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DOCKET NO. 54752

APPLICATION OF CSWR-TEXAS	§	PUBLIC UTILITY COMMISSION
UTILITY OPERATING COMPANY, LLC	§	
AND RBTQ, INC. DBA SOUTHWEST	§	OF TEXAS
GARDENS WATER FOR SALE,	§	
TRANSFER, OR MERGER OF	§	
FACILITIES AND CERTIFICATE	§	
RIGHTS AND FOR THE	§	
DECERTIFICATION OF ALL OF DON	§	
HAYS DBA SOUTHWEST WATER	§	
COMPANY (DON HAYS) CERTIFICATE	§	
OF CONVENIENCE AND NECESSITY IN	§	
LUBBOCK COUNTY	§	

COMMISSION STAFF'S RECOMMENDATION ON SUFFICIENCY OF CLOSING DOCUMENTS AND PROPOSED PROCEDURAL SCHEDULE

I. INTRODUCTION

On March 14, 2023, CSWR-Texas Utility Operating Company, LLC (CSWR-Texas) and RBTQ, Inc. dba Southwest Gardens Water (RBTQ) (collectively, Applicants) filed an application for approval of the sale, transfer, or merger of facilities (STM) and certificate of convenience and necessity (CCN) rights in Lubbock County.

On November 13, 2023, the administrative law judge (ALJ) filed Order No. 8, approving the sale and transfer to proceed and requiring the Applicants to file proof that the transaction had been consummated and to address customer deposits, if any, no later than 30 days after the effective date of the transaction. Order No. 8 also required the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a recommendation regarding the sufficiency of Applicants' closing documents and to propose a schedule for continued processing of this docket within 15 days of the filing of the closing documents. On January 19, 2024, the Applicants filed notice of the completed transaction and evidence of closing. Fifteen days from January 19, 2024 is February 3, 2024.¹ Therefore, this pleading is timely filed.

¹ Under 16 TAC § 22.4(a), if the Commission is not open for business on the date of the deadline, the deadline moves to the next day on which the Commission is open for business. 15 days from January 19, 2024, is February 3, 2024, which is a Saturday. Therefore, the deadline moves to the next business day, Monday, February 5, 2024.

II. SUFFICIENCY OF CLOSING DOCUMENTS

Staff has reviewed the closing documents filed by Applicants on January 19, 2024, and recommends that they are sufficient and meet the requirements of 16 TAC § 24.239(a), (i), and (k)-(in). Specifically, 16 TAC § 24.239(a) requires the filing of an STM application and the provision of public notice at least 120 days before the effective date of a proposed transaction. Additionally, under 16 TAC § 24.239(i), the proposed transaction may be completed at the end of the 120-day period or at any time after the transferee receives notice that a hearing will not be required. Further, under 16 TAC § 24.239(in), the proposed transaction must be completed within 180 days following the date of the Commission order allowing the transaction to proceed. Lastly, under 16 TAC § 24.239(1), the closing documents for the transaction must include a signed contract, bill of sale, or other appropriate documents as evidence that the transaction has closed as proposed, be signed by both the transferor and transferee, and be filed within 30 days after the actual effective date of the transaction. Based on Staff's review of the closing documents, Staff recommends that the Applicants properly and timely filed notice of the completed transaction, which included a bill of sale signed by both the transferor and the transferee.

With regard to customer deposits, in the Applicants closing documentation, an affidavit of Charles I. Quisenberry, Director, certified that all customer deposits held were returned or refunded to customers in accordance with the appropriate tariff and the Commission's rules. Therefore, Staff recommends a finding that customer deposits have been adequately addressed as required by 16 TAC § 24.239(k) and (l).

For these reasons, Staff recommends that the Applicants have complied with the applicable closing requirements of 16 TAC § 24.239. Staff therefore recommends that the closing documents and customer deposit information be found sufficient.

III. PROPOSED PROCEDURAL SCHEDULE

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

Event	Date
Deadline for Commission Staff to provide final maps, certificates, and tariffs (if applicable), to applicants for review and consent	March 7, 2024

Deadline for applicants to file signed consent forms with the Commission	March 14, 2024
Deadline for parties to jointly file Proposed Notice of Approval, including findings of fact, conclusions of law, and ordering paragraphs	March 28, 2024

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.

Dated: February 5, 2024

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Marisa Lopez Wagley
Division Director

John York Harrison
Senior Managing Attorney

/s/ Kevin Pierce
Kevin Pierce
State Bar No. 24093879
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3480
(512) 936-7265
(512) 936-7268 (facsimile)
Kevin.Pierce@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 February 5, 2024, in accordance with the Second Order Suspending Rules, filed in Project No. 50664.

/s/ Kevin Pierce
Kevin Pierce