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DOCKET NO. 45391

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**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 §**

COMMISSION STAFF'S SUPPLEMENTAL 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 Supplemental Recommendation on Sufficiency of Closing Documents. In support thereof, Staff would show the following:

I. BACKGROUND

On November 24, 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 August 25, 2017, Ranch Utilities filed a notice of proof that the transaction has been consummated. On September 14, 2017, Staff recommended that the transaction's closing documents be found insufficient because the documents lacked any signature from an EMCAD representative. On September 18, 2017, The Administrative Law Judge issued Order No. 9, requiring the Applicants to file supplemental documentation signed by an EMCAD representative no later than September 22, 2017. Applicants filed supplemental documentation on September 22, 2017. Order No. 9 also required Staff to file a supplemental recommendation on the sufficiency of Applicant's supplemental documentation no later than September 29, 2017. Therefore, this pleading is timely filed.

II. RECOMMENDATION ON SUFFICIENCY

Staff has reviewed the documentation filed by the Applicants on August 25 and September 22, 2017, and recommends that the proof of sale documentation be deemed sufficient. The bill of sale contained in the Applicants' August 25, 2017 filing was insufficient because it was not signed by both parties. However, the additional documentation submitted by Applicants on September 22, 2017 contains the signatures of both parties on the cover pleading. When the bill of sale is read with the Applicants' September 22 cover pleading—which is signed by both EMCAD and Ranch Utilities—Staff believes that the spirit of 16 TAC § 24.109(n) has been met and that the parties jointly intended to provide documents to show that both the transferor and the transferee agreed to the sale. Staff therefore recommends that the transaction's closing documents, when read as a whole with the Applicants' supplemental September 22 cover pleading containing EMCAD's signature, be deemed sufficient as proof of sale.

Staff has also reviewed the documentation addressing the disposition of customer deposits, and recommends a finding that customer deposits have been properly addressed.

III. PROCEDURAL SCHEDULE

Staff recommends the sale documents and supplemental filing together be found sufficient. Staff therefore proposes the following procedural schedule:

Event	Date
Deadline for Staff to provide final maps, certificates, and tariffs (if applicable), to Applicants for review and consent	October 23, 2017
Deadline for Applicants to file signed consent forms with the Commission	November 6, 2017
Deadline for parties to file joint proposed findings of fact and conclusions of law	November 13, 2017

IV. CONCLUSION

Staff respectfully requests that the ALJ issue an order deeming the proof of sale documentation sufficient and finding that customer deposits have been properly addressed. Staff

further recommends that the proposed procedural schedule be adopted for further processing of this docket.

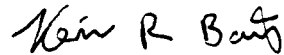
DATED: September 28, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney

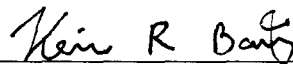


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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 28th of September, 2017, in accordance with. 16 Tex. Admin. Code § 22.74.



Kevin R. Bartz