



Control Number: 50422



Item Number: 30

Addendum StartPage: 0

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DOCKET NO. 50422

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APPLICATION OF JOHNSON WATER	§	PUBLIC UTILITY COMMISSION
SERVICE AND SP UTILITY	§	OF TEXAS
COMPANY, INC. FOR SALE	§	
TRANSFER OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS IN BRAZORIA COUNTY	§	

COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY OF CLOSING DOCUMENTS AND PROPOSED PROCEDURAL SCHEDULE

On January 8, 2020, Johnson Water Service (JWS) and SP Utility Company, Inc. (SPUC) (collectively, "the Applicants") filed an application for sale, transfer, or merger of facilities and certificate rights in Brazoria County. JWS seeks to sell its facilities and to transfer its water service area held under Certificate of Convenience and Necessity (CCN) No. 12004 to SPUC. The requested sale and transfer includes approximately 28 acres and 44 connections.

On September 3, 2020, the administrative law judge (ALJ) filed Order No. 9 approving the sale and transfer to proceed. Order No. 9 also required Staff to file a recommendation regarding the sufficiency of closing documents and to propose a procedural schedule within 15 days following the filing of the Applicants' proof that the transaction has been consummated and customers deposits, if any, have been addressed. On February 9, 2021, the parties filed proof of the transaction. Therefore, this pleading is timely filed.

I. SUFFICIENCY OF CLOSING DOCUMENTS

Staff has reviewed the closing documents filed by Applicants on February 9, 2021 and February 23, 2021. Based on its review, Staff has determined that Applicants' filings meet the requirements of 16 Texas Administrative Code (TAC) §§ 24.239(k)-(n).

Applicants filed a fully executed bill of sale, signed by both the transferor and transferee, showing consummation of the sale on February 9, 2021, filed a supplemental document updating the effective date on February 23, 2021, and confirmed there were no outstanding customer deposits. Staff therefore recommends a finding that customer deposits have been adequately addressed as required by 16 TAC § 24.239(k) and (l). 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 issues related to customer deposits to address as a result of the transaction.

II. PROCEDURAL SCHEDULE

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

Events	Date
Deadline for Commission Staff to provide final maps, certificates, and tariffs (if applicable), to applicants for review and consent	March 17, 2021
Deadline for applicants to file signed consent forms with the Commission	March 31, 2021
Deadline for parties to jointly file Proposed Notice of Approval, including findings of fact, conclusions of law, and ordering paragraphs	April 14, 2021

III. CONCLUSION

For the reasons discussed above, Staff respectfully requests that an order be issued finding the closing documents filed by Applicants sufficient. Staff further requests that the procedural schedule above be adopted for continued processing of this docket.

Dated: February 24, 2021

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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DOCKET NO. 50422

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 February 24, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Robert Dakota Parish
Robert Dakota Parish