESPONSE: Please see attached revised general location maps, which zoom in closer to CCN boundaries than original maps and include labeling of major highways.

Additional Information:

Staff notes that another STM application in which Midway is the purchaser is currently under review in Docket No. 50059. In that application, Midway has received approval to proceed with a transaction to acquire water CCN No. 12087 and sewer CCN No. 20705. It is recommended that a utility not obtain more than one water and sewer CCN number; therefore, Staff recommends that the service area being acquired in this docket be transferred into the CCNs Midway will acquire in Docket No. 50059, as it is expected to be completed prior to this docket. If Midway does not agree to this change, then Staff recommends that Midway provide an explanation as to why multiple water and sewer CCN numbers are necessary.

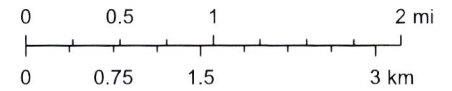
RESPONSE: Applicants are unopposed to Staff's recommendation.

CCN 10972 General Location 2 of 3

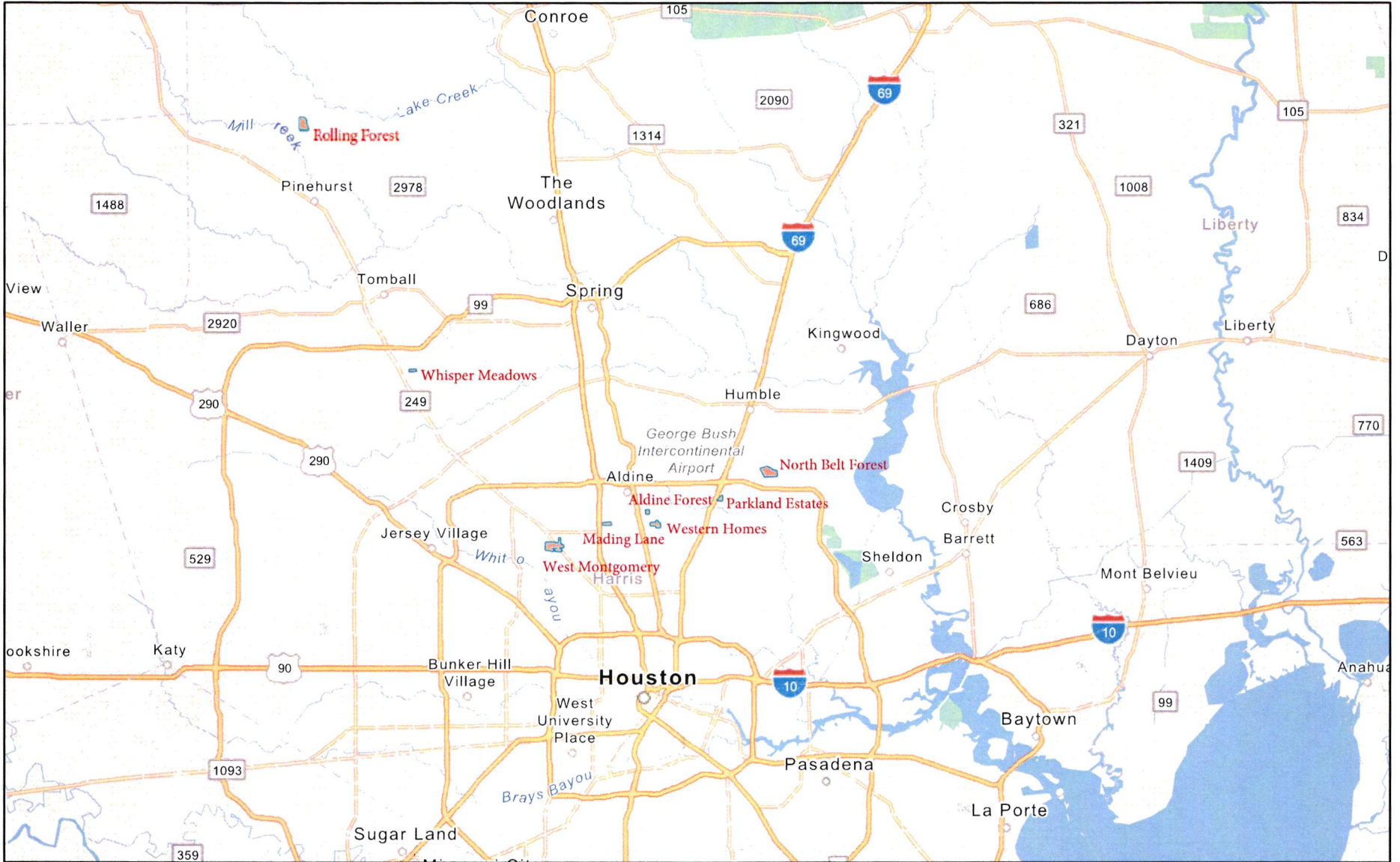


August 1, 2020

1:72,224



Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap



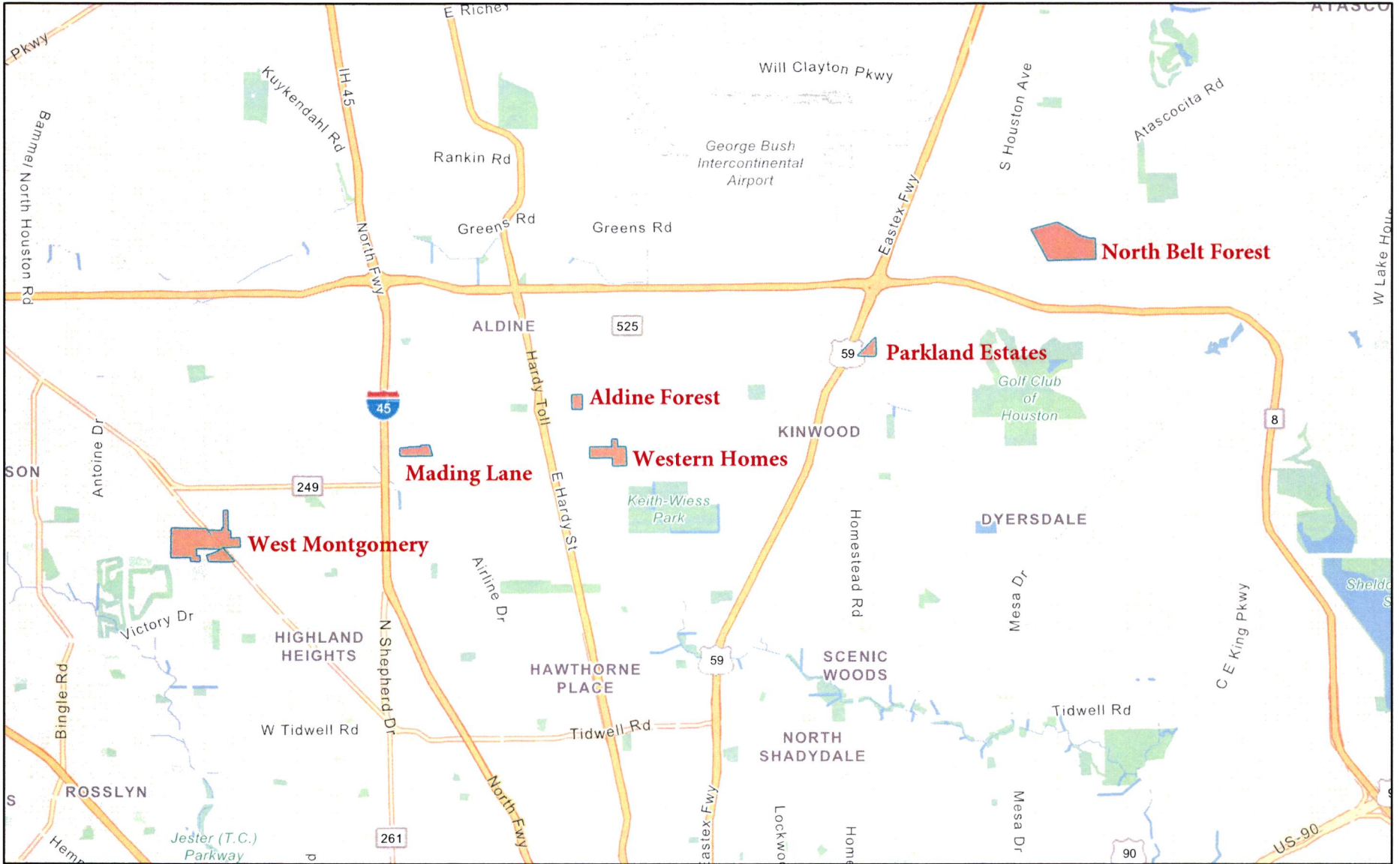
August 1, 2020

1:577,791



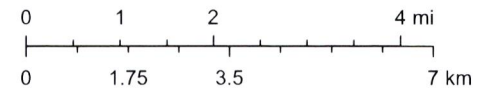
Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap

