



## **Filing Receipt**

**Filing Date - 2024-07-12 08:12:20 AM**

**Control Number - 54429**

**Item Number - 49**

**DOCKET NO. 54429**

<b>APPLICATION OF PALO DURO</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>SERVICE COMPANY, INC. AND THE</b>	<b>§</b>	
<b>CITY OF HUDSON OAKS FOR SALE,</b>	<b>§</b>	<b>OF TEXAS</b>
<b>TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>FACILITIES AND CERTIFICATE</b>	<b>§</b>	
<b>RIGHTS IN PARKER COUNTY</b>	<b>§</b>	

**ORDER NO. 17  
REQUIRING CLARIFICATION**

This Order addresses the closing documents filed by Palo Duro Service Company, Inc. and the City of Hudson Oaks on June 27, 2024. The closing documents included the following: (1) a closing agreement dated effective June 22, 2024, which included a statement that “prior to closing, seller refunded all customer deposits and any and all other monies owed the Water System customer by Seller, including interest accrued to the benefit of those customers as applicable”; (2) an assignment of easements dated June 22, 2024; and (3) and a bill of sale dated effective June 22, 2024.

On July 10, 2024, Commission Staff filed its recommendation on the sufficiency of the closing documents.

The administrative law judge (ALJ) requires a clarification on customer deposits. Under 16 Texas Administrative Code (TAC) § 24.239(k), if there are outstanding customer deposits, within 30 days of the actual effective date of the transaction, the transferor and the transferee must file with the Commission a notarized affidavit.

The applicants’ filing does not make it clear whether the customer deposits were addressed prior to the 30 days of the actual effective date of the transaction or contemporaneously with the closing. If so, the applicants would be required to file an affidavit.

By July 21, 2024, the parties must file a clarification regarding the timing of the refund of customer deposits. If the customer deposits were refunded within 30 days of the actual effective date of the transaction, the applicants must file an affidavit that complies with 16 TAC § 24.239(k).

Signed at Austin, Texas on the 12th day of July 2024.

**PUBLIC UTILITY COMMISSION OF TEXAS**

A handwritten signature in black ink, appearing to read "Christina Denmark", written in a cursive style.

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**CHRISTINA DENMARK**  
**ADMINISTRATIVE LAW JUDGE**