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**SOAH DOCKET NO. 473-23-22451
PUC DOCKET NO. 54316**

JOINT APPLICATION OF SW MERGER ACQUISITION CORP., CORIX INFRASTRUCTURE (US) INC., TEXAS WATER UTILITIES, L.P., CORIX UTILITIES (TEXAS) INC. SWWC UTILITIES, INC., AND MIDWAY WATER UTILITIES, INC. FOR APPROVAL OF MERGER TRANSACTION UNDER TEXAS WATER CODE § 13.302	§ § § § § § § § § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
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**JOINT APPLICANTS' RESPONSE TO OFFICE OF PUBLIC UTILITY COUNSEL'S
FIRST REQUEST FOR INFORMATION**

To: Office of Public Utility Counsel (OPUC), by and through its attorney of record, Kourtnee Jinks, 1701 N. Congress Avenue, Suite 9-180, P.O. Box 12397, Austin, TX 78711-2397.

SW Merger Acquisition Corp. (SWMAC) and Corix Infrastructure (US) Inc. (Corix US), along with Texas Water Utilities, L.P. (TWU), SWWC Utilities, Inc. (SWWCUI), Midway Water Utilities, Inc. (Midway) and Corix Utilities (Texas) Inc. (Corix Texas) (collectively, TWU, SWWCUI, Midway, and Corix Texas referred to as the Texas Utilities, and—along with SWMAC and Corix US—the Joint Applicants) submit these Responses to Office of Public Utility Counsel's First Request for Information (RFI) to Joint Applicants received on July 26, 2023. This response is timely filed.

Respectfully submitted,

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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 15, 2023, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ William A. Faulk, III

William A. Faulk, III

**JOINT APPLICANTS' RESPONSE TO
OPUC'S FIRST RFI**

OPUC 1-1 Referring to paragraph 2 of Exhibit A of the Application, please provide the target investment grade capital structure profile referenced in Exhibit A.

RESPONSE: A specific target capital structure profile has not been established for Intermediate Newco; instead, by referring to an investment grade capital profile, Exhibit A of the Application indicates that Intermediate Newco will be established with, and seek to maintain, a capital structure profile that indicates it has a strong capacity to meet its financial commitments. Intermediate Newco intends to use an internal process to measure its creditworthiness and will strive to maintain a profile that would at least be consistent with a BBB rating from Standard & Poor's, a Baa3 rating from Moody's, or a BBB rating from Fitch. Intermediate Newco's internal process would consider quantitative and qualitative factors such as those used by S&P, Moody's, or Fitch.

Prepared by: Brian Bahr & Steve Lubertozi

Sponsored by: Brian Bahr & Steve Lubertozi

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**JOINT APPLICANTS' RESPONSE TO
OPUC'S FIRST RFI**

OPUC 1-2 Referring to page 17 of the Application, please provide the ranges for credit metrics that IIF Subway Investment LP ("IIF Subway") and British Columbia Investment Management Corporation ("BCI") are targeting to ensure that Intermediate Newco will have an investment grade credit profile.

RESPONSE: As noted in the response to OPUC RFI No. 1-1: (i) specific capital structure targets have not been established for Intermediate Newco; and (ii) Intermediate Newco will use both quantitative and qualitative factors to assess its creditworthiness, such as those used by S&P, Moody's, or Fitch.

Prepared by: Brian Bahr & Steve Lubertozzi

Sponsored by: Brian Bahr & Steve Lubertozzi