



## **Filing Receipt**

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**DOCKET NO. 52384**

<b>APPLICATION OF SAMUEL SLEDGE</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>DBA 1118-1/2 SO MAIN STREET</b>	<b>§</b>	
<b>HIGHLANDS TO CANCEL AN</b>	<b>§</b>	<b>OF TEXAS</b>
<b>EXEMPT UTILITY REGISTRATION</b>	<b>§</b>	

**JOINT PROPOSED ORDER  
AND MOTION TO ADMIT EVIDENCE**

**I. INTRODUCTION**

On December 1, 2022, Mr. Sledge and Sharon Peach dba “1118 ½ So. Main Street, Highlands” filed an application to discontinue water service and cancel the associated exempt utility registration number N0078 in Harris County. Mr. Sledge and Ms. Peach assert there is no charge for the provision of water service in the area, which includes approximately 8 acres and no customers. Mr. Sledge’s and Ms. Peach’s former customers have all drilled private wells or drilled shared wells. On September 8, 2023, the Staff (Staff) of the Public Utility Commission of Texas (Commission), filed its Final Recommendation, recommending that the application be approved and that Mr. Sledge’s and Ms. Peach’s exempt utility registration number N0078 be cancelled.

Order No. 19 filed on October 20, 2023, requires Mr. Sledge, Ms. Peach, and Staff (collectively, Parties) to file a joint motion to admit evidence and proposed order by November 15, 2023. Therefore, this Joint Proposed Order and Motion to Admit Evidence is timely filed.

**II. MOTION TO ADMIT EVIDENCE**

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

- (1) Mr. Sledge’s and Ms. Peach’s application and accompanying attachments, filed on December 1, 2022 (AIS Item No. 25);
- (2) Mr. Sledge’s and Ms. Peach’s first amended application and accompanying attachments, filed on January 19, 2023 (AIS Item No. 28);
- (3) Mr. Sledge’s and Ms. Peach’s second amended application and accompanying attachments, filed on April 3, 2023 (AIS Item No. 32);

- (4) Staff's Supplemental Recommendation on Administrative Completeness of Updated Application, Request to Restyle Docket and Proposed Procedural Schedule, filed on May 1, 2023 (AIS Item No. 35);
- (5) Order No. 14, filed on May 3, 2023 (AIS Item No. 36);
- (6) Order No. 15, filed on May 31, 2023 (AIS Item No. 37);
- (7) Order No. 16, filed on July 5, 2023 (AIS Item No. 38);
- (8) Mr. Sledge's and Ms. Peach's Response to Order No. 16 and accompanying attachments, filed on July 12, 2023 (AIS Item No. 39);
- (9) Order No. 17, filed on August 4, 2023 (AIS Item No. 40); and
- (10) Staff's Final Recommendation, filed on September 8, 2023 (AIS Item No. 41).

### **III. JOINT PROPOSED ORDER**

The Parties have agreed to the attached Joint Proposed Order, which would approve Mr. Sledge's and Ms. Peach's application to discontinue water service in Harris County and cancel its exempt utility registration number N0078. The Parties request that the Commission adopt the findings of fact, conclusions of law, and ordering paragraphs from the proposed order.

### **IV. 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 Order.

Dated: November 15, 2023

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

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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 November 15, 2023, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Cheri Hasz

Cheri Hasz

**DOCKET NO. 52384**

<b>APPLICATION OF SAMUEL SLEDGE</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>DBA 1118-1/2 SO MAIN STREET</b>	<b>§</b>	
<b>HIGHLANDS TO CANCEL AN</b>	<b>§</b>	<b>OF TEXAS</b>
<b>EXEMPT UTILITY REGISTRATION</b>	<b>§</b>	

**JOINT PROPOSED ORDER**

This Joint Proposed Order addresses the application of Samuel Sledge dba 1118 ½ So. Main Street, Highlands to cancel its exempt utility registration number N0078 in Harris County. The Commission approves the application to the extent provided in this Order.

**I. Findings of Fact**

The Commission makes the following findings of fact.

**Applicant**

1. Samuel Sledge co-owns a water well at 1118 ½ So. Main Street, Highlands, Texas and does business as 1118 ½ So. Main Street, Highlands.
2. Verna B. Sledge, the other co-owner, passed away and left Sharon Peach, executor for the Verna B. Sledge estate, in control of the water system for the well,
3. Mr. Sledge currently holds exempt water utility registration number N0078 in Harris County.

