



Control Number: 46077



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APPLICATION OF BRUSHY CREEK §
MUNICIPAL UTILITY DISTRICT §
AND AQUA TEXAS, INC. FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN WILLIAMSON COUNTY §

PUBLIC UTILITY COMMISSION

OF TEXAS

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**COMMISSION STAFF'S SUFFICIENCY OF SALE DOCUMENTS
RECOMMENDATION**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Commission Staff's Sufficiency of Sale Documents Recommendation. Staff recommends that the Applicants' closing documents be deemed sufficient. In support thereof, Staff shows the following:

I. BACKGROUND

On June 17, 2016, Brushy Creek Municipal Utility District (Brushy Creek MUD) and Aqua Texas, Inc. (Aqua) (collectively, Applicants) filed an application with the Commission for sale, transfer, or merger (STM) of facilities and certificate rights in Williamson County, Texas. Aqua seeks approval to acquire a portion of the water assets and certificate rights of Brushy Creek MUD's CCN No. 11773, which include the transfer of water assets serving the Brushy Bend Park Subdivision. Aqua requests issuance of a new CCN for Aqua Texas to transfer this area and assets into. The Applicants concurrently seek cancellation of that portion of CCN No. 11773 covering the transferred service area. Brushy Creek MUD will continue to own and service the remainder of water CCN No. 11773 following the completion of this Application.

On December 16, 2016, the Commission administrative law judge (ALJ) issued Order No. 9, approving the Applicants' transaction to proceed and be consummated. Order No. 9 required Staff to file a recommendation regarding the sufficiency of the closing documents and propose a procedural schedule within 15 days of the Applicants' filing of proof that the transaction had been consummated. The Applicants filed Closing Documents, Customer Deposit Report, and Aqua Texas' Designation of Protected Material on January 27, 2017. Therefore, this pleading is timely filed.

II. RECOMMENDATION

As indicated in the attached memorandum of Emily Sears, Sean Scaff, and Kristy Nguyen of the Water Utilities Division, Staff has reviewed the sale documents filed by the Applicants and recommends that these sale documents be found sufficient. Staff also reviewed the documents that the Applicants filed evidencing the disposition of customer deposits and recommends a finding that customer deposits have been properly addressed.

III. PROCEDURAL SCHEDULE

Staff recommends that the sale documents be found sufficient. In accordance with that recommendation, Staff proposes the following procedural schedule:

Event	Date
Deadline for Staff to provide final maps, certificates, and tariffs (if applicable), to the Applicants for review and consent	March 3, 2017
Deadline for Applicants to file signed consent forms with the Commission	March 17, 2017
Deadline for parties to jointly file a proposed order, including proposed findings of fact, conclusions of law, and ordering paragraphs	March 24, 2017

IV. CONCLUSION

For the reasons outlined above, Staff respectfully requests that an order be issued finding that the sale documents filed by the Applicants are sufficient and that customer deposits have been properly addressed. Staff further requests that the procedural schedule proposed above be adopted for continued processing of this docket.

Dated: February 7, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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**P.U.C. DOCKET NO. 46077
CERTIFICATE OF SERVICE**

I, Matthew Arth, staff attorney for the Public Utility Commission of Texas, certify that a copy of this document was served on all parties of record on February 7, 2017, in accordance with the requirements of 16 Tex. Admin. Code § 22.74.



Matthew A. Arth

Public Utility Commission of Texas

Memorandum

To: Matthew Arth, Attorney
Legal Division

Through: Tammy Benter, Director
Water Utilities Division

From: Emily Sears, Financial Analyst
Sean Scaff, Engineering Specialist
Kristy Nguyen, GIS Specialist
Water Utilities Division

Date: February 1, 2017

Subject: **Docket No. 46077;** *Application of Brushy Creek Municipal Utility District and Aqua Texas, Inc. for Sale, Transfer, or Merger of Facilities and Certificate Rights in Williamson County*

Background

On June 17, 2016, Aqua Texas, Inc. (Aqua or Purchaser) filed an application to purchase facilities and transfer a portion of the Certificate of Convenience and Necessity (CCN) No. 11773 of Brushy Creek Municipal Utility District (Brushy Creek or Seller) (collectively Applicants), in Williamson County, Texas. The Application was filed pursuant to Section 13.251 of the Tex. Water Code (TWC) and Title 16, Chapter 24 of the Tex. Admin. Code (TAC).

On January 27, 2017, the Applicants filed a bill of sale and assignment stating that the assets of the Seller have been transferred to the Purchaser, along with all retail public water utility service rights that it may have under any CCN for the service territory served by the assets. Also attached were maps and descriptions of the assets. A buyer's affidavit of closing was included confirming that the sale occurred and that customer deposits were refunded. A seller's affidavit of closing was included stating that the sale occurred and that customer deposits were refunded.

After a review of these documents by Staff, it was determined that they are sufficient to meet the requirements in 16 TAC § 24.109(g).