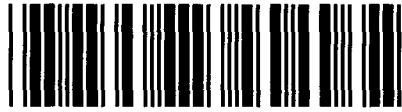




Control Number: 47113



Item Number: 6

Addendum StartPage: 0

RECEIVED

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

PUBLIC UTILITY COMMISSION

2017 JUN -1 AM 10:13

OF TEXAS  
PUBLIC UTILITY COMMISSION  
FILING CLERK

**COMMISSION STAFF'S RECOMMENDATION ON ADMINISTRATIVE  
COMPLETENESS**

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Recommendation on Administrative Completeness in Response to Order No. 1 and would show the following:

**I. BACKGROUND**

On May 1, 2017, Blackland Water Supply Corporation (Blackland) and the City of Royse City (City) (collectively, Applicants) filed an application for sale, transfer, or merger of facilities and certificate rights in Rockwall County, Texas. Specifically, the City seeks to acquire a portion of Blackland's facilities and certificate rights under water certificate of convenience and necessity (CCN) No. 11305.

On May 3, 2017, Order No. 1 was issued, establishing a deadline of June 1, 2017 for Staff to file a recommendation on the administrative completeness of the application and notice and propose a procedural schedule for further processing of the application.

**II. ADMINISTRATIVE COMPLETENESS**

As detailed in the attached memorandum from Debbie Reyes Tamayo in the Commission's Water Utility Regulation Division, Staff has reviewed the application and recommends that it be found administratively incomplete. Specifically, Staff recommends that the Applicants be directed to file copies of the oaths executed by Blackland and the City and proof that plans and specifications for provision of service have been submitted to the Texas Commission on Environmental Quality (TCEQ).

6

### III. PROCEDURAL SCHEDULE

Staff recommends that the application be found administratively incomplete. Staff therefore recommends the following procedural schedule for continued processing of this application.

Event	Deadline
Deadline for Applicants to submit information curing deficiencies identified by Staff.	July 6, 2017
Deadline for Staff to file a supplemental application on administrative completeness.	August 4, 2017

### IV. CONCLUSION

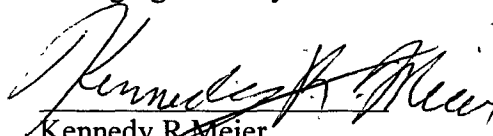
For the reasons detailed above, Staff recommends that the application be found administratively incomplete and that the procedural schedule proposed above be adopted for continued processing of this application.

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF  
TEXAS LEGAL DIVISION**

Margaret Uhlig Pemberton  
Division Director

Katherine Lengieza Gross  
Managing Attorney

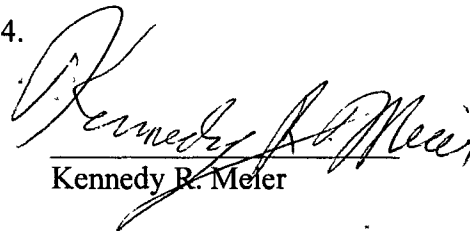


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**DOCKET NO. 47113**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on this the 1<sup>st</sup> of June, 2017 in accordance with 16 TAC § 22.74.



Kennedy R. Meier

# PUC Interoffice Memorandum

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**To:** Kennedy Meier, Attorney  
Legal Division

**Thru:** Lisa Fuentes, Manager  
Water Utilities Division

**From:** Debbie Reyes Tamayo, Program Specialist  
Water Utilities Division

**Date:** June 1, 2017

**Subject:** **Docket 47113**, *Application of Blackland Water Supply Corporation and City of Royse City for Sale, Transfer, or Merger of Facilities and Certificate-Rights in Rockwell County*

On May 1, 2017, City of Royse City (Royse City or Buyer), Certificate of Convenience and Necessity (CCN) No. 12827 and Blackland Water Supply Corporation (Blackland WSC or Seller), CCN No. 11305, (collectively, Applicants) filed an application for approval of the sale, transfer, or merger (STM) of facilities in Rockwell County, Texas, pursuant to Texas Water Code (TWC) §§ 13.241, 13.246, 13.301 and 16 Tex. Admin. Code §§ 24.102 and 24.109. Specifically, Royse City seeks approval to acquire a portion of water system assets and water service area from Blackland WSC.

Staff has reviewed the information provided and recommends that the application be deemed administratively incomplete and insufficient for filing. Staff recommends the Applicants be directed to provide the following information:

## **Application Content**

The information listed below must be provided in order for the application to be considered sufficient:

1. Copies of the oaths signed by the Seller and Buyer.
2. Proof of submission of plans and specifications and development plans to the TCEQ for the provision of water service in the requested area.

Separate from the requested information noted above, the following information must be provided in order to complete the technical review:

1. Proof of resolution for the following outstanding violations for Blackland WSC:
  - a. a public notice violation and a lead and copper violation from January 2014 through December 31, 2016,
  - b. a violation for the adequacy/availability/content of a Consumer Confidence Report from July 2015,
  - c. if unresolved, proof that Blackland WSC is working to resolve the violations.
2. Proof of resolution for following outstanding violations for the Royse City:
  - a. public notice violation from January 2003, September 2007, and December 2007
  - b. if unresolved, proof that Royse City is working to resolve the violations.
3. A copy of the contract between Royse City and the North Texas Municipal Water District indicating the amount of purchase water and sewer services allowed for Royse City per day.