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DOCKET NO. 52324

**APPLICATION OF SOUTHWEST
ENVIRONMENTAL RESOURCES
AND MANVEL TERRACE UTILITIES,
INC. FOR SALE, TRANSFER, OR
MERGER OF FACILITIES AND
CERTIFICATE RIGHTS IN FORT
BEND COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO SOUTHWEST ENVIRONMENTAL RESOURCES
AND MANVEL TERRACE UTILITIES, INC.
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-7**

Pursuant to 16 Texas Administrative Code (TAC) § 22.144 of the Commission's Procedural Rules, the Staff of the Public Utility Commission of Texas (Staff) requests that Southwest Environmental Resources and Manvel Terrace Utilities, Inc. by and through their attorney of record, provide the following information and answer the following question(s) under oath. The question(s) shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within 20 days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These question(s) are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

Provide responses to the Requests for Information by filing with the Commission solely through the Interchange on the Commission's website and provide notice, by email, to all other parties that the pleading or document has been filed with the Commission, unless otherwise ordered by the presiding officer pursuant to the Order Suspending Rules in Docket No. 50664.

Dated: February 4, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Rachelle Nicolette Robles
Division Director

Sneha Patel
Managing Attorney

/s/ Mildred Anaele
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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 February 4, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Mildred Anaele
Mildred Anaele

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AND MANVEL TERRACE UTILITIES, INC.
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DEFINITIONS

- 1) "Applicants," or "you" refers to Southwest Environmental Resources and Manvel Terrace Utilities, Inc. and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.
- 2) "Document" includes any written, recorded, or graphic matter, however produced or reproduced, including but not limited to correspondence, telegrams, contracts, agreements, notes in any form, memoranda, diaries, voice recording tapes, microfilms, pictures, computer media, work papers, calendars, minutes of meetings or other writings or graphic matter, including copies containing marginal notes or variations of any of the foregoing, now or previously in your possession. In the event any documents requested by this Request for Information have been transferred beyond the Company's control, describe the circumstances under which the document was destroyed or transferred and provide an exact citation to the subject document. In the event that documents containing the exact information do not exist, but documents do exist which contain portions of the required information or which contain substantially similar information, then the definition of "documents" shall include the documents which do exist and these documents will be provided.

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**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
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QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-7**

INSTRUCTIONS

- 1) Pursuant to 16 TAC § 22.144(c)(2), Staff requests that answers to the requests for information be made under oath.
- 2) Please copy the question immediately above the answer to each question. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.
- 3) These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer.
- 4) Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.
- 5) The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
- 6) If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients or copies, subject matter of the document, and the basis upon which such privilege is claimed.
- 7) Pursuant to 16 TAC § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.
- 8) Staff requests that each item of information be made available as it is completed, rather than upon completion of all information requested.

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- Staff 1-1** Please provide a list of each the of the plant assets of Southwest Environmental Resources Inc. (Southwest) supporting the totals plant and accumulated depreciation amounts reported for application question of 11 and 14. Please include the following:
- a) Date in service,
 - b) Original cost, and
 - c) Accumulated depreciation amount
- Staff 1-2** Please provide the name of the company or companies Appendix B provided in item 8 represent(s).
- Staff 1-3** Please provide the year-end financial statements including a balance sheet and income statement for the most recent 2 years for Flow-Tech Utility, LLC (Flow-Tech), Manvel Terrace Utility, Inc (Manvel) and Southwest.
- Staff 1-4** Please provide an updated projected Appendix B for the operations of Manvel and Southwest once combined.
- Staff 1-5** If Flow-Tech is providing the funding to pay for the purchase price, then please provide a notarized affidavit from Flow Tech that includes the following: a written guarantee indicating Harrison Williams' ownership percentage of Flow Tech and Manvel, a guarantee that Flow-Tech is providing the funding to pay for the purchase price of Manvel, a written guarantee from Flow-Tech pursuant to the affiliate requirements in 16 TAC § 24.11(e)(2)(E) and 16 TAC § 24.11(e)(3), and a guarantee Flow Tech is also capable, available, and willing to cover temporary cash shortages for Manvel, a guarantee affirming that the financial information provided accurately presents the financial condition of Flow-Tech and Manvel.
- Staff 1-6** Please provide an organization chart of all affiliated companies including the ownership name of each company and percentage of ownership by each owner.
- Staff 1-7** Please provide an original copy of the certified articles of incorporation of Flow-Tech and Manvel and any amendments as well as ownership percentages.