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DOCKET NO. 57926

APPLICATION OF UTILITIES INC. OF	§	BEFORE THE
TEXAS DBA CORIX UTILITIES	§	
(TEXAS) INC. AND HERMLEIGH	§	PUBLIC UTILITY COMMISSION
WATER SYSTEM FOR SALE,	§	
TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	OF TEXAS
RIGHTS IN SCURRY COUNTY	§	

**UTILITIES, INC. OF TEXAS DBA CORIX UTILITIES (TEXAS) INC.'S
RESPONSE TO ORDER NO. 2 AND SECOND SUPPLEMENT TO APPLICATION**

Utilities, Inc. of Texas dba Corix Utilities (Texas) Inc. (Corix) submits this Second Supplement to the Application. Although Corix is submitting this information in response to Staff's recommendation and the subsequent order issued in this case, it remains Corix's position that much of this information is not required by statute, rule, or application template to be included with a sale, transfer, merger application, and therefore cannot form the basis to find an application deficient.

I. RESPONSE TO ORDER NO. 2

There is no requirement in the rules or as part of the application that an applicant for a sale, transfer, merger include a copy of the company's organization chart; an explanation of the business relationship between the utility and all of its affiliates; a list of directors and their titles; or a copy of the Emergency Preparedness Plan. Applications have been found sufficient without these items, and Corix should be treated the same as other similarly situated water utilities involved in sale, transfer, merger proceedings. While Staff may believe these materials are helpful to its review, requiring the filing of additional information outside of what is required by law amounts to improper ad hoc rulemaking, denies the applicant due process because there is not adequate notice of what is required to file an administratively complete application, and is in violation of the Texas Administrative Procedures Act because it subverts the requirement in Tex. Gov't Code § 2001.004(a) to adopt rules of practice stating the nature and requirements of all available formal and informal procedures. New filing requirements should not be created a case-by-case basis without appropriate citation to explicit applicable law or appropriate legal arguments, subject to briefing and Commission approval; should Commission Staff recommend an application deficient due to these materials, as they have done in the instant application, Staff should be required to cite

a statute, rule, or part of the application template that requires the said materials.

II. SECOND SUPPLEMENT TO APPLICATION

Staff's recommendation on sufficiency of the application identified the following alleged deficiencies:

1. Executed purchase agreement. This was included as HSPM material when the application was filed. It was resubmitted as HSPM on May 23, 2025.
2. A copy of the Certification of Account Status. This was submitted as the First Supplement to the Application on May 13, 2025.
3. A copy of the company's organizational chart is included as Confidential Attachment 1.
4. A list of all directors and their titles was included in the certificate of account filed on May 13, 2025.
5. A list of affiliated organizations was included with the original application filing as confidential Appendix 3. The relationship between each affiliate and Corix is depicted in the organizational chart provided in Confidential Attachment 1, and each affiliate is a direct or indirect subsidiary of Nexus Water Group Holdings, Inc. Texas Water Utilities, L.P., Midway Water Utilities, Inc., and SWWC Utilities, Inc. are the only three affiliates of Corix that are regulated in Texas.
6. Mapping items outlined in Staff's memorandum are addressed with detailed and general location maps as Attachment 2, and digital mapping shapefiles as Attachment 3.
7. An updated response to question 30 of Part H is included as Attachment 4, which shows the corrected total requested acreage as 389.9 acres; and
8. All Emergency Preparedness Plans have been filed with the TCEQ. All but one EPP have been approved. See Confidential Attachment 5. Corix will file all of the plans together in the appropriate docket at the Commission once the TCEQ has approved all of the plans.

III. CONCLUSION

Corix respectfully requests that the ALJ find its application administratively complete and allow this docket to proceed.

Respectfully submitted,

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**ATTORNEYS FOR CORIX (TEXAS)
UTILITIES INC.**

