

Filing Receipt

Received - 2022-10-07 02:06:50 PM Control Number - 52694 ItemNumber - 24 **PETITION OF BEN F. VAUGHAN, III,** § AND FROST BANK, AS CO-TRUSTEES § § § **OF THE GENEVIEVE TARLTON DOUGHERTY TRUST NO. 2, FOR BEN** F. VAUGHAN, III; JAMES CULLEN § § VAUGHAN, AS TRUSTEE OF THE \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ JAMES CULLEN VAUGHAN GST **EXEMPT TRUST; AND CATHERINE A. PAYER, AS TRUSTEE OF THE RACHEL CATHERINE VAUGHAN GST EXEMPT TRUST, AS TRUSTEE OF THE DANIEL BENJAMIN** VAUGHAN GST EXEMPT TRUST, AND § **AS TRUSTEE OF THE PATRICK MICHAEL VAUGHAN GST EXEMPT** \$ \$ \$ \$ \$ \$ \$ **TRUST TO AMEND AQUA WATER** SUPPLY CORPORATION'S **CERTIFICATE OF CONVENIENCE** § AND NECESSITY IN BASTROP **COUNTY BY EXPEDITED RELEASE** §

PUBLIC UTILITY COMMISSION

OF TEXAS

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, Ben F. Vaughan, III, and Frost Bank, as Co-Trustees of the Genevieve Tarlton Dougherty Trust No. 2, for Ben F. Vaughan, III; James Cullen Vaughan, as Trustee of the James Cullen Vaughan GST Exempt Trust; and Catherine A. Payer, as Trustee of the Rachel Catherine Vaughan GST Exempt Trust, as Trustee of the Daniel Benjamin Vaughan GST Exempt Trust, and as Trustee of the Patrick Michael Vaughan GST Exempt Trust owe compensation to Aqua Water Supply Corporation under Texas Water Code (TWC) § 13.2541. The Commission previously granted streamlined expedited release and removed the petitioner's tract of land from Aqua's certificated service area under certificate of convenience and necessity (CCN) number 20962. The Commission's determination on compensation is based on an agreement between the petitioners and Aqua WSC.

I. Findings of Fact

The Commission makes the following findings of fact.

<u>Petitioners</u>

- 1. Ben F. Vaughan III is an individual.
- Mr. Vaughan is also designated as the co-trustee of the Genevieve Tarlton Dougherty Trust No. 2.
- 3. Frost Bank is a Texas state financial institution registered with the Texas secretary of state under filing number 801616307.
- Frost Bank is also designated as the co-trustee of the Genevieve Tarlton Dougherty Trust No. 2.
- 5. James Cullen Vaughan is an individual.
- Mr. Vaughan is also designated as the trustee of the James Cullen Vaughan GST Exempt Trust.
- 7. Catherine A. Payer is an individual.
- Ms. Payer is also designated as the trustee of the Rachel Catherine Vaughan GST Exempt Trust, the Daniel Benjamin Vaughan GST Exempt Trust, and the Patrick Michael Vaughan GST Exempt Trust.

CCN Holder

- Aqua WSC is a Texas nonprofit corporation registered with the Texas secretary of state under filing number 25894701 and operating under chapter 67 of the Texas Water Code (TWC).
- 10. Aqua WSC holds CCN number 20962 that obligates it to provide retail sewer service in its certificated service area in Bastrop and Travis counties.

<u>Petition</u>

- On October 12, 2021, the petitioners filed a petition for streamlined expedited release of an approximately 192-acre tract of land from the CCN holder's service area under CCN number 20962.
- 12. In Order No. 8 filed on September 19, 2022, the Commission granted the petition and released the petitioner's tract of land from the CCN holder's certificated service area.

13. Ordering paragraph seven of the Order No. 8 stated that, if streamlined expedited release was granted, this proceeding would continue for the purpose of determining compensation in accordance with the schedule adopted in Order No. 6.

Appraisers and Appraisals

14. No appraisers are needed to determine compensation in this docket because of the agreement between the petitioner and the CCN holder.

Compensation

- 15. On October 12, 2021, the petitioner and the CCN holder filed a consent agreement regarding compensation, as part of the petition, in which they agreed that \$40,000 is owed to the CCN holder as a result of the streamlined expedited release.
- 16. On September 28, 2022, the petitioner confirmed that the consent agreement "was intended to serve as an agreement between the petitioner and the CCN holder under 16 Texas Administrative Code (TAC) § 24.254(i)(1)."
- 17. On October 4, 2022, the CCN holder likewise confirmed that the consent agreement "is intended to serve as an agreement between the petitioner and the CCN holder pursuant to 16 TAC § 24.254(i)(1)."

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 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)(1), if the petitioner and CCN holder agree on the amount of compensation to be paid, they may forego the appraisal process and make a joint filing with the Commission stating the amount of the compensation to be paid.

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- 6. Compensation in the amount of \$40,000 is owed by the petitioners to the CCN holder for the release under TWC § 13.2541.
- 7. 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 petitioners must pay to the CCN holder compensation in the amount of \$40,000 within 90 days from the date of this Notice of Approval.¹
- 2. 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 7th day of October 2022.

PUBLIC UTILITY COMMISSION OF TEXAS

HUNPER BURKHALTER

HUNYER BURKHALTER CHIEF ADMINISTRATIVE LAW JUDGE

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¹ This implements the payment deadline mandated by 16 TAC 24.254(i)(6). The parties are free to agree, via contract, to a shorter payment deadline.