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**DOCKET NO. 50480**

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<b>APPLICATION OF CRYSTAL CLEAR</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>SPECIAL UTILITY DISTRICT AND</b>	<b>§</b>	
<b>CITY OF SAN MARCOS FOR SALE,</b>	<b>§</b>	<b>OF TEXAS</b>
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN HAYS COUNTY</b>	<b>§</b>	

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

On January 23, 2020, Crystal Clear Special Utility District (Crystal Clear SUD) and the City of San Marcos (San Marcos) (collectively, Applicants) filed an application for sale, transfer, or merger of facilities and certificate of convenience and necessity (CCN) rights in Hays County. Crystal Clear SUD seeks to transfer a portion of its water service area held under CCN No. 10297 to San Marcos. The requested sale and transfer includes approximately 575 acres and 489 connections. Applicants filed proof of closing documents on April 23, 2021.

On October 27, 2020, the administrative law judge (ALJ) filed Order No. 9 requiring the Staff of the Public Utility Commission of Texas (Staff) to file a recommendation on the sufficiency of the closing documents and to propose a schedule for the continued processing of this docket within 15 days following the Applicants filing proof of the transaction being consummated. Applicants filed proof of closing documents on April 23, 2021. Therefore, this pleading is timely filed.

**I. . SUFFICIENCY OF CLOSING DOCUMENTS**

Staff has reviewed the closing documents and customer deposit information filed by Applicants on April 23, 2021. Based on its review, Staff recommends that Applicants' closing documents meet the requirements of 16 Texas Administrative Code (TAC) §§ 24.239(l)-(n) and are sufficient, but that Applicants' information addressing customer deposits is deficient.

Applicants filed a fully executed bill of sale, signed by both the transferor and transferee, showing consummation of the sale on April 15, 2021.<sup>1</sup> Further, Applicants confirmed that all customer deposits were refunded to customers and provided a list of those customers refunded their deposit. However, the list of customer deposits was not supported by an affidavit and did not

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<sup>1</sup> 16 TAC § 24.239(a), (i), (l).

include the address of each customer with a deposit, the date the deposit was made, and the amount of unpaid interest on the deposit.<sup>2</sup> Staff therefore recommends a finding that customer deposits have not been adequately addressed as required by 16 TAC §§ 24.239(k) and (l).

### **III. PROCEDURAL SCHEDULE**

In accordance with Staff's recommendation that Applicants' customer deposit information be found deficient, Staff proposes the following procedural schedule:

<b>Events</b>	<b>Date</b>
Deadline for Applicants' to file supplemental information regarding customer deposits	May 21, 2021
Deadline for Commission Staff to file a supplemental recommendation on sufficiency of customer deposit information	June 4, 2021

### **IV. CONCLUSION**

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

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<sup>2</sup> 16 TAC § 24.239(k)(1), (2), (4).

Dated: May 7, 2021

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 May 7, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Robert Dakota Parish  
Robert Dakota Parish