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DOCKET NO. 53253

PETITION OF KB HOME LONE STAR,	§	PUBLIC UTILITY COMMISSION
INC. TO AMEND AQUA WATER	§	
SUPPLY CORPORATION'S	§	OF TEXAS
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY IN TRAVIS COUNTY	§	
BY STREAMLINED 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, KB Home Lone Star, Inc., owes no compensation to Aqua Water Supply Corporation under Texas Water Code (TWC) § 13.2541. The Commission previously granted streamlined expedited release and removed a tract of land from Aqua WSC's certificated service area under certificate of convenience and necessity (CCN) number 10294. The Commission's determination on compensation is based on the fact that Aqua WSC failed to timely file an appraisal report.

I. Findings of Fact

The Commission makes the following findings of fact.

Petitioner

1. KB Home is a Texas corporation registered with the Texas secretary of state under filing number 800836731.

CCN Holder

2. 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.
3. Aqua WSC holds CCN number 10294 that obligates it to provide retail water service in its certificated service area in Bastrop, Caldwell, Lee, Travis, and Williamson counties.

Petition

4. On February 22, 2022, the petitioner filed a petition for streamlined expedited release of a tract of land from the CCN holder's service area under CCN number 10294.

5. In Order No. 7 filed on October 7, 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 Order No. 7 stated that the proceeding to determine compensation would follow the procedural schedule that was adopted in Order No. 6.

Appraiser and Appraisals

1. The petitioner and CCN holder did not agree on the compensation to be paid to the CCN holder for the streamlined expedited release.
2. The petitioner and CCN holder did not agree on an independent appraiser.
3. On December 15, 2022, the petitioner filed its appraiser's report, completed by Willdan Financial Services and dated December 14, 2022, which recommended compensation in the amount of \$0.
4. The CCN holder did not file an appraisal report within 70 days after the Commission granted release.

Compensation

5. Because the CCN holder did not file an appraisal report within 70 days after the Commission granted release, no compensation is owed for the release.

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)(B), if the petitioner and CCN holder cannot agree on the amount of compensation and cannot agree on an independent appraiser, they must each file

their own appraisal report within 70 days after the Commission grants streamlined expedited release.

6. Under 16 TAC § 24.245(i)(4), if the CCN holder fails to file an appraisal report within 70 days after the Commission granted streamlined expedited release, the amount of compensation due is deemed to be zero.
7. No compensation is owed by the petitioner to the CCN holder for the release under TWC § 13.2541.
8. 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. No compensation is owed by the petitioner to the CCN holder for the streamlined expedited release.
2. The Commission denies all other motions and any other requests for general or specific relief not expressly granted by this Notice of Approval.

Signed at Austin, Texas the 17th day of January 2023.

PUBLIC UTILITY COMMISSION OF TEXAS



SUSAN E. GOODSON
ADMINISTRATIVE LAW JUDGE