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Filing Date - 2024-01-05 09:56:41 AM

Control Number - 54785

Item Number - 28

DOCKET NO. 54785

PETITION OF CASH SPECIAL	§	PUBLIC UTILITY COMMISSION
UTILITY DISTRICT AND THE CITY	§	
OF ROYSE CITY FOR APPROVAL OF	§	OF TEXAS
SERVICE AREA CONTRACT UNDER	§	
TEXAS WATER CODE § 13.248 AND	§	
TO AMEND CERTIFICATES OF	§	
CONVENIENCE AND NECESSITY IN	§	
ROCKWALL COUNTY	§	

NOTICE OF APPROVAL

This Notice of Approval addresses the petition by Cash Special Utility District and the City of Royse City for approval of a service-area contract under Texas Water Code (TWC) § 13.248 and to amend certificates of convenience and necessity (CCNs) in Rockwall County. The petitioners seek to transfer approximately 130.7 total acres of certificated service area from Cash SUD's CCN number 10824 service areas to Royse City's CCN number 12827. The Commission approves the service-area contract and amends CCN numbers 10824 and 12827 to the extent provided in this Notice of Approval.

I. Findings of Fact

The Commission makes the following findings of fact.

Petitioners

1. Cash SUD is Texas water district and special utility district operating under Chapters 49 and 65 of the Texas Water Code (TWC).
2. Cash SUD operates, maintains, and controls facilities for providing retail water service in Rockwall County under CCN number 10824.
3. Royse City is a home rule municipality located in Rockwall County.
4. Royse City operates, maintains, and controls facilities for providing retail water service in Rockwall County under CCN number 12827.

Petition

5. On September 27, 2021, Cash SUD and on April 14, 2022, Royse City entered into an agreement designating retail water service territory (the service-area contract) in which they agreed to modify their certificated service areas under their respective CCNs.
6. On March 21, 2023, Cash SUD and Royse City filed the petition at issue in this proceeding for approval of the service-area contract and to amend CCN numbers 10824 and 12827.
7. The petition included a copy of the service-area contract executed by Cash SUD and Royse City.
8. Under the service-area contract, approximately 130.7 acres (the requested area), will be transferred from Cash SUD under CCN number 10824 to Royse City under CCN number 12827.
9. There are no customers or facilities in the requested area.
10. In Order No. 6 filed on September 27, 2023, the administrative law judge (ALJ) found the petition, as supplemented, administratively complete.

Notice

11. At the board of directors meeting held on September 27, 2021, Cash SUD's board of directors discussed and approved entering the service-area contract.
12. The petition, as supplemented, included copies of the agenda and minutes from Cash SUD's board of directors meeting the September 27, 2021, an April 6, 2023 supporting certificate of agreement affidavit from Bill Watkins, director, secretary and treasurer of Cash SUD certifying that the Cash SUD board of directors considered an approved entering the service-area contract, and the August 30, 2023 supporting affidavit of Clay Hodges, general manager of Cash SUD, certifying the September 27, 2021 agenda and minutes.
13. At the city council meeting held on April 12, 2022, the city council of Royse City discussed and approved entering the service-area contract.
14. The petition, as supplemented, included copies of the agenda and minutes from the city council meeting of the City of Royse City, a supporting affidavit from Deborah Sorensen, city secretary of Royse City, certifying the agenda and minutes.

15. In Order No. 6 filed on September 27, 2023, the ALJ found the notice sufficient.

Certificates and Map

16. On October 31, 2023, Commission Staff emailed its proposed map and certificates to Cash SUD and Royse City.

17. On October 31, 2023, Cash SUD filed its consent to Commission Staff's proposed map and certificate.

18. On November 6, 2023, Royse City filed its consent to Commission Staff's proposed map and certificate.

Evidentiary Record

19. In Order No. 9 filed on January 3, 2024, the ALJ admitted the following evidence into the record:

- a. the petition and all attachments filed on March 21, 2023;
- b. additional mapping information filed on March 21, 2023;
- c. the Royse City agenda, minutes, and affidavit, and Cash SUD agenda, minutes and affidavit filed on April 13, 2023;
- d. the petitioner's supplement to the petition filed on April 13, 2023;
- e. the petitioner's revised mapping filed on July 20, 2023;
- f. Commission Staff's supplemental recommendation on administrative completeness, notice, and proposed procedural schedule filed on August 21, 2023;
- g. Commission Staff's response to Order No. 4 filed on August 29, 2023;
- h. Cash SUD's affidavit filed on August 30, 2023;
- i. Commission Staff's supplemental recommendation on notice filed on September 26, 2023;
- j. Cash SUD's signed consent form filed on October 31, 2023;
- k. Royse City's signed consent form filed on November 6, 2023;
- l. Commission Staff's recommendation on final disposition filed on November 21, 2023; and
- m. the final map and certificates attached to Commission Staff's recommendation on final disposition filed on November 21, 2023.

