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DOCKET NO. 52502

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

APPLICANTS' RESPONSE TO ORDER NO. 11

On September 2, 2021, Texas Water Systems, Inc. (TWS) and Undine Development, LLC (Undine) (jointly, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate of convenience and necessity (CCN) rights in Gregg, Henderson, Smith, and Upshur Counties.

On July 18, 2022, the administrative law judge (ALJ) filed Order No. 11 requiring the staff of the Public Utility Commission of Texas (Staff) to file "a joint status report, a request for a hearing or a recommendation on the administrative completeness of the application and approval of the sale." On July 29th, Staff filed a "Status Update" in which it states:

Staff believes the Parties have reached an agreement in principle on this docket. The Parties continue to negotiate on the timing of future pleadings, and Staff believes it may reach a resolution on a procedural schedule soon. Accordingly, Staff proposes filing another status report, requesting a hearing, or filing a recommendation in this docket by August 12, 2022.

This pleading responds to Order No. 11 and addresses Staff's Status Update.

I. DISCUSSION

This application has been on file since September 2, 2021 and has been administratively complete since February 8, 2022. Order No. 7, issued on March 25th, established a May 12th deadline for Commission Staff to request a hearing or file a recommendation. We are now three and a half months past that deadline as the Applicants have continued to cooperate with Staff, including agreeing to Staff continuances and abatements, as Staff has developed its position on its

interpretation of TWC § 13.3011 and its procedure for processing applications under TWC § 13.3011.

Because of the ongoing delays, the Applicants cannot agree to a joint filing that does not provide for a proposed procedural schedule. The processing of this application has simply been delayed too long for there to be no schedule establishing the necessarily deadlines to finally move this application forward. Further, and unfortunately, the general basis and premise under which Staff and the Applicants intended to proceed in Docket No. 52797 was called into question on Friday, January 29th. That has the potential to impact the Applicant's position, and presumably the position of Staff, on the agreed processing of the application. Accordingly, the Applicants request that the Applicants and Staff have a short period of time to evaluate the impact of that action on this docket and to provide another report following that evaluation setting out the recommended procedural path forward including a procedural schedule with definitive deadlines.

II. CONCLUSION

For the reasons stated above, the Applicants respectfully request a one-week deadline to provide a joint report, or separate reports as necessary, setting out the recommended procedural path forward including a procedural schedule with definitive deadlines.

Respectfully Submitted,

Gregg Law PC

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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 August 1, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Peter Gregg Peter Gregg