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DOCKET NO. 52551

PETITION OF BLACKLAND WATER	§	PUBLIC UTILITY COMMISSION
SUPPLY CORPORATION AND THE	§	
CITY OF ROCKWALL TO	§	OF TEXAS
DECERTIFICATE PORTIONS OF A	§	
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY UNDER TEXAS	§	
WATER CODE § 13.254(a) IN	§	
ROCKWALL COUNTY	§	

COMMISSION STAFF'S FINAL RECOMMENDATION

On September 10, 2021, Blackland Water Supply Corporation (Blackland WSC) and the City of Rockwall (Rockwall) (collectively, petitioners) filed a petition requesting approval of a service area agreement entered into between Blackland WSC and Rockwall under Texas Water Code (TWC) § 13.248; for amendment of Blackland WSC's water Certificate of Convenience and Necessity (CCN) No. 11305 under TWC § 13.255(a); and for decertification of a portion of Blackland WSC's certificated service area under TWC § 13.254(a) based on agreements between Blackland WSC and developers. On February 25, 2022, the administrative law judge (ALJ) filed Order No. 4, which severed the proceeding into two separate dockets. On March 25, 2022, the petitioners filed an amended petition in the instant docket, only addressing the issues from the original petition relevant to TWC § 13.254(a) and only including the agreements and maps to be reviewed under TWC § 13.254(a). On November 10, 2022, the petitioners filed consent forms.

On September 28, 2022, the ALJ filed Order No. 9, establishing a deadline of November 30, 2022 for Commission Staff to file a final recommendation on the application. Therefore, this pleading is timely filed.

I. FINAL RECOMMENDATION

Commission Staff has reviewed the application and, as detailed in the attached memorandum from Patricia Garcia of the Commission's Infrastructure Division, recommends that the application be approved. Based on Commission Staff's review, the petitioners have met all of the applicable statutory requirements of Texas Water Code Chapter 13 and the Commission's Chapter 24 rules and regulations. Commission Staff further recommends that the amendment to Blackland WSC's water CCN No. 11305 and Rockwall's water service area reflect the addition of

water service area to Rockwall and the decertification of a portion of Blackland WSC's water service area. These amendments are necessary for the service, accommodation, and safety of the public.

On November 10, 2022, the petitioners consented to the final map and certificate.¹ Commission Staff recommends that the petitioners file a certified copy of the CCN map and written description of the CCN service area with the Rockwall County Clerk's office in accordance with TWC § 13.257 (r) and (s).

II. CONCLUSION

For the reasons detailed above, Staff recommends that the application be approved and that an order be filed that is consistent with this recommendation.

Dated: November 30, 2022

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Keith Rogas
Division Director

John Harrison
Managing Attorney

/s/ Jenna Keller
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¹ See Letter to Chief ALJ Burkhalter with Consent Forms (Nov. 10, 2022).

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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on November 30, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Jenna Keller
Jenna Keller

Public Utility Commission of Texas

Memorandum

TO: Jenna Keller, Attorney
Legal Division

FROM: Patricia Garcia, Infrastructure Analysis Section Director
Infrastructure Division

DATE: November 30, 2022

RE: Docket No. 52551 – *Petition of Blackland Water Supply Corporation and the City of Rockwall to Decertify Portions of a Certificate of Convenience and Necessity Under Texas Water Code § 13.254(a) in Rockwall County*

1. Application

On September 10, 2021, Blackland Water Supply Corporation (Blackland WSC) and the City of Rockwall (Rockwall) (collectively, petitioners) filed a petition for approval of a service area contract under Texas Water Code (TWC) § 13.248; for amendment to Blackland WSC's water certificate of convenience and necessity (CCN) No. 11305 under TWC § 13.255(a); and for decertification of a portion of Blackland WSC's certificated service area under TWC § 13.254(a) based on agreements between Blackland WSC and developers.

On October 11, 2021, Commission Staff recommended the agreements filed by the petitioners be processed under TWC §§ 13.254(a) and 13.255. On January 21, 2022, the petitioners filed a joint petition requesting decertification of two separate portions of Blackland WSC's CCN area and approval of contracts under TWC §§ 13.254(a) and 13.255 to complete the decertification of each area. On February 25, 2022, the administrative law judge (ALJ) severed the docket into two separate dockets. In this docket, the agreements are being reviewed under TWC § 13.254(a).

Blackland WSC and Rockwall entered into contractual agreements, which permit Rockwall to provide water services within the agreed upon water certificated service areas.

The petition proposes the subtraction of approximately 881 acres of bounded area from Blackland WSC's CCN No. 11305 under 13.254(a). Rockwall currently provides retail water utility service to customer connections that are located within the requested area, which is also within Rockwall's city limits. Rockwall does not have a CCN number, is not required to have one, and does not want a CCN number assigned to it.

2. Notice

The deadline to intervene was September 14, 2022; there were no motions to intervene, protests, or opt-out requests received.

3. Factors Considered

Under 16 Texas Administrative Code (TAC) § 24.245, the Commission must consider certain factors when decertifying a portion of a water CCN. Therefore, the following factors were considered.

3.1. *Consideration of whether the Applicant qualifies for decertifying a portion of its Water CCN (16 TAC § 24.245(d)(1)(C)).*

Blackland WSC has agreed in writing to allow Rockwall to provide service within a portion of its certificated service area, except for an interim period, without amending its CCN.

3.2. *Consideration of the effect of granting the decertification on the current CCN holder, any existing customers, and the landowners in the area (16 TAC § 24.245(d)(2)(C)).*

Blackland WSC will not be required to provide continuous and adequate service to the requested area. Blackland WSC does not own any facilities in the requested area. There are no current customers.