Informal Disposition

20. More than 15 days have passed since the completion of notice provided in this docket.
21. No person filed a protest or motion to intervene.
22. Cash SUD, Royse City, and Commission Staff are the only parties to this proceeding.
23. No party requested a hearing and no hearing is needed.
24. Commission Staff recommended approval of the petition.
25. This 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 the petition under TWC §§ 13.041 and 13.248.
2. Cash SUD and Royse City are retail public utilities as defined in TWC § 13.002(19) and 16 TAC § 24.3(31).
3. Under TWC § 13.248, contracts between retail public utilities designating areas to be served and customers to be served by those retail public utilities, when approved by the Commission, are valid and enforceable and incorporated into the affected CCNs.
4. The petition meets the requirements of TWC § 13.248 and 16 TAC § 24.253.
5. Notice of the petition was given in accordance with 16 TAC § 24.253(c).
6. The petition was processed in accordance with the TWC, the Administrative Procedure Act,¹ and Commission rules.
7. Under TWC § 13.257(r) and (s), Cash SUD and Royse City must each record a certified copy of the approved maps and certificates, along with a boundary description of their respective service areas, in the real property records of Rockwall County within 31 days of this Notice of Approval and must submit evidence of the recording to the Commission.
8. The requirements for informal disposition in 16 TAC § 22.35 have been met in this proceeding.

¹ Tex. Gov't Code §§ 2001.001-.903.

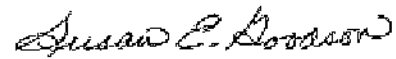
III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following orders.

1. The Commission approves the service-area contract to the extent provided in this Notice of Approval.
2. The Commission amends Cash SUD's CCN number 10824 to remove the requested area, as described in this Notice of Approval and as shown on the map attached to this Notice of Approval.
3. The Commission amends Royse City's CCN number 12827 to add the requested area, as described in this Notice of Approval and as shown on the map attached to this Notice of Approval.
4. The Commission approves the map attached to this Notice of Approval.
5. The Commission issues the certificates attached to this Notice of Approval.
6. Cash SUD must provide service to every customer and applicant for service within the approved areas under CCN number 10824 who requests water service and meets the terms of Cash SUD's water service, and such service must be continuous and adequate.
7. Royse City must provide service to every customer and applicant for service within the approved areas under CCN number 12827 who requests water service and meets the terms of Royse City's water service, and such service must be continuous and adequate.
8. Cash SUD and Royse City must each comply with the recording requirements in TWC § 13.257(r) and (s) for the areas in Rockwall County affected by the application and file in this docket proof of the recording no later than 45 days after receipt of this Notice of Approval.
9. The Commission denies all other motions and any requests for general or specific relief that have not been expressly granted.

Signed at Austin, Texas on the 5th day of January 2024.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in cursive script, reading "Susan E. Goodson".

