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APPLICATION OF LAKE §
LIVINGSTON WATER SUPPLY AND §
SEWER SERVICE CORPORATION §
AND TYLER COUNTY WATER §
SUPPLY CORPORATION FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN TYLER COUNTY (37966-S) §

PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
OF TEXAS
FILING CLERK

COMMISSION STAFF'S RECOMMENDATION ON CLOSING DOCUMENTS

Commission Staff (Staff) of the Public Utility Commission of Texas (Commission) files this Recommendation on the closing documents filed by the Lake Livingston Water Supply and Sewer Service Corporation (Lake Livingston WSC). In support of its Recommendation, Staff states the following:

I. Background

On June 30, 2014, Lake Livingston WSC filed an application requesting approval of the sale and transfer of its water certificate of convenience and necessity (CCN No. 10147) and its accompanying water system for the Wayward Winds Estates subdivision in Tyler County, Texas. Tyler County Water Supply Corporation (Tyler County WSC) is the purchaser/transferee. As part of the application, Lake Livingston WSC and Tyler County WSC also requested an amendment to Tyler County WSC's Certificate of Convenience and Necessity No. 11528.

On July 31, 2015, Staff recommended that the Commission approve the application and the sale and transfer transaction between Lake Livingston WSC and Tyler County WSC.

On August 19, 2015, the Administrative Law Judge entered Order No. 12, which approved the sale and transfer transaction and required Lake Livingston WSC and Tyler County WSC to file closing documents within one (1) year of August 19, 2015.

On March 3, 2016, Lake Livingston WSC filed a special warranty deed/bill of sale.

II. Staff's Recommendation and Proposed Procedural Schedule

Staff has reviewed the special warranty deed/bill of sale filed by Lake Livingston WSC. The special warranty deed/bill of sale transferred all of Tyler County WSC's rights regarding the

Wayward Winds Subdivision to Lake Livingston WSC. With regard to customer deposits, Lake Livingston WSC indicated in its application that deposits will be returned to customers. Based on Staff's review of the special warranty deed/bill of sale, Staff recommends that Lake Livingston WSC and Tyler County WSC have consummated their sale and transfer transaction.

To assist in the processing of the remainder of this proceeding, Staff recommends that the Commission approve the following procedural schedule:

Event	Date
Deadline for Staff to file its final recommendation on the application	April 22, 2016
Deadline for parties to file a response to Staff's final recommendation	May 6, 2016
If no party has filed a response to Staff's final recommendation, deadline for parties to file a joint proposed notice of approval with findings of fact, conclusions of law, and ordering paragraphs	May 20, 2016

III. Conclusion

The special warranty deed/bill of sale filed by Lake Livingston WSC demonstrates that Lake Livingston WSC and Tyler County WSC have consummated their sale and transfer transaction. To assist in the processing of the remainder of this proceeding, Staff requests that the Commission adopt the proposed procedural schedule.

Date: March 31, 2016

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
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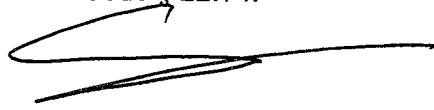
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CERTIFICATE OF SERVICE

I certify that a copy of this document was served his document was served on all parties of record on March 31, 2016 in accordance with Tex. Admin. Code § 22.74.



Sam Chang