



## Filing Receipt

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**APPLICATION OF TEXAS WATER § PUBLIC UTILITY COMMISSION  
UTILITIES, LP AND CREEK WATER §  
UTILITY LLC FOR SALE, TRANSFER, § OF TEXAS  
OR MERGER OF FACILITIES AND §  
CERTIFICATE RIGHTS MARION §  
COUNTY §**

**ORDER NO. 16  
REQUIRING CLARIFICATIONS AND MOTION TO ADMIT EVIDENCE**

This Order addresses the August 1, 2022 application of Creek Water Utility LLC and Texas Water Utilities, LP<sup>1</sup> for approval of the sale, transfer, or merger of facilities and certificate rights in Marion County. In order to further process this docket, the administrative law judge (ALJ) requires the following clarifications:

**Texas Water Utilities and Creek Water**

1. In the proposed order approving the sale, transfer, or merger, proposed finding of fact 16 states that Texas Water Utilities has resolved compliance issues related to open Texas Commission on Environmental Quality (TCEQ) enforcement actions listed in the application. The ALJ was unable to find evidence in the record to support this finding of fact. The ALJ requires Texas Water Utilities to confirm that it has resolved or taken steps to resolve compliance issues related to TCEQ violations listed in the application and file evidence of proof of the same.
2. In the proposed order approving the sale, transfer, or merger, proposed finding of fact 17 states that Texas Water Utilities' other public water systems have minor unresolved TCEQ violations that are unrelated to capacity and will not affect Texas Water Utilities' ability to provide adequate service to the requested area. The ALJ was unable to find evidence in the record to support this finding of fact. The ALJ requires Texas Water Utilities to identify the unresolved TCEQ violations and whether they have resolved or taken steps to address the violations cited by the TCEQ.

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<sup>1</sup> This application was filed by Monarch Utilities I, L.P. However, on May 23, 2022, Monarch filed an application to change its name to Texas Water Utilities LP, which was approved on November 15, 2022. See *Application of Monarch Utilities I L.P. for a Certificate of Convenience and Necessity Name Change*, Docket No. 53636, Notice of Approval (Nov. 15, 2022).

3. In the proposed order approving the sale, transfer, or merger, proposed finding of fact 21 states that there was a TCEQ compliance investigation of Creek Water on March 28, 2022 and that there was one violation noted as a result of the investigation that has since been resolved. However, the March 28, 2022 TCEQ correspondence included with the application included multiple violations. The ALJ requires Creek Water and Texas Water Utilities to clarify whether all of the violations listed by the TCEQ have since been resolved and file evidence to confirm the violations are resolved.

**Commission Staff**

4. In Commission Staff's recommendation on the transaction filed on February 22, 2023, Commission Staff states that the Commission's complaint records, which date back to 2017, show one complaint against Texas Water Utilities and that complaint has been addressed. However, it is not clear whether this includes complaints against Monarch Utilities I, L.P. The ALJ requires Commission Staff to clarify whether there are complaints against Monarch Utilities and whether they have been addressed.
5. In the memorandum attached to Commission Staff's recommendation on the transaction filed on February 22, 2023, Commission Staff states that CSWR-TUOC satisfies the requirements of 16 Texas Administrative Code (TAC) § 24.11(e)(5)(A). The ALJ requires Commission Staff to confirm that the recommendation should have stated that Texas Water Utilities' satisfies the requirements of 16 TAC § 24.11(e)(5)(A).

By April 3, 2023, the parties must file the requested clarifications and move to admit any relevant clarification and documentation.

**Signed at Austin, Texas the 15th day of March 2023.**

**PUBLIC UTILITY COMMISSION OF TEXAS**



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**CHRISTINA DENMARK  
ADMINISTRATIVE LAW JUDGE**