



Control Number: 52551

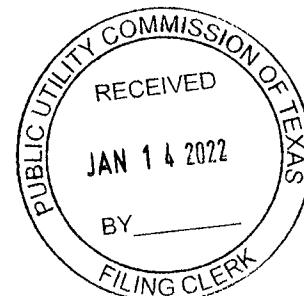


Item Number: 14

DOCKET NO. 52551

JOINT PETITION OF BLACKLAND §  
WATER SUPPLY CORPORATION §  
AND THE CITY OF ROCKWALL FOR §  
APPROVAL OF SERVICE-AREA §  
CONTRACT UNDER TEXAS WATER §  
CODE § 13.248 AND TO AMEND §  
CERTIFICATE OF CONVENIENCE §  
AND NECESSITY UNDER TEXAS §  
WATER CODE § 13.245(A) IN §  
ROCKWALL COUNTY §

PUBLIC UTILITY COMMISSION  
OF TEXAS



JOINT PETITIONERS' RESPONSE  
TO POTENTIAL SEVERANCE UNDER 16 TAC § 22.34(b)

TO THE HONORABLE JUDGE BURKHALTER:

COME NOW, Joint Petitioners, the City of Rockwall, Texas (City of Rockwall) and Blackland Water Supply Corporation (Blackland), and file this response to Order No. 2 (December 14, 2021), in which the parties were each required to respond to the administrative law judge's notice that severance of the proceeding into two dockets was under consideration under 16 Tex. Admin. Code [TAC] § 22.34(b) by January 14, 2022. This response is timely filed.

**I. A Single Proceeding is Warranted**

The standard for severance in 16 TAC § 22.34(b) boils down to whether the presiding officer finds "that severance would serve the interest of efficiency or prevent unwarranted expense and delay; and the applicant's ability to present its case and other parties' ability to respond to the applicant's case would not be unduly prejudiced." Joint Petitioners assert that the facts and circumstances make appropriate a single proceeding to resolve all issues presented in this docket for reasons set forth.

As stated in its petition, filed September 10, 2021, Joint Petitioners are requesting recognition of various agreements entered into since 1989 which would result in several adjustments to Blackland's water service area. Some proposed service area changes are reflected on the PUC Viewer, but the parties have found that most are not. In addition, the parties have not been able to confirm how or when the Commission, or any predecessor agencies with jurisdiction over water service areas, considered or approved any changes. All other conditions of performance in the agreements, if any, have been completed, and no retail customers would be transferred as a

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result of the Commission granting the relief requested. Retail water service has been developed by the City. All of the areas affected are also located within the corporate limits of the Rockwall. As such, Joint Petitions have presented the “clean-up” proceeding in a single proceeding.

The City, a retail public utility that does not hold a certificate of convenience and necessity, is entitled to request such Commission assistance.<sup>1</sup> As noted in the petition, the unique facts presented support an informal disposition and the application of flexibility as to any determinations regarding applicable notice that may be required.<sup>2</sup> Irrespective of the specific bases for the exercise of authority that is exclusive to the Commission with regard to service areas, the bottom-line result of this petition reflects a good-faith attempt by the City and Blackland to engage the Commission’s authority to establish accurate and reasonable retail water service areas and to restore compliance with all requirements under the Texas Water Code. With all interests present, we believe it most efficient to continue with this proceeding and avoids the expenses associated with two proceedings.

## II. Conclusion

Joint Petitioners appreciate the opportunity to respond to the presiding officer’s indication that severance under 16 TAC § 22.34(b) is under consideration. For reasons set forth, Joint Petitioners believe that continuation of this proceeding without severance would be appropriate, recognizing fully that your determination is dispositive in this regard.

Respectfully submitted,

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By: 

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<sup>1</sup> TEX. WATER CODE § 13.085 (allowing Commission to advise and assist municipalities “in connection with questions and proceeding arising under this chapter” including assistance “in connection with matters pending before the utility commission....”).

<sup>2</sup> TEX. WATER CODE § 13.015 (“A proceeding involving a retail public utility as defined by Section 13.002 of this code may be an informal proceeding, except that the proceeding is subject to the public notice requirements of this chapter and the rules and orders of the regulatory authority involved”).

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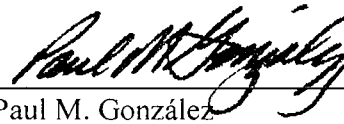
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### CERTIFICATE OF SERVICE

I hereby certify that a true copy of this document was served on the parties of record in this proceeding by e-mail on the 14th day of January 2022.



Paul M. González