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APPLICATION OF MELVIN BLOCK §
AND CITY OF BRIDGE CITY FOR §
SALE, TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN ORANGE COUNTY §

PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

**COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON PROOF OF
SALE DOCUMENTATION**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Supplemental Recommendation on Proof of Sale Documentation in response to Order No. 5 and would show the following:

I. BACKGROUND

On January 26, 2017, Melvin Block and the City of Bridge City (collectively, Applicants) filed an application for sale, transfer, or merger of facilities and certificate rights in Orange County, Texas. Specifically, Bridge City seeks to acquire a portion of Melvin Block's facilities and service area under water Certificate of Convenience and Necessity (CCN) No. 11438 and add the acquired facilities and service area to Bridge City's CCN No. 12802. On June 1, 2017, proof of sale documentation was filed. On June 15, 2017, Staff filed a recommendation that the proof of sale documentation be found insufficient.

On June 16, 2017, Order No. 5 was issued, finding the June 1, 2017 proof of sale documentation insufficient, establishing a deadline for Applicants to file supplemental documentation, and establishing a deadline of 15 days from the filing of supplemental proof of sale documentation for Staff to file a recommendation on the sufficiency of the documentation and propose a procedural schedule for further processing. Supplemental proof of sale documentation was filed June 9, but due to a missing docket number was not properly routed until June 15. Fifteen days from June 9 is June 24. This pleading is therefore timely filed.

II. RECOMMENDATION

Staff has reviewed the proof of sale documentation as supplemented on June 9 and recommends that the documentation as supplemented be found sufficient. Applicants indicated that no customer deposits are affected by the transaction and provided a bill of sale dated after the

May 5, 2017 issuance of Order No. 4, which authorized the Applicants to proceed with the transaction. Staff therefore recommends that the proof of sale documentation, as supplemented, be sound sufficient.

III. PROCEDURAL SCHEDULE

Staff recommends the sale 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 Applicants for review and consent	June 23, 2017
Deadline for Applicants to file signed consent forms with the Commission	July 7, 2017
Deadline for parties to file joint proposed findings of fact and conclusions of law	July 14, 2017

IV. CONCLUSION

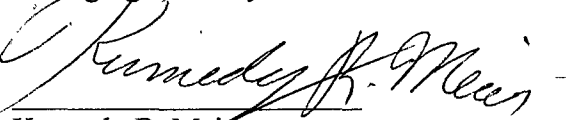
For the reasons stated above, Staff recommends that the proof of sale documentation, as supplemented, be found sufficient and that the procedural schedule proposed above be adopted for continued processing of this docket.

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney

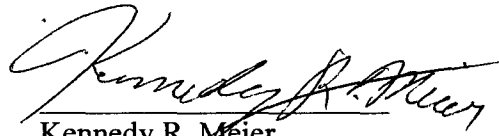


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CERTIFICATE OF SERVICE

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


Kennedy R. Meier