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DOCKET NO. 51933

PETITION OF MONTGOMERY	§	PUBLIC UTILITY COMMISSION
ESTATES, LLC TO AMEND C C	§	
WATER WORKS, INC.'S	§	OF TEXAS
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY IN CHAMBERS	§	
COUNTY BY EXPEDITED RELEASE	§	

**NOTICE OF APPROVAL
MAKING A DETERMINATION ON COMPENSATION**

In this Notice of Approval, the Commission determines that, for the streamlined expedited release granted in this docket, Montgomery Estates, LLC owes compensation to C C Water Works, Inc. under Texas Water Code (TWC) § 13.2541. The Commission previously granted streamlined expedited release and removed a tract of land from C C Water's certificated service area under certificate of convenience and necessity (CCN) number 13038. The Commission's determination on compensation is based on a report from its appointed appraiser.

I. Findings of Fact

The Commission makes the following findings of fact.

Petitioner

1. Montgomery Estates is a Texas limited liability company registered with the Texas secretary of state under filing number 803220296.

CCN Holder

2. C C Water is a Texas corporation registered with the Texas secretary of state under filing number 800208061.
3. C C Water holds CCN number 13038 that obligates it to provide retail water service in its certificated service area in Chambers County.

Petition

4. On March 24, 2021, the petitioner filed a petition for streamlined expedited release of a tract of land from the CCN holder's service area under CCN number 13038.
5. In an Order filed on November 2, 2021, the Commission granted the petition and released the tract of land from the CCN holder's certificated service area.

6. Ordering paragraph 7 of the November 2, 2021 Order states that this docket would continue for the purpose of determining compensation in accordance with the schedule adopted in Order No. 4 filed on June 29, 2021.

Appraisers and Appraisals

7. On January 11, 2022, the CCN holder filed its appraiser's report, completed by B & D Environmental, Inc. and dated January 10, 2022, which recommended compensation in the amount of \$220,818.
8. On January 11, 2022, the petitioner filed its appraiser's report, completed by Malone Wheeler, Inc. and dated January 11, 2022, which recommended compensation in the amount of \$2,500.
9. On February 10, 2022, Commission Staff filed its Commission-appointed appraiser's report, completed by NewGen Strategies & Solutions, LLC and dated February 10, 2022, which determined compensation in the amount of \$11,435.

Compensation

10. The amount of compensation owed to the CCN holder by the petitioner for the streamlined expedited release is \$11,435.

II. Conclusions of Law

The Commission makes the following conclusions of law.

1. The Commission has authority to determine the amount of compensation to be awarded after granting streamlined expedited release under TWC §§ 13.254 and 13.2541.
2. No notice is required to determine the amount of compensation.
3. No opportunity for a hearing to determine compensation for streamlined expedited release is provided under TWC § 13.2541 or 16 Texas Administrative Code (TAC) § 24.245(h)(7).
4. The determination on compensation under TWC § 13.2541 and 16 TAC § 24.245(i) is not a contested case.
5. Under 16 TAC § 24.245(i)(2), if the petitioner and CCN holder cannot agree on an independent appraiser, they must each engage their own appraiser at their own expense, and each appraiser's report must be submitted to the Commission within 70 days after release is granted. After receiving the appraisals, the Commission must appoint a third

appraiser who must make a determination of compensation within 100 days after release is granted. The determination by the Commission's appraiser may not be less than the lower appraisal or more than the higher appraisal made by the appraisers engaged by the CCN holder and the petitioner.

6. Under 16 TAC § 24.245(i)(3), the determination of compensation made by the Commission-appointed appraiser is binding on the Commission, the CCN holder, and the petitioner.
7. Compensation in the amount of \$11,435 is owed by the petitioner to the CCN holder for the release under TWC § 13.2541.
8. Under TWC § 13.2541(i) and 16 TAC § 24.245(i)(2)(B), the petitioner and CCN holder must each pay half the cost of the Commission-appointed appraiser.
9. The Commission processed the petition in accordance with the TWC and Commission rules.

III. Ordering Paragraphs

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

1. The petitioner must pay to the CCN holder compensation in the amount of \$11,435 within 90 days from the date of this Notice of Approval.
2. If they have not already done so, the CCN holder and the petitioner must, within 30 days of the date of this Notice of Approval, each pay half the cost of the Commission-appointed appraiser.
3. 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 16th day of February 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

A handwritten signature in black ink, appearing to read 'G. R. Siemankowski', written in a cursive style.

GREGORY R. SIEMANKOWSKI
ADMINISTRATIVE LAW JUDGE