



## **Filing Receipt**

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**Item Number - 82**

**DOCKET NO. 53660**

<b>APPLICATION OF CLEARWATER</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>INVESTMENTS LLC AND KNOB HILL</b>	<b>§</b>	
<b>WATER SYSTEM FOR SALE,</b>	<b>§</b>	
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	<b>OF TEXAS</b>
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN DENTON COUNTY</b>	<b>§</b>	

**COMMISSION STAFF’S SUPPLEMENTAL RECOMMENDATION ON THE  
SUFFICIENCY OF THE DOCUMENTS**

On May 26, 2022, Clearwater Operating Services, LLC (Clearwater) and Knob Hill Water System (Knob Hill) (collectively, Applicants) filed an application for the sale and transfer of facilities and certificate rights in Denton County under the provisions of Texas Water Code § 13.301 and 16 Texas Administrative Code § 24.239.

On May 23, 2024, the administrative law judge (ALJ) filed Order No. 25, requiring the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental recommendation on the sufficiency of Applicants’ closing documents and propose a procedural schedule for continued processing, if appropriate by May 29, 2024. Therefore, this pleading is timely filed.

**I. SUFFICIENCY OF CLOSING DOCUMENTS**

Staff reviewed Clearwater’s May 21, 2024, filing and recommends that Clearwater’s filing did not include an affidavit supporting the information related to the customer deposits as required by 16 TAC § 24.239(k). Therefore, Staff recommends that the Applicants’ closing documents are deficient because the closing documents do not comply with 16 TAC § 24.239(k).

**II. 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 that the documents be found sufficient.

**III. CONCLUSION**

Staff respectfully requests entry of an order consistent with this pleading.

Dated: May 24, 2024

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Marisa Lopez Wagley  
Division Director

Andy Aus  
Managing Attorney

/s/ David Berlin  
David Berlin  
State Bar No. 24126088  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7442  
(512) 936-7268 (facsimile)  
David.Berlin@puc.texas.gov

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**CERTIFICATE OF SERVICE**

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document will be provided to all parties of record via electronic mail on May 24, 2024, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ David Berlin  
David Berlin