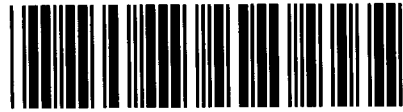


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APPLICATION OF J&S WATER  
COMPANY, LLC AND UTILITIES  
INVESTMENT COMPANY, INC. FOR  
SALE, TRANSFER, OR MERGER OF  
FACILITIES AND CERTIFICATE  
RIGHTS IN HARRIS COUNTY §  
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PUBLIC UTILITY COMMISSION  
OF TEXAS

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**RESPONSE TO ORDER NO. 12  
COMMISSION STAFF'S RECOMMENDATION ON CLOSING DOCUMENTS**

Commission Staff (Staff) of the Public Utility Commission of Texas (Commission) files its Recommendation on Closing Documents. In support of its Recommendation on Closing Documents, Staff states the following:

**I. Background**

On September 9, 2014, J&S Water Company, LLC (J&S Water) filed an application requesting approval of the sale and transfer of a water system and sewer system and corresponding certificates of convenience and necessity (CCN Nos. 12085 and 20658) for a certificated area in Harris County, Texas. J&S Water is the seller, and Utilities Investment Company, Inc. (Utilities Investment) is the purchaser. The proposed effective date is February 1, 2015.

On October 19, 2015, Staff recommended that the Commission approve the sale and transfer transaction between J&S Water and Utilities Investment.

On November 3, 2015, the Administrative Law Judge entered Order No. 12, which approved the sale and transfer transaction. Additionally, Order No. 12 required J&S Water and Utilities Investment to file closing documents that evidence consummation of the sale and transfer transaction within one year of November 3, 2015.

On November 16, 2015, J&S Water and Utilities Investment filed affidavits regarding their sale and transfer transaction.

**II. Staff's Recommendation on Closing Documents**

Staff recommends that the affidavits filed by J&S Water and Utilities Investment are insufficient to demonstrate that J&S Water and Utilities Investment have consummated their sale and transfer transaction. There is no contract, bill of sale, or agreement that demonstrates the

consummation of the sale and transfer J&S Water's water and sewer systems. However, given that closing documents only need to be filed within one year of November 3, 2015, J&S Water and Utilities Investment still have time to file documents that sufficiently demonstrate the consummation of their sale and transfer transaction. In the event that J&S Water and Utilities Investment file additional documents that demonstrate the consummation of their sale and transfer transaction, Staff will another recommendation regarding such documents.

### III. Conclusion

The affidavits filed by J&S Water and Utilities Investment are insufficient to demonstrate the consummation of their sale and transfer transaction. J&S Water and Utilities Investment still have within one year of November 3, 2015 to file sufficient closing documents.

Date: December 11, 2015

Respectfully Submitted,

Margaret Uhlig Pemberton  
Division Director  
Legal Division

Stephen Mack  
Managing Attorney  
Legal Division



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Sam Chang  
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**DOCKET NO. 43074**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on December 11, 2015, in accordance with 16 TAC § 22.74.



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Sam Chang