



## **Filing Receipt**

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**Item Number - 52**

**DOCKET NO. 54617**

<b>APPLICATION OF TEXAS WATER UTILITIES, LP AND SOUTHERN HORIZONS DEVELOPMENT, INC. FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN LIBERTY AND MONTGOMERY COUNTIES</b>	<b>§ § § § § § §</b>	<b>PUBLIC UTILITY COMMISSION  OF TEXAS</b>
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**COMMISSION STAFF’S PROPOSED LIST OF ISSUES**

On February 2, 2023, Texas Water Utilities, LP (Texas Water) and Southern Horizons Development, Inc. (Southern Horizons) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Liberty and Montgomery Counties.

On September 13, 2023, the Office of Policy and Docket Management (OPDM) filed an Order Requesting Lists of Issues, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) and any other interested party to file in this docket a list of issues to be addressed in the docket by October 3, 2023. Therefore, this pleading is timely filed.

**I. THRESHOLD LEGAL/POLICY ISSUES**

In order to process this application appropriately, Staff believes there are certain threshold issues that, once resolved, will help guide the processing of this case. Staff has identified the following threshold issues to be address in this docket:

1. In a sale, transfer, or merger application filed under Texas Water Code (TWC) § 13.301, is the Commission required to grant a water or sewer system’s request under Texas Water Code (TWC) § 13.3011 to charge initial rates for the service that are shown in a filed tariff for another water or sewer system?
2. If the Commission is not required to grant a request under TWC § 13.3011, what factors can the Commission consider in determining whether to grant the request?

**II. COMMISSION STAFF’S PROPOSED LIST OF ISSUES**

The Commission’s decision as to the above proposed threshold issues will in large part determine the appropriate issues to be addressed in this case. However, Staff proposes the following additional issues to be addressed in this proceeding.

1. Does the Commission have authority over this proceeding under TWC §§ 13.041, 13.241, 13.244, 13.246, 13.251, and 13.301?
2. Did the Applicants' notice comply with TWC §§ 13.246 and 13.301(a)(2) and 16 Texas Administrative Code (TAC) § 24.239?
3. Does the proposed transaction serve the public interest under 13.301(g)?

### **III. ISSUES NOT ADDRESSED**

Staff has not identified any issues that should not be address in this docket.

### **IV. CONCLUSION**

As detailed above, Staff respectfully requests that its list of issues be among the issues considered by the Commission in this proceeding.

Dated: October 3, 2023

Respectfully submitted,

### **PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION**

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**CERTIFICATE OF SERVICE**

I certify that unless otherwise ordered by the presiding officer, notice of the filing of this document will be provided to all parties of record via electronic mail on October 3, 2023 in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Margaux Fox  
Margaux Fox