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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	§	

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

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 September 28, 2022, the administrative law judge (ALJ) filed Order No. 9, establishing a deadline of December 15, 2022 for the Staff of the Public Utility Commission of Texas (Commission) and the petitioners (collectively, the parties) to file joint proposed findings of fact, conclusions of law, and ordering paragraphs. Therefore, this pleading is timely filed.

I. MOTION TO ADMIT EVIDENCE

The parties respectfully request that the following documents be admitted into evidence in this proceeding:

- a. The petitioners’ joint petition, filed on September 10, 2021 (Interchange Item No. 1);

- b. The petitioners' letter to clerk with supplement, filed on September 14, 2021 (Interchange Item No. 2);
- c. Commission Staff's recommendation on administrative completeness and proposed notice and addressing other procedural matters, filed on October 11, 2021 (Interchange Item No. 4);
- d. The petitioners' letter to Hon. Hunter Burkhalter, filed on October 11, 2021 (Interchange Item No. 5);
- e. The petitioners' response to Commission Staff's recommendation on administrative completeness and related matters, filed on November 10, 2021 (Interchange Item No. 6);
- f. The petitioners' supplement to its response to Commission Staff, filed on November 17, 2021 (Interchange Item No. 7);
- g. Commission Staff's request for clarification, filed on December 1, 2021 (Interchange Item No. 8);
- h. Commission Staff's supplemental recommendation on administrative completeness and notice, filed on December 10, 2021 (Interchange Item No. 9);
- i. Commission Staff's response to Order No. 2, filed on January 14, 2022 (Interchange Item No. 12);
- j. The petitioners' response to potential severance under 16 TAC § 22.34(b), filed on January 14, 2022 (Interchange Item No. 14);
- k. The petitioners' first amended joint petition, filed on January 21, 2022 (Interchange Item No. 15);
- l. Commission Staff's supplemental recommendation on administrative completeness and notice, filed on February 22, 2022 (Interchange Item No. 16);
- m. The petitioners' petition to decertify a portion of Blackland WSC's service area under Texas Water code § 13.254(a) pursuant to order No. 4, filed on March 25, 2022 (Interchange Item No. 18);
- n. Commission Staff's supplemental recommendation on administrative completeness and notice, filed on April 18, 2022 (Interchange Item No. 19);
- o. The petitioners' letter to central records clerk (errata), filed on May 12, 2022 (Interchange Item No. 21);

- p. The petitioners' letter to central records clerk (errata), filed on May 12, 2022 (Interchange Item No. 22);
- q. Commission Staff's supplemental recommendation on administrative completeness and notice, filed on June 13, 2022 (Interchange Item No. 25);
- r. The petitioners' letter to ALJ with proofs of notice, filed on July 14, 2022 (Interchange Item No. 26);
- s. The petitioners' letter to Judge Burkhalter with supplementation to the proofs of notice, filed on July 14, 2022 (Interchange Item No. 27);
- t. The petitioners' letter to ALJ regarding proof of notice to customers and landowners, filed on July 27, 2022 (Interchange Item No. 28);
- u. Commission Staff's recommendation on sufficiency of notice and proposed procedural schedule, filed on July 28, 2022 (Interchange Item no. 29);
- v. The petitioners' letter to chief ALJ Burkhalter regarding petitioners' proof of notice in response to order no. 7, filed on August 22, 2022 (Interchange Item No. 31);
- w. Commission Staff's recommendation on sufficiency of notice, filed on September 6, 2022 (interchange Item No. 32);
- x. The petitioners' letter to Chief ALJ Burkhalter with supplemental notice, filed on September 12, 2022 (Interchange Item No. 34);
- y. Commission Staff's supplemental recommendation on sufficiency of notice and proposed procedural schedule, filed on September 27, 2022 (Interchange Item No. 35);
- z. The petitioners' letter to chief ALJ Burkhalter with consent forms, filed on November 10, 2022 (Interchange Item No. 37);
- aa. Commission Staff's final recommendation, filed on November 30, 2022 (Interchange Item No. 38).

