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DOCKET NO. 53698

PETITION OF AM REAL ESTATE	§	PUBLIC UTILITY COMMISSION
SOLUTIONS, INC., TRUSTEE OF THE	§	
AM BUSINESS TRUST 2021-001, TO	§	OF TEXAS
AMEND THE CITY OF GRAND	§	
PRAIRE'S CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY IN	§	
ELLIS 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, AM Real Estate Solutions Inc, as trustee of the AM Business Trust 2021-001, owes compensation in the amount of \$146,212 to the City of Grand Prairie under Texas Water Code (TWC) §13.2541. The Commission previously granted streamlined expedited release and removed a tract of land from Grand Prairie's certificate of convenience and necessity (CCN) number 10105. 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. AM Business Trust is a Utah business trust registered with the Texas secretary of state under filing number 804512209.

CCN Holder

2. Grand Prairie is a home-rule municipality located in Ellis County.
3. Grand Prairie holds CCN number 10105 that obligates it to provide retail water service in its certificated service area in Dallas, Ellis, and Tarrant counties.

Petition

4. On June 8, 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 10105.

5. In an Order filed on September 14, 2023, 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 Order 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. 3.

Appraisers and Appraisals

7. On November 22, 2023, the CCN holder filed its appraiser's report, completed by NewGen Strategies & Solutions LLC and dated November 22, 2023, which recommended compensation in the amount of \$146,212.
8. Also on November 22, 2023, the petitioner filed its appraiser's report completed by Donald G. Rauschuber & Associates, Inc. dated November 20, 2023, which recommended compensation in the amount of \$0.
9. On January 16, 2024, Commission Staff filed its Commission-appointed appraiser's report, completed by Texas Values Appraisal Services and dated January 12, 2024, which determined compensation is owed in the amount of \$146,212.

Compensation

10. The amount of compensation owed to the CCN holder by the petitioner for the streamlined expedited release granted in this proceeding is \$146,212.

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 a 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. 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 \$146,212 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 \$146,212 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 Notice of Approval.

Signed at Austin, Texas on the 18th day of January 2024.

PUBLIC UTILITY COMMISSION OF TEXAS



HUNTER BURKHALTER
CHIEF ADMINISTRATIVE LAW JUDGE

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