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PUBLIC UTILITY COMMISSION
CLERK

APPLICATION OF D&K §
DEVELOPMENT CORPORATION §
AND EMCAD WATER AND §
WASTEWATER, LLC FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN TARRANT COUNTY §
(37727-S) §

PUBLIC UTILITY COMMISSION
OF TEXAS

COMMISSION STAFF'S COMMENT ON STATUS

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Comment on Status, and would show the following:

I. BACKGROUND

On September 13, 2013, D&K Development Corporation (D&K) and EMCAD Water and Wastewater, LLC (EMCAD Water) filed an application for the sale, transfer, or merger of facilities and certificate rights in Tarrant County from D&K to EMCAD Water. The application was received by the Public Utility Commission of Texas (Commission) on September 15, 2014. On September 18, 2014, the administrative law judge issued an order requiring that, on or before October 1, 2014, Commission Staff shall file an update on the status of this proceeding, a recommendation on the need for a hearing or on the final disposition of the application, if appropriate at this time, or propose a procedural schedule if necessary. Accordingly, this pleading is timely filed.

II. COMMENT ON STATUS

Pursuant to Texas Water Code § 13.301(e), the Texas Commission on Environmental Quality issued a letter on May 23, 2014 stating that a public hearing will not be requested and that the parties may complete the proposed transaction. The letter also stated that the second part of the transaction, which is transferring the Certificate of Convenience and Necessity (CCN), will occur following the receipt of a copy of the signed contract or bill of sale, and documents supporting the disposition of customer deposits. Under P.U.C. Subst. R. 24.112(e), approval of a sale expires one year from the date of the written approval of the sale, and that if the sale has not been consummated within that period and unless the applicant has requested and received an extension, the approval is void and the applicant must reapply for approval of the sale. Staff

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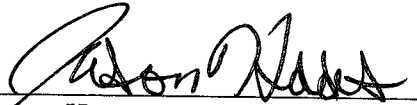
does not recommend that a hearing is needed, and recommends that the parties have until May 23, 2015 to submit the appropriate documents for final approval by the Commission to transfer the CCN.

Dated: October 1, 2014

Respectfully Submitted,

Joseph P. Younger
Division Director – Legal Division


Karen S. Hubbard
Managing Attorney – Legal Division



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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on October 1, 2014, in accordance with P.U.C. Procedural Rule 22.74.


Jason Haas