II. PROPOSED NOTICE OF APPROVAL

The parties have agreed on the attached Proposed Notice of Approval, which would grant the joint petition for decertification of portions of Blackland WSC's water CCN No. 11305 under TWC § 13.254(a). The parties request that the Commission adopt the findings of fact, conclusions of law, and ordering paragraphs from the Proposed Notice of Approval.

III. CONCLUSION

The parties respectfully request that the items listed above be admitted into the record of this proceeding as evidence and that the attached Proposed Notice of Approval be adopted.

Dated: December 15, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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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 on December 15, 2022 in accordance with the Order Suspending Rules filed in Project No. 50664.

/s/ Jenna Keller
Jenna Keller

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PROPOSED NOTICE OF APPROVAL

This Notice of Approval addresses the petition of Blackland Water Supply Corporation and the City of Rockwall to decertify approximately 881 acres of water service area from Blackland WSC’s water certificate of convenience and necessity (CCN) number 11305 under Texas Water Code (TWC) § 13.254(a) in Rockwall County. The Commission amends Blackland WSC’s water CCN number 11305 to decertify the requested area, to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact:

Petitioners

1. Rockwall is a municipality within Rockwall County.
2. Rockwall operates, maintains, and controls facilities for providing retail water service within its corporate limits and is not required to hold, does not hold, and does not wish to hold a water or wastewater CCN.
3. Blackland WSC is a Texas non-profit water supply corporation registered with the Texas Secretary of State under filing number 0022170201.
4. Blackland WSC operates, maintains, and controls facilities for providing retail water service in Rockwall County under CCN No. 11305.

Petition and Amended Petition

5. On September 10, 2021, Rockwall and Blackland WSC filed a petition for approval of a service area contract under TWC § 13.248; amendment to Blackland WSC’s CCN under TWC § 13.255(a); and decertification of a portion of Blackland WSC’s certificated service

- area under TWC § 13.254(a) based on agreements between Blackland WSC and developers.
6. In Commission Staff's recommendation on administrative completeness, filed on September 15, 2021, Commission Staff recommended that the agreements filed by the petitioners be processed under TWC §§ 13.254(a) and 13.255.
 7. On January 21, 2022, the petitioners filed a first amended petition in this proceeding seeking to, under TWC § 13.254(a), decertify portions of Blackland WSC's certificated service area under CCN number 11305 and to, under TWC § 13.255(a), approve changes to Blackland WSC's certificated service area under CCN number 11305 based on agreements between Blackland WSC and Rockwall entered into over a period of years.
 8. In Order No. 4 filed on February 25, 2022, the administrative law judge (ALJ) severed Docket No. 52551 into two separate dockets, with the CCN decertification under TWC § 13.254(a) to be handled in Docket No. 52551 and the CCN amendments under TWC § 13.255(a) to be handled in Docket No. 53262.
 9. On March 25, 2022, the petitioners filed a second amended petition in this proceeding seeking to decertify approximately 881 acres of Blackland WSC's water service area under TWC § 13.254(a).
 10. On May 12, 2022, the petitioners filed an erratum to the second amended petition.
 11. The second amended petition provided copies of a 2005 mediated settlement agreement between the petitioners and a 2016 agreement between Blackland WSC and a developer, both evidencing Blackland WSC's agreement to release land from CCN number 11305. No customers, facilities, or property were transferred pursuant to these agreements.
 12. In Order No. 5 filed on April 20, 2022, the ALJ found the second amended petition administratively complete.

