



Control Number: 46107



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APPLICATION OF BETHANY
HEARNE WATER SUPPLY
CORPORATION AND CITY OF
HEARNE FOR SALE, TRANSFER,
OR MERGER OF FACILITIES AND
CERTIFICATE RIGHTS IN
ROBERTSON COUNTY

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PUBLIC UTILITY COMMISSION
OF TEXAS

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FILING CLERK

COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY OF CLOSING DOCUMENTS

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

I. BACKGROUND

On June 29, 2016, Bethany Hearne Water Supply Company (Bethany Hearne WSC) and the City of Hearne (collectively Applicants) filed an application for sale, transfer, or merger (STM) of facilities and certificate of convenience and necessity rights in Robertson County. Specifically, the City of Hearne seeks approval to acquire a portion of the water system assets of Bethany Hearne WSC held under water Certificate of Convenience and Necessity (CCN) No. 10330.

Order No. 4, issued October 18, 2016, approved the sale/transfer to proceed with closing. Applicants filed closing documentation on May 15, 2017 and supplemental documentation on June 8, 2017. Order No. 5 gave Staff a deadline of June 20, 2017 to file a supplemental recommendation on the sufficiency of the closing documents. This pleading is therefore timely filed.

II. RECOMMENDATION

As supported in the memorandum (Attachment A) of Debbie Reyes Tamayo of the Water Utilities Division, Staff recommends that the closing documents be found sufficient. The additional documentation submitted on June 8, 2017 provided sufficient evidence of the absence of customer deposits, and the closing documents demonstrate that the closing occurred within one year of the Commission's written approval of the sale.

III. PROCEDURAL SCHEUDLE

Staff recommends the closing documents 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 Applicant for review and consent	June 22, 2017
Deadline for Applicant to file signed consent forms with the Commission	July 10, 2017
Deadline for parties to file joint proposed findings of fact and conclusions of law	July 17, 2017

IV. CONCLUSION

Staff respectfully requests that the ALJ issue an order consistent with the above recommendation.



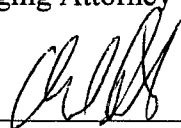
Dated: June 20, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

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**DOCKET NO. 46107
CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on June 20, 2017 in accordance with 16 TAC § 22.74.



Alexander Petak

PUC Interoffice Memorandum

To: Alexander Petak
Legal Division

Thru: Tammy Benter, Director
Water Utilities Division

From: Debbie Reyes Tamayo, Program Specialist
Water Utilities Division

Date: June 13, 2017

Subject: **Docket 46107**, *Application of Bethany Hearne Water Supply Company and City of Hearne for Sale, Transfer, and Merger of Facilities and Certificate Rights in Robertson County*

On June 29, 2016, City of Hearne (Hearne or Purchaser), Certificate of Convenience and Necessity (CCN) No. 10344 and Bethany Hearne Water Supply Company (Bethany Hearne or Seller), CCN No. 10330, (collectively, Applicants) filed an application for approval of a sale, transfer, or merger (STM) of facilities and certificate rights in Robertson County, Texas. The application was filed pursuant to Texas Water Code Ann. § 13.301 (TWC) and the 16 Tex. Admin. Code § 24.109 (TAC). Specifically, Hearne seeks approval to acquire the water system assets, customers and service area and to cancel Bethany Hearne's CCN No. 10330.

On May 15, 2017, the Applicant filed a Bill of Sale with Affidavit of Closing, and on June 8, 2017, the Applicant filed documentation addressing the customer deposits. Staff has reviewed the documents and finds them sufficient.