CERTIFICATE OF SERVICE

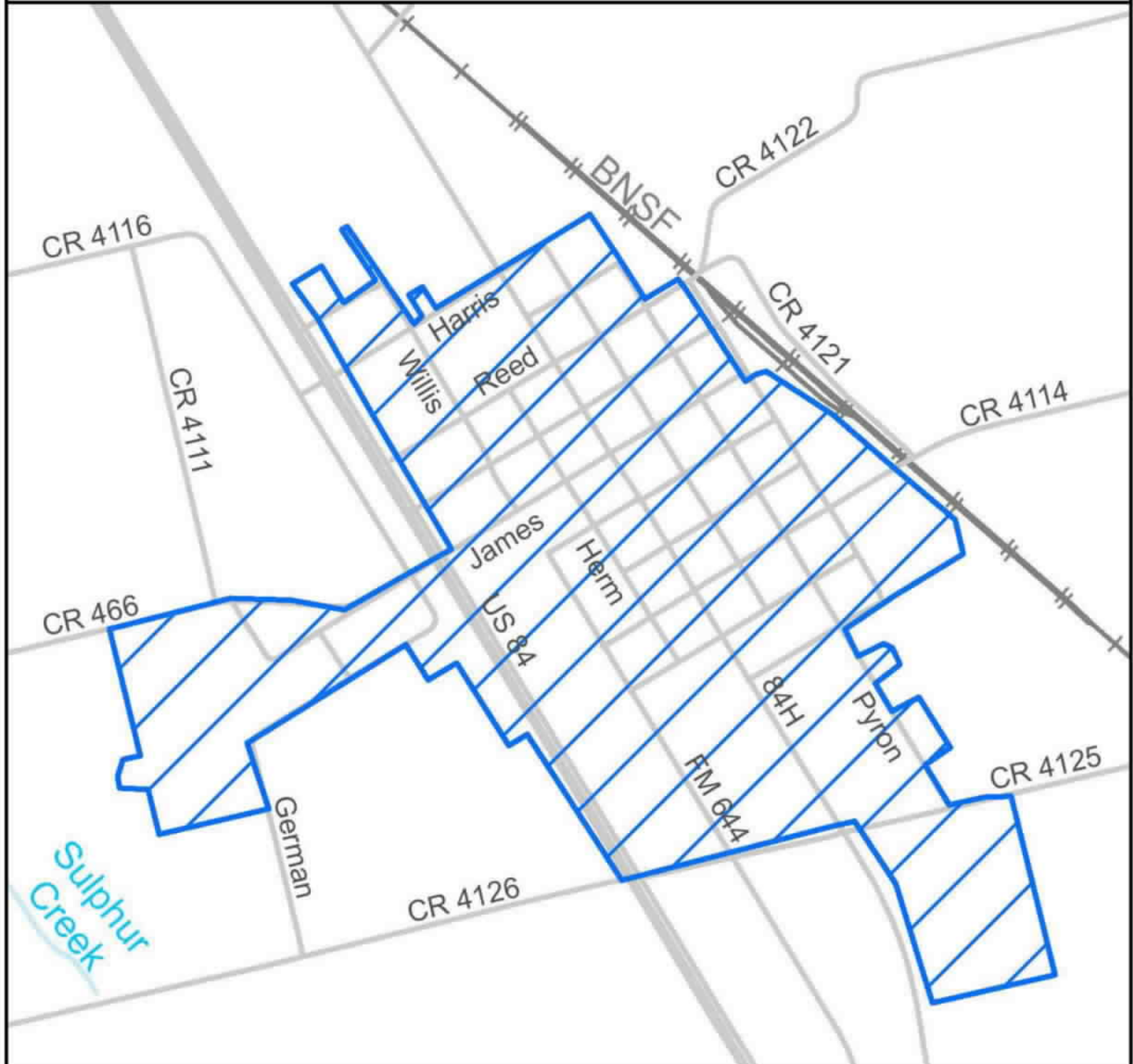
I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on June 4, 2025, in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Wendy K. L. Harvel
Wendy K. L. Harvel

**Attachment 1 is CONFIDENTIAL and being
filed pursuant to the Protective Order.**

ATTACHMENT 2

Transfer facilities from Hermleigh Water System (No CCN) to Utilities, Inc. of Texas dba Corix Utilities (Texas) Inc. (CCN No. 13227) and Amend CCN No. 13227 in Scurry County

