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DOCKET NO. 49380

**APPLICATION OF NERRO SUPPLY, §
LLC AND UNDINE TEXAS, LLC FOR §
SALE, TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN BRAZOS, BURLESON, §
CHAMBERS, MONTGOMERY, §
ROBERTSON, AND WALKER §
COUNTIES, AND TO AMEND UNDINE §
TEXAS, LLC'S, NERRO SUPPLY, §
LLC'S, AND DEANVILLE WATER §
SUPPLY CORPORATION'S WATER §
CERTIFICATES OF CONVENIENCE §
AND NECESSITY §**

PUBLIC UTILITY COMMISSION

OF TEXAS

**COMMISSION STAFF'S CLOSING DOCUMENTS SUFFICIENCY
RECOMMENDATION**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and in response to Order No. 8, files this Closing Documents Sufficiency Recommendation. In support thereof, Staff shows the following:

I. BACKGROUND

On March 27, 2019, Undine Texas, LLC (Undine) and Nerro Supply, LLC (Nerro) (collectively, Applicants), filed an application of Nerro Supply LLC and Undine Texas Environmental, LLC for the sale, transfer, or merger of water facilities and certificate of convenience and necessity (CCN) rights in Brazos, Burleson, Chambers, Montgomery, Robertson, and Walker counties. Undine Texas seeks approval to acquire water facilities and to transfer water service area held under Nerro Supply's water CCN number 12252 to Undine Texas' CCN number 13260. The applicants also request, in order to correctly align the water CCN service areas with the areas actually being served, the addition of uncertificated area into Undine Texas' CCN number 13260, the decertification of a portion of Nerro Supply's CCN number 12252, and the decertification of a portion (and the addition of that portion to Undine Texas) of Deanville Water Supply Corporation's water CCN number 10177. The requested areas include approximately 2,212 acres and 1,321 connections.

On January 28, 2020, the ALJ issued Order No. 8 approving the sale to proceed and establishing a deadline for Staff to file a recommendation regarding the sufficiency of closing documents and to propose a schedule for continued processing of this docket within 15 days following the filing of the applicant's proof that the transaction had been consummated. Applicant's filed proof that the transaction had been consummated on July 7, 2020. Therefore, this pleading is timely filed.

II. SUFFICIENCY OF CLOSING DOCUMENTS

Staff has reviewed the closing documents filed by Applicants on July 6, 2020. Based on its review, Staff has determined that Applicants' filing meets the requirements of 16 Texas Administrative Code (TAC) §§ 24.239(k)-(n).

Applicants also filed documentation on July 7, 2020, showing that all customer deposits pursuant to the current transaction have been addressed.

Accordingly, based upon Applicants' completion of the requirements, as stated in the Commission rules, Staff recommends a finding that the closing documents be found sufficient and that there are no customer deposits to address as a result of the transaction.

III. PROPOSED PROCEDURAL SCHEDULE

In accordance with Staff's recommendation that Applicants' closing documents be found sufficient, Staff proposes the following procedural schedule for continued processing of the docket:

Event	Date
Deadline for Staff to provide final maps, certificates, and tariffs (if applicable) to Applicants for review and consent	August 20, 2020
Deadline for Applicants to file signed consent forms with the Commission	August 27, 2020
Deadline for parties to jointly file a proposed Notice of Approval, including proposed findings of fact, conclusions of law and ordering paragraphs	September 21, 2020

IV. CONCLUSION

For the reasons detailed above, Staff respectfully requests that an order be issued finding that the closing documents filed by Applicants are sufficient and that customer deposits have been addressed. Staff further requests that the procedural schedule proposed above be adopted for the continued processing of this docket.

Dated: July 22, 2020

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on July 22, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664

/s/ Rustin Tawater
Rustin Tawater