



## Filing Receipt

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**Control Number - 52380**

**ItemNumber - 12**

**PUC DOCKET NO. 52380**

<b>PETITION BY SWWC UTILITIES, INC.</b>	<b>§</b>	<b>BEFORE THE PUBLIC UTILITY</b>
<b>D/B/A HORNSBY BEND UTILITY</b>	<b>§</b>	
<b>COMPANY, INC. AND CITY OF</b>	<b>§</b>	<b>COMMISSION OF TEXAS</b>
<b>AUSTIN, TEXAS, FOR TEXAS WATER</b>	<b>§</b>	
<b>CODE § 13.248 APPROVAL AND</b>	<b>§</b>	
<b>ENFORCEMENT OF A CONTRACT</b>	<b>§</b>	
<b>AND ITS AMENDMENTS</b>	<b>§</b>	
<b>DESIGNATING WATER AND</b>	<b>§</b>	
<b>WASTEWATER SERVICE AREAS IN</b>	<b>§</b>	
<b>TRAVIS COUNTY, TEXAS</b>	<b>§</b>	

**SWWC UTILITIES, INC. D/B/A HORNSBY BEND UTILITY COMPANY, INC.’S  
RESPONSE TO COMMISSION STAFF’S MOTION TO DISMISS AND ALTERNATIVE  
MOTION TO CONSOLIDATE DOCKETS**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

COMES NOW, SWWC Utilities, Inc. d/b/a Hornsby Bend Utility Company, Inc. (HBUC) and hereby files this Response to Commission Staff’s (Staff) Motion to Dismiss and Alternative Motion to Consolidate Dockets in this matter initiated by HBUC and the City of Austin (City) (collectively, Applicants). In support, HBUC respectfully shows the following.

**I. INTRODUCTION**

This joint application for approval of amendments to a Texas Water Code 13.248 agreement (Application) is the result of the settlement of a lawsuit concerning disputes over a 13.248 agreement that was previously-approved by the relevant regulatory authority at the time—the Texas Commission on Environmental Quality (TCEQ)—in a contested certificate of convenience and necessity (CCN) amendment application proceeding. The Applicants here jointly seek the Commission’s approval of amendments to the previously-approved 13.248 agreement so that the underlying litigation in Travis County District Court can be fully resolved.

On September 30, 2021, Staff filed a motion to dismiss Applicants’ Texas Water Code (TWC) § 13.248 Application pursuant to 16 TAC § 22.181(d)(8) for failure to state a claim for

which relief can be granted (Motion).<sup>1</sup> Responses to motions to dismiss are due 20 days from the date of receipt and this response is timely filed.<sup>2</sup> The Commission should deny Staff's Motion because it is contrary to the plain language of the controlling statutory authority—TWC § 13.248—and inappropriately limits the Commission's jurisdiction to approve amendments to a 13.248 agreement.

## II. BACKGROUND FACTS

On August 2, 2021, Applicants filed their Application to request Commission approval of amendments to a 13.248 agreement to resolve disputes arising from a 13.248 agreement previously approved by TCEQ in 2003.<sup>3</sup> The original 2003 13.248 agreement was executed to settle administrative litigation involving competing CCN applications and related service area issues between the Applicants (the "13.248 Agreement").<sup>4</sup>

HBUC provides retail public water and wastewater utility services under CCN Nos. 11978 and 20650, respectively. The City provides retail public water and wastewater utility services under CCN Nos. 11322 and 20636, respectively, but also serves uncertificated properties outside its CCN boundaries as generally permitted by the TWC and other applicable law. After TCEQ approved the settlement reflected in the 13.248 Agreement, TCEQ incorporated the Applicants' service area designations into their respective CCN service territories.<sup>5</sup>

The 13.248 Agreement was previously amended by the Applicants in 2014, 2017, and 2020, but was most recently amended on June 1, 2021 to resolve a recent service area dispute

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<sup>1</sup> Commission Staff's Motion to Dismiss (Sep. 30, 2021).

<sup>2</sup> 16 TAC § 22.181(e)(3).

