

DOCKET NO. 53238

**APPLICATION OF SIMPLY AQUATICS, §
INC. AND CSWR-TEXAS UTILITY §
OPERATING COMPANY, LLC FOR § PUBLIC UTILITY COMMISSION
SALE, TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE § OF TEXAS
RIGHTS IN MONTGOMERY, SABINE, §
AND SAN AUGUSTINE COUNTIES §**

JOINT PROPOSED NOTICE OF APPROVAL

This Notice of approval addresses the application of Simply Aquatics, Inc. and CSWR-Texas Utility Operating Company, LLC for approval of the sale, transfer, or merger of facilities in Montgomery, Sabine, and San Augustine counties. The Commission approves the sale and transfer of all facilities and service area held under Simply Aquatics' water Certificate of Convenience and Necessity (CCN) No. 13259 to CSWR-Texas, the cancellation of Simply Aquatics' water CCN No. 13259, and the amendment of CSWR-Texas's water CCN No. 13290 to include the area previously included in Simply Aquatics' water CCN No. 13259.

I. Findings of Fact

The Commission makes the following findings of fact:

Applicants

1. Simply Aquatics is a Texas corporation registered with the Texas secretary of state under file number 800198192.
2. Simply Aquatics operates, maintains, and controls facilities for providing water service in Montgomery, Sabine, and San Augustine counties under CCN No. 13259.
3. Simply Aquatics owns and operates several public water systems registered with the Texas Commission on Environmental Quality (TCEQ) under the following names and identification numbers: Vista Verde, 1700694; El Pinon Estates 2030013; La Playa Subdivision, 2030015; and Timberlane, 2020054.
4. CSWR-Texas is a Texas limited liability company registered with the Texas secretary of state under file number 803367893.

5. CSWR-Texas operates, maintains, and controls facilities for providing water service in Angelina, Aransas, Austin, Burleson, Burnet, Camp, Erath, Guadalupe, Harris, Hays, Hidalgo, Hood, Kerr, Llano, Lubbock, McCulloch, Montague, Navarro, Parker, Victoria, Wilson, and Wood counties under CCN No. 13290.

Application

6. On February 17, 2022, CSWR-Texas and Simply Aquatics filed the application at issue in this proceeding.
7. The applicants supplemented the application on February 25, March 28, 29, and 30, and April 19, 2022, May 9, 2022, and June 14 and 20, 2022.
8. CSWR-Texas filed an errata to the application on March 18, 2022.
9. CSWR-Texas filed a second errata to the application on March 29, 2022.
10. In the application, as supplemented, the applicants seek approval of the following transaction: (a) CSWR-Texas will acquire all of Simply Aquatics' water service areas and facilities held under water CCN No. 13259; (b) Simply Aquatics' water CCN No. 13259 will be cancelled; and (c) CSWR-Texas's water CCN No. 13290 will be amended to include the area previously included in Simply Aquatics' water CCN No. 13259.
11. The requested area comprises approximately 523 acres and 254 customer connections.
12. The requested areas are comprised of the following four systems:
 - a. The El Pinon Estates public water system in San Augustine County, which includes 88 customer connections, is located approximately ten miles southwest of downtown Pineland, Texas, and is generally bounded on the north by approximately 110 feet north of County Road 900; on the east by approximately 110 feet east of County Road 485; on the south by a line parallel to and approximately 120 feet south of County Road 900; and on the west by a line parallel to and approximately 145 feet west of County Road 900.
 - b. The La Playa Subdivision in San Augustine County, which includes 28 customer connections, is located approximately five miles south of downtown Broadus, Texas, and is generally bounded on the north by County Road 4717 and County

Road 4715 south; on the east by a line parallel to and approximately 0.6 miles west of County Road 427; on the south by Sam Rayburn Reservoir; and on the west by Sam Rayburn Reservoir.

- c. The Vista Verde public water system in Montgomery County, which includes 82 customer connections, is located approximately 3.4 miles southeast of downtown Montgomery, Texas, and is generally bounded on the north by a line parallel to and approximately 0.5 miles south of Lake Conroe; on the east by South Pine Lake Road; on the south by Mail Route Road; and on the west by a line parallel to and approximately 170 feet west of Shadow Lane.
 - d. The Timberlane public water system in Sabine County, which includes 47 customer connections, is located approximately 11 miles southeast of downtown Hemphill, Texas, and is generally bounded on the north by Toledo Bend Reservoir; on the east by a line perpendicular to Oakhill Road; on the south by Toledo Reservoir Bend; and on the west by Toledo Bend Reservoir.
13. In Order No. 2 filed on March 23, 2022, the ALJ deemed the application, as supplemented, administratively complete.

Notice

14. On July 8, 2022, CSWR-Texas filed the affidavit of Aaron Silas, regulatory case manager for CSWR-Texas, attesting that a revised notice was provided to all current customers of Simply Aquatics, neighboring utilities, and affected parties on May 23, 2022.
15. In Order No. 6 filed on July 12, 2022, the ALJ found the notice sufficient.

Evidentiary Record

16. In Order No. 7 filed on September 20, 2022, the ALJ admitted the following evidence into the record: (a) the application and all attachments filed on February 17, 2022; (b) CSWR-Texas's first supplement to the application filed on February 25, 2022; (c) CSWR-Texas's first errata to the application filed on March 18, 2022; (d) Commission Staff's recommendation on administrative completeness filed on March 21, 2022; (e) CSWR-Texas's supplemental attachment G to the application filed on March 28, 2022; (f) CSWR-Texas's second errata and third Supplement to the Application filed on March

29 and March 30, 2022; (g) CSWR-Texas's supplemental attachments F and G to the application filed on April 19, 2022; (h) CSWR-Texas's supplemental attachment G to application filed on May 9, 2022; (i) CSWR-Texas's supplemental attachment B to the application filed on June 14, 2022; (j) CSWR-Texas's supplemental attachment G-1 to the application filed on June 20, 2022; (k) CSWR-Texas's affidavit of notice to current customers, neighboring utilities, and affected parties, including confidential exhibit B, filed on June 2, 2022; (l) Commission Staff's supplemental recommendation on sufficiency of notice filed on July 5, 2022; (m) CSWR-Texas's corrected affidavit of notice filed on July 8, 2022; and (n) Commission Staff's recommendation on approval of the transaction, including confidential attachments, filed on August, 25 2022.

17. In Order No. __ filed on _____, 2023, the ALJ admitted the following evidence into the record: (a) CSWR-Texas's notice of completed transaction, filed on November 17, 2022; (b) Commission Staff's recommendation on sufficiency of closing documents, filed on December 2, 2022; (c) the applicants' consent forms filed on January 12, 2022; (d) CSWR-Texas's Response to Order No. 10 and Eighth Supplement to the Application filed on February 3, 2023; (e) Commission Staff's Response to Order No. 10, including confidential attachment EB-2 filed on March 24, 2023; and (f) the map, certificate, and tariff attached to the supplemental joint motion to admit evidence and joint proposed notice of approval filed on April 14, 2023.

Sale

18. In Order No. 8 filed on September 20, 2022, the ALJ approved the sale and transaction to proceed and required the applicants to file proof that the transaction had closed, and the customer deposits had been addressed.
19. In Order No. 9 filed on December 2, 2022, the ALJ found the closing documents sufficient.

Cumulative Recommendation

20. On August 25, 2022, Commission Staff filed its recommendation regarding the transaction in this docket recommending that CSWR-Texas has the financial, managerial, and technical capability to provide continuous and adequate service to all areas included

in this docket and in Docket Nos. 50251,¹ 50276,² 50311,³ 50989,⁴ 51003,⁵ 51026,⁶

¹ *Application of JRM Water LLC and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Victoria County, Docket No. 50251, Notice of Approval (Mar. 12, 2021).*

² *Application of North Victoria Utilities, Inc. and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Victoria County, Docket No. 50276, Notice of Approval (Mar. 11, 2021).*

³ *Application of Copano Heights Water Company and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Aransas County, Docket No. 50311, Notice of Approval (Mar. 17, 2021).*

⁴ *Application of Ranch Country of Texas Water Systems, Inc. and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Austin County, Docket No. 50989, Notice of Approval (Apr. 23, 2021).*

⁵ *Application of Oak Hill Ranch Estates Water and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Guadalupe and Wilson Counties, Docket No. 51003 Notice of Approval (Aug. 9, 2021).*

⁶ *Application of Tall Pines Utility, Inc. and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Harris County, Docket No. 51026, Notice of Approval (Apr. 23, 2021).*

51031,⁷ 51036,⁸ 51047,⁹ 51065,¹⁰ 51089,¹¹ 51118,¹² 51126,¹³ 51130,¹⁴ 51146,¹⁵

⁷ *Application of Council Creek Village, Inc. d/b/a Council Creek Village d/b/a South Council Creek 2 CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Burnet County, Docket No. 51031, Notice of Approval (Apr. 14, 2021).*

⁸ *Application of Kathie Lou Daniels d/b/a Woodlands West and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Burleson County, Docket No. 51036, Notice of Approval (Aug. 23, 2021).*

⁹ *Application of Jones-Owen Company d/b/a South Silver Creek I, II, and III and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Burnet County, Docket No. 51047, Notice of Approval (Apr. 19, 2021).*

¹⁰ *Application of Treetop Utilities, Inc. and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Parker County, Docket No. 51065, Corrected Notice of Approval (Mar. 10, 2021).*

¹¹ *Application of Donald E. Wilson d/b/a Quiet Village II d/b/a QV Utility CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Hidalgo County, Docket No. 51089, Notice of Approval (Nov. 18, 2021).*

¹² *Application of Shady Oaks Water Supply Company, LLC and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Wilson County, Docket No. 51118, Notice of Approval (Mar. 18, 2021).*

¹³ *Application of Shawn M. Horvath Dba Aero Valley Water Service and CSWR-Texas Utility Operating Company, LLC For Sale, Transfer, Or Merger of Facilities and to Amend CSWR-Texas Utility Operating Company, LLC's Certificate of Convenience and Necessity in Denton County, Docket No. 51126, Notice of Approval (Oct. 26, 2022).*

¹⁴ *Application of Laguna Vista Limited and Laguna Tres, Inc. CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Hood County, Notice of Approval (Apr. 20, 2021).*

¹⁵ *Application of Abraxas Corporation and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Parker County, Notice of Approval (Apr. 23, 2021).*

51222,¹⁶ 51544,¹⁷ 51642,¹⁸ 51917,¹⁹ 51928,²⁰ 51940,²¹ 51981,²² 52089,²³ 52099,²⁴

¹⁶ *Application of the Estate of Patetreen Petty McCoy d/b/a Big Wood Springs Water Company and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Wood County, Docket No. 51222, Notice of Approval (Feb. 16, 2022).*

¹⁷ *Application of Franklin Water Service Co. LLC and CSWR-Texas Utility Operating Company, LLC For Sale, Transfer, Or Merger of Facilities and Certificate Rights in Lubbock County, Docket No. 51544, Notice of Approval (Feb. 15, 2022).*

¹⁸ *Application of James L. Nelson dba WaterCo and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Montague County, Docket No. 51642, Notice of Approval (Mar. 15, 2022).*

¹⁹ *Application of Rocket Water Company, Inc. and CSWR-Texas Utility Operating Company, LLC For Sale, Transfer, Or Merger of Facilities and Certificate Rights in Hays County, Docket No. 51917, Notice of Approval (Mar. 8, 2022).*

²⁰ *Application of Betty J. Dragoo and CSWR-Texas Utility Operating Company, LLC For Sale, Transfer, or Merger of Facilities and Associated Acreage in Erath County, Docket No. 51928, Notice of Approval (Jan. 21, 2022).*

²¹ *Application of Walnut Bend Water Supply and CSWR-Texas Utility Operating Company, LLC For Sale, Transfer or Merger of Facilities and Certificate Rights in Angelina County, Docket No. 51940, Notice of Approval (Mar. 15, 2022).*

