



## Filing Receipt

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<b>APPLICATION OF SOUTHWEST ENVIRONMENTAL RESOURCES AND MANVEL TERRACE UTILITIES, INC. FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN FORT BEND COUNTY</b>	<b>§ § § § § §</b>	<b>PUBLIC UTILITY COMMISSION  OF TEXAS</b>
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**COMMISSION STAFF’S RECOMMENDATION ON SUFFICIENCY OF CLOSING DOCUMENTS**

On July 16, 2021, Manvel Terrace Utilities, Inc. (Manvel Terrace) and the Southwest Environmental Resources (Southwest) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate rights in Fort Bend County. Specifically, Manvel Terrace seeks approval to acquire facilities and to transfer water service area held under Southwest’s Certificate of Convenience and Necessity (CCN) No. 11648 to Manvel Terrace’s CCN No. 12080.

On June 22, 2022, the administrative law judge (ALJ) filed Order No. 13, establishing a deadline of July 7, 2022, for the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a new recommendation, indicating whether the applicants have complied with Texas Water Code § 13.301 and Texas Administrative Code § 24.239. 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 May 31, 2022. Based on its review, Staff has determined that Applicants’ filing meets the requirements of 16 TAC § 24.239(a), which requires the filing of an STM application and the provision of public notice at least 120 days before the effective date of a proposed transaction. Under 16 TAC § 24.239(i), the proposed transaction may be completed at the end of the 120-day period or at any time after the transferee receives notice that a hearing will not be required.

Applicants filed notice of completed transaction on May 31, 2022, which included a Closing Agreement signed by Southwest and Manvel Terrace and assigning Southwest’s public water supply system to Manvel Terrace. The effective date of the transaction was May 5, 2022.

Notice was completed on December 18, 2021, which is more than 120 days before May 5, 2022. Staff recommends a finding that Applicants' closing documents are sufficient and satisfy 16 TAC § 24.239(a), (i), and (l).

With regard to customer deposits, Manvel Terrace's notice of completed transaction confirms that there are no outstanding deposits. Staff therefore recommends a finding that customer deposits have been adequately addressed as required by 16 TAC § 24.239(k) and (l).

## **II. PROCEDURAL SCHEDULE**

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

<b>Events</b>	<b>Date</b>
Deadline for Commission Staff to provide final maps, certificates, and tariffs (if applicable), to applicants for review and consent	August 11, 2022
Deadline for Applicants to file signed consent forms with the Commission	August 25, 2022
Deadline for parties to jointly file Proposed Notice of Approval, including findings of fact, conclusions of law, and ordering paragraphs	September 1, 2022

## **III. CONCLUSION**

For the reasons discussed above, Staff respectfully requests that an order be issued finding Applicants' closing documents sufficient and adopting the proposed procedural schedule.

Dated: July 7, 2022

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 July 7, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/Mildred Anaele  
Mildred Anaele