



Filing Receipt

Received - 2022-07-15 02:26:13 PM
Control Number - 52655
ItemNumber - 31

DOCKET NO. 52655

PETITION OF MCCART ST, LLC TO	§	PUBLIC UTILITY COMMISSION
AMEND BOLIVAR WATER SUPPLY	§	
CORPORATION'S CERTIFICATE OF	§	OF TEXAS
CONVENIENCE AND NECESSITY IN	§	
DENTON 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, McCart St, LLC owes compensation to Bolivar Water Supply Corporation under Texas Water Code (TWC) § 13.2541. The Commission previously granted streamlined expedited release and removed a tract of land from Bolivar WSC's certificate of convenience and necessity (CCN) number 11257. The Commission's determination on compensation is based on the appraisal by the Commission's appointed appraiser.

I. Findings of Fact

The Commission makes the following findings of fact.

Petitioner

1. McCart St, LLC is a Delaware limited liability company registered with the Texas secretary of state under filing number 804234840.

CCN Holder

2. Bolivar WSC is a Texas nonprofit corporation registered with the Texas secretary of state under filing number 25730701.
3. Bolivar WSC holds CCN number 11257 that obligates it to provide retail water service in its certificated service area in Denton County.

Petition

4. On September 28, 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 11257.
5. In an Order filed on April 4, 2022, The Commission granted the petition and released the tract of land from the CCN holder's certificated service area.

6. Ordering paragraph seven of the Order stated that, if streamlined expedited release was granted, this docket would continue for the purpose of determining compensation in accordance with the scheduled adopted in Order No. 2.

Appraisers and Appraisals

7. On June 9, 2022, the petitioner filed its appraiser's report, completed by Willdan Financial Services and dated June 7, 2022, which recommended compensation in the amount of \$0.
8. On June 13, 2022, the CCN holder filed its appraiser's report, completed by KOR Group and dated June 13, 2022, which recommended compensation in the amount of \$1,928,355.
9. On July 13, 2022, Commission Staff filed its Commission-appointed appraiser's report, completed by NewGen Strategies & Solutions and dated July 13, 2022, which determined compensation in the amount of \$84,699.

Compensation

10. The amount of compensation owned to the CCN holder by the petitioner for the streamlined expedited release is \$84,699.

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 on 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 \$84,699 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 \$84,699 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 not expressly granted by this Order.

Signed at Austin, Texas the 15th day of July 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

W2013

q:\cadm\doCKET management\water\ccn_expedited\52xxx\52655 noa compensation_commission staff appraiser.docx