



## Filing Receipt

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<b>APPLICATION OF CSWR-TEXAS</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>UTILITY OPERATING COMPANY, LLC</b>	<b>§</b>	
<b>AND PATTERSON WATER SUPPLY,</b>	<b>§</b>	<b>OF TEXAS</b>
<b>LLC FOR SALE, TRANSFER, OR</b>	<b>§</b>	
<b>MERGER OF FACILITIES AND</b>	<b>§</b>	
<b>CERTIFICATE RIGHTS IN DALLAS,</b>	<b>§</b>	
<b>DENTON, PARKER, TARRANT, AND</b>	<b>§</b>	
<b>WISE COUNTIES</b>	<b>§</b>	

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

**I. INTRODUCTION**

On June 15, 2022, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) and Patterson Water Supply, LLC (Patterson Water) (jointly, Applicants) filed an application for approval of the sale, transfer, or merger of facilities and certificate of convenience and necessity (CCN) rights in Dallas, Denton, Parker, Tarrant, and Wise counties. The Applicants filed supplemental information on June 20, July 29, August 11, August 15, August 16, and September 6, 2022.

On March 2, 2023, the administrative law judge (ALJ) filed Order No. 12, which required the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a recommendation regarding the sufficiency of Applicants’ closing documents by April 7, 2023. Therefore, this pleading is timely filed.

**II. SUFFICIENCY OF CLOSING DOCUMENTS**

Staff has reviewed the closing documents filed by Applicants on March 24, 2023 and recommends that they are sufficient. Based on its review, Staff has determined that the Applicants’ filing meets the requirements of 16 Texas Administrative Code (TAC) § 24.239(a), which requires the filing of a sale, transfer, or merger (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 of at any time after the transferee receives notice that a hearing will not be required.

Applicants filed notice of the completed transaction on March 24, 2023, which included a bill of sale signed by both the transferor and the transferee and assigning Patterson Water’s water

system to CSWR-Texas Water. The effective date of the transaction is listed on the bill of sale as March 23, 2023, and the bill of sale was signed by the transferor and transferee on March 23, 2023. Notice was completed on September 30, 2022, which is more than 120 days before the bill of sale was signed on March 23, 2023. Therefore, 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, the original application states that there are no customers with deposits held by the transferee in the transferred service area.<sup>1</sup> Further, in the Applicant's closing documentation, the Applicants state that there are no outstanding customer deposits associated with these water and sewer systems.<sup>1</sup> Staff therefore recommends a finding that customer deposits have been adequately addressed as required by 16 TAC § 24.239(k) and (l).

### III. PROCEDURAL SCHEDULE

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

Events	Date
Deadline for Commission Staff to provide final maps, certificates, and tariffs (if applicable), to applicants for review and consent	May 5, 2023
Deadline for applicants to file signed consent forms with the Commission	May 19, 2023
Deadline for parties to jointly file Proposed Notice of Approval, including findings of fact, conclusions of law, and ordering paragraphs	June 2, 2022

### IV. 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.

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<sup>1</sup> Application of CSWR-Texas Utility Operating Company, LLC and Patterson Water Supply, LLC for Sale, Transfer, or Merger of Facilities and Certificate Rights in Dallas, Denton, Parker, Tarrant and Wise Counties at 4 (Jun. 15, 2022).

Dated: April 10, 2023

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS  
LEGAL DIVISION**

Marisa Lopez Wagley  
Interim Division Director

John Harrison  
Managing Attorney

/s/ Margaux Fox  
Margaux Fox  
State Bar No. 24120829  
Ian Groetsch  
State Bar No. 24078599  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326  
(512) 936-7021  
(512) 936-7268 (facsimile)  
Margaux.Fox@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 was provided to all parties of record via electronic mail on April 10, 2023, in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Margaux Fox  
Margaux Fox

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<sup>i</sup> 5371 CSWR-Texas Notice of Completed Transaction at 1 (Mar. 24, 2023).