CCN 10972 General Location 1 of 3

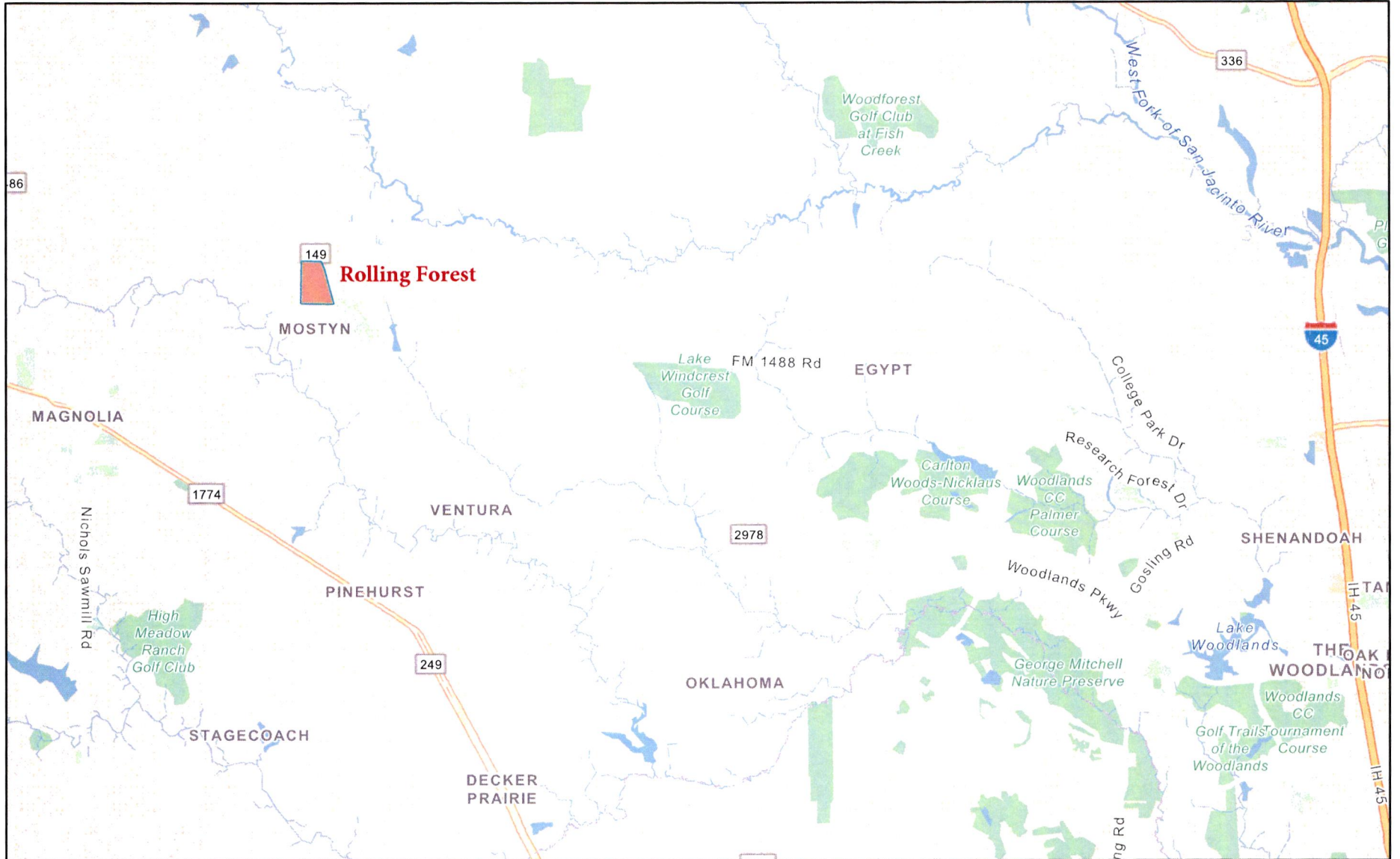


August 1, 2020

1:144,448

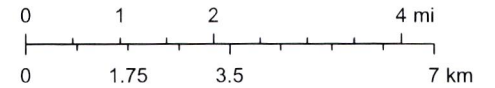


Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap



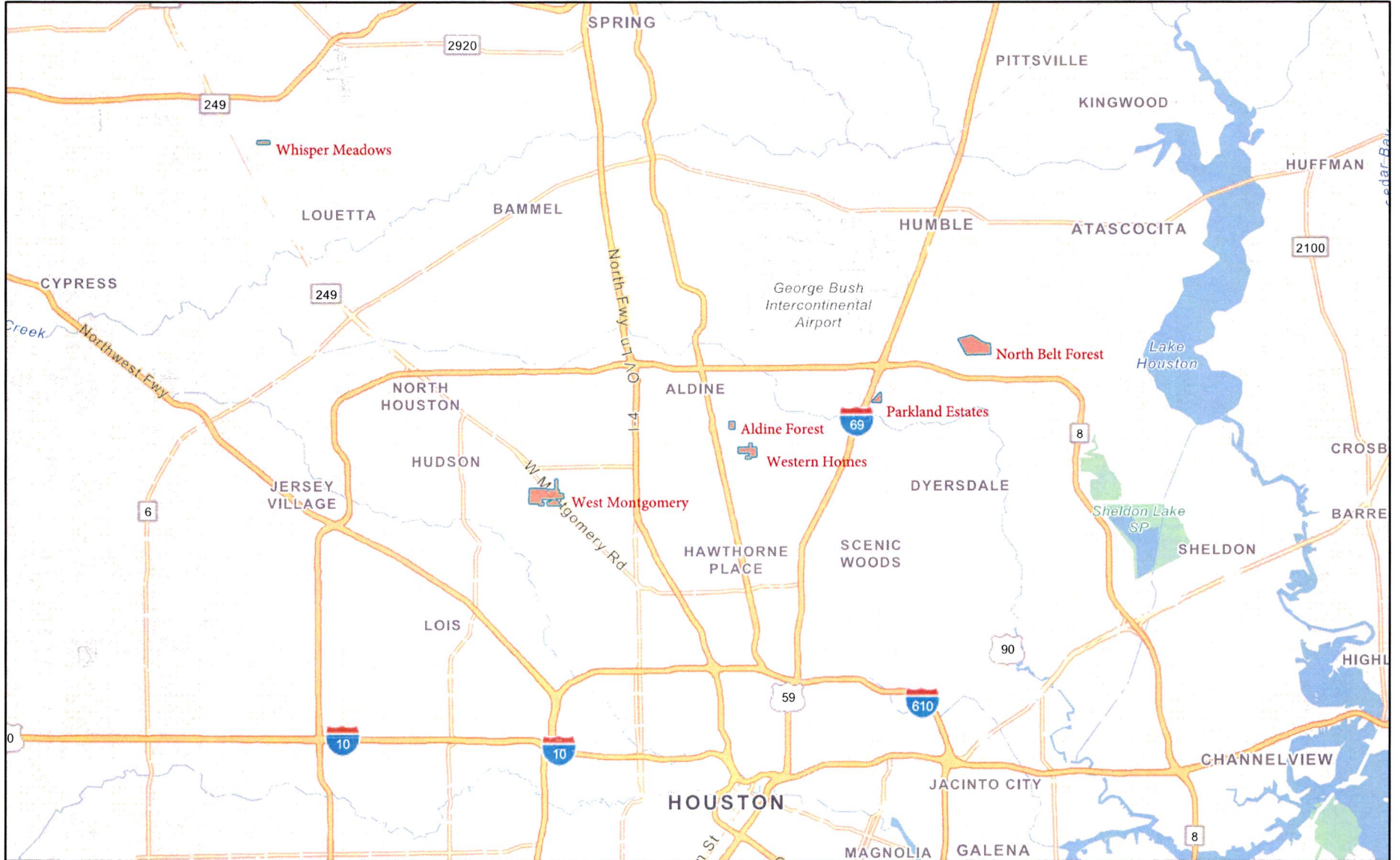
August 1, 2020

1:144,448



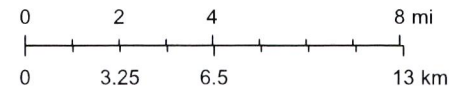
Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap

CCN 20385 Overview 1 of 1



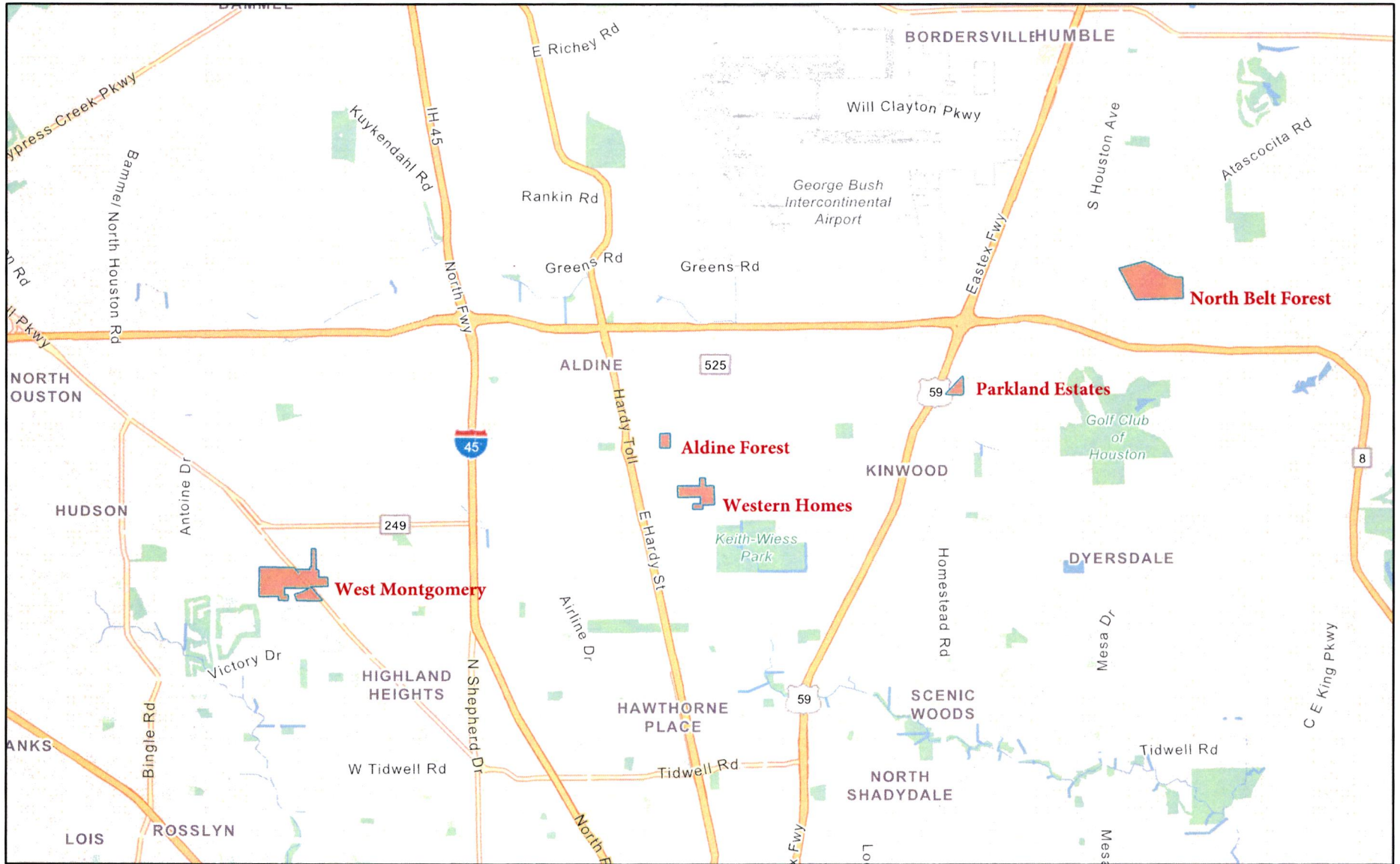
August 1, 2020

1:288,895



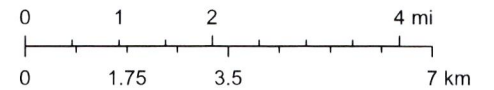
Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap

