



Control Number: 47113



Item Number: 24

Addendum StartPage: 0

RECEIVED

APPLICATION OF BLACKLAND §  
WATER SUPPLY CORPORATION §  
AND CITY OF ROYSE CITY FOR §  
SALE, TRANSFER, OR MERGER OF §  
CERTIFICATE RIGHTS IN §  
ROCKWALL COUNTY §

PUBLIC UTILITY COMMISSION

2018 APR 21 AM 10:54  
PUBLIC UTILITY COMMISSION  
OF TEXAS  
FILING CLERK

**JOINT PROPOSED NOTICE OF APPROVAL AND REQUEST TO ADMIT EVIDENCE**

COMES NOW, Blackland Water Supply Corporation (Blackland), the City of Royse City, and Staff (Staff) of the Public Utility Commission (Commission) and file this Joint Proposed Notice of Approval and Request to Admit Evidence in response to Order No. 6.

**I. Background**

On May 1, 2017, Blackland and the City of Royse City (collectively, Applicants) filed an application for approval of a sale, transfer, or merger (STM) of certificate rights in Rockwall County pursuant to Tex. Water Code Ann. §§ 13.241, 13.246, and 13.301 (TWC) and 16 Tex. Admin. Code §§ 24.102 and 24.109 (TAC). The Applicants seek approval to transfer a portion of Blackland’s certificated service area under water Certificate of Convenience and Necessity (CCN) No. 11305 to City of Royse City’s retail water CCN No. 12827. This Joint Proposed Notice of Approval and Request to Admit Evidence includes findings of fact, conclusions of law, and ordering paragraphs. The Applicants have reviewed and agree to the Proposed Notice of Approval attached hereto. The Proposed Notice of Approval is timely filed on or before April 24, 2018.

## **II. Request to Admit Evidence**

The Applicants and Staff request to admit the following evidence into the record of this proceeding:

- a) Application of Blackland and City of Royse City and all attachments, filed May 1, 2017;
- b) Supplemental information, filed May 3, 2017, July 6, 2017, and July 11, 2017;
- c) Affidavit regarding notice to customers, neighboring utilities, and other affected parties, filed August 10, 2017;
- d) Staff's Recommendation on Sale and all attachments, filed on October 13, 2017;
- e) Closing Documents to STM and all attachments, filed on February 26, 2018;
- f) Staff's Recommendation on Proof of Sale Documentation, filed on March 5, 2018;
- g) Consent forms, filed on April 12, 2018; and
- h) Certificate and map, attached.

## **III. Proposed Notice of Approval**

The Proposed Notice of Approval would approve the application for the transfer of certificate rights in Rockwall County, Texas currently held under Blackland's retail water CCN No. 11305 to City of Royse City's retail water CCN No. 12827.

#### IV. Conclusion

Staff has reviewed the application and recommends its approval. The parties respectfully request that the Commission adopt the attached findings of fact and conclusions of law as well as admit the specified pieces of evidence.

**DATED: April 24, 2018**

Respectfully submitted,


By: 

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**DOCKET NO. 47113**

#### CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on April 24, 2018, in accordance with 16 TAC § 22.74.

  
Blake J. Harrison

— 10/10/10

**PUC DOCKET NO. 47113**

<b>APPLICATION OF BLACKLAND</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>WATER SUPPLY CORPORATION</b>	<b>§</b>	
<b>AND CITY OF ROYSE CITY FOR</b>	<b>§</b>	<b>OF TEXAS</b>
<b>SALE, TRANSFER, OR MERGER OF</b>	<b>§</b>	
<b>CERTIFICATE RIGHTS IN</b>	<b>§</b>	
<b>ROCKWALL COUNTY</b>	<b>§</b>	

**JOINT PROPOSED NOTICE OF APPROVAL**

On May 1, 2017, Blackland and the City of Royse City (collectively, Applicants) filed an application for approval of a STM of certificate rights in Rockwall County pursuant to Tex. Water Code Ann. §§ 13.241, 13.246, and 13.301 (TWC) and 16 Tex. Admin. Code §§ 24.102 and 24.109 (TAC). The Applicants seek approval to transfer a portion of Blackland's certificated service area under water Certificate of Convenience and Necessity (CCN) No. 11305 to City of Royse City's retail water CCN No. 12827. Commission Staff recommended approval of the application. The application is approved.

Consistent with the above discussion, the Administrative Law Judge (ALJ) makes the following findings of fact and conclusions of law:

**I. Findings of Fact**

**Procedural History, Description, and Background**

1. On May 1, 2017, the Applicants filed an application for approval of the sale, transfer, or merger of certificate rights of a portion of CCN No. 11305 in Rockwall County, Texas. Blackland holds water CCN No. 11305 in Rockwall County, Texas. City of Royse City holds water CCN No. 12827 in Rockwall County, Texas. Approval of the application would transfer a portion of the service area from CCN No. 11305 held by Blackland to City of Royse City, which holds CCN No. 12827.