²² *Application of Live Oak Hills and Flag Creek Ranch Water Systems and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Llano and McCulloch Counties, Docket No. 51981, Notice of Approval (Jan. 28, 2022).*

²³ *Application of Alpha Utility of Camp County, LLC and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Camp County, Docket No. 52089, Notice of Approval (Mar. 25, 2022).*

²⁴ *Application of THRC Utility, LLC and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Navarro County, Docket No. 52099, Corrected Notice of Approval (Jul. 28, 2022).*

52410,²⁵ 52661,²⁶ 52700,²⁷ 52702,²⁸ 52803,²⁹ 52879,³⁰ 52880,³¹ 53317,³² 53326,³³
53259,³⁴ 53429.³⁵

CSWR-Texas's Compliance History

21. CSWR-Texas has not been under enforcement action by the Commission, TCEQ, Texas Health and Human Services, the Office of the Texas Attorney General, or the United States Environmental Protection Agency in the past five years for non-compliance with rules, orders or state statutes.
22. CSWR-Texas does not have a history of continuing mismanagement or misuse or revenues as a utility service provider.

²⁵Application of CSWR-Texas Utility Operating Company, LLC and Leon Springs Utility Company, Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Bexar County, Docket No. 52410, Notice of Approval (Jun. 3, 2022).

²⁶ Application of Tri-County Point Property Owners Association and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Calhoun and Jackson Counties, Docket No. 52661, Notice of Approval (Dec. 12, 2022).

²⁷ Application of RJR Water Company, Inc. and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Parker and Palo Pinto Counties, Docket No. 52700 (pending).

²⁸ Application of CSWR-Texas Utility Operating Company, LLC and Fremont Water Company for Sale, Transfer, or Merger of Facilities and Certificate Rights in Kerr County, Docket No. 52702, Notice of Approval (Aug. 5, 2022).

²⁹ Application of Copano Cove Water Company, Inc. and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Aransas County, Docket No. 52803, Notice of Approval (Dec. 19, 2022).

³⁰ Application of Walter J. Carroll Water Company, Inc. and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Ellis County, Docket No. 52879, Notice of Approval (Sept. 21, 2022).

³¹ Application of Texas Landing Utilities and CSWR-Texas Utility Operating Company, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Polk and Montgomery Counties, Docket No. 52880, Notice of Approval (Nov. 3, 2022).

³² Application of CSWR-Texas Utility Operating Company, LLC and Jusryn Company, Inc. dba Shady Grove Sewer System for Sale, Transfer, or Merger of Facilities and Certificate Rights in Hood County, Docket No. 53317 (pending).

³³ Application of CSWR-Texas Utility Operating Company, LLC and Aransas Bay Utilities Co., LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Aransas County, Docket No. 53326, Notice of Approval (Dec. 16, 2022).

³⁴ Application of CSWR-Texas Utility Operating Company, LLC and Cody and Anita Lewis dba Cassie Water Company for Sale, Transfer, or Merger of Facilities and Certificate Rights in Burnet County, Docket No. 53259 (pending).

³⁵ Application of CSWR-Texas Utility Operating Company, LLC and Deer Springs Water Company for Sale, Transfer, or Merger of Facilities and Certificate Rights in Burnet, Docket No. 53429 (pending).

23. CSWR-Texas has demonstrated a compliance history that is adequate for approval of the transaction to proceed.

Adequacy of Existing Service

24. There are currently 254 connections in the requested areas that are being served by Simply Aquatics through its public water system numbers 1700694, 2030013, 2030015, 2020054 and such service has been continuous.
25. Simply Aquatics has active violations listed in the TCEQ database, including violations alleging inadequate capacity.
26. CSWR-Texas plans to make upgrades, renovation and repairs to the public water systems to address the violations and return the systems to compliance.
27. The Commission's complaint records, which date back to 2017, show five complaints against Simply Aquatics.
28. There is no evidence in the record that Simply Aquatics has failed to comply with any Commission or TCEQ order.

Need for Additional Service

29. There are currently 254 customer connections in the requested areas that are receiving service from Simply Aquatics and have an ongoing need for service.
30. This is an application to transfer only existing facilities, customers, and service areas.
31. There is no evidence of specific requests for additional service within the requested areas.

Effect of Approving the Transaction and Granting the Amendment

32. Approving the sale and transfer to proceed and granting the CCN amendment will obligate CSWR-Texas to provide continuous and adequate water service to current and future customers in requested areas.
33. Because this application is to transfer only existing facilities, customers, and service areas, there will be no effect on any other retail public utility servicing the proximate areas.
34. There will be no effect on landowners in the requested areas because the requested areas are currently certificated.

Ability to Serve: Managerial and Technical

35. CSWR-Texas owns and operates 34 public water systems registered with TCEQ and does not have any active violations listed in the TCEQ database.
36. The Commission's complaint records, which date back to 2017, show 12 complaints against CSWR-Texas.
37. CSWR-Texas employs or contracts with TCEQ-licensed water operators who will operate the public water systems 1700694, 2030013, 2030015, and 2020054.
38. No additional construction is necessary for CSWR-Texas to provide service to the requested areas.
39. After completion of the planned upgrades, renovations and repairs to the water systems, CSWR-Texas will have access to an adequate supply of water and will be capable of providing drinking water that meets the requirements of chapter 341 of the Texas Health and Safety Code, chapter 13 of the Texas Water Code (TWC), and the TCEQ's rules.
40. CSWR-Texas has the technical and managerial capability to provide adequate and continuous service to the requested area.

Feasibility of Obtaining Service from Adjacent Retail Public Utility

41. Simply Aquatics is currently serving customers and such service has been continuous and adequate.
42. Obtaining service from an adjacent retail public utility would likely increase costs to customers because new facilities would need to be constructed. At a minimum, an interconnection would need to be installed in order to connect to an adjacent public utility.
43. It is not feasible to obtain service from an adjacent retail public utility.

Regionalization or Consolidation

44. The construction of a physically separate system is not necessary for CSWR-Texas to serve the requested areas. Therefore, consideration of regionalization or consolidation is not required.

Ability to Serve: Financial Ability

45. CSWR, LLC, the immediate parent company of CSWR-Texas, is capable, available, and willing to cover temporary cash shortages, and has a debt-to-equity ratio of less than one, satisfying the leverage test.
46. CSWR, LLC provided a written guarantee of coverage of temporary cash shortages and demonstrated that it has sufficient cash available to cover any projected operations and maintenance shortages in the first five years of operations after completion of the transaction and possesses the cash and leverage ability to pay for capital improvements and necessary equity investments, satisfying the operations test.
47. CSWR-Texas demonstrated the financial capability and stability to pay for the facilities necessary to provide continuous and adequate service to the requested areas.

Financial Assurance

48. There is no need to require CSWR-Texas to provide a bond or other financial assurance to ensure continuous and adequate service.

Environmental Integrity and Effect on the Land

49. The requested areas will continue to be served with existing infrastructure.
50. There will be minimal effects on environmental integrity and on the land as a result of CSWR-Texas's planned upgrades, renovation and repairs to the water system.

Improvement of Service or Lowering Cost to Consumers

51. Reliability and quality of water is expected to improve under CSWR-Texas's management.
52. The rates charged to customers in the requested areas will not change as a result of the proposed transaction because CSWR-Texas will adopt the currently in effect tariff for the water systems upon consummation of the transaction.

Tariff, Maps, and Certificate

53. On January 6, 2023, Commission Staff emailed to the applicants the final proposed maps, certificate, and tariff related to this docket.
54. On January 12, 2023, the applicants filed their consent forms concurring with the proposed final maps, certificate, and tariff.

55. The final maps, certificate, and tariff were included as attachments to the joint supplemental motion to admit evidence filed on April 14, 2023.

