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PUBLIC UTILITY COMMISSION  
OF TEXAS  
FILED IN PUBLIC UTILITY DIVISION ON  
SEP 13 2017

APPLICATION OF RANCH §  
UTILITIES, L.P. AND EMCAD §  
WATER AND WASTEWATER, LLC §  
FOR SALE, TRANSFER, OR §  
MERGER OF FACILITIES AND §  
CERTIFICATE RIGHTS IN PARKER §  
COUNTY §

PUBLIC UTILITY COMMISSION  
OF TEXAS

**COMMISSION STAFF’S RECOMMENDATION ON SUFFICIENCY OF CLOSING DOCUMENTS**

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

**I. BACKGROUND**

On November 23, 2015, Ranch Utilities, L.P. (Ranch Utilities) and EMCAD Water and Wastewater, LLC (EMCAD) (jointly Applicants) filed an application for sale, transfer, or merger of facilities and certificate of convenience and necessity rights in Parker County. Specifically, EMCAD seeks approval to acquire a portion of the sewer systems assets of Ranch Utilities held under sewer Certificate of Convenience and Necessity No. 21064 in the Sugar Tree Subdivision.

On June 7, 2017, the Administrative Law Judge issued Order No. 8, requiring Staff to file a sufficiency recommendation within 20 days of the Applicants filing proof of the sale. On August 25, 2017, Ranch Utilities filed a notice of proof that the transaction has been consummated. Twenty days from August 25 is September 14. Therefore, this pleading is timely filed.

**II. RECOMMENDATION**

As supported in the memorandum of Patricia Garcia of the Water Utility Regulation Division, Staff recommends that the closing documents be found insufficient. The documentation filed on August 25, 2017 was signed by a representative of Ranch Utilities, but not signed by a representative of EMCAD. Staff recommends that the Applicants file documentation signed by both Applicants.

### III. PROCEDURAL SCHEDULE

Staff proposes the following procedural schedule:

<b>Event</b>	<b>Date</b>
Deadline for Applicants to submit supplemental documentation	September 22, 2017
Deadline for Staff to file a supplemental recommendation on the sufficiency of the closing documents	September 29, 2017

### IV. CONCLUSION

Staff respectfully requests that the ALJ issue an order finding the closing documents insufficient.

**DATED:** September 14, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF  
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Kathrerine Lengieza Gross  
Managing Attorney

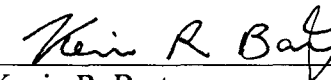


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**DOCKET NO. 45391**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on this the 14<sup>th</sup> of September, 2017, in accordance with. 16 Tex. Admin. Code § 22.74.



Kevin R. Bartz

# Public Utility Commission of Texas

## Memorandum

**To:** Ashley Nwonuma  
Legal Division

**Thru:** Tammy Benter, Director  
Heidi Graham, Manager  
Water Utilities Division

**From:** Patricia Garcia, Engineering Specialist  
Water Utilities Division

**Date:** August 25, 2017

**Subject:** **Docket No. 45391:** *Application of Ranch Utilities, L.P. and EMCAD Water and Wastewater, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Parker County*

On November 23, 2015, Ranch Utilities, L.P. (Ranch Utilities) and EMCAD Water and Wastewater, LLC (EMCAD) (collectively, Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate of convenience and necessity rights in Parker County. Specifically, EMCAD seeks approval to acquire a portion of Ranch Utilities' sewer Certificate of Convenience and Necessity (CCN) No. 21064 and the sewer systems assets in the Sugar Tree Subdivision. The application was filed pursuant to the criteria in Texas Water Code Ann. § 13.301 (TWC) and the 16 Tex. Admin. Code §24.109 (TAC).

Order No. 6, issued June 29, 2016, requested that the Applicants provide documentation, as evidence, that all assets were transferred to the acquiring entity, and that the disposition of any remaining deposits were addressed.

On August 25, 2017, documentation was filed indicating that all assets, records and deposits from Ranch Utilities were transferred to EMCAD. The document was signed by a representative of Ranch Utilities. The document was not signed by a representative of EMCAD.

Because the documentation was not signed by both Applicants, Staff finds that the documentation is insufficient to demonstrate the assets of Ranch Utilities were transferred to EMCAD. Staff requests revised documentation that includes signatures from representatives of both Ranch Utilities and EMCAD.