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DOCKET NO. 51048

**APPLICATION OF PERRIN WATER
SYSTEMS, INC. AND PATTERSON
WATER SUPPLY, LLC FOR SALE,
TRANSFER, OR MERGER OF
FACILITIES AND CERTIFICATE
RIGHTS IN JACK COUNTY** §
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**PUBLIC UTILITY COMMISSION
OF TEXAS**
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**COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY OF CLOSING
DOCUMENTS AND PROPOSED PROCEDURAL SCHEDULE**

On July 14, 2020, Patterson Water Supply Corporation (Patterson) and Perrin Water Systems, Inc. (Perrin) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Jack County. Patterson seeks approval to acquire facilities and to transfer all of Perrin's service area under Perrin's water Certificate of Convenience and Necessity (CCN) No. 12196 to Patterson's water CCN No. 13248. The requested area includes approximately 163 acres and 129 connections.

On December 14, 2020, the administrative law judge (ALJ) filed Order No. 6, approving the sale and requiring Staff to file a recommendation on sufficiency of the closing documents within 15 days following the filing of the Applicants' proof of the consummation of the transaction. On January 15, 2021, Patterson filed said proof. Therefore, this pleading is timely filed.

I. RECOMMENDATION

Staff has reviewed the closing documents filed by the Applicants on January 15, 2021 and customer deposit information filed with the application on July 14, 2020 and determined that the Applicants' filings substantially meet the requirements of 16 Texas Administrative Code (TAC) § 24.239(a), (k)-(n).

The Applicants filing provided signed pages from the Water System Operation and Transfer Agreement, completed effective January 7, 2021, demonstrating that the transaction has

closed as proposed.¹ The documents were filed within 30 days of the January 7, 2021 effective date and were signed by representatives for both the purchaser and the seller.²

Additionally, the closing documents sufficiently address the issue of customer deposits, as required by § 24.239(k) and (l). Patterson states in the Closing Documents that it will assume responsibility for all customer deposits previously held by Perrin.³ In addition, the Applicants provided historical customer deposit information with the application.⁴

Therefore, based on its review, Staff recommends that the 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 Staff to provide final maps, certificates, and tariffs (if applicable) to Applicants for review and consent	March 1, 2021
Deadline for Applicants to file signed consent forms with the Commission	March 15, 2021
Deadline for parties to jointly file a proposed Notice of Approval, including proposed findings of fact, conclusions of law, and ordering paragraphs	March 29, 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.

¹ Close of Sale Documents Between Perrin Water System and Patterson Water System at 2-4 (Jan. 15, 2021) (Closing Documents).

² 16 TAC § 24.239(l).

³ Closing Documents at 1.

⁴ Application of Perrin Water Systems, Inc. and Patterson Water Supply, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Jack County at 78-80.

Dated: January 29, 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 January 29, 2021 in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Justin C. Adkins
Justin C. Adkins