<sup>3</sup> Application (Aug. 2, 2021) (Application) at Exhibit 1 - Order in TCEQ Docket Nos, 2002-189-UCR, 2000-0112-UCR, 2002-0756-UCR, and 2002-1197-UCR (Nov. 16, 2004), Exhibit 2 - Settlement Agreement between City of Austin and Hornsby Bend Utility Company, Inc. (Oct. 20, 2003) (13.248 Agreement).

<sup>4</sup> *Id.* SWWC Utilities, Inc. d/b/a Hornsby Bend Utility Company, Inc. is the successor-in-interest to the rights of Hornsby Bend Utility Company, Inc.

<sup>5</sup> See TWC 13.248 and Application at Exhibit 1.

between the Applicants.<sup>6</sup> The First and Second Amendments did not alter any of the agreed designated service areas from the 13.248 Agreement.<sup>7</sup> The Third Amendment did not alter any of the agreed designated service areas either, although it did update the 13.248 Agreement service area designation map to include the location of Highway 130 which was non-existent at the time of the 13.248 Agreement.<sup>8</sup>

However, the Fourth Amendment revises the service area designations and customers to be served within those areas in part when compared with the original 13.248 Agreement map.<sup>9</sup> There are also terms detailed within the Fourth Amendment for which the Applicants seek Commission approval and which may bear on separate CCN applications filed with the Commission now and in the future as well, including, but not limited to, a recent HBUC filing to restore part of the CCN service areas released in Docket No. 51166 back into HBUC's CCNs with support of the petitioning landowner in Docket No. 51166.<sup>10</sup> That CCN amendment application is currently pending before the Commission in Docket No. 52492 and was recently accepted as administratively complete.<sup>11</sup>

No facilities or customers of either Applicant are currently located in the designated service areas reflected in the Fourth Amendment because of the release the Commission approved in Docket No. 51166 and because that area was never part of the City's CCNs after the Applicants executed the 13.248 Agreement and it was approved by TCEQ. Neither Applicant's existing

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<sup>6</sup> Application at Exhibit 3 – First Amendment to the 13.248 Agreement (Dec. 4, 2014), Exhibit 4 – Second Amendment to the 13.248 Agreement (May 24, 2017), Exhibit 5 – Third Amendment to the 13.248 Agreement (Sep. 20, 2020), and Exhibit 6 – Fourth Amendment to the 13.248 Agreement (Jun 1, 2021).

<sup>7</sup> Application at Exhibit 3 – First Amendment to the 13.248 Agreement (Dec. 4, 2014); Exhibit 4 – Second Amendment to the Settlement Agreement (May 24, 2017)

<sup>8</sup> Application at Exhibit 5 – Third Amendment to the 13.248 Agreement (Sep. 20, 2020)

<sup>9</sup> Application at Exhibit 6 – Fourth Amendment to the 13.248 Agreement (Jun 1, 2021).

<sup>10</sup> *Id.*

<sup>11</sup> *Application of SWWC Utilities, Inc. dba Hornsby Bend Utility Company, Inc. to Amend its Certificates of Convenience and Necessity in Travis County*, Docket No. 52492 (Sept. 1, 2021) (CCN Amendment Application); *see also* CCN Amendment Application, Order No. 1 (Sept. 2, 2021) and Order No. 2, Finding Application Administratively Complete, Requiring Notice, and Establishing Procedural Schedule (Oct. 5, 2021).

CCNs require revision resulting from this Application beyond the request pending in Docket No. 52492. Nevertheless, the Applicants require Commission approval of the 13.248 Agreement, as amended, to resolve their most recent service area dispute reflected in the Fourth Amendment.<sup>12</sup> The Applicants sought approval by November 1, 2021 to avoid their currently scheduled temporary injunction hearing scheduled in December 2021.

