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**PUC DOCKET NO. 45848
SOAH DOCKET NO. 473-16-5011.WS**

**CITY OF CELINA'S NOTICE OF
INTENT TO PROVIDE WATER AND
SEWER SERVICE TO AREA
DECERTIFIED FROM AQUA TEXAS,
INC. IN DENTON COUNTY**

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**PUBLIC UTILITY COMMISSION
OF TEXAS**

EXHIBIT

CEL-105

**The Jurisdictional Exception Rule From
Uniform Standards of Professional Appraisal Practice (2016-2017 Edition)**

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JURISDICTIONAL EXCEPTION RULE

457 **JURISDICTIONAL EXCEPTION RULE**

458 **If any applicable law or regulation precludes compliance with any part of USPAP, only that part of**
459 **USPAP becomes void for that assignment.**

460 Comment: When compliance with USPAP is required by federal law or regulation, no part of
461 USPAP can be voided by a law or regulation of a state or local jurisdiction.

462 **In an assignment involving a jurisdictional exception, an appraiser must:**

- 463 **1. identify the law or regulation that precludes compliance with USPAP;**
- 464 **2. comply with that law or regulation;**
- 465 **3. clearly and conspicuously disclose in the report the part of USPAP that is voided by that law**
466 **or regulation; and**
- 467 **4. cite in the report the law or regulation requiring this exception to USPAP compliance.**

468 Comment: The JURISDICTIONAL EXCEPTION RULE provides a saving or severability
469 clause intended to preserve the balance of USPAP if compliance with one or more of its parts
470 is precluded by the law or regulation of a jurisdiction. When an appraiser properly follows
471 this Rule in disregarding a part of USPAP, there is no violation of USPAP.

472 Law includes constitutions, legislative and court-made law, and administrative rules and
473 ordinances. Regulations include rules or orders having legal force, issued by an
474 administrative agency. Instructions from a client or attorney do not establish a jurisdictional
475 exception.