



Control Number: 49280



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IV.

Further, and alternatively, the application facially asserts that it seeks to deprive HMW of a vested property right, i.e. the rights conferred by the CCN as to the area proposed to be decertified.

V.

Further, and alternatively, Code Subsections 13.254(a-1) through (h) have been revised by the 86th Texas Legislature in a manner that affects both the process for and the amount of compensation to be provided to the CCN holder in the event of decertification. See C.S.S.B. 2272, which has been adopted by both houses of the legislature and signed by the Governor on June 10, 2019. The revisions will become effective on September 1, 2019.

HMW asserts that the Petitioner knew that the legislation ultimately adopted was pending before the Texas Legislature prior to the filing of the petition, and that it moved to take advantage of existing law, prior to the passage of the revision, by immediately filing its petition with the assistance of Quadvest.

Regardless of the Petitioner's knowledge of the pending change in law and public policy, the PUC should not allow the Petitioner to subvert the intent of the Texas Legislature by allowing the Petitioner to benefit from a statutory scheme that is set to expire.

The Petition should be dismissed, or alternatively denied on the merits, for this additional reason.

VI.

In addition, and alternatively, both the Petition itself and the evidence to be shown by HMW, including evidence likely to become available through discovery, will demonstrate that Quadvest is (1) the actual Petitioner party in interest, (2) the *de facto* applicant for decertification, and (3) the intended provider of water service to the tract sought to be decertified.

Quadvest is also a retail public utility as defined by the Code, and the holder of CCN No. 11612. As such, it is prohibited by Code Section 13.252 from extending retail water service to "any portion of the service area of another retail public utility that has been granted or is not required to possess a certificate of convenience and necessity...".

The evidence will show that the Petition is in fact part of an effort by Quadvest to extend retail water service to portions of the CCN currently held by HMW. Indeed, the sole logical explanation for the involvement of Quadvest in the filing and prosecution of the Petition, which has been ongoing, is its interest in providing such service. Thus, the Petition is submitted not for the purpose intended by the relevant portions of Code Section 13.254, but instead to facilitate an effort Quadvest, L.P. to expand its own retail water service at the expense of HMW, in violation of Code Section 13.252.

Further, and alternatively, the PUC is authorized to and should prohibit the extension of such service by Quadvest and its interference with the actual or intended operation of HMW's utility system within its CCN. *Id.* As an alternate remedy, the PUC should issue orders that prohibit such extensions of service by Quadvest or any affiliated entity.

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Wherefore, premises considered, HMW moves the PUC to dismiss the Petition, or alternatively to deny it on its merits, and to grant such other and further relief as the Commission deems just under applicable law.

Respectfully submitted,

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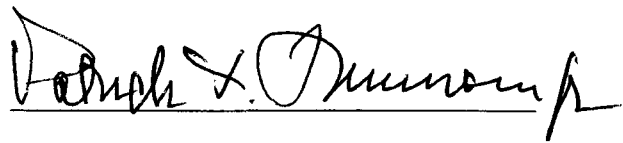
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Certificate of Service

I hereby certify that a true copy of the foregoing Motion to Intervene was served on the Applicant and the PUC staff on this 22nd day of July, 2019, by U.S. First Class Mail, as provided by 16 TAC Section 22.74.



Patrick F. Timmons, Jr.

