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APPLICATION OF AQUA WATER	§	PUBLIC UTILITY COMMISSION
SUPPLY CORPORATION AND	§	
POLONIA WATER SUPPLY	§	
CORPORATION FOR SALE,	§	OF TEXAS
TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN CALDWELL AND	§	
BASTROP COUNTIES	§	

**AQUA WATER SUPPLY CORPORATION AND POLONIA WATER
SUPPLY CORPORATION’S RESPONSE TO COMMISSION STAFF’S
SUPPLEMENTAL RECOMMENDATION**

COMES NOW, Aqua Water Supply Corporation (“Aqua WSC”) and Polonia Water Supply Corporation (“Polonia WSC”) (collectively, “Applicants”) in the above-referenced matter, and hereby file this Response to the Public Utility Commission of Texas Staff’s (“Commission Staff”) Supplemental Recommendation on the Approval of Sale. In support thereof the Applicants show the following:

I. BACKGROUND

On June 24, 2021, the Applicants filed an application (the “Application”) for approval of the sale and transfer of certificate of convenience and necessity (“CCN”) rights in Caldwell County and Bastrop County. Aqua WSC seeks approval to acquire facilities and to transfer all of Polonia WSC’s certificated water service area in Polonia WSC’s CCN Number 10420 to Aqua WSC’s CCN Number 10294, and the cancelation of Polonia WSC’s water CCN number.

On January 7, 2022, Commission Staff filed a Request to Amend Procedural Schedule after Commission Staff identified an issue with the mapping data and requested area at issue in this docket due to the effect of the streamlined expedited release in Docket No. 52474, in which 205.3

acres of land is being released from Polonia WSC's certificated service area.¹ On January 7, 2022, the Honorable Administrative Law Judge issued Order No. 7, establishing a deadline of February 7, 2022 for Commission Staff to request a hearing or file a supplemental recommendation on the approval of the sale and on the CCN amendment. Order No. 7 further established a deadline of February 9, 2022 for the Applicants to file a supplemental response to Commission Staff's recommendation on approval of the sale. Therefore, this pleading is timely filed.

II. STAFF'S SUPPLEMENTAL RECOMMENDATION

Applicants have reviewed Commission Staff's Supplemental Recommendation on Approval of Sale filed on February 7, 2022, including the memorandum dated February 7, 2022 from Jolie Mathis, Utility Engineering Specialist, Infrastructure Division, and the memorandum dated February 7, 2022 from Fred Bednarski III, Financial Analyst, Rate Regulation Division. The findings are accurate and are supported by the Application and supplements filed by the Applicants on July 13, 2021, July 21, 2021, and January 6, 2022. In Commission Staff's recommendation dated February 7, 2022, Commission Staff recommended the proposed transaction be allowed to proceed without a public hearing, and that the proposed transaction be found to satisfy relevant criteria, including the factors identified by Texas Water Code Chapter 13 and 16 Texas Administrative Code ("TAC"), Chapter 24. Applicants agree with Commission Staff's supplemental recommendation and are in support thereof.

¹ *Petition of Neimann Farm Partners, LP to Amend Polonia Water Supply Corporation's Certificate of Convenience and Necessity in Caldwell County by Streamlined Expedited Release*, Docket No. 52474, Order No. 4 (Nov. 9, 2021).

III. CONCLUSION AND PRAYER

Applicants respectfully request that the Commission approve the proposed transaction to proceed, and enter an order consistent with Commission Staff's supplemental findings and recommendation.

Respectfully submitted,

/s/ Ty H. Embrey

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**ATTORNEY FOR AQUA WATER SUPPLY
CORPORATION**

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 February 8, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Ty H. Embrey

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