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DOCKET NO. 52290

APPLICATION OF EVAN STATON FOR SALE, TRANSFER, OR MERGER OF EXEMPT UTILITY REGISTRATION	§ § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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JOINT PROPOSED NOTICE OF APPROVAL AND MOTION TO ADMIT EVIDENCE

On June 30, 2021, Garth Duncan, Rhonda Hardin, and Evan Staton (collectively, Applicants) filed what appears to be an application for the sale, transfer, or merger (STM) of an exempt utility and associated registration number N0059. The Applicants filed supplemental information on October 14, 2021 and December 8, 2021.

Order No. 9 was filed on April 18, 2022, requiring Staff and the Applicants (collectively, the Parties) to file a joint motion to admit evidence and proposed notice of approval by July 1, 2022. Therefore, this pleading is timely filed.

I. MOTION TO ADMIT EVIDENCE

The Parties respectfully request that the following evidence be admitted into the record:

- A. Mr. Staton's Exempt Utility Registration Form, filed on December 8, 2021 (Interchange Item No. 18);
- B. Staff's Supplemental Recommendation on Administrative Completeness and Comments on the Application, filed on January 7, 2022 (Interchange Item No. 19);
- C. Mr. Staton's Detailed Maps for the Location of Lone Oak Water, filed on October 14, 2021 (Interchange Item No. 15);
- D. Mr. Hardin's Sworn Letter of Intent to Relinquish Exempt Utility Registration Number N0059, filed on September 23, 2021 (Interchange Item No. 12);
- E. Mr. Staton's Signed Customer Notice Forms, filed on March 4, 2022 (Interchange Item No. 23);
- F. Ms. Hardin's Signed Consent Form, filed on May 16, 2022 (Interchange Item No. 26);
- G. Mr. Staton's Unsigned Consent Form, filed on May 19, 2022 (Interchange Item No. 27);
- H. Mr. Staton's Signed Consent Form attached to Staff's Informational Filing, filed on June 29, 2022 (Interchange Item No. 29); and

- I. Staff's Final Recommendation, including all attachments thereto, filed on June 3, 2022 (Interchange Item No. 28).

II. JOINT PROPOSED NOTICE OF APPROVAL

The Parties have agreed to the attached Proposed Notice of Approval, which would cancel Ms. Hardin's Exempt Utility Registration No. N0059 and approve Mr. Staton's Exempt Utility Registration No. N0081. The Parties request that the Commission adopt the findings of fact, conclusions of law, and ordering paragraphs from the Notice of Approval.

III. CONCLUSION

The Parties respectfully request that all items listed above be admitted into the record of this proceeding as evidence and that the Commission approve the attached Joint Proposed Notice of Approval.

Dated: June 30, 2022

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 June 30, 2022 in accordance with the Order Suspending Rules, filed in Project No. 50664.

/s/ John Harrison

John Harrison

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JOINT PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the application of Rhonda Hardin to cancel her exempt utility registration number N0059 and the application of Evan Staton to register the exempt utility formerly held by Ms. Hardin under a new exempt utility registration number. The Commission cancels Ms. Hardin’s exempt utility registration number N0059 and grants to Mr. Staton exempt utility registration number N0081.

I. Findings of Fact

The Commission makes the following findings of fact.

Applicants

1. Ms. Hardin is an individual.
2. Ms. Hardin currently holds exempt utility registration number N0059 issued by the Commission.
3. The water utility operated under exempt utility registration number N0059 includes one water well, 16 acres, and 12 existing water customer connections and 2 additional potential connections.
4. Mr. Staton is an individual.
5. Mr. Staton recently purchased from Ms. Hardin the water utility operated under exempt utility registration number N0059.

Applications

6. On June 30, 2021, Ms. Hardin and Mr. Staton filed an exempt utility information form seeking to transfer Mr. Land's exempt utility registration to Mr. Coburn.
7. On December 8, 2021, Mr. Staton filed an amended application, explaining that Lone Oak Water was not registered with the Texas Commission on Environmental Quality,

and was the name being used for the sub-division. Included with the amended application was an application by Mr. Coburn for exempt utility registration.

8. On January 7, 2022, Commission Staff recommended that the application as supplemented be found administratively complete.
9. In Order No. 7 filed on January 10, 2022, the administrative law judge (ALJ) found the application, as supplemented, administratively complete

Notice

10. On March 4, 2022, Mr. Staton filed water service agreements as proof of notice to the three affected customers.
11. In Order No. 9 filed on April 18, 2022, the ALJ found the notice sufficient.

