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APPLICATION OF TEXAMERICA CENTER AND RIVERBEND WATER RESOURCES DISTRICT FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN BOWIE COUNTY	§ § § § § §	PUBLIC UTILITY COMMISSION OF TEXAS PUBLIC UTILITY COMMISSION FILING CLERK
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### COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY

**COMES NOW** the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Recommendation on Sufficiency. In support thereof, Staff shows the following:

#### I. BACKGROUND

On July 30, 2015, TexAmerica Center (TexAmerica) and Riverbend Water Resource District (Riverbend) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Bowie County (Application). TexAmerica currently possesses retail water Certificate of Convenience and Necessity (CCN) No. 13210 and sewer CCN No. 21067. Riverbend seeks to purchase the water and sewer facilities from TexAmerica.

On January 5, 2016, Order No. 5 was issued approving the consummation of the sale and transfer transaction as contemplated in the application. Order No. 5 required the Applicants to submit proof to the Commission that the transaction has been consummated and that customer deposits have been addressed. Order No. 5 also required Staff to file, within 20 working day of the submission of proof that the sale/transfer has been consummated and customer deposits addressed, a recommendation on the sufficiency of the documents. Therefore, this pleading is timely filed.

#### II. RECOMMENDATION

As detailed in the attached memorandum of Leila Guerrero of the Water Utilities Division, Staff recommends that the closing documents filed by the Applicants be deemed sufficient.

### **III. PROPOSED PROCEDURAL SCHEDULE**

Staff proposes the following procedural schedule:

Deadline for Commission Staff to submit revised maps and certificates to the parties for consent.	May 18, 2016
Deadline for parties to file completed and signed consent forms with the Commission.	May 27, 2016
If no disputed issues, deadline for parties to file a proposed notice of approval with findings of fact, conclusions of law, and ordering paragraphs.	June 8, 2016

### **IV. CONCLUSION**

Staff respectfully requests that the Administrative Law Judge issue an order consistent with the above recommendation.

Respectfully Submitted,

Margaret Uhlig Pemberton  
Division Director  
Legal Division

Stephen Mack  
Managing Attorney  
Legal Division

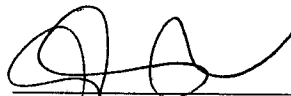


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**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on May 17, 2016, in accordance with 16 TAC § 22.74.



Christina R. Switzer

# **Public Utility Commission of Texas**

## **Memorandum**

**To:** Christina Switzer, Attorney  
Legal Division

**Thru:** Tammy Benter, Director  
Lisa Fuentes, Manager  
Heidi Graham, Manager  
Water Utility Regulation

**FROM:** Leila Guerrero, Regulatory Accountant/Auditor  
Water Utility Regulation

**DATE:** May 17, 2016

**Subject:** **Docket No. 44992**, *Application of TexAmericas and Riverbend Water Resources District for Sale, Transfer, or Merger of Facilities and Certificate Rights in Bowie County*

On July 30, 2015, the Riverbend Water Resources District ("Purchaser" or "Riverbend") filed an application for the sale, transfer, or merger (STM) of Certificates of Convenience and Necessity (CCNs) Nos. 13210 (water) and 21067 (sewer) in Bowie County, Texas. Specifically, Riverbend seeks approval to acquire all water and sewer facilities, customers, service area, and to transfer CCN Nos. 13210 and 21067 from TexAmericas Center ("Seller" or "TexAmericas"). As a result of the proposed transaction, Riverbend will acquire CCN Nos. 13210 and 21067 and TexAmericas will no longer be in the utility business. This application is being reviewed pursuant to the criteria in the Tex. Water Code Ann. §§ 13.241, 13.246, and 13.301 (TWC) and 16 Tex. Admin. Code §§ 24.102, 24.109, and 24.112 (TAC).

Staff previously considered Riverbend's ability to provide continuous and adequate service pursuant to the CCN criteria outlined in TAC § 24.102(d). Staff recommended that the transaction proceed as proposed and Order No. 5 required that TexAmericas and Riverbend provide documentation, as evidence, that all assets were transferred to the acquiring entity, and that the disposition of any remaining deposits were addressed pursuant to 16 TAC § 24.109(f).

On May 5, 2016, TexAmericas and Riverbend filed a bill of sale and other documents evidencing that all assets were transferred. On May 6, 2016, Riverbend filed a letter stating there were no collected deposits and none will be transferred.

Staff has reviewed the closing documents and finds that they meet the requirements of 16 TAC §24.112. Specifically, the closing documents demonstrate that closing occurred within one year of the Commission's written approval of the sale.