Notice

13. On July 14, 2022, the petitioners filed proof of notice, including (1) a list of each customer and landowner in the area to be decertified; (2) the affidavits of Mary Smith, City Manager for Rockwall, and Scott Muckensturm, General Manager of Blackland WSC, attesting, respectively, that notice of the decertification was provided to each of Rockwall's customers in the requested area and to Blackland WSC's single customer in the requested

- area; and (3) the notice form that was developed by the petitioners in consultation with Commission Staff.
14. On July 14 and 27, 2022 and August 22, 2022, the petitioners supplemented their proof of notice, confirming that notice was provided to both customers and landowners within the requested area.
 15. On September 12, 2022, the petitioners filed a supplemental affidavit of notice from Blackland WSC's General Manager, providing clarification concerning the provision of notice to Big Tex Trailer World Inc.
 16. In Order No. 9 filed on September 28, 2022, the ALJ found the notice, as supplemented, sufficient.

Evidentiary Record

17. On December 15, 2022, Commission Staff filed an agreed motion to admit evidence and proposed notice of approval.
18. In Order No. ___ filed on _____, 2022, the ALJ admitted the following evidence into the record for this proceeding: (a) the petitioners' joint petition, filed on September 10, 2021; (b) the petitioners' letter to clerk with supplement, filed on September 14, 2021; (c) Commission Staff's recommendation on administrative completeness and proposed notice and addressing other procedural matters, filed on October 11, 2021; (d) the petitioners' letter to Hon. Hunter Burkhalter, filed on October 11, 2021; (e) the petitioners' response to Commission Staff's recommendation on administrative completeness and related matters, filed on November 10, 2021; (f) the petitioners' supplement to its response to Commission Staff, filed on November 17, 2021; (g) Commission Staff's request for clarification, filed on December 1, 2021; (h) Commission Staff's supplemental recommendation on administrative completeness and notice, filed on December 10, 2021; (i) Commission Staff's response to Order No. 2, filed on January 14, 2022; (j) the petitioners' response to potential severance under 16 TAC § 22.34(b), filed on January 14, 2022; (k) the petitioners' first amended joint petition, filed on January 21, 2022; (l) Commission Staff's supplemental recommendation on administrative completeness and notice, filed on February 22, 2022; (m) the petitioners' petition to decertify a portion of Blackland WSC's service area under Texas Water code § 13.254(a) pursuant to order No. 4, filed on March 25, 2022; (n) Commission Staff's supplemental recommendation on administrative

completeness and notice, filed on April 18, 2022; (o) the petitioners' letter to central records clerk (errata), filed on May 12, 2022; (p) the petitioners' letter to central records clerk (errata), filed on May 12, 2022; (q) Commission Staff's supplemental recommendation on administrative completeness and notice, filed on June 13, 2022; (r) the petitioners' letter to ALJ with proofs of notice, filed on July 14, 2022; (s) the petitioners' letter to Judge Burkhalter with supplementation to the proofs of notice, filed on July 14, 2022; (t) the petitioners' letter to ALJ regarding proof of notice to customers and landowners, filed on July 27, 2022; (u) Commission Staff's recommendation on sufficiency of notice and proposed procedural schedule, filed on July 28, 2022; (v) the petitioners' letter to chief ALJ Burkhalter regarding petitioners; proof of notice in response to order no. 7, filed on August 22, 2022; (w) Commission Staff's recommendation on sufficiency of notice, filed on September 6, 2022; (x) the petitioners' letter to Chief ALJ Burkhalter with supplemental notice, filed on September 12, 2022; (y) Commission Staff's supplemental recommendation on sufficiency of notice and proposed procedural schedule, filed on September 27, 2022; (z) the petitioners' letter to chief ALJ Burkhalter with consent forms, filed on November 10, 2022; and (aa) Commission Staff's final recommendation, filed on November 30, 2022.

Circumstances of Decertification

19. Blackland WSC has never provided water service to any customers in the requested area.
20. Blackland WSC owns facilities that cross the area to be decertified, but does not serve any customers in the area to be decertified.
21. Blackland WSC has agreed in writing to allow Rockwall to provide service within the requested area.
22. Blackland WSC has provided written consent to amend its CCN by decertifying the requested area.

