



Control Number: 46168



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DOCKET NO. 46168

**APPLICATION OF LAS PLAYA AND §
SIMPLY AQUATICS, INC. FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN SAN AUGUSTINE COUNTY §**

**PUBLIC UTILITY COMMISSION
OF TEXAS**

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COMMISSION STAFF'S RECOMMENDATION ON CLOSING DOCUMENTS

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

I. Background

On July 14, 2016, Las Playa Subdivision Water System (Las Playa) and Simply Aquatics, Inc. (Simply Aquatics) (collectively the Applicants) filed an application for the sale, transfer, or merger of facilities and certificate rights in San Augustine County. Specifically, Simply Aquatics seeks approval to acquire all of the water system assets of Las Playa held under water certificate of convenience and necessity (CCN) number 11707,¹ and the certificate itself. The total area being requested includes approximately 25 acres and serves 21 current customers.

On May 8, 2017, Order No. 7 was issued requiring Staff to file its recommendation on the adequacy of the closing documents and propose a schedule for the continued processing of this docket within 15 days following the filing of the Applicants' proof that the transaction has been consummated and customer deposits have been addressed. On August 9, 2017, the Applicants filed a Bill of Sale, which included a statement that all customer deposits had been addressed by turning over all records and deposits to Simply Aquatics, Inc. Accordingly, this pleading is timely filed.

¹ The application and Order No. 1 incorrectly identify the CCN number as 11701; Las Playa's correct CCN number is 11707.

II. Recommendation on Administrative Sufficiency

As supported by the attached memorandum from Patricia Garcia, Engineer with the Water Utilities Division, Staff has reviewed the documents and recommends that they are sufficient pursuant to 16 Tex. Admin. Code § 24.109 (TAC).

III. Proposed Procedural Schedule

Staff recommends the following procedural schedule be adopted for the continued processing of this docket:

Event	Date
Deadline for Staff to provide final maps and certificates to Applicants for review and consent.	September 13, 2017
Deadline for Applicant to provide signed consent forms with the Commission	September 27, 2017
Deadline for Commission Staff to file a final recommendation on the Application	October 4, 2017
Deadline for parties to file joint proposed findings of fact and conclusions of law.	October 16, 2017

IV. Conclusion

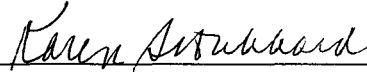
Staff respectfully requests that an order be issued consistent with this Recommendation.

Dated: August 24, 2017

Respectfully Submitted,
**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney

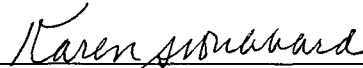


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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on August 24, 2017, in accordance with 16 TAC § 22.74.



Karen S. Hubbard

Public Utility Commission of Texas
Memorandum

To: Karen Hubbard
Legal Division

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

From: Patricia Garcia, Engineering Specialist
Water Utilities Division

Date: August 24, 2017

Subject: **Docket 46168**, *Application of La Playa Subdivision Water System and Simply Aquatics, Inc. for Sale, Transfer or Merger of Facilities and Certificate Rights in San Augustine County*

On July 14, 2016, Simply Aquatics, Inc., (Simply Aquatics or Purchaser) and Don Johnson (Seller), (collectively Applicants), filed an application for the sale, transfer, or merger of facilities and certificate rights in San Augustine County, Texas pursuant to Texas Water Code Ann. § 13.301 (TWC) and the 16 Tex. Admin. Code § 24.109 (TAC). Specifically, Simply Aquatics seeks approval to acquire the water system assets including the La Playa Subdivision Public Water System (PWS) ID No. 2030015, customers and service area. The La Playa Subdivision is a part of the Sam Rayburn Water, Inc., (Sam Rayburn Water) utility, which holds Certificate of Convenience and Necessity (CCN) No. 11707. If approved, Simply Aquatics will be issued a new water CCN to serve the La Playa Subdivision and Sam Rayburn Water's CCN No. 11707 will be amended accordingly. The proposed service area contains 93 acres and 21 current water customers.

Pursuant to 16 TAC § 24.109(f), Staff recommended that the transaction proceed as proposed and Order No 26, issued May 8, 2017, 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 pursuant to 16 TAC § 24.109(f).

On August 9, 2017, Simply Aquatics a bill of sale indicating all assets, records and deposits for La Playa Subdivision were transferred to Simply Aquatics. The letter was signed by the seller, Don Johnson, and the owner of Simply Aquatics, Kevin Hester.

Staff has reviewed the bill of sale document and finds that it is sufficient to demonstrate the assets of La Playa Subdivision were sold to Simply Aquatics. The closing occurred within six months of the Commission's written approval of the sale.