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**PUBLIC UTILITY COMMISSION
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**APPLICATION OF CHAMPS WATER §
COMPANY AND MIDWAY WATER §
UTILITIES, INC. FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN HARRIS AND §
MONTGOMERY COUNTIES §**

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

On June 1, 2020, Champs Water Company (Champs) and Midway Water Utilities, Inc. (Midway) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Harris and Montgomery Counties. Midway seeks approval to acquire facilities and to transfer all of Champs’ water and sewer service area under Champs’ water Certificate of Convenience and Necessity (CCN) Nos. 10972 and sewer CCN 20385, to Midway’s water CNN No. 10972 and sewer CNN No. 20385. On August 3, 2020, August 4, 2020, August 10, 2020, and August 18, 2020 Applicants filed supplements to the application.

On December 22, 2020, the administrative law judge (ALJ) filed Order No. 9, approving the sale and requiring Staff to file a recommendation on sufficiency of the closing documents and propose a procedural schedule within 15 days following the filing of the Applicants’ proof of the consummation of the transaction. On April 15, 2021 and April 16, 2021, Midway filed said proof. Therefore, this pleading is timely filed.

I. RECOMMENDATION

Staff has reviewed the Applicants’ proof of closing documents filed by Midway and determined that the filings substantially meet the requirements of 16 Texas Administrative Code (TAC) § 24.239(a) and (k)-(n).

The Applicants’ filing provided a Bill of Sale between the Applicants, completed effective March 24, 2021, demonstrating that the transaction had been consummated as proposed.¹ The

¹ Notification and Documentation the Transaction has Been Completed at 2-3 (Apr. 15, 2021) (Notification).

documents were filed within 30 days of the March 24, 2021 effective date and were signed by representatives for both Midway (purchaser) and Champs (seller).²

Additionally, the closing documents sufficiently address the issue of customer deposits, as required by § 24.239(k) and (l). The closing documents include an affidavit signed by Midway's representative attesting to the transfer of all applicable customer deposits associated with sale and transfer in this docket, and a confidential list of customer deposits was filed on April 16, 2021.³

Therefore, based on its review, Staff recommends that the Applicants' closing documents be found sufficient.

II. PROPOSED PROCEDURAL SCHEDULE

In accordance with Staff's recommendation regarding sufficiency, Staff proposes the following procedural for further processing of this docket:

Date	Event
Deadline for Commission Staff to provide final maps, certificates, and tariffs (if applicable) to Applicants for review and consent	May 10, 2021
Deadline for Applicants to file signed consent forms with the Commission	May 24, 2021
Deadline for parties to jointly file a proposed Notice of Approval, including findings of fact, conclusions of law, and ordering paragraphs	May 31, 2021

III. CONCLUSION

Staff respectfully recommends that the closing documents be deemed sufficient, the procedural schedule proposed above be adopted, and that an order be issued consistent with the foregoing recommendations.

² 16 TAC § 24.239(l).

³ Notification at 4.

Dated: April 30, 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 April 30, 2021 in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Justin C. Adkins
Justin C. Adkins