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Received - 2022-05-25 02:17:31 PM
Control Number - 53262
ItemNumber - 9

DOCKET NO. 53262

PETITION OF BLACKLAND WATER	§	PUBLIC UTILITY COMMISSION
SUPPLY CORPORATION AND THE CITY	§	
OF ROCKWALL FOR APPROVAL TO	§	
AMEND CERTIFICATE OF	§	OF TEXAS
CONVENIENCE AND NECESSITY UNDER	§	
TEXAS WATER CODE § 13.255(a) IN	§	
ROCKWALL COUNTY		

**COMMISSION STAFF’S AMENDED RECOMMENDATION ON ADMINISTRATIVE
COMPLETENESS AND NOTICE AND PROPOSED PROCEDURAL SCHEDULE**

On September 10, 2021, Blackland Water Supply Corporation (Blackland WSC) and the City of Rockwall (Rockwall) (collectively, Petitioners) filed a petition to amend Blackland WSC’s water certificate of convenience and necessity (CCN) No. 11305 under Texas Water Code (TWC) § 13.255(a) in Rockwall County, Texas in Docket No. 52551. In Order No. 2 in Docket No. 52551, the administrative law judge (ALJ) severed the CCN amendment proceeding, which became Docket No. 53262, the current proceeding. On March 25, 2022, the Petitioners filed the petition in Docket No. 53262 in accordance with Order No. 2 in Docket No. 52551. On May 13, 2022, the Petitioners’ filed errata with corrected exhibits.

On May 20, 2022, the administrative law judge (ALJ) filed Order No. 3, establishing a deadline of June 20, 2022, for Staff to provide final maps, certificates, and tariffs (if applicable), to Blackland WSC for review and consent.

I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the Petitioners’ errata to the application and, as detailed in the attached memorandum from Patricia Garcia, of the Infrastructure Division, recommends that the application, as corrected, be deemed administratively complete. Staff’s recommendation on administrative completeness is not a comment on the merits of the application.

II. NOTICE

Under 16 Texas Administrative Code (TAC) § 24.259(c), a municipality that intends to provide service to an annexed area is required to notify the current CCN holder of its intent to serve the annexed area. Rockwall has not filed documentation demonstrating that notice was sent to Blackland WSC. However, Rockwall and Blackland WSC have entered into agreements over

the requested areas as allowed by 16 TAC § 24.259(d). In addition, Rockwall has long provided retail water service to customers in the requested areas. Therefore, Staff recommends a waiver of the notice requirement because Blackland WSC has agreed to the decertification of the portion of its CCN that is covered by the agreement.

III. PROCEDURAL SCHEDULE

Staff recommends the application be found administratively complete. Staff also recommends that the procedural schedule in Order No. 3 remain in effect.

IV. CONCLUSION

For the reasons detailed above, Staff recommends that the application, as corrected, be found administratively complete, that the notice requirements be waived, and that the procedural schedule in Order No. 3 remain in effect. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: May 25, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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/s/ Phillip Lehmann
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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 May 25, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ Phillip Lehmann
Phillip Lehmann

Public Utility Commission of Texas

Memorandum

TO: Phillip Lehmann and Arnett Caviel, Attorneys
Legal Division

FROM: Patricia Garcia, Senior Engineering Specialist
Infrastructure Division

DATE: May 25, 2022

RE: Docket No. 53262 – *Petition of Blackland Water Supply Corporation and the City of Rockwall to Amend Certificate of Convenience and Necessity Under Texas Water Code § 13.255(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 to amend Blackland WSC's water certificate of convenience and necessity (CCN) No. 11305 under Texas Water Code (TWC) § 13.254(a) in Rockwall County, Texas.

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 will be reviewed under TWC § 13.255(a).

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 number, is not required to have one, and does not want a CCN number assigned to it.

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 649 acres and 3 miles of Facilities +200' CCN to be decertified under TWC § 13.255(a). Rockwall 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, therefore this area is requested to be decertified from Blackland

WSC's CCN No. 11305 under TWC § 13.255(a). The proposed request will result in the area becoming uncertificated area that is inside the city limits of Rockwall.

The Petitioners have requested that notice be waived as Rockwall is the provider of service in the area to be decertified.

The petition proposes the subtraction of approximately 649 acres of bounded area and approximately 3 miles of Facilities +200' CCN from CCN No. 11305.

Based on the mapping review by Gary Horton, Infrastructure Division, the maps submitted with Item 6 on May 13, 2022, are sufficient. Based on my technical review of the additional information filed by the Petitioners on September 14, 2021, January 21, 2022, March 25, 2022, and May 13, 2022, I recommend that notice be waived and that the petition be deemed sufficient for filing and found administratively complete.