

Filing Receipt

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BURGESS & NIPLE

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July 27, 2021

Public Utility Commission of Texas Filing Clerk P O Box 13326 Austin, Texas 78711-3326

Re CCN Application for Sale, Transfer, or Merger of a Retail Public Utility Request to Extend Time for Completion of Transfer Madera Valley WSC, CCN No 10240 Town of Pecos City, CCN No 10945 Docket No 50122 Reeves County, Texas

Dear PUC

In the matter of the Sale and Transfer of the CCN area considered by Docket No 50122, the Madera Valley WSC and the Town of Pecos City wish to add 270 days to the time required for consummation of the sale. As of today, the only condition of sale that has not been met by the parties is the disconnection of water distribution lines and service meters for the Madera Valley WSC customers in the transfer area. The Town of Pecos City has already extended distribution lines into the transfer area and is providing service to new customers.

The parties request this extension for the following reasons

- The declaration of states of emergency due to the global pandemic interfered with the ability of the parties to affectively meet and make decisions on non-emergency items, receive regulatory approval, and perform construction
- The Town of Pecos City, since the start of the global pandemic, has experienced significant staff turnover, including the utility director, the city manager, and other staff with the responsibilities for review and approval of crucial documents
- The disconnection and connection of water distribution lines requires approval by the TCEQ The TCEQ water system plan review has a minimum review time of 45 day, but during the pandemic that time has exceeded 90 days
- Once approved by the TCEQ, the construction of improvements to perform the disconnection and connection is anticipated to take 90 days

Burgess & Niple is currently producing plans and specifications for the disconnection and connection of the transfer area and anticipates submission of the documents for TCEQ approval in the next 30-45 days

Now that the difficulties related to the pandemic and staff issues at the Town of Pecos City have been alleviated the parties are diligently working to fulfill the final terms of the transfer agreement. The PUC's consideration of this 270-day time extension to complete the remaining items is greatly appreciated.

Sincerely,

James Busby, P E Project Engineer

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cc Mr Donnie McKinney, Town of Pecos City Mr Craig Huelster, Madera Valley WSC