Effect on Customers, Landowners, and CCN holder in the Requested Area

23. There are no customers that Blackland WSC serves in the requested area.
24. Blackland WSC owns facilities that cross the requested area but does not serve any customers in the requested area.
25. After decertification, Blackland WSC will not be obligated to provide continuous and adequate service to the requested area.

26. Rockwall currently provides water service to the customers in the requested area and will continue to do so after the requested decertification is complete.
27. Since Blackland WSC does not serve any customers or landowners, the requested decertification will have no adverse effects.

Compensation from a Prospective Retail Public Utility

28. Blackland WSC is not entitled to compensation from a prospective retail utility if the request to decertify the requested area is granted.

Map and Certificate

29. On October 31, 2022, Commission Staff emailed its proposed final map and certificate to the petitioners.
30. On November 10, 2022, the petitioners filed their consent to the proposed final map and certificate.
31. On November 30, 2022, Commission Staff filed the final map and certificate as attachments to its final recommendation.

Informal Disposition

32. More than 15 days have passed since the completion of notice provided in this docket.
33. No person filed a protest or motion to intervene.
34. Commission Staff, Rockwall, and Blackland WSC are the only parties to this proceeding.
35. No party requested a hearing, and no hearing is needed.
36. Commission Staff recommended approval of the amended petition.
37. The decision is not adverse to any party.

II. Conclusions of Law

The Commission makes the following conclusions of law:

1. The Commission has authority over this petition under TWC §§ 13.041, 13.241, and 13.254.
2. Blackland WSC and Rockwall are retail public utilities as defined by TWC § 13.002(19) and 16 Texas Administrative Code (TAC) § 24.3(31).
3. The petition and amended petition meet the requirements of TWC § 13.244.

4. Rockwall and Blackland WSC provided notice of the petition that complies with TWC § 13.254 and 16 TAC § 24.245.
5. The Commission processed the petition and amended petition in accordance with the requirements of the Administrative Procedure Act¹, the TWC, and Commission rules.
6. The petitioners demonstrated that the amended petition meets the requirements set forth in TWC § 13.254 and 16 TAC § 24.245 to be granted a decertification amendment, by consent, to its CCN number 11305.
7. Under TWC § 13.254(h), after the date of this Notice of Approval, Blackland WSC has no obligation to provide retail water service to the requested area.
8. Under TWC § 13.257(r) and (r), Blackland WSC must record a certified copy of the approved map and certificate, along with a boundary description of the service area, in the real property records of Rockwall County within 31 days of this Notice of Approval and submit evidence of the recording to the Commission.
9. The requirements for informal disposition under 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 orders.

1. The Commission amends Blackland WSC's CCN number 11305 to decertify the approximately 881 acres described in this Notice of Approval and shown on the attached map.
2. The Commission approves the map attached to this Notice of Approval.
3. The Commission issues the certificate attached to this Notice of Approval.
4. Blackland WSC must comply with the recording requirements of TWC §§ 13.257(r) and (s) for the areas in Rockwall County affected by the amended petition and file in this docket proof of the recording no later than 45 days after the date of this Notice of Approval.
5. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.

¹ Tex. Gov't Code Ann. §§ 2001.001–2001.903.

Signed at Austin, Texas the _____ day of _____ 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

