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DOCKET NO. 46150

**APPLICATION OF PK-RE
DEVELOPMENT COMPANY, INC. d/b/a
OAK SHORES WATER SYSTEM AND
UNDINE DEVELOPMENT, LLC FOR
SALE, TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN TRAVIS COUNTY** §
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**PUBLIC UTILITY COMMISSION
OF TEXAS**

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PUBLIC UTILITY COMMISSION
CLERK

**COMMISSION STAFF'S RECOMMENDATION ON THE CLOSING OF
THE TRANSACTION**

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

I. BACKGROUND

On July 11, 2016, PK-RE Development Company, Inc. d/b/a Oak Shores Water System (PK-RE) and Undine Texas, LLC (Undine) (collectively, Applicants) filed an Application for Sale, Transfer, or Merger (STM). On October 13, 2016, the proceeding was referred to the State Office of Administrative Hearings (SOAH). On October 30, 2018, Undine filed a settlement agreement indicating that all parties either support or do not oppose approval of the application and an agreed motion to admit evidence and remand the proceeding to the Commission for entry of an order to proceed with the sale of facilities and certificate rights currently held by PK-RE. On November 16, 2017, SOAH Order No. 11 admitted evidence, remanded the case to the Commission, and dismissed the SOAH docket.

On November 20, 2017, the Administrative Law Judge (ALJ) issued Order No. 4, approving the sale and transfer to proceed consistent with the parties' agreement. Undine filed Motions for Extension of Time on May 17, 2018 and September 11, 2018, and October 12, 2018. The ALJ granted all three motions to extend the time to complete the transaction, extending the deadline for Applicants to complete the transaction to November 15, 2018.

Order No. 4 further required Staff to file a recommendation within 15 days following the Applicants filing proof that the transaction has been consummated. The Applicants filed this proof on November 9, 2018. Therefore, this pleading is timely filed.

II. RECOMMENDATION ON SUFFICIENCY OF DOCUMENTATION

Staff has reviewed the proof of sale documentation and recommends that the documentation be deemed sufficient pursuant to 16 Texas Administrative Code (TAC) § 24.239(n), formerly 16 TAC § 24.109(n). The Applicants provided a bill of sale signed by both parties attesting to the closure of the sale and an affidavit regarding customer deposits. Staff has reviewed the bill of sale and the affidavit and recommends that the documents be deemed sufficient.

III. PROPOSED PROCEDURAL SCHEDULE

Staff 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	December 10, 2018
Deadline for Applicant to file signed consent forms with the Commission	January 2, 2019
Deadline for parties to file joint proposed findings of fact and conclusions of law	January 9, 2019

IV. CONCLUSION

Staff respectfully recommends the entry of an order finding the closing documents sufficient.

Date: November 26, 2018

Respectfully Submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Margaret Uhlig Pemberton
Division Director

Stephen Mack
Managing Attorney

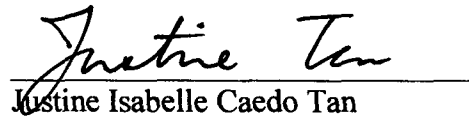


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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on November 26, 2018, in accordance with 16 TAC § 22.74.



Justine Isabelle Caedo Tan