



Control Number: 42983



Item Number: 27

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APPLICATION OF CRYSTAL CLEAR WATER SUPPLY CORPORATION AND CITY OF SAN MARCOS FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND TO AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY IN COMAL, GUADALUPE, AND HAYS COUNTIES (37671-S)	§ § § § § § § § § §	<div style="text-align: right;">2015 JUL 13 PM 2:50</div> <div style="text-align: center;"> PUBLIC UTILITY COMMISSION OF TEXAS </div>
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**COMMISSION STAFF'S RESPONSE TO ORDER NO. 6 AND JOINT REQUEST FOR
EXTENSION**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), Crystal Clear Water Supply Corporation (Crystal Clear WSC), and the City of San Marcos files this Response to Order No. 6 and Joint Request for Extension and would show the following:

I. Background

On July 26, 2013, Crystal Clear Water Supply Corporation (Crystal Clear) and City of San Marcos (collectively, the Applicants) filed an application for the sale, transfer, or merger of facilities and to amend a certificate of convenience and necessity (CCN) in Comal, Guadalupe, and Hays Counties pursuant to TEX. WATER CODE ANN. §§ 13.246 and 13.301 and 30 TEX. ADMIN. CODE § 291.109 (TAC).

On June 5, 2014, the Texas Commission on Environmental Quality (TCEQ) issued a letter stating that a determination was made that a public hearing was not going to be requested regarding the transaction and that the parties may complete their proposed transaction. Subsequently on September 1, 2014, the Public Utility Commission of Texas (Commission or PUC) began the economic regulation of water and sewer utilities and this case was transferred from the TCEQ to the Commission for further review. On April 13, 2015, the Applicants filed a response to Order No. 4 clarifying the transaction, transfers, and amendments requested in this proceeding, submitting a signed and dated copy of the agreement of the Applicants, submitting revised notices, and requesting an extension of the one-year deadline in 16 TAC § 24.112(c) from June 5, 2015 until July 31, 2015. On April 24, 2015, Order No. 6 was issued requiring applicants to provide new notice and setting the deadline for Commission Staff to file a revised proposed notice of

approval by July 13, 2015, if the Commission received no request for hearing. Therefore, this pleading is timely filed.

II. JOINT REQUEST FOR EXTENSION

At this time, Staff has not received any requests for hearing, however, it has come to the attention of Staff that the Applicants have not filed: 1) closing documents indicating that the transaction has been completed, including an affidavit of closing; and 2) documents indicating that customer deposits have been transferred or refunded to the customer with interest. These are essential items required for the Commission to issue a final order approving the application and subsequent transaction, pursuant to 16 TAC § 24.109(g). Staff has contacted the Applicant and the Applicant is currently in the process of finalizing the transaction and preparing the required documents to be filed. Because the Applicants have been diligently working with Staff to process this matter and provide the necessary documentation, it is Staff's position that good cause exists to extend the 365-day deadline, pursuant to 16 TAC § 24.112(e). Therefore, Staff and the Applicants jointly request an extension be granted for its deadline of July 13, 2015 to provide a proposed notice of approval and that the 365-day deadline be extended to September 25, 2015. Accordingly, Staff recommends the following procedural schedule be adopted:

Deadline for the Applicant to File Bill of Sale and Information Regarding Disposition of Customer Deposits	August 13, 2015
Deadline for Staff to File a Final Recommendation on the Application	August 27, 2015
Deadline for Staff to File a Proposed Notice of Approval, Including Findings of Fact, Conclusions of Law, and Ordering Paragraphs	September 10, 2015 ¹
Extension of the 365-Day Deadline	September 25, 2015

¹ Staff and the Applicants jointly request an extension of the 365-day deadline found in 16 TAC § 24.112(e) in order to accommodate this schedule.

III. CONCLUSION

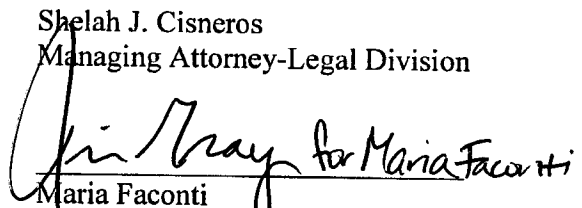
Staff respectfully recommends that an order be issued consistent with the above procedural schedule and that the ALJ grant the parties' requested extension of the 365-day deadline and the deadline to file a proposed notice of approval including findings of fact, conclusions of law, and ordering paragraphs.

DATED: July 13, 2015

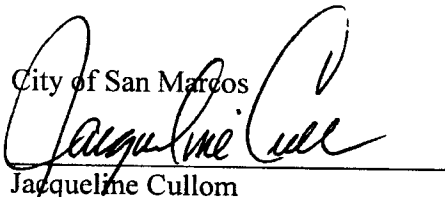
Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director- Legal Division

Shelah J. Cisneros
Managing Attorney-Legal Division



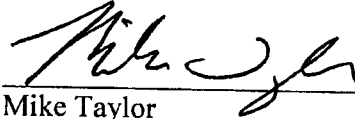
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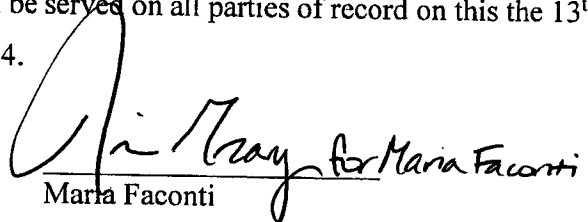
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DOCKET NO. 42983
CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 13th of July, 2015, in accordance with 16 TAC § 22.74.



Maria Faconti