**SUSAN E. GOODSON
ADMINISTRATIVE LAW JUDGE**

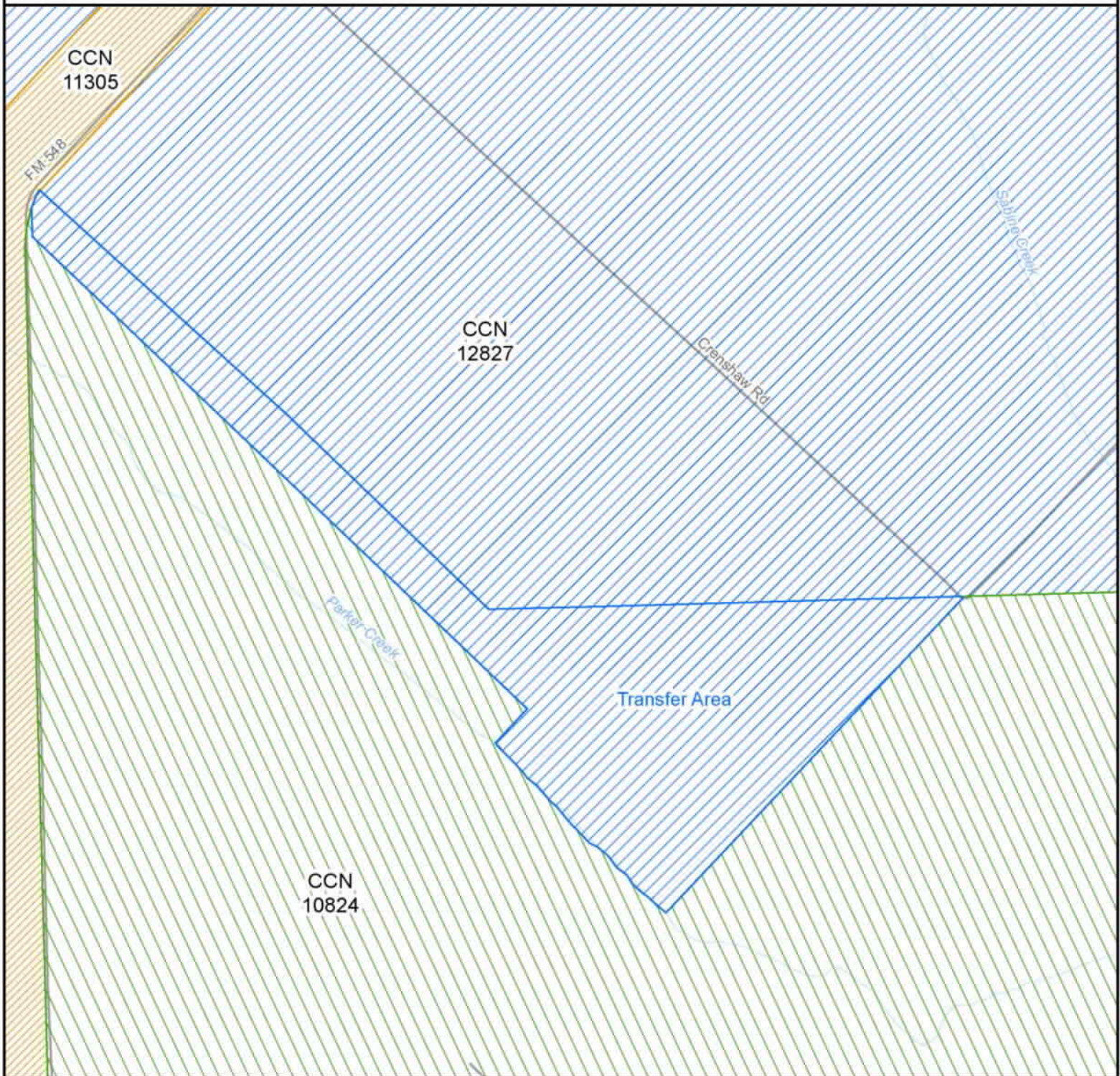
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PUCT Docket No. 54785

City of Royse City

Portion of Water CCN No. 12827

13.248 Petition to Transfer a Portion of Cash Special Utility District, CCN No. 10824 in Rockwall County



Public Utility Commission of Texas
1701 N. Congress Ave
Austin, TX 78701

Water CCN

-  12827 - City of Royse City
-  10824 - Cash SUD
-  11305 - Blackland WSC

0 500 1,000
Feet



Map by: Komal Patel
Date: October 19, 2023
Project: 54785CityofRoyseCity.mxd



Public Utility Commission of Texas

By These Presents Be It Known To All That

City of Royse City

having obtained certification to provide water 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, City of Royse City is entitled to this

Certificate of Convenience and Necessity No. 12827

to provide continuous and adequate water utility service to that service area or those service areas in Collin, Hunt, and Rockwall counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 54785 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 City of Royse City 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.



Public Utility Commission of Texas

By These Presents Be It Known To All That

Cash Special Utility District

having obtained certification to provide water 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, Cash Special Utility District is entitled to this

Certificate of Convenience and Necessity No. 10824

to provide continuous and adequate water utility service to that service area or those service areas in Hopkins, Hunt, Rains, and Rockwall counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Docket No. 54785 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 Cash Special Utility District 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.