



## Filing Receipt

**Received - 2022-12-08 11:47:30 AM**  
**Control Number - 54147**  
**ItemNumber - 11**

**DOCKET NO. 54147**

<b>APPLICATION OF ROLLING V RANCH</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>WATER CONTROL AND</b>	<b>§</b>	
<b>IMPROVEMENT DISTRICT NO. 3</b>	<b>§</b>	<b>OF TEXAS</b>
<b>OF WISE COUNTY FOR A</b>	<b>§</b>	
<b>CERTIFICATE OF CONVENIENCE AND</b>	<b>§</b>	
<b>NECESSITY AND FOR DUAL</b>	<b>§</b>	
<b>CERTIFICATION WITH THE CITY OF</b>	<b>§</b>	
<b>RHOME IN WISE COUNTY</b>	<b>§</b>	

**ORDER NO. 5**  
**DENYING MOTION FOR GOOD CAUSE EXCEPTION**

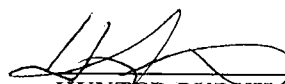
On November 21, 2022, the applicants requested a good cause exception from the requirements of 16 Texas Administrative Code (TAC) § 24.11(e)(4)(B)(i)—the requirement to file an audited year-end financial statement with an unqualified opinion of the auditor. The applicants attached to the motion a number of financial documents which, they contend, adequately demonstrate their financial wherewithal in lieu of such a financial statement.

In Order No. 4 the administrative law judge (ALJ) required Commission Staff to respond to the motion. Commission Staff filed a response on December 5, 2022, in which it recommended that a good cause exception be granted. Candidly, the ALJ does not understand the analysis provided in Commission Staff's recommendation.

The motion for a good cause exception is denied. The applicants apparently wish to prove they satisfy the leverage and operations tests by providing a modified version of what is required by 16 TAC § 24.11(e)(4)(B)(i). But that is not the only way an applicant can prove it satisfies the leverage and operations tests. Under 16 TAC § 24.11(e)(4)(B), in order to demonstrate that the requirements of the two tests are being met, the applicants must, among other things, submit documentation that satisfies subpart (B)(i) *or* subpart (B)(ii) *or* subpart (B)(iii). Because the applicants failed to establish good cause for the exception, the motion is denied.

**Signed at Austin, Texas the 8th day of December 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**