



Filing Receipt

Received - 2022-04-29 10:17:44 AM
Control Number - 53260
ItemNumber - 10

Peter M. Lake
Chairman

Will McAdams
Commissioner

Lori Cobos
Commissioner

Jimmy Glotfelty
Commissioner



Greg Abbott
Governor

Thomas J. Gleeson
Executive Director

Public Utility Commission of Texas

TO: Stephen Journeay
Commission Counsel

All Parties of Record

FROM: Hunter Burkhalter
Chief Administrative Law Judge

RE: **Docket No. 53260** – *Application of Round Rock Ranch PUD Utility Company, Inc. for a Class D Rate Adjustment*

DATE: April 29, 2022

Enclosed is the Proposal for Decision (PFD) in the above-referenced case. By copy of this memo, the parties to this proceeding are being served with the PFD.

Please place this docket on an open meeting agenda for the Commissioners' consideration. Please notify me and the parties of the open meeting date, as well as the deadline for filing exceptions to the PFD, replies to the exceptions, and requests for oral argument.

/ag
Q:\CADM\ORDERS\OPDM PFD\53000\53260 PFD Memo.docx



DOCKET NO. 53260

**APPLICATION OF ROUND ROCK
RANCH PUD UTILITY COMPANY,
INC. FOR A CLASS D RATE
ADJUSTMENT**

**§
§
§
§**

**PUBLIC UTILITY COMMISSION

OF TEXAS**

PROPOSAL FOR DECISION

In this Proposal for Decision (PFD), the administrative law judge (ALJ) recommends that the Commission dismiss the application of Round Rock Ranch PUD Utility Company, Inc. for a class D rate adjustment for the water and sewer systems under its certificates of convenience and necessity (CCN) numbers 12797 and 20805 due to a lack of jurisdiction, under 16 Texas Administrative Code (TAC) § 22.181(d)(1). The ALJ recommends that the dismissal be with prejudice.

I. Findings of Fact

The ALJ makes the following findings of fact.

1. On February 22, 2022, Round Rock Ranch filed an application for a class D rate adjustment.
2. Round Rock Ranch holds CCN number 12797 that obligates the company to provide retail water service within its certificated service area.
3. Round Rock Ranch holds CCN number 20805 that obligates the company to provide retail sewer service within its certificated service area.
4. Round Rock Ranch's water and sewer CCN service areas are located entirely within the city limits of the City of Round Rock.
5. According to its application, Round Rock Ranch serves 95 active water connections and 95 active sewer connections.
6. On April 6, 2022, Commission Staff filed a motion to dismiss the application for lack of jurisdiction.
7. Round Rock Ranch did not respond to Commission Staff's motion to dismiss.

8. No hearing was held on the motion to dismiss, and none is necessary, because the facts relevant to jurisdiction are undisputed.

I. Conclusions of Law

The ALJ makes the following conclusions of law.

1. Under Texas Water Code (TWC) § 13.1872(e) and 16 TAC § 24.49, a class D utility may, without a hearing, receive an annual rate adjustment of no more than 5%.
2. Under TWC § 13.042(a), “the governing body of each municipality has exclusive original jurisdiction over all water and sewer utility rates, operations, and services provided by a water and sewer utility within its corporate limits.”
3. While municipalities can, under TWC 13.042(b), cede original jurisdiction to the Commission, the City of Round Rock has not ceded its original jurisdiction.
4. Because the City of Round Rock has not ceded original jurisdiction to the Commission, the Commission lacks jurisdiction to consider Round Rock Ranch’s application under TWC § 13.1872(e) and 16 TAC § 24.49.
5. Under 16 TAC § 22.181(d)(1), the ALJ may recommend to the Commission that it dismiss a proceeding, with or without prejudice, for lack of jurisdiction.
6. Under 16 TAC § 22.181(f)(2), dismissal of a case for reasons other than those specified in 16 TAC § 22.181(g)(1) or (2) requires preparation of a PFD.
7. Dismissal of Round Rock Ranch’s petition is proper under 16 TAC § 22.181(d)(1) due to the Commission’s lack of jurisdiction.

II. Ordering Paragraphs

In light of the findings of fact and conclusions of law, the ALJ recommends the following ordering paragraphs.

1. The Commission dismisses Round Rock Ranch’s application, with prejudice.
2. The Commission denies all other motions and any other requests for general or specific relief that have not been expressly granted.

Signed at Austin, Texas the 29th day of April 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink, appearing to read 'HB', is written over a horizontal line.

HUNTER BURKHALTER
CHIEF ADMINISTRATIVE LAW JUDGE