

Control Number: 48532



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APPLICATION OF J&S WATER §
COMPANY, LLC AND NERRO §
SUPPLY, LLC FOR SALE, TRANSFER, §
OR MERGER OF FACILITIES AND §
CERTIFICATE RIGHTS IN HARRIS, §
CHAMBERS, AND LIBERTY §
COUNTIES §

PUBLIC UTILITY COMMISSION
OF TEXAS

COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON THE SUFFICIENCY OF THE CLOSING DOCUMENTS

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

I. BACKGROUND

On July 18, 2018, J&S Water Company, LLC (J&S) and Nerro Supply, LLC (Nerro) (collectively, Applicants), filed an application for sale, transfer, or merger of facilities and certificate rights in Harris, Chambers, and Liberty Counties. Specifically, the Applicants seek approval to transfer a portion of J&S's facilities and water and sewer service areas under water Certificate of Convenience and Necessity (CCN) No. 12085 and sewer CCN No. 20658 to Nerro's water CCN No. 12252 and sewer CCN No. 20366. The requested area includes approximately 154 acres and 553 connections.

On April 10, 2019, the administrative law judge (ALJ) issued Order No. 5, finding the closing documentation insufficient and ordering the applicants to file supplemental documentation. The Applicants filed supplemental documentation on April 22, 2019, April 30, 2019 and May 7, 2019. Order No. 5 also required Staff to file a recommendation on the sufficiency of the Applicant's responsive documents by May 1, 2019. On May 1, 2019, the ALJ issued Order No. 6, extending the deadline for Staff to file a recommendation on the sufficiency of the Applicant's responsive documents to May 8, 2019. This pleading is therefore timely filed.

II. RECOMMENDATION

Staff has reviewed the Bill of Sale, Deeds, Borrower's Statement and Transfer of Deposits filed by Applicants and recommends that it be found to meet the requirements of 16 Texas

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Administrative Code (TAC) § 24.239(n). The documents are signed by Applicants and were filed on March 27, 2019, which is less than 30 days from the effective date of March 13, 2019. The Applicants have filed a notice that customer deposits have been transferred from J&S to Nerro. Thus, Staff further recommends a finding that all customer deposits have been properly addressed in accordance with 16 TAC § 24.239(m) and (n).

III. PROCEDURAL SCHEUDLE

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 Applicant for review and consent	June 7, 2019
Deadline for Applicant to file signed consent forms with the Commission	June 21, 2019
Deadline for parties to file joint proposed findings of fact and conclusions of law	June 28, 2019

IV. CONCLUSION

Staff respectfully requests that the administrative law judge issue an order consistent with the above recommendation.

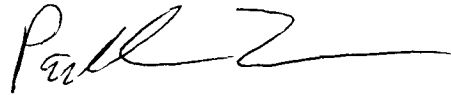
Dated: May 8, 2019

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

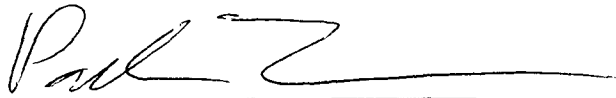
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**DOCKET NO. 48532
CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record May 8, 2019,
in accordance with 16 TAC § 22.74.



Patrick D. Todd