

**DOCKET NO. 51005**

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PUBLIC UTILITY COMMISSION  
OF TEXAS  
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**APPLICATION OF OLAN JOHNSON §  
DBA NORTH UNIVERSITY ESTATES §  
WATER COMPANY AND §  
INTERMEDIARY SOLUTIONS §  
HOLDING, LLC FOR SALE, §  
TRANSFER, OR MERGER OF §  
FACILITIES AND CERTIFICATE §  
RIGHTS IN LUBBOCK COUNTY §**

**PUBLIC UTILITY COMMISSION  
OF TEXAS**

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

On July 6, 2020, Olan Johnson dba North University Estates Water Company (Olan Johnson) and Intermediary Solutions Holding, LLC (ISH) (collectively, the Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Lubbock County. ISH seeks approval to acquire facilities and to transfer Olan Johnson’s water service area held under Certificate of Convenience and Necessity (CCN) No. 12179.

On May 14, 2021, the administrative law judge (ALJ) filed Order No. 13, requiring the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a recommendation regarding the sufficiency of the closing documents and propose a procedural schedule for continued processing of this docket.

**I. SUFFICIENCY OF CLOSING DOCUMENTS**

Staff has reviewed the closing documents filed by the Applicants on March 23, 2021 and recommends that they be found deficient. Based on its review, Staff has determined that the Applicants' filing does not meet the requirements of 16 Texas Administrative Code (TAC) §§ 24.239(a) and (k)-(n). Specifically, the closing documents filed do not include information on the interest accrued on customer deposits and does not meet the requirements of 16 TAC § 24.239(k). Under this section, the Applicants must provide “the amount of the deposit, and the unpaid interest on the deposit.”<sup>1</sup> In addition, 16 TAC § 24.239(k) requires that the information be supported by an affidavit. The Applicants did not provide information on interest accrued by customer deposits and did not attest to the information in an affidavit. Therefore, Staff

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<sup>1</sup> 16 TAC § 24.239(k).

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recommends that the Applicants be ordered to address the matter of interest accrued on customers deposits and submit a sworn affidavit to cure the deficiencies in the closing documents.

## **II. COMMENTS ON PROCEDURAL SCHEDULE**

In accordance with Staff's deficiency recommendation, Staff does not propose a procedural schedule for further processing of the docket at this time. Staff intends to propose a procedural schedule alongside a subsequent recommendation for closing document sufficiency.

## **III. CONCLUSION**

For the reasons stated above, Staff respectfully recommends that the closing documents be found insufficient at this time and that the Applicants be ordered to file a supplement addressing the identified deficiencies.

Dated: May 28, 2021

Respectfully submitted,

### **PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION**

Rachelle Nicolette Robles  
Division Director

Rashmin J. Asher  
Managing Attorney

*/s/ Kourtnee Jinks*

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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 28, 2021, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Kourtnee Jinks  
Kourtnee Jinks