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DOCKET NO. 51632

APPLICATION OF TERRA	§	PUBLIC UTILITY COMMISSION
SOUTHWEST, INC. AND UNDINE	§	
TEXAS, LLC FOR SALE, TRANSFER,	§	OF TEXAS
OR MERGER OF FACILITIES AND	§	
CERTIFICATE RIGHTS IN DENTON	§	
COUNTY	§	

COMMISSION STAFF’S COMMENTS ON ABATEMENT

On December 16, 2020, Terra Southwest, Inc. (Terra Southwest) and Undine Texas, LLC (Undine) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Denton County. The requested area includes 1,325 acres and 867 connections.

On April 16, 2021, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) filed a motion to intervene alleging that it has entered into a binding purchase agreement to acquire Terra Southwest. In Order No. 7, filed on May 3, 2021, the administrative law judge (ALJ) granted CSWR-Texas’ motion to intervene. On April 19, 2021, the Staff of the Public Utility Commission of Texas (Staff) filed a motion to abate to allow to allow Terra Southwest, Undine, and CSWR-Texas to resolve issues surrounding the sale of Terra Southwest.

On April 20, 2021, the ALJ filed Order No. 6, granting Staff’s request to abate. On June 21, 2021, Undine filed an agreed status report indicating that the issues that precipitated the request for abatement remained unresolved and requesting that the abatement be continued. On July 28, 2021, Undine filed a request to end the abatement. On July 29, 2021, CSWR-Texas responded and requested that the abatement should continue.

Order No. 8 filed on August 5, 2021, set a deadline of August 13, 2021 for Staff to file comments on whether the abatement should be lifted. Therefore, this pleading is timely filed.

I. STAFF COMMENTS ON ABATEMENT

As noted in Order No. 8, Undine has stated its opinion that the present docket should be unabated, while CSWR-Texas has taken the position that the present docket should remain abated. The ultimate question at issue in this dispute is which entity has the right to acquire Terra Southwest. There is clearly a dispute between the parties. As a matter of course, Staff is not a party to the negotiations that proceed the filing of an application for a sale, transfer, or merger, and therefore, does not have any information that would resolve the apparent dispute over who may

purchase Terra Southwest. Consequently, Staff respectfully requests that this docket remain abated, and further requests that Undine and CSWR-Texas be directed to file monthly joint status reports on whether or not the dispute over which entity has the right to acquire Terra Southwest has been resolved.

II. CONCLUSION

Staff respectfully requests that this docket remain abated. Staff further requests that Undine and CSWR-Texas be directed to file monthly status reports until a resolution regarding the right to purchase Terra Southwest is reached.

Dated: August 13, 2021

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

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/s/ John Harrison

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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 August 13, 2021, in accordance with the Order Suspending Rules, filed in Project No. 50664.

/s/ John Harrison
John Harrison