Staff's approach to Applicants' Application has put the Applicants' plans for resolving their litigation in jeopardy and seems contrary to TWC § 13.248's purpose of giving retail public utilities a vehicle to resolve their service area disputes amicably. Instead of recommending the Commission accept and approve the Application through informal disposition, Staff sought two extensions, asked Applicants to make a supplemental filing on this subject (which filing was made), and then moved to dismiss the Application anyway pursuant to 16 TAC § 22.181(d)(8). Staff seeks dismissal for failure to state a claim for which relief can be granted because "the transfer of certificated service area is sought in a completely different docket" and "does not involve the transfer of certificated service area in this docket."<sup>13</sup> Staff does not cite to or rely on the controlling statutory authority—TWC § 13.248—but instead relies solely on language in the Commission's rules found at 16 TAC § 24.253(a) that is not in TWC § 13.248 or any other authority.<sup>14</sup> Because Commission Staff failed to abide by the plain language of the controlling statutory authority, the Motion should be denied.

### **III. ARGUMENTS AND AUTHORITIES**

The plain language of the statute governing Commission approval of service area agreements between retail public utilities provides as follows:

Contracts between retail public utilities designating areas to be served and customers to be served by those retail public utilities, when approved by the utility commission after public

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<sup>12</sup> Application at Exhibit 6 – Fourth Amendment to the 13.248 Agreement (Jun 1, 2021).

<sup>13</sup> Motion at 2.

<sup>14</sup> *Id.*

notice and hearing, are valid and enforceable and are incorporated into the appropriate areas of public convenience and necessity.

TEXAS WATER CODE § 13.248.

The Applicants' Application plainly states that it seeks approval of amendments to the existing 13.248 Agreement regarding the Applicants' "designated areas to be served and customers to be served by those retail public utilities..."<sup>15</sup> The Application thus plainly falls squarely within the plain meaning of TWC § 13.248, yet Commission Staff makes no mention of the plain language of TWC § 13.248.

Instead, Staff's argument is that 16 TAC § 24.253(a) states, "This section only applies to the transfer of certificated service area and customers between existing CCN holders."<sup>16</sup> This language precedes a statement that "[n]othing in this provision negates the requirements of TWC § 13.301 to obtain a new CCN and document the transfer of assets and facilities between retail public utilities."<sup>17</sup> Staff contends this means the Application must include a request to transfer certificated service area.<sup>18</sup> Staff's narrow reading of the Commission's authority under TWC 13.248 is incorrect. The Commission is plainly authorized by TWC § 13.248 to grant the relief Applicants jointly seek.

First, the language in 16 TAC § 24.253(a) discussing CCN transfers does not appear in TWC § 13.248 at all.<sup>19</sup> As noted above, the statute simply states: "Contracts between retail public utilities designating areas to be served and customers to be served by those retail public utilities, when approved by the utility commission after public notice and hearing, are valid and enforceable and are incorporated into the *appropriate* areas of public convenience and necessity."<sup>20</sup> While

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<sup>15</sup> TWC § 13.248.

<sup>16</sup> 16 TAC § 24.253(a).

<sup>17</sup> *Id.*

<sup>18</sup> Motion at 2.

<sup>19</sup> Compare TWC § 13.248, with 16 TAC § 24.253(a).

<sup>20</sup> TWC § 13.248 (emphasis added).

TWC § 13.248 applications involving CCN transfers or agreed upon dual CCN areas are more common, incorporation of designated areas into “appropriate” CCN areas does not necessarily mean a CCN transfer is required. For example, in one TWC § 13.248 application, the TCEQ approved a request to designate service areas that only involved a decertification so that a municipal utility district (MUD) could serve an area.<sup>21</sup> MUDs do not require CCNs to serve specific areas.<sup>22</sup> Therefore, it was not “appropriate” to transfer any certificated area to the MUD and it was only removed from the utility’s CCN area.<sup>23</sup> This case is similar in that municipalities like City of Austin do not require CCNs to serve specific areas and the City does not currently possess CCN areas that include those the Applicants agreed to designate as HBUC service territory.<sup>24</sup> That is why that area is being sought for return to HBCU’s CCN service area in a separate application.