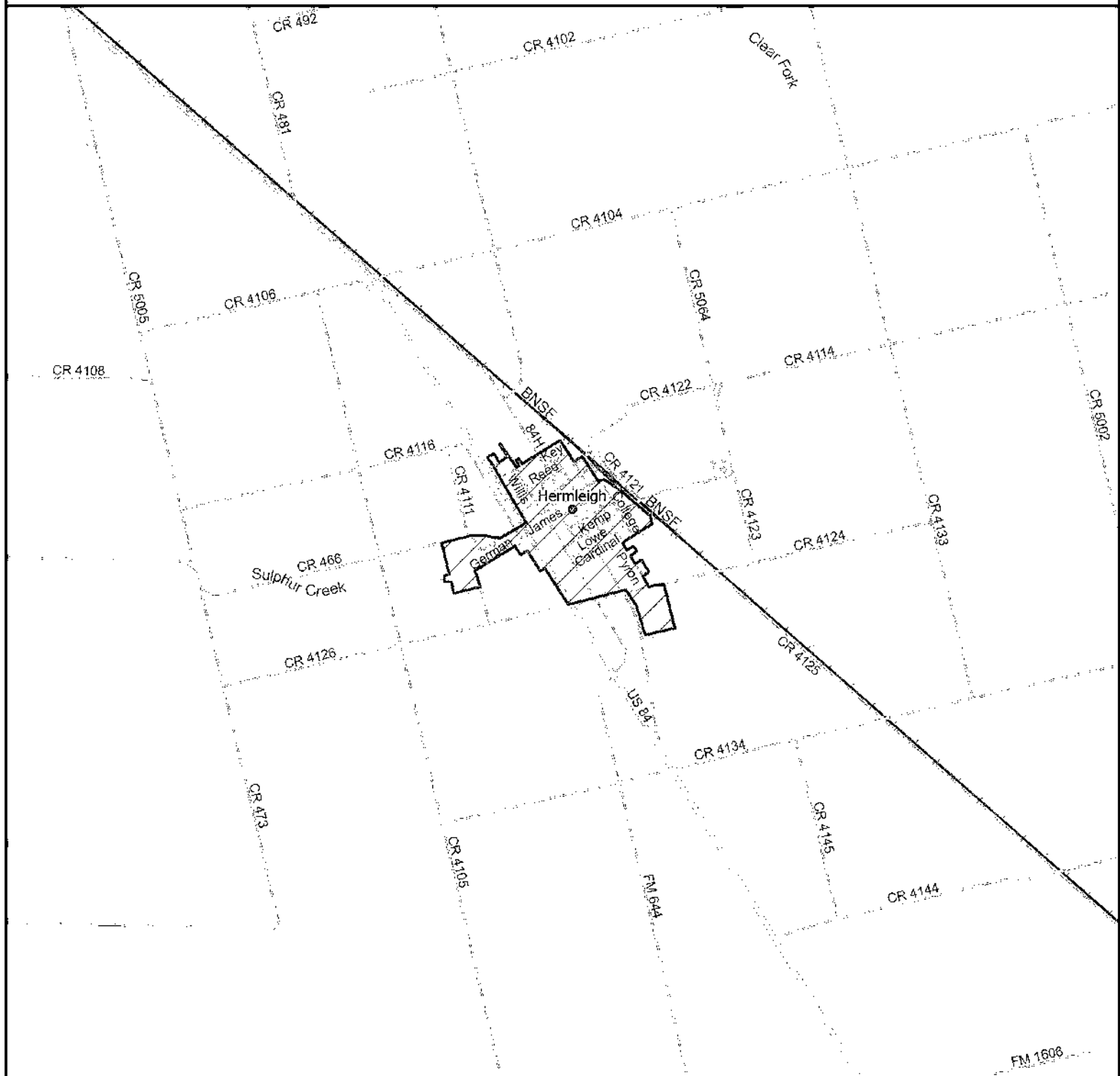


Detailed Map

Legend

 Requested Area to Amend (add)

Transfer Facilities from Hermleigh Water System (No CCN) to Utilities, Inc. of Texas dba Corix Utilities (Texas) Inc. (CCN No. 13227) and Amend CCN No. 13227 in Scurry County



General Location Map

Legend

 Requested Area to Amend (add)

**Attachment 3 (digital mapping files) is being
filed in native Excel file-format.**

Part H; Question 30: Description Area to Be Transferred**Subdivisions: Hermleigh**

The requested area includes 175 water connections, is located approximately 10.28-mile(s) southeast of downtown Snyder, Texas, and is generally bounded on the north by CR 4104; on the east by CR 4123; on the south by CR 4124; on the west by CR 4111. The requested area includes approximately 389.9 acres.

**Attachment 5 is CONFIDENTIAL and being
filed pursuant to the Protective Order.**

The following files are not convertible:

Requested_Area_To_Ammend_Hermleigh.cpg
Requested_Area_To_Ammend_Hermleigh.dbf
Requested_Area_To_Ammend_Hermleigh.prj
Requested_Area_To_Ammend_Hermleigh.sbn
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Please see the ZIP file for this Filing on the PUC Interchange in order to access these files.

Contact centralrecords@puc.texas.gov if you have any questions.