Rockwall currently provides service to the customers in the requested area and will continue to do so.

3.5. *Compensation from a prospective retail public utility (16 TAC § 24.245(d)(2)(F)).*

The provisions of 16 TAC § 24.245(d)(2)(F) make clear that Blackland WSC is not entitled to compensation from a prospective retail public utility if the request to decertify the requested area is granted.

Rockwall and Blackland WSC consented to the attached map and certificate on November 10, 2022.

4. Recommendation

Based on the above information and the mapping review by Gary Horton, Infrastructure Division, I recommend that Rockwall and Blackland WSC have met all of the statutory requirements of TWC Chapter 13 and the Commission's Chapter 24 rules and regulations. I also recommend that approving this application to decertify a portion of Blackland WSC's CCN No. 11305 is necessary.



Public Utility Commission of Texas

By These Presents Be It Known To All That

Blackland Water Supply Corporation

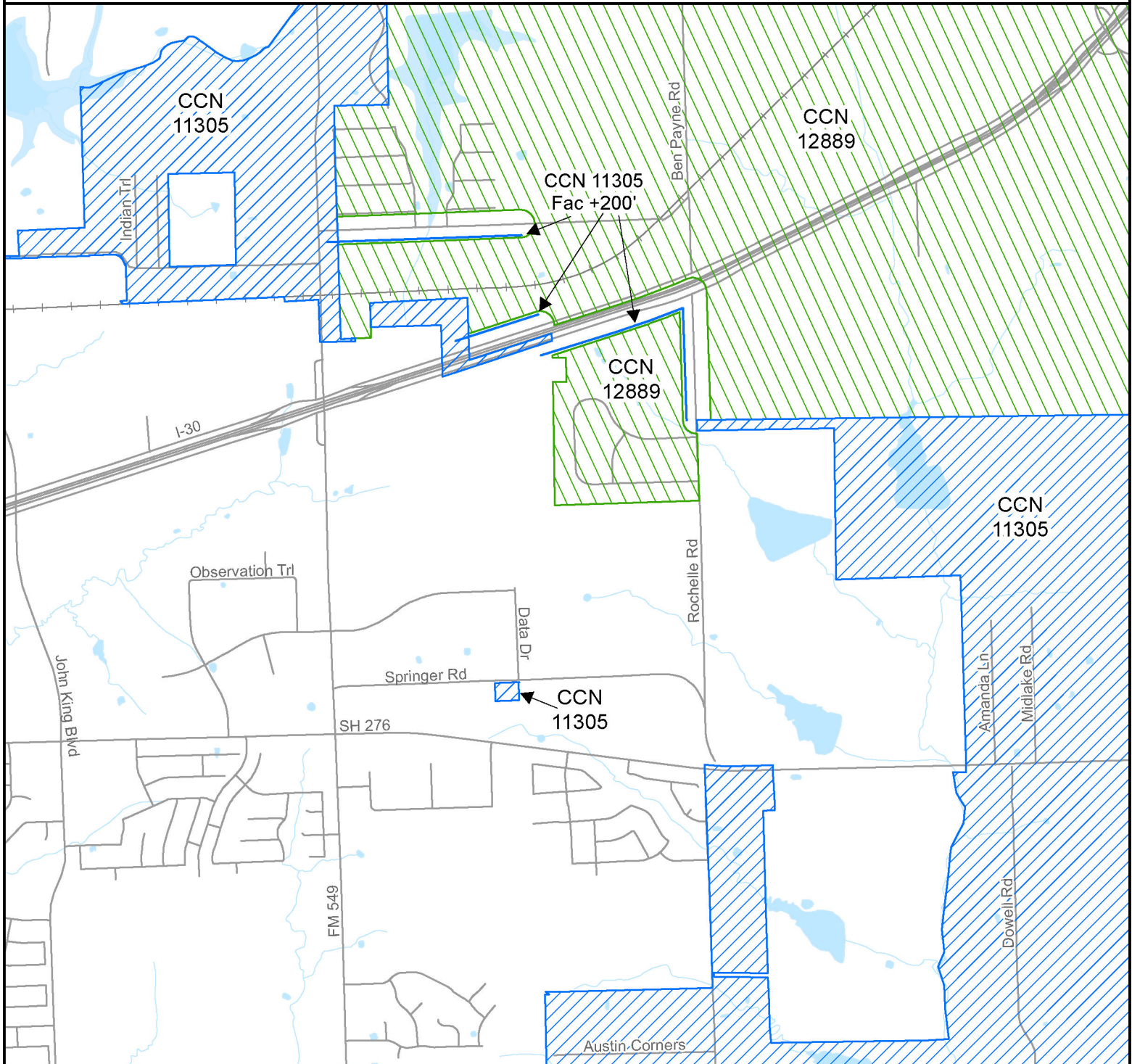
having obtained certification to provide water or sewer utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Blackland Water Supply Corporation is entitled to this

Certificate of Convenience and Necessity No. 11305

to provide continuous and adequate water utility service to that service area or those service areas in Hunt and Rockwall counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 52551 are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of the Blackland Water Supply Corporation to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Blackland Water Supply Corporation
Portion of Water CCN No. 11305
PUC Docket No. 52551

13.254(a) Agreement Decertified a Portion of Blackland Water Supply Corporation, CCN No. 11305 in
Rockwall County




Public Utility Commission of Texas
1701 N. Congress Ave
Austin, TX 78701

Water CCN

-  11305 - Blackland WSC
-  12889 - City of Fate

Water CCN Facilities +200'

-  11305 - Blackland WSC

0 1,000 2,000
Feet



Map by: Komal Patel
Date: October 27, 2022
Project: 52551BlacklandWSC.mxd