



Control Number: 48565



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PUC DOCKET NO. 48565

**APPLICATION OF AQUA TEXAS,
INC. AND TOWN OF BUFFALO GAP
FOR SALE, TRANSFER, OR
MERGER OF FACILITIES AND
CERTIFICATE RIGHTS IN TAYLOR
COUNTY (GAP WATER SYSTEM)**

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PUBLIC UTILITY COMMISSION

OF TEXAS

2019
FILING CLERK
NOV 10 48

**REQUEST FOR CLARIFICATION AND
STATUS UPDATE NO. 7**

COME NOW, Aqua Texas, Inc. (“Aqua”) and the Town of Buffalo Gap (“Town”) (collectively, the “Applicants”) and file this Request for Clarification and Status Update No. 7 and would show the Commission as follows:

I. BACKGROUND

On August 2, 2018, the Applicants filed an application for Sale, Transfer or Merger of Facilities and Certificate Rights in Taylor County related to the Gap Water System. On November 28, 2018, the Commission issued Order No. 4 Approving Transaction to Proceed, to be concluded by May 28, 2019. Order No. 4 required the Applicants to submit monthly updates regarding the status of efforts to conclude the transaction, address customer deposits, and submit documents evidencing same beginning on December 20, 2018, and each month thereafter. On May 23, 2019, the Commission entered Order No. 5 Granting Request for Extension allowing the Applicants until November 25, 2019 to conclude the transaction.

II. REQUEST FOR CLARIFICATION

The Texas Administrative Code provides that, “[w]ithin 30 days of the commission order that allows the sale...to proceed as proposed, the transferee shall provide a written update on the status of the transaction, and every 30 days thereafter, until the transaction is complete. 16 TEX. ADMIN. CODE §24.239(1). It also requires “[t]he transferee [to] inform the commission of any

material changes in its financial, managerial, and technical capability to provide continuous and adequate service to the requested area and the transferee's service area. *Id.*

Order No. 4 Approving Transaction to Proceed required Applicants to "file an update regarding the status of the efforts to conclude the transaction and submit documents evidencing the transaction was completed and customer deposits were properly addressed" beginning on December 20, 2019 and continuing monthly thereafter. *See* Order No. 4 Approving Transaction to Proceed at Page 1. However, Order No. 5 Granting Request for Extension did not establish such a requirement. The Applicants are uncertain whether monthly status reports are required after May 23, 2019 since that requirement is not contained in Order No. 5.

The Applicants respectfully request clarification on whether status updates are required pursuant to the Texas Administrative Code provision cited above or whether Applicants may rely on the language of Order No. 5 to provide updates only of changed circumstances or of conclusion of the transaction.

III. STATUS UPDATE NO. 7

In the event that monthly status updates are required, the Applicants provide the following Status Update No. 7:

Applicants filed Status Update No. 6 on May 20, 2019 in which the Town reported that it had obtained four (4) additional easements but not yet acquired all of the easements necessary to request closing instructions. As of the date of this Status Update No. 7, final documents are being reviewed by all property owners and we are simply awaiting execution of the remaining easements. The lease with the City of Abilene is also being finalized. The Town hopes to have all easements signed by the end of June 2019. The United States Department of Agriculture ("USDA") has informed us that closing instructions could be issued within two to three weeks after we acquire

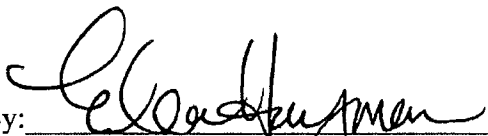
all necessary easements. The Town is working towards trying to close the loan with USDA by the end of September.

Aqua is waiting on the Town's process with USDA to conclude before proceeding with action to close the approved transaction with the Town and address customer deposits.

IV. CONCLUSION

The Applicants respectfully request clarification regarding whether monthly status updates are required after May 23, 2019.

Respectfully submitted,

By: 

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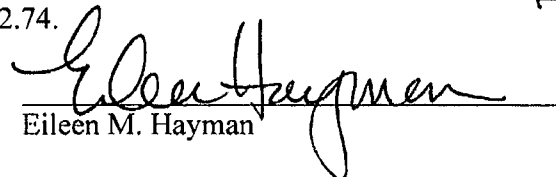
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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on June 12th 2019 in accordance with P.U.C. Procedural Rule 22.74.


Eileen M. Hayman