**Initial Application**

4. On August 3, 2021, Mr. Sledge and Ms. Peach filed an application to cancel an exempt utility registration, and request a new exempt utility registration. Mr. Sledge and Ms. Peach wished to cancel Mr. Sledge's exempt utility registration number N0078 and request a new exempt registration number for Ms. Peach to serve the remaining six non-metered customers in Harris County.
5. In Order No. 2 filed on September 1, 2021, the ALJ found the application administratively incomplete and deficient and ordered Mr. Sledge and Ms. Peach to cure the deficiencies by October 1, 2021.

6. Mr. Sledge and Ms. Peach did not attempt to cure the deficiencies or otherwise respond to Order No. 2.
7. In Order No. 3 filed on November 2, 2021, the ALJ found the application remained administratively incomplete and deficient and ordered Mr. Sledge and Ms. Peach to cure the deficiencies by December 1, 2021.
8. Mr. Sledge and Ms. Peach did not attempt to cure the deficiencies or otherwise respond to Order No. 3.
9. In Order No. 5 filed on January 21, 2022, the ALJ found the application remained administratively incomplete and deficient and ordered Mr. Sledge and Ms. Peach to cure the deficiencies by February 3, 2022.
10. Mr. Sledge and Ms. Peach did not attempt to cure the deficiencies or otherwise respond to Order No. 5.
11. On March 10, 2022, Commission Staff filed a motion to dismiss without prejudice. Commission Staff stated a dismissal of this docket is appropriate because of Mr. Sledge's and Ms. Peach's failure to amend an application such that it is sufficient after repeated determinations that the application is insufficient.
12. Mr. Sledge and Ms. Peach did not respond to the motion to dismiss.
13. On June 29, 2022, the Commission remanded this docket for further processing.

**Application to Cancel Registration**

14. On December 1, 2022, Mr. Sledge and Ms. Peach filed an application to cancel its exempt utility registration number N0078 in Harris County.
15. The application established that: (a) the two operators of the utility, Mr. Sledge and Ms. Peach, are in declining health and unable to tend to maintenance and repairs; (b) as of December 1, 2022, the utility served two customers; (c) an owner of the well, Darlene D'Olive, spoke with the remaining customers and landowners still receiving service the weeks of September 5, 2022 and October 3, 2022; (d) the remaining customers and landowners confirmed their knowledge that the water supply will cease and they will obtain

an alternate source of water; (e) the utility does not possess customer deposits or advance payments, and has no distributable assets.

**First Amended Application to Cancel Registration**

16. On January 19, 2023, Mr. Sledge and Ms. Peach filed a first amended application with revised maps.

**Second Amended Application to Cancel Registration**

17. On April 3, 2023, Mr. Sledge and Ms. Peach filed a second amended application clarifying that it provided notice to customer by mail on or about October 12, 2021 that the utility would cease providing water by December 31, 2021.
18. The utility also provided updates extending the shut-off date by mail and by in-person discussions with the utility's customers.
19. The utility ceased operations and turned off the water supply main on or about December 31, 2022. Each of the former customers has either drilled a well for their own property, or pooled resources to drill a shared well.

**Notice**

20. On July 12, 2023, Mr. Sledge and Ms. Peach filed the affidavit of Darlene D'Olive, one-third owner of the well used by the utility and sister to Ms. Peach, attesting that notice was sent by first-class certified mail, return receipt requested, to affected customers on or about October 21, 2022. Ms. D'Olive also hand-delivered the letter to the customers who did not confirm receipt on or about the week of October 31, 2022, and re-sent the letter by first class mail on or about November 15, 2022.
21. In Order No. 17 filed on August 4, 2023, the ALJ found notice sufficient and the second amended application, filed on April 3, 2023, administratively complete.

