# Filing Receipt

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**Control Number** - 52502

**Item Number** - 134

| APPLICATION OF TEXAS WATER | § | PUBLIC UTILITY COMMISSION |
|---|---|---|
| SYSTEMS, INC. AND UNDINE TEXAS, | § | |
| LLC FOR SALE, TRANSFER, OR | § | OF TEXAS |
| MERGER OF FACILITIES AND | § | |
| CERTIFICATE RIGHTS IN GREGG, | § | |
| HENDERSON, SMITH, AND UPSHUR | § | |
| COUNTIES | § | |

## UNDINE'S RESPONSE TO ORDER NO. 32

COMES NOW, Undine Texas, LLC ("Undine") and files this response to Order No. 32 (Docket Id. No. 52502-133), stating the following:

This application was submitted on September 2, 2021, almost two and a half years ago. On September 12, 2023, the Administrative Law Judge ("ALJ") issued Order No. 28, which finally granted the parties approval to proceed with the sale. That approval came after the ALJ issued: (i) Order No. 7 (Docket Id. No. 52502-34), on March 25, 2022, finding notice to be sufficient on the application, (ii) Order No. 72 ((Docket Id. No. 52502-72), on October 3, 2022, finding the application as supplemented to be administratively complete regarding notice, and (iii) Order No. 21 (Docket Id. No. 52502-98), on April 20, 2023, finding the revised notice sufficient. The parties completed the transaction consistent with Order No. 28 and the associated findings, including those relating to notice, on October 4, 2023 (*see* Docket Id. No. 52502-121). Pursuant to Order No. 30, the ALJ subsequently found the closing documentation to be sufficient (Docket Id. No. 52502-128).

Pursuant to Order No. 32, the ALJ revisits the previous findings relating to notice, after the approved closing of the transaction. Specifically, the ALJ requests confirmation of "[n]otice, at the time the application was filed, to each customer and landowner within the 12 acres to be decertified, as required under 16 TAC § 24.245(d)(2)(A), or a request for a good cause waiver of notice." Undine did not provide the notice referenced by the ALJ. Commission Staff did not

request such notice, Commission Staff recommended approval the notice that was provided as satisfying the notice requirements, and the ALJ found that notice to be satisfactory. Undine understands that Commission Staff has not, until recently requested or required the referenced notice, and Commission Staff did not request or require such notice in the timeframe in which this application was being considered for approval to conclude the transaction.

Undine respectfully urges that the ALJ find a good cause waiver of the notice, based on: (1) the understanding that Commission Staff has not previously required the referenced notice and did not request such notice for this application; (2) that Commission Staff recommended approval of the notice and the ALJ approved the notice; (3) that the applicants closed the transaction and transferred the assets pursuant to the ALJ's approval to close the transaction, and based on the finding of satisfaction of notice; (4) that additional notice would create the impossible scenario of undoing the transaction at this stage pursuant to the outcome of any such additional notice; and (5) that ultimately any additional notice would not influence or impact the outcome of the transaction or the docket.

Accordingly, Undine respectfully requests the ALJ grant a good cause waiver of the referenced notice requirement. The undersigned has conferred with Commission Staff and they have stated they are unopposed to this request. Undine is working with Commission Staff to address the remaining items the ALJ requested pursuant to Order No. 32.

Respectfully submitted,

**Gregg Law PC**

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## DOCKET NO. 52502

## CERTIFICATE OF SERVICE

I certify pursuant to the above signature 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 22, 2024, in accordance with the Order Suspending Rules, issued in Project No. 50664.