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DOCKET NO. 53932

PETITION OF KL LHB DSD AIV, LLC	§	PUBLIC UTILITY COMMISSION
TO AMEND KAUFMAN COUNTY	§	
MUNICIPAL UTILITY DISTRICT NO.	§	OF TEXAS
12’S CERTIFICATE OF	§	
CONVENIENCE AND NECESSITY IN	§	
KAUFMAN COUNTY BY	§	
STREAMLINED EXPEDITED	§	
RELEASE	§	

COMMISSION STAFF’S SUPPLEMENTAL RECOMMENDATION ON ADMINISTRATIVE COMPLETENESS AND NOTICE AND PROPOSED PROCEDURAL SCHEDULE

On August 4, 2022, KL LHB DSD AIV LLC (KL LHB) filed a petition for streamlined expedited release from Kaufman County Municipal Utility District’s No. 12’s (KCMUD No. 12) water Certificate of Convenience and Necessity (CCN) number 13087 under Texas Water Code (TWC) § 13.2541(b) and 16 Texas Administrative Code (TAC) § 24.245(h). KL LHB asserts that the land is at least 25 contiguous acres, is not receiving water service, and is located in Kaufman County, which is a qualifying county. KL LHB filed supplemental information on October 3, 2022.

On September 7, 2022, the administrative law judge (ALJ) filed Order No. 2, establishing a deadline of November 7, 2022, for the Staff (Staff) of the Public Utility Commission of Texas (Commission) to file a supplemental recommendation on administrative completeness of the petition, sufficiency of notice and propose a procedural schedule. Therefore, this pleading is timely filed.

I. ADMINISTRATIVE COMPLETENESS

Staff has reviewed the petition and supplemental information and as detailed in the attached memorandum from Chase Lipscomb, Infrastructure Division, recommends that the petition is administratively complete. Staff’s recommendation on administrative completeness is not a comment on the merits of the petition.

II. NOTICE SUFFICIENCY

Under 16 TAC § 24.245(h)(3)(f), a landowner seeking streamlined expedited release must provide proof that a copy of the petition has been mailed to the current CCN holder via certified mail on the day that the landowner submits the petition to the Commission. KL LHB stated that it

mailed a copy of its petition to the CCN holder, KCMUD No. 12, by certified mail on the day the petition was filed with the Commission. Accordingly, Staff recommends that the notice is sufficient.

III. PROCEDURAL SCHEDULE

Under 16 TAC § 24.245(h)(7), there is an expedited deadline of 60 days for approval of the requested release that begins once the ALJ issues an order finding a petition administratively complete. Staff recommends that the petition be found administratively complete. Therefore, Staff proposes the following procedural schedule and requests that the ALJ populate the deadlines accordingly when the ALJ issues that order.

Event	Date
Deadline for KCMUD No. 12 and intervenors to file a response to the administratively complete petition	20 days from the date of the order finding the petition administratively complete
Deadline for KL LHB to file a reply to KCMUD No. 12's response	27 days from the date of the order finding the petition administratively complete
Deadline for Staff's recommendation on final disposition	41 days from the date of the order finding the petition administratively complete
Sixty-day administrative approval of streamlined expedited release	60 days from the date of the order finding the petition administratively complete
<i>In the event streamlined expedited release is granted and petitioner and KCMUD No. 12 can select an agreed-upon appraiser</i>	
Deadline for KL LHB and KCMUD No. 12 to make a filing stating that they have selected an agreed-upon appraiser	Within 10 days after the Commission approves streamlined expedited release
Deadline for appraiser's report	Within 70 days after the Commission approves streamlined expedited release
Deadline for Commission's final order determining the amount of monetary compensation, if any, owed by KL LHB to KCMUD No. 12	Within 60 days after appraiser's report
Deadline for KL LHB to pay any compensation due to KCMUD No. 12	Within 90 days of the Commission's final order on compensation

In the event streamlined expedited release is granted and petitioner and KCMUD No. 12 are unable to select an agreed-upon appraiser

Deadline for KL LHB and KCMUD No. 12 to make a filing stating that they have been unable to select an agreed-upon appraiser and affirming that they will pay half of the cost of Commission Staff's appraiser	Within 10 days after the Commission approves streamlined expedited release
Deadline for reports from KL LHB's appraiser and KCMUD No. 12's appraiser	Within 70 days after the Commission approves streamlined expedited release
Deadline for Staff's appraiser's report	Within 100 days after the Commission approves streamlined expedited release
Deadline for Commission's final order determining the amount of monetary compensation, if any, owed by KL LHB to KCMUD No. 12	Within 60 days after the Commission receives the final appraisal
Deadline for KL LHB to pay any compensation due to KCMUD No. 12	Within 90 days of the Commission's final order on compensation

IV. CONCLUSION

For the reasons detailed above, Staff recommends that the petition be found administratively complete, that the notice be found sufficient, and that the proposed procedural schedule be adopted. Staff respectfully requests the entry of an order consistent with these recommendations.

Dated: November 7, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

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/s/ Andy Aus
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DOCKET NO. 53932

CERTIFICATE OF SERVICE

I certify that unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on November 7, 2022 in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Andy Aus
Andy Aus

TO: Andrew Aus, Attorney
Legal Division

FROM: Chase Lipscomb, Infrastructure Analyst
Infrastructure Division

DATE: November 7, 2022

RE: Docket No. 53932 – *Petition of KL LHB DSD AIV, LLC to Amend Kaufman County Municipal Utility District No. 12's Certificate of Convenience and Necessity in Kaufman County by Streamlined Expedited Release*

On August 4, 2022, KL LHB DSD AIV, LLC (KL LHB) filed a petition for streamlined expedited release from Kaufman County Municipal Utility District No. 12's (KCMUD No.12) water Certificate of Convenience and Necessity (CCN) No. 13087 in Kaufman County, under Texas Water Code (TWC) § 13.2541(b) and 16 Texas Administrative Code (TAC) § 24.245(h). KL LHB asserts that the land is at least 25 contiguous acres, is not receiving water service, and is located in Kaufman County, which is a qualifying county.

KL LHB submitted a sworn affidavit attesting that the tract of land was not receiving water service from KCMUD No.12 and a warranty deed confirming ownership of the landowner's total property. KL LHB included a statement indicating a copy of the petition was sent via certified mail to KCMUD No.12 on the date the petition was filed with the Commission.

Based on the mapping review by Tracy Montes, Infrastructure Division, the revised maps and digital mapping data submitted with Item 5 on October 3, 2022 are sufficient for determining the location of the tract of land considered for streamlined expedited release is located within KCMUD No.12's water CCN.

The landowner's total property is approximately 309 acres. The tract of land in the petition for streamlined expedited release is approximately 276 acres, of which approximately 274 acres overlap Kaufman County MUD No. 2 (CCN No. 13087) and would be decertified from CCN No. 13087.

Based on my technical and managerial review and the mapping review by Tracy Montes of the additional information provided by KL LHB on October 3, 2022, I recommend the petition be deemed administratively complete and accepted for filing.