**Evidentiary Record**

22. On November 15, 2023, the parties filed an agreed motion to admit evidence and proposed order.

23. In Order No. \_\_\_ filed on \_\_\_\_\_, 2023, the ALJ admitted the following evidence into the record of this proceeding: (a) Mr. Sledge's and Ms. Peach's application and accompanying attachments, filed on December 1, 2022; (b) Mr. Sledge's and Ms. Peach's first amended application and accompanying attachments, filed on January 19, 2023; (c) Mr. Sledge's and Ms. Peach's second amended application and accompanying attachments, filed on April 3, 2023; (d) Staff's Supplemental Recommendation on Administrative Completeness of Updated Application, Request to Restyle Docket and Proposed Procedural Schedule, filed on May 1, 2023; (e) Order No. 14, filed on May 3, 2023; (f) Order No. 15, filed on May 31, 2023; (g) Order No. 16, filed on July 5, 2023; (h) Mr. Sledge's and Ms. Peach's Response to Order No. 16 and accompanying attachments, filed on July 12, 2023; (i) Order No. 17, filed on August 4, 2023; and (j) Staff's Final Recommendation, filed on September 8, 2023.

**Effect on Customers and Landowners**

24. The proposed discontinuation of service will have no effect on former customers and landowners because they have all drilled their own private wells or have installed shared wells.

**Diligence in Locating Alternative Sources of Water Service**

25. All of Mr. Sledge's and Ms. Peach's former customers have drilled wells or installed shared wells and no longer need service from the utility. As such, there is no need for Mr. Sledge and Ms. Peach to locate alternative sources of water service.

**Efforts to Sell Utility**

26. On August 3, 2021, Ms. Peach filed an application to obtain an exempt utility registration for 1118 ½ So. Main Street, Highlands, to change the name in connection with the utility.
27. Mr. Sledge and Ms. Peach subsequently applied to cancel the utility's exempt registration.
28. Mr. Sledge and Ms. Peach are in declining health and neither operator is able to tend to maintenance and repairs.
29. Mr. Sledge and Ms. Peach do not possess customer deposits or advance payments and has no distributable assets.



**Asking Price**

30. Mr. Sledge and Ms. Peach did not provide an asking price for the purchase of the utility.

**Availability of Alternative Sources of Water Service—16 TAC § 24.249(i)(7)**

31. The former customers are using private or shared wells for water service.

**Feasibility of Obtaining Service from Alternative Sources—16 TAC § 24.249(i)(8)**

32. The former customers and landowners in the area have already obtained service from alternative sources, either drilling their own wells or sharing water service from these wells between themselves.

**Informal Disposition**

33. More than 15 days have passed since the completion of notice provided in this docket.
34. No person filed a protest or motion to intervene.
35. Samuel Sledge and Commission Staff are the only parties to this proceeding.
36. No protests or motions to intervene were filed.
37. No party requested a hearing and no hearing is necessary.
38. Commission Staff recommended approval of the application.
39. The 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 this proceeding under Texas Water Code (TWC) §§ 13.041 and 13.250.
2. Samuel Sledge is an exempt utility under 16 TAC § 24.229(e).
3. Mr. Sledge and Ms. Peach provided notice of the application that complies with 16 TAC § 24.229(e)(8).

4. The Commission processed the application as required by the TWC, the Administrative Procedure Act,<sup>1</sup> and Commission rules.
5. After consideration of the factors in 16 TAC § 24.249(i), Samuel Sledge has demonstrated that it meets the criteria to discontinue water service in Harris County and cancel its exempt utility registration number N0078.
6. Mr. Sledge and Ms. Peach have demonstrated that the discontinuation of its water service and the cancellation of its exempt utility registration number N0078 will serve the public interest.
7. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

### **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 Order.
2. The Commission grants Samuel Sledge's and Sharon Peach's application to discontinue water service in Harris County and cancels Samuel Sledge's and Sharon Peach's exempt utility registration number N0078, effective the date of this Order.
3. Commission Staff must remove Samuel Sledge's and Sharon Peach's area under registration number N0078 from its online map viewer.
4. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.

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<sup>1</sup> Texas Gov't Code §§ 2001.001-.903.

Signed at Austin, Texas the \_\_\_\_\_ day of \_\_\_\_\_ 202\_.

**PUBLIC UTILITY COMMISSION OF TEXAS**

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**KATHLEEN JACKSON, INTERIM CHAIR**

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**WILL MCADAMS, COMMISSIONER**

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**LORI COBOS, COMMISSIONER**

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**JIMMY GLOTFELTY, COMMISSIONER**