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#### **DOCKET NO. 52551**

JOINT PETITION OF BLACKLAND	§	PUBLIC UTILITY COMMISSION
WATER SUPPLY CORPORATION	§	
AND THE CITY OF ROCKWALL FOR	§	OF TEXAS
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	§	

# COMMISSION STAFF'S SUPPLEMENTAL RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS AND NOTICE

On September 10, 2021, Blackland Water Supply Corporation (Blackland WSC) and the City of Rockwall (Rockwall) (collectively, Petitioners) filed a petition for amendment of Blackland WSC's retail water service area under water Certificate of Convenience and Necessity (CCN) No. 11305, pursuant to Texas Water Code (TWC) § 13.255(a); for approval of a service area agreement entered into between Blackland WSC and Rockwall under TWC § 13.248; 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. Petitioners also are requesting that the results of an accepted mediated settlement agreement from Texas Commission on Environmental Quality (TCEQ) Docket No. 2004-1736-UCR be accurately reflected in documentation and mapping related to Blackland WSC's CCN No. 11305. Petitioners assert that Rockwall does not hold and does not want to hold a water or wastewater CCN. Petitioners filed supplemental information on November 10, 2021 and November 17, 2021.

On October 11, 2021, the Staff (Staff) of the Public Utility Commission of Texas (Commission) filed comments regarding the administrative completeness of the petition and sufficiency of notice, addressing potential issues specified by the administrative law judge (ALJ), and any other concerns Staff might have about the petition. In its October 11, 2021 filing, Staff also recommended that Petitioners be given a deadline of November 10, 2021 to file supplemental information to address specified deficiencies and that Staff be given a deadline of December 10, 2021 to file a supplemental recommendation on administrative completeness. On December 1, 2021, Staff filed a request for clarification regarding proposed deadlines in this docket.

#### I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the petition and supplemental information, and, as detailed in the attached memorandum from Patricia Garcia of the Commission's Infrastructure Division, recommends that the petition is administratively complete for purposes of processing the petition under TWC §§13.254(a) and 13.255. In Order No. 1, filed on September 15, 2021, the ALJ identified and listed five specific concerns with the petition, requiring that Staff address each concern. Through its assessment of each concern, Staff recommended further processing of the petition under TWC §§ 13.254(a) and 13.255.¹ On October 11, 2021, Petitioners filed a letter confirming their agreement with Staff's recommendation for further processing of the petition.² Since Staff has not received further direction from the ALJ in this docket, Staff recommends that the petition, as supplemented, is administratively complete. Staff will reassess the administrative completeness of the petition should the ALJ disagree with Staff's recommendation for processing the docket under TWC §§ 13.254(a) and 13.255. Staff's recommendation on administrative completeness is not a comment on the merits of the application.

#### II. NOTICE

For the reasons detailed in Staff's initial recommendation on administrative completeness, Staff recommends that the notice requirements under TWC §§ 13.254(a) and 13.255 be waived.<sup>3</sup> Staff will reassess this recommendation should the ALJ disagree with Staff's analysis of the notice requirements in its initial recommendation.

#### III. PROCEDURAL SCHEDULE

Staff respectfully declines to propose a procedural schedule for further processing at this time. Staff intends to propose a subsequent procedural schedule following an order addressing the entirety of Staff's initial recommendation on administrative completeness.

<sup>&</sup>lt;sup>1</sup> See Commission Staff's Recommendation on Administrative Completeness and Proposed Notice and Addressing Other Procedural Matters (Oct. 11, 2021) (Staff's Initial Recommendation).

<sup>&</sup>lt;sup>2</sup> Letter to Hon. Hunter Burkhalter at 1 (Oct. 11, 2021).

<sup>&</sup>lt;sup>3</sup> Staff's Initial Recommendation at 3-4 (Oct. 11, 2021).

#### IV. **CONCLUSION**

For the reasons stated above, Staff recommends that the petition as supplemented be found administratively complete for further processing under TWC §§ 13.254(a) and 13.255 and that the notice requirements under these statutes be waived. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: December 10, 2021

Respectfully submitted,

#### PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

Rachelle Nicolette Robles Division Director

/s/ Jenna Keller Jenna Keller State Bar No. 24123891 1701 N. Congress Avenue P.O. Box 13326 Austin, Texas 78711-3326 (512) 936-7285 (512) 936-7268 (facsimile) Jenna.Keller@puc.texas.gov

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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 December 10, 2021, 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, Senior Engineering Specialist

Infrastructure Division

**DATE:** December 10, 2021

**RE:** 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 § 13.254(a) in Rockwall County

On September 10, 2021, Blackland Water Supply Corporation (Blackland WSC) and the City of Rockwall (Rockwall) (collectively, Petitioners) filed a petition for amendment of Blackland WSC's retail water service area under water Certificate of Convenience and Necessity (CCN) No. 11305, pursuant to Texas Water Code (TWC) § 13.255(a); for approval of a service area agreement entered into between Blackland WSC and Rockwall under TWC § 13.248; 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. The Petitioners agreed with Staff's recommendation.

The Petitioners filed several agreements requesting that Rockwall be permitted to continue to provide retail water utility service to customer connections that are located within Rockwall's city limits. Rockwall does not have a CCN and is not required to have one.

Specifically, 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 was submitted in order to remove the requested areas from Blackland WSC's CCN area. The requested area includes approximately 1,530 acres of bounded area and approximately 3 miles of Facilities +200' CCN. Approximately 881 acres are to be decertified under TWC § 13.255. Approximately 649 acres and 3 miles are to be decertified under TWC § 13.254(a). The Petitioners have requested that notice be waived.

Based on the mapping review by Gary Horton, Infrastructure Division, the mapping provided on September 14, 2021 is sufficient. Based on my technical review of the additional information filed by the Petitioners on November 10, 2021 and November 17, 2021, I recommend that the petition be deemed sufficient for filing and found administratively complete, and that notice should be waived because both entities agree on the amendment and decertification.