CCN 20385 General Location 1 of 2



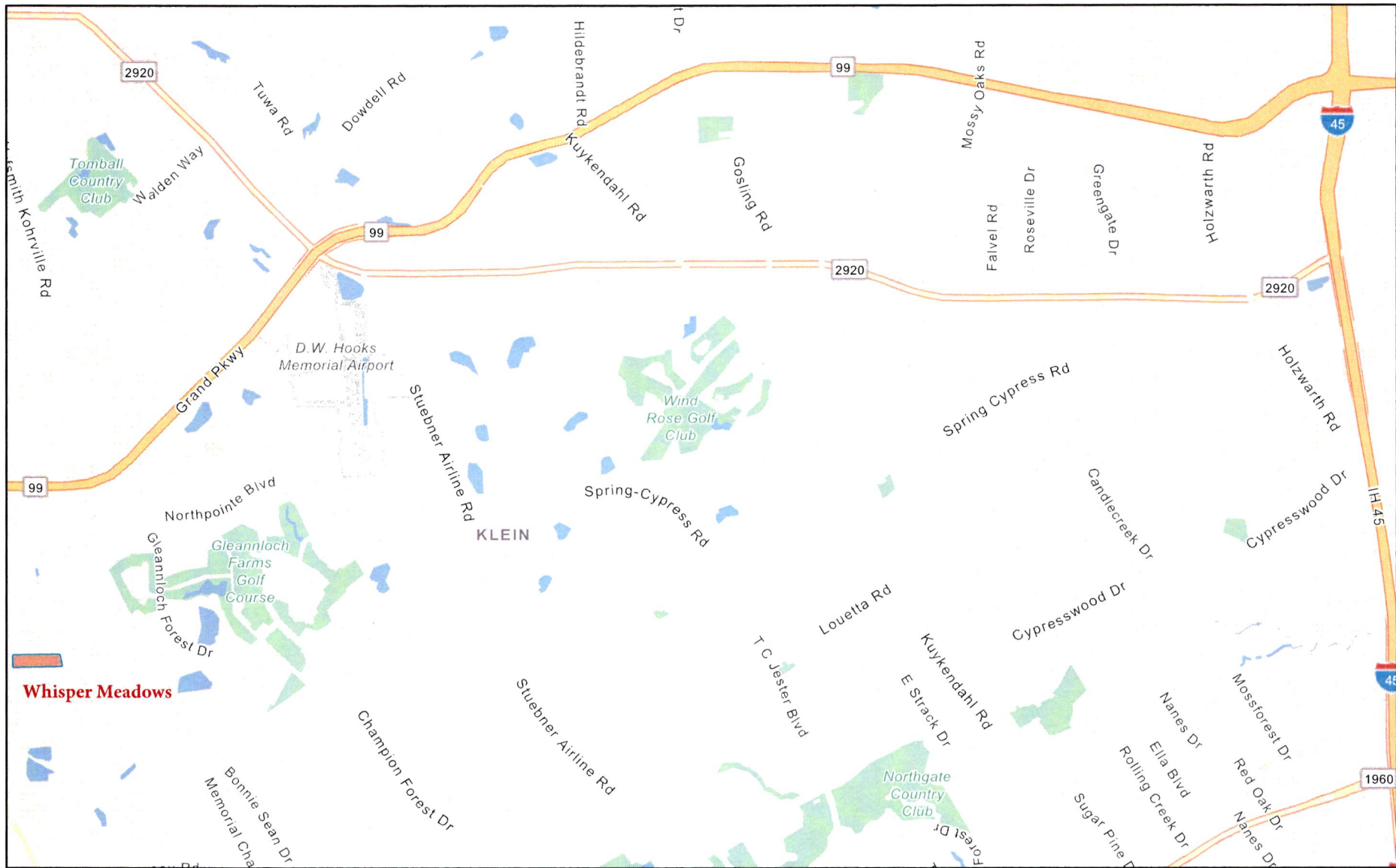
August 1, 2020

1:144,448



Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap

CCN 20385 General Location 2 of 2



August 1, 2020

1:72,224



Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap