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PUC DOCKET NO. 53765

APPLICATION OF CRYSTAL	§	PUBLIC UTILITY COMMISSION
SYSTEMS TEXAS, LLC AND UNDINE	§	
TEXAS, LLC FOR SALE, TRANSFER	§	
OR MERGER OF FACILITIES AND	§	OF TEXAS
CERTIFICATE RIGHTS IN SMITH	§	
COUNTY	§	

OFFICE OF PUBLIC UTILITY COUNSEL’S STATEMENT OF POSITION

The Office of Public Utility Counsel (“OPUC”), representing the interests of residential and small commercial consumers in Texas, respectfully submits this Statement of Position pursuant to 16 Texas Administrative Code (“TAC”) § 22.124. OPUC has reviewed the application,¹ filings by Undine Texas, LLC (“Undine”) and the Staff of the Public Utility Commission of Texas (“Staff”), and takes the following positions:

OPUC agrees and supports the recommendation of Staff filed on March 8, 2023.² Undine requested permission from the Public Utility Commission of Texas (“Commission”) to implement rates that would be selected from its current tariff, inclusive of phased-in rates, in Crystal System’s Texas, LLC (“Crystal”) service area.³ The rates that Undine proposed would be higher than the rates currently in effect for Crystal’s service area.⁴ Staff noted in its recommendation that “Undine has not demonstrated that the City of Hideaway has ceded its ratemaking authority to the Commission. Since the requested area is located entirely within the City of Hideaway’s city limits, Staff recommends that the Commission does not have the authority to change the rates and thus

¹ Application of Crystal Systems Texas, LLC and Undine Texas, LLC for Sale, Transfer or Merger of Facilities and Certificate Rights in Smith County (Jul. 1, 2022). (“Application”).

² Commission Staff’s Recommendation on the Transaction at 2 (Mar. 8, 2023). (“Recommendation”).

³ Application at 32.

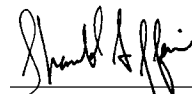
⁴ *Id.* at 13.

cannot approve Applicants' requested rate change under TWC [§] 13.3011.”⁵ Staff also finds that “Undine has demonstrated it possesses the financial, technical, and managerial capability to provide continuous and adequate service to the area subject to the proposed transaction.”⁶ Accordingly, Staff recommends permitting the transaction to proceed with the rates currently approved and in force for Crystal by the appropriate regulatory authority. OPUC agrees with Staff's position on both issues and recommends the Commission proceed with the transaction between Undine and Crystal, except insofar as the Commission cannot approve the requested rate change under TWC § 13.3011.

Date: March 17, 2023

Respectfully submitted,

Courtney K. Hjältman
Chief Executive & Public Counsel
State Bar No. 24070294



Sharbel A. Sfeir
Assistant Public Counsel
State Bar No. 24071204
Chris Ekoh
Deputy Public Counsel
State Bar No. 06507015
Justin Swearingen
Senior Managing Assistant Public Counsel
State Bar No. 24096794

⁵ Recommendation at 2.

⁶ *Id.*

OFFICE OF PUBLIC UTILITY COUNSEL

1701 N. Congress Avenue, Suite 9-180

P.O. Box 12397

Austin, Texas 78711-2397

512/936-7500 (Telephone)

512/936-7525 (Facsimile)

sharbel.sfeir@opuc.texas.gov (Service)

chris.ekoh@opuc.texas.gov (Service)

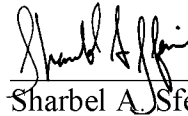
justin.swearingen@opuc.texas.gov (Service)

opuc_eservice@opuc.texas.gov (Service)

CERTIFICATE OF SERVICE

PUC DOCKET NO. 53765

I hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 17th day of March 2023 by facsimile, electronic mail, and/or first class, U.S. Mail.



Sharbel A. Sfeir