Informal Disposition

- 56. More than 15 days have passed since the completion of notice provided in this docket.
- 57. No person filed a protest or motion to intervene.
- 58. Simply Aquatics, CSWR-Texas, and Staff are the only parties to this proceeding.
- 59. No party requested a hearing, and no hearing is needed.
- 60. Commission Staff recommended approval of the application.
- 61. 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 TWC §§ 13.041, 13.241, 13.244, 13.246, 13.251, and 13.301.
- 2. Simply Aquatics and CSWR-Texas are retail public utilities as defined by TWC § 13.002(19) and 16 TAC § 24.3(31).
- 3. The Commission processed the application as required by the TWC, the Administrative Procedure Act,³⁶ and Commission Rules.
- 4. The application meets the requirements of TWC § 13.244 and 16 TAC § 24.233.
- 5. CSWR-Texas and Simply Aquatics, the applicants, provided notice of the application that complies with TWC §§ 13.246 and 13.301(a)(2) and 16 TAC § 24.235 and 24.239.
- 6. Simply Aquatics and CSWR-Texas have complied with the requirements of 16 TAC § 24.239(k) and (l) with respect to customer deposits.
- 7. Simply Aquatics and CSWR-Texas completed the sale within the time frame required by 16 TAC § 24.239(m).

³⁶ Tex. Gov't Code §§ 2001.001-.903.

8. After consideration of the factors in TWC § 13.246(c), CSWR-Texas demonstrated that it is capable of rendering continuous service to every customer in the requested area, as required by TWC § 13.251.
9. CSWR-Texas demonstrated adequate financial, managerial, and technical capability for providing adequate and continuous service to the requested area as required by TWC §§ 13.241(a) and 13.301(b).
10. It is not necessary for CSWR-Texas to provide bond or other financial assurance under TWC §§ 13.246(d) and 13.301(c).
11. CSWR-Texas and Simply Aquatics demonstrated that the sale of Simply Aquatics' water service area and facilities and the transfer of the water service area and facilities under water CCN No. 13259 from Simply Aquatics to CSWR-Texas under water CCN No. 13290 will serve the public interest and is necessary for the service, accommodation, convenience, and safety of the public under TWC § 13.301(d),(e).
12. CSWR-Texas must record a certified copy of its certificate granted and map approved by this Notice of Approval, along with a boundary description of the service area, in the real property records of Montgomery, Sabine, and San Augustine counties within 31 days of receiving this Notice of Approval and submit to the Commission evidence of the recording as required by TWC § 13.257(r) and (s).
13. The requirements for informal disposition under 16 TAC § 22.35 have been met in this proceeding.

III. Ordering Paragraphs

In accordance with the preceding findings of fact and conclusions of law, the Commission enters the following orders.

1. The Commission approves the sale and transfer of all water service area and facilities held under Simply Aquatics' water CCN No. 13259, as shown on the attached maps.
2. The Commission cancels Simply Aquatics' water CCN No. 13259.

3. The Commission amends CSWR-Texas's water CCN No. 13290 to include the area previously included in Simply Aquatics' water CCN Nos. 13259 as shown on the attached maps.
4. The Commission approves the maps and tariffs attached to the Notice of Approval.
5. The Commission issues the certificate attached to this Notice of Approval.
6. CSWR-Texas must provide service to every customer or applicant for service within the approved area under water CCN No. 13290 that requests service and meets the terms of CSWR-Texas's water service, and such service must be continuous and adequate.
7. CSWR-Texas meets the requirements of TWC § 13.241(b) to provide water utility service.
8. CSWR-Texas must comply with the recording requirements in TWC § 13.257(r) and (s) for the area in Montgomery, Sabine, and San Augustine counties affected by the application and must submit to the Commission evidence of the recording no later than 45 days after receipt of the Notice of Approval.
9. Within ten days of the date of the Notice of Approval, Commission Staff must provide a clean copy of the tariffs approved by this Notice of Approval to central records to be marked Approved and filed in the Commission's tariff books.
10. The Commission denies all other motions and any other requests for general or specific relief, if not expressly granted.

Signed at Austin, Texas the ____ day of _____ 2023.

PUBLIC UTILITY COMMISSION OF TEXAS

SUSAN E. GOODSON
ADMINISTRATIVE LAW JUDGE