



Control Number: 45026



Item Number: 23

Addendum StartPage: 0

APPLICATION OF T. JOHNSON
WATER SERVICE AND WATER
NECESSITIES, INC. FOR SALE,
TRANSFER OR MERGER OF
FACILITIES AND TO TRANSFER
CERTIFICATE RIGHTS IN HARDIN
COUNTY, TEXAS

§
§
§
§
§
§
§

RECEIVED
PUBLIC UTILITY COMMISSION
JUN 28 10:28 AM
OF TEXAS

STAFF'S RECOMMENDATION ON CONSENT AND FINAL RECOMMENDATION

COMES NOW Staff (Staff) of the Public Utility Commission (Commission) and files this recommendation on consent forms and final recommendation.

I. Background

On August 6, 2015, T. Johnson Water Service and Water Necessities, Inc. (Water Necessities) (collectively, Applicants) filed an application for sale, transfer, or merger of facilities and certificate rights in Hardin County pursuant to Tex. Water Code Ann. §§ 13.301, 13.246, and 13.301 (TWC) and 16 Tex. Admin. Code §§ 24.102, 24.109, and 24.112 (TAC). Specifically, Water Necessities seeks approval to acquire all of the water assets of T. Johnson Water Service. According to the application, T. Johnson Water Service water Certificate of Convenience and Necessity No. 12647 and assets will be transferred to Water Necessities.

On February 24, 2016, Order No. 5 was issued allowing the sale/transfer transaction between T. Johnson Water Service and Water Necessities to proceed. On March 18, 2016, Water Necessities filed a letter addressing the status of customer deposits. Order No. 6, issued on May 3, 2016, found the closing documentation sufficient and ordered Parties to file completed and signed consent forms by May 23, 2016. Order No. 6 also established June 13, 2016, as the deadline for Staff to file an additional recommendation. As such, this pleading is timely filed.

II. Staff Recommendation

On May 26, 2016, Applicants filed the required consent forms. Staff filed its final recommendation on the application on February 19, 2016. Applicants' closing documents and consent forms are consistent with Staff's final recommendation. Applicants have also resolved the TCEQ violations noted in Staff's final recommendation. As such, there are no further impediments to finalizing this proceeding. Staff will circulate a Joint Proposed Notice of Approval with Applicants and, if agreed by Parties, will file the Joint Proposed Notice of approval on or before July 5, 2016, in compliance with Order No. 6.

III. Conclusion

Staff has reviewed the application, closing documents, and consent forms; and Staff recommends their approval. Staff will circulate a Joint Proposed Notice of Approval with Applicants and, if agreed by Parties, will file the Joint Proposed Notice of Approval on or before July 5, 2016, in compliance with Order No. 6.

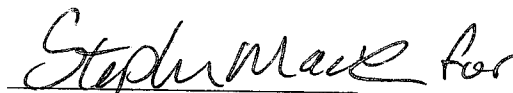
DATED: June 13, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Stephen Mack
Managing Attorney

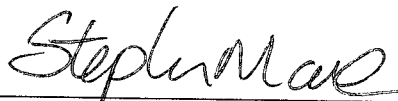


Christina R. Switzer
State Bar No. 24066171
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7229
(512) 936-7268 (facsimile)

DOCKET NO. 45026

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on June 13, 2016, in accordance with 16 TAC § 22.74.



Stephen Mack