2. On May 3, 2017, the Applicants filed additional mapping information.
3. On May 3, 2017, Order No. 1 was issued, requiring Staff to file comments/recommendation regarding the administrative completeness of the application.
4. On June 1, 2017, Staff filed its Response to Order No. 1 recommending that the application be found administratively incomplete.
5. On June 5, 2017, Order No. 2 was issued, finding the application administratively incomplete.
6. On July 6, 2017, Blackland filed its first response to Order No. 2 presenting their first set of documents to cure the deficiencies in the application.
7. On July 10, 2017, Blackland filed its second response to Order No. 2 presenting their second set of documents to cure the deficiencies in the application.
8. On July 11, 2017, Blackland filed its third response to Order No. 2 presenting their third set of documents to cure the deficiencies in the application.
9. On August 4, 2017, Staff filed its Supplemental Recommendation on Administrative Completeness recommending that the application be found administratively complete.
10. On August 8, 2017, Order No. 3 was issued, finding the application administratively complete, requiring notice, and establishing a procedural schedule.
11. On August 10, 2017, Blackland filed an affidavit attesting that the requisite notice had been provided to the nearby utilities and Blackland customers.
12. On August 21, 2017, Order No. 4 was issued, deeming notice sufficient.
13. On October 13, 2017, Staff filed its Recommendation on Sale, recommending that

the sale proceed.

14. On October 17, 2017, Order No. 5 was issued, approving the sale to proceed.

15. On February 26, 2018, closing documents were filed.

16. On March 5, 2018, Staff filed its Recommendation on Proof of Sale Documentation, recommending the closing documents were sufficient to demonstrate that Blackland and City of Royse City consummated the sale.

17. On March 5, 2018, Order No. 6 was issued, finding the closing documents sufficient and establishing a procedural schedule.

18. On April 12, 2018, Blackland and City of Royse City filed consent forms agreeing to the final map and tariff, as prepared by Staff.

19. On April 24, 2018, Blackland, City of Royse City, and Staff filed a Joint Proposed Notice of Approval and Request to Admit Evidence.

### **Notice**

20. On May 19, 2017, notice of the application was published in the *Texas Register*.

21. Notice of the application was mailed out to current customers, neighboring systems, landowners, cities and affected parties on August 8, 2017.

### **Evidentiary Record**

22. On April 24, 2018, Blackland and City of Royse City, and Staff filed a request to admit evidence.

23. On \_\_\_\_\_, 2018, the ALJ issued Order No. 7 admitting evidence into the record.

### **Informal Disposition**

24. More than 15 days have passed since completion of the notice provided in this



docket.

25. No request for hearing was submitted.

## **II. Conclusions of Law**

1. The Commission has jurisdiction over these matters pursuant to Tex. Water Code Ann. §§ 13.041, 13.241, 13.246, 13.251, and 13.301 (TWC) and 16 Tex. Admin. Code §§ 24.109 (TAC).
2. Blackland and City of Royse City are retail public utilities as defined in TWC §§ 13.002(19) and 16 TAC § 24.3(59).
3. Public notice of the application was provided as required by TWC § 13.301(a)(2).
4. The application was processed in accordance with the requirements of the Tex. Administrative Procedure Act, TWC §§ 13.241, 13.246, 13.251, and 13.301 and 16 TAC §§ 24.102 and 24.109.
5. Blackland and City of Royse City completed the sale within 180 days from the date of the Commission's approval of the sale, consistent with 16 TAC § 24.109(o).
6. After consideration of the factors in TWC § 13.246(c), City of Royse City has demonstrated adequate financial, managerial, and technical capability for providing continuous and adequate service to the requested areas.
7. Blackland and City of Royse City have demonstrated that the sale and transfer of a portion of CCN No. 11305 requested in this application is necessary for the service, accommodation, convenience, and safety of the public.
8. Under TWC § 13.257(r) and 16 TAC § 24.106(e), Blackland and City of Royse City are required to record a certified copy of the approved CCN map, along with a boundary description of the service area, in the real property records of each

county in which the service area or portion of the service area is located, and submit to the Commission evidence of the recording.

9. The requirements for informal disposition pursuant to 16 TAC § 22.35 have been met in this proceeding.

### **III. Ordering Paragraphs**

In accordance with these findings of fact and conclusions of law, the Commission issues the following Order:

1. The application is approved and the affected service area in Rockwall County are transferred to City of Royse City. Blackland's CCN No. 11305 and City of Royse City's CCN No. 12827 are amended to reflect the newly transferred area.
2. City of Royse City will serve every customer and applicant for service within the area previously served by Blackland under the transferred portion of CCN No. 11305, and such service shall be continuous and adequate.
3. Blackland shall comply with the recording requirements in TWC § 13.257(r) for the area in Rockwall County affected by the application and submit to the Commission evidence of recording no later than 31 days after receipt of this Notice.
4. City of Royse City shall comply with the recording requirements in TWC § 13.257(r) for the area in Rockwall County affected by the application and submit to the Commission evidence of recording no later than 31 days after receipt of this Notice.
5. All other motions, requests for entry of specific findings of fact or conclusions

of law, and any other requests for general or specific relief, if not expressly granted herein, are hereby denied.

**SIGNED AT AUSTIN, TEXAS the \_\_\_\_\_ day of \_\_\_\_\_, 2018.**

**PUBLIC UTILITY COMMISSION OF TEXAS**

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**ADMINISTRATIVE LAW JUDGE**