ADMINISTRATIVE LAW JUDGE



Public Utility Commission of Texas

By These Presents Be It Known To All That

Blackland Water Supply Corporation

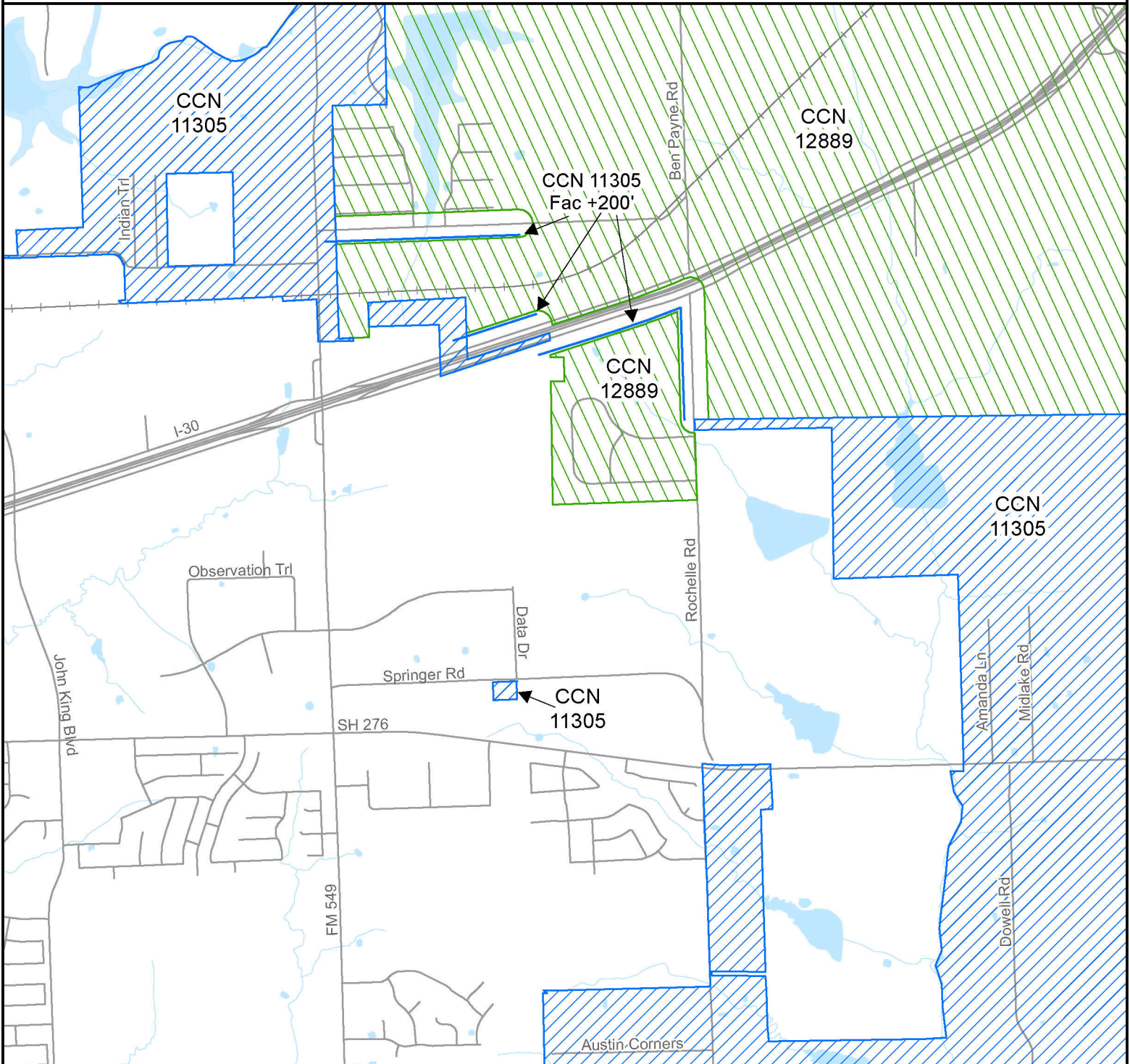
having obtained certification to provide water or sewer utility service for the convenience and necessity of the public, and it having been determined by this Commission that the public convenience and necessity would in fact be advanced by the provision of such service, Blackland Water Supply Corporation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



Water CCN

-  11305 - Blackland WSC
-  12889 - City of Fate

Water CCN Facilities +200'

-  11305 - Blackland WSC

