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APPLICATION OF TEXAS WATER UTILITIES, L.P. AND CREEK WATER UTILITY LLC FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS MARION COUNTY	§ § § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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COMMISSION STAFF’S RECOMMENDATION ON SUFFICIENCY OF CLOSING DOCUMENTS

I. INTRODUCTION

On August 1, 2022, Monarch Utilities I.L.P. (Monarch) and the Creek Water Utility, LLC (Creek Water) (collectively, Applicants) filed an application for sale, transfer, or merger of facilities and certificate rights in Marion County, Texas, under Texas Water Code § 13.301 and 16 Texas Administrative Code (TAC) § 24.239. On November 28, 2022, the administrative law judge (ALJ) issued Order No. 6, recognizing that Monarch has changed its name to Texas Water Utilities, L.P. on November 15, 2022, and restyling the application accordingly.

On July 13, 2023, the ALJ filed Order No. 24, directing the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a recommendation on the sufficiency of the closing documentation and supplemental customer deposit information by July 26, 2023. Therefore, this pleading is timely filed.

II. SUFFICIENCY OF CLOSING DOCUMENTS

Staff has reviewed the closing documents and documentation regarding customer deposits filed by Applicants and recommends that Applicants have met the requirements of 16 TAC § 24.239.

Specifically, the sale and transfer was completed following the issuance of Order No. 15, wherein the transferee received notice from the Commission that a hearing would not be requested.¹ Further, although the closing documents were not filed within 30 days after the effective date of the transaction as required by 16 TAC § 24.239(l), Applicants requested an extension to the deadline to file closing documents and customer deposit information², and the

¹ 16 TAC § 24.239(i).

² Request for extension (Jun. 19, 2023).

ALJ granted the extension and gave Applicants until June 26, 2023, to file said closing documents and customer deposit information.³ The Applicants filed closing documents on June 23, 2023, and the documents were signed by both the transferor and the transferee.⁴ Accordingly, Staff recommends that Applicants are in compliance with 16 TAC § 24.239(l). Additionally, Applicants submitted a confidential attachment with the names and addresses of the four customers who have deposits on record, the date such deposits were made, and the amount of each deposit,⁵ in accordance with 16 TAC § 24.239(k). Applicants also filed an affidavit attesting that the deposit amounts listed in the confidential attachment represent the entire deposit amounts and that Creek Water has refunded any deposits and accrued interest held by Creek Water.⁶ Accordingly, Staff also recommends that the Applicants have complied with the applicable requirements of 16 TAC § 24.239(k).

For these reasons, Staff recommends that Applicants have complied with the requirements in 16 TAC § 24.239 and respectfully recommends finding the closing documents sufficient.

III. PROCEDURAL SCHEDULE

Staff recommends that the closing documents be deemed sufficient. Staff therefore proposes the following procedural schedule:

Event	Date
Deadline for Staff to provide final maps, certificates, and tariffs (if applicable), to applicants for review and consent.	August 25, 2023
Deadline for Applicants to file signed consent forms with the Commission.	September 1, 2023
Deadline for parties to jointly file Proposed Notice of Approval, including findings of fact, conclusions of law, and ordering paragraphs.	September 15, 2023

³ Order No. 22 – Granting Extension and Revising Deadlines (Jun. 20, 2023).

⁴ Proof of Closing at 2 (Jun. 23, 2023).

⁵ Exhibit 1 – Customer Deposits (Jul. 18, 2023).

⁶ Supplement to Closing Documentation (Jul. 18, 2023).

IV. CONCLUSION

Staff respectfully recommends that the closing documents be found sufficient and that the proposed procedural schedule be adopted.

Dated: July 25, 2023

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 25, 2023, in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Ian Groetsch
Ian Groetsch