Evidentiary Record

12. On June 30, 2022, Commission Staff filed a motion to admit evidence on behalf of the parties.
13. In Order No. 10 filed on _____, 2022, the ALJ admitted the following evidence into the record: (A) Mr. Staton's Exempt Utility Registration Form, filed on December 8, 2021; (B) Staff's Supplemental Recommendation on Administrative Completeness and Comments on the Application, filed on January 7, 2022; (C) Mr. Staton's Detailed Maps for the Location of Lone Oak Water, filed on October 14, 2021; (D) Mr. Hardin's Sworn Letter of Intent to Relinquish Exempt Utility Registration Number N0059, filed on September 23, 2021; (E) Mr. Staton's Signed Customer Notice Forms, filed on March 4, 2022; (F) Ms. Hardin's Signed Consent Form, filed on May 16, 2022; (G) Mr. Staton's Unsigned Consent Form, filed on May 19, 2022 (Interchange Item No. 27); (H) Mr. Staton's Signed Consent Form attached to Staff's Informational Filing, filed on June 29, 2022 (Interchange Item No. 29); and (I) Staff's Final Recommendation, including all attachments thereto, filed on June 3, 2022 (Interchange Item No. 28).

Effect on Customers

14. Ms. Hardin's relinquishment will have no effect on the twelve existing customers as Mr. Staton has filed service agreements demonstrating that he will continue to serve those customers.

Certificate Not Required

15. The water utility at issue in this proceeding has less than 15 potential service connections.
16. The water utility at issue in this proceeding is not owned by or affiliated with a retail public water utility or any other provider of potable water service.
17. The service area of the water utility at issue in this proceeding is not within the certificated area of another retail public water utility.
18. The service area of the water utility at issue in this proceeding is not within the corporate boundaries of a district or municipality.

Tariffs and Maps

19. On June 3, 2022, Commission Staff filed a proposed tariff and map attached to its final recommendation.
20. On May 16, 2022, Ms. Hardin filed consent form concurring with the tariff and maps as prepared by Commission Staff.
21. On May 19, 2022, Mr. Staton filed a blank consent forms concurring with the tariff and maps as prepared by Commission Staff.
22. On June 29, 2022, Staff filed Mr. Staton's completed and signed consent form concurring with the tariff and maps as prepared by Commission Staff.¹

Informal Disposition

1. At least 15 days have passed since the completion of notice provided in this proceeding.
2. Commission Staff, Ms. Hardin, and Mr. Staton are the only parties to this proceeding.
3. No protests or motions to intervene were filed.

¹ This consent form was provided to Commission Staff by email and was filed as an informational filing by Commission Staff because Mr. Staton received a technical error when he attempted to file it.

4. No party requested a hearing and no hearing is necessary.
5. Commission Staff recommended approval of the application.
6. This decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority over the application under TWC §§ 13.041, 13.250, 13.242(c) and 16 TAC § 24.229(e).
2. Lone Oak Water Supply and the associated well is an exempt utility under 16 TAC § 24.229(e).
3. The Commission processed the application in accordance with the requirements of the Administrative Procedure Act,² the TWC, and Commission rules.
4. TWC § 13.301 and 16 TAC § 24.239 are not applicable to the sale of the facilities and service area under exempt utility registration number N0059 from Ms. Hardin to Mr. Staton.
5. Mr. Staton's application complied with the mapping requirements in 16 TAC § 24.229(e)(6). Mr. Staton has demonstrated that the cancellation of exempt utility registration number N0059 will not adversely affect current customers.
6. Mr. Staton is not required to obtain a certificate of convenience and necessity to provide water service under TWC § 13.242(c) and 16 TAC § 24.229(e).
7. Mr. Staton's application was processed in accordance with the requirements of TWC § 13.242(c) and 16 TAC § 24.229(e).
8. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

² Tex. Gov't Code ch. 2001.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission approves the application, to the extent provided in this Notice of Approval.
2. The Commission cancels Ms. Hardin's exempt utility registration number N0059.
3. The Commission issues exempt utility registration number N0081 to Mr. Staton for water service in Erath County as shown on the map attached to this Notice of Approval.
4. The tariff submitted by Commission Staff on June 3, 2022 is approved.
5. Mr. Staton must comply with the service rule requirements in the Commission's Exempt Utility Tariff Form.
6. Mr. Staton must provide a copy of the exempt utility tariff for exempt utility registration number N0081 to each future customer at the time service is requested and upon request to each current customer.
7. Mr. Staton must maintain a current copy of the exempt utility tariff approved in this Notice at his business location.
8. Mr. Staton may not change the rates charged under exempt utility registration number N0081 unless he follows the procedure outlined in 16 TAC 24.22(e)(7)(B).
9. Mr. Staton must not cease operations under exempt utility registration number N0081 unless he obtains written authorization from the Commission.
10. Within 10 days of the date of this Notice of Approval, Commission Staff must provide a clean copy of the approved exempt utility water tariff to Central Records to be marked *Approved* and filed in the Commission's tariff books.
11. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.

SIGNED AT AUSTIN, TEXAS the ____ day of _____, 2021.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATIVE LAW JUDGE