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Received - 2022-05-24 12:06:41 PM Control Number - 52477 ItemNumber - 32

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APPLICATION OF HARRISON WILLIAMS FOR APPROVAL OF CHANGE IN OWNERSHIP IN PINE KNOB ESTATE WATER, INC. UNDER TWC § 13.302

PUBLIC UTILITY COMMISSION

OF TEXAS

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

On August 26, 2021, Harrison Williams (Mr. Williams) filed a request for approval of a water utility stock transfer pursuant to Texas Water Code (TWC) § 13.302 and 16 Texas Administrative Code (TAC) § 24.243. Under the transaction, Scott and Judy Robinson (collectively, the Robinsons) would sell 100% of their stock and ownership interest in Pine Knob Estate Water, Inc. (Pine Knob) to Mr. Williams. On October 26, 2021, December 3, 2021, December 16, 2021, and December 21, 2021, the Applicants filed supplemental information. On January 25, 2022, the Staff (Staff) of the Public Utility Commission of Texas (Commission) filed a final recommendation.

On March 21, 2022, the administrative law judge (ALJ) filed Order No. 13, approving the transaction to proceed and requiring Mr. Williams to file proof that the transaction had been consummated no later than 30 days after the effective date of the transaction. Order No. 13 also required the Staff (Staff) of the Public Utility Commission of Texas to file a recommendation regarding the sufficiency of the proof that the transaction had been consummated and to propose a procedural schedule within 15 days of the proof being filed. On May 9, 2022, Mr. Williams filed the closing agreement for proof that the transaction had been consummated. Fifteen days from May 9, 2022 is May 24, 2022. Therefore, this pleading is timely filed.

I. RECOMMENDATION ON THE SUFFICIENCY OF THE CLOSING DOCUMENTS

Staff has reviewed the closing agreement filed by Mr. Williams on May 9, 2022 and recommends that it be found sufficient to prove that the transaction has been consummated in accordance with the requirements of Order No. 13 and 16 TAC § 24.243. Specifically, the closing agreement is signed by Mr. Williams and the Robinsons and indicates that the transaction to transfer the stock and ownership interest in Pine Knob from the Robinsons to Mr. Williams

occurred on April 18, 2022. As such, since the closing agreement was filed on May 9, 2022, Mr. Williams timely notified the Commission within 30 days after the date the transaction had been completed in accordance with 16 TAC § 24.243(g). Prior to filing the closing agreement, Mr. Williams did not provide a written status update on the status of the transaction within 30 days after the date of Order No. 13 in accordance with Ordering Paragraph No. 7 and 16 TAC § 24.243(h). However, Staff recommends that Mr. Williams's failure to comply with this requirement is rendered moot by his filing of the closing agreement on May 9, 2022, proving that the transaction had been consummated. Lastly, Mr. Williams also consummated the transaction within 180 days after the date of Order No. 13 in accordance with Ordering Paragraph No. 5 and 16 TAC § 24.243(i).

II. PROPOSED PROCEDURAL SCHEDULE

In accordance with Staff's sufficiency recommendation, Staff proposes the following procedural schedule:

Events	Date
Deadline for parties to jointly file a Proposed Notice of Approval, including findings of fact, conclusions of law, and ordering paragraphs	

III. CONCLUSION

For the reasons detailed above, Staff respectfully recommends that the closing agreement be found sufficient to prove that the transaction has been consummated and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations. Dated: May 24, 2022

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Keith Rogas Division Director

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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 24, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Scott Miles Scott Miles