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DOCKET NO. 53660

APPLICATION OF CLEARWATER	§	PUBLIC UTILITY COMMISSION
OPERATING SERVICES LLC AND	§	
KNOB HILL WATER SYSTEM FOR	§	OF TEXAS
SALE, TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN DENTON COUNTY	§	

**ORDER NO. 18
REQUIRING CLARIFICATION**

This Order addresses the need for clarification regarding the supplemented application filed on January 27, 2023 in this docket and the notice provided in this docket. The administrative law judge (ALJ) requires clarification or correction of the following items.

First, the affidavit submitted by Dr. Mark E. Vargas in support of the supplemented application is signed in his capacity as the owner of Clearwater Operating Services LLC. A limited liability company does not have an owner *per se*; it has members,¹ often a managing member,² and it can have titles such as the chief executive officer or president. But to legally sign on behalf of Clearwater, he must sign in his capacity as a member, managing member, or officer of Clearwater. Therefore, the ALJ requires Dr. Vargas to file a corrected affidavit.

Second, there are three different descriptions of the location of the requested area subject to the transaction and the number of affected customers in this application is unclear. The three descriptions of the location of the requested area can be found in Part H of the supplemented application, in the affidavit of notice filed on August 4, 2023, and in the proposed notice of approval filed on November 27, 2023. Similarly, the supplemented application and Commission Staff's final recommendation on the transaction state that the requested area includes 76 customers. Yet, in proof of notice filings made by the applicants on February 26 and August 4, 2023, the notice provided to customers states that that the requested area includes 78 customers.

The ALJ requires the parties to confirm the following: (1) the correct description of the location of the requested area; (2) the current number of affected customers; and (3) that the notice

¹ Tex. Bus. Org. Code § 101.101.

² *Id.* § 101.251.

provided to customers contained the correct description of the location of the requested area and the correct number of affected customers. If an incorrect description of the location of the requested area or an incorrect number of affected customers was in the notice that was provided, the ALJ requires a further recommendation from Commission Staff regarding the sufficiency of notice or whether additional notice is necessary.

The parties must provide the clarifications or corrections requested in this Order by January 12, 2024, and jointly request admission as evidence, as necessary.

Signed at Austin, Texas the 12th day of December 2023.

PUBLIC UTILITY COMMISSION OF TEXAS



SUSAN E. GOODSON
ADMINISTRATIVE LAW JUDGE