Second, read together, the language Staff points to in 16 TAC § 24.253 merely shows intent to prevent retail public utilities from circumventing the TWC § 13.301 process for CCNs if it is applicable. Whether that is in fact its intent, it is improper to view this language as placing a limit on TWC § 13.248 applications not expressly included in the plain language of the statute. Because the plain language of a statute controls its interpretation, it is improper to add words or phrases to unduly restrict a statute’s scope.<sup>25</sup> The Commission is authorized under TWC § 13.248 to review and approve this joint Application, notwithstanding 16 TAC § 24.253. The Commission should not constrain Applicants’ rights under extraneous rule language not included by the Texas

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<sup>21</sup> *Order Approving an Agreement Designating Service Areas Between Northwest Harris County Municipal Utility District No. 5 and AquaSource Development Company Pursuant to Texas Water Code Section 13.248*; TCEQ Docket No. 2005-1425-UCR (Sept. 29, 2005) (attached as **Exhibit A** hereto).

<sup>22</sup> TWC § 13.242(a) (excluding municipal utility districts from the types of retail public utilities required to hold a CCN to provide retail water or sewer utility service).

<sup>23</sup> *Id.*

<sup>24</sup> TWC § 13.242(a) (excluding municipalities from the types of retail public utilities required to hold a CCN to provide retail water or sewer utility service).

<sup>25</sup> *See Silguero v. CSL Plasma*, 579 S.W.3d 53, 59 (Tex. 2019).

Legislature in TWC § 13.248. The Commission can and should approve the Application solely under TWC § 13.248.

Finally, the context of this Application must be considered. This Application seeks approval of amendments to a previously-approved 13.248 Agreement. The previously-approved 13.248 Agreement transferred service areas and those changes were reflected in the amended CCNs approved by TCEQ. This Application merely furthers that previously-approved 13.248 Agreement and resolves service area disputes in a manner that is mutually satisfactory to the respective retail public utilities. This Application formalizes the Commission's approval of the amendments to that 13.248 Agreement. Commission Staff's approach ignores the context of this amendment approval and, instead, treats this amendment approval as if none of the previous agency approvals and CCN amendments took place.

#### **IV. ALTERNATIVE MOTION TO CONSOLIDATE DOCKETS**

In the alternative, if dismissal can be avoided by consolidating this docket with Docket No. 52492, HBUC requests the two dockets be so consolidated. This would create a single proceeding in which the Commission is adding CCN service area to HBUC's certificated territory as agreed upon by the Applicants in the 13.248 Agreement as amended. This would effectively be a transfer of service area rights from the City, which can presently serve that area without a CCN, to HBUC. HBUC would still want the 13.248 Agreement as amended approved by the Commission to ensure that it is "valid and enforceable" under TWC § 13.248.

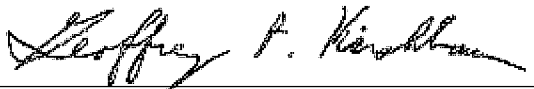
#### **V. CONCLUSION**

HBUC respectfully requests the Commission deny Commission Staff's Motion to Dismiss and process the Application under TWC § 13.248 and 16 TAC § 24.253, or just TWC § 13.248 if deemed appropriate, with respect to the 13.248 Agreement and as amended by Applicants' First, Second, Third, and Fourth Amendments. HBUC further requests the Commission approve and



enforce same. Alternatively, HBUC requests the Commission consolidate this Docket No. 52380 with Docket No. 52492 and proceed to approve and enforce the Applicants' 13.248 Agreement as amended together with the CCN amendment request pending in Docket No. 52492. HBUC requests all other and further relief to which it is justly entitled.

**Respectfully submitted,**

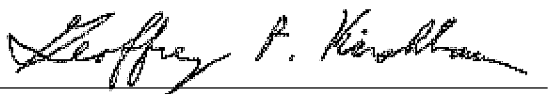
By: 

Geoffrey P. Kirshbaum  
State Bar No. 24029665  
TERRILL & WALDROP  
810 West 10<sup>th</sup> Street  
Austin, Texas 78701  
(512) 474-9100  
(512) 474-9888 (fax)  
gkirshbaum@terriwwaldrop.com

**ATTORNEYS FOR SWWC UTILITIES, INC.  
D/B/A HORNSBY BEND UTILITY COMPANY,  
INC.**

**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 1, 2021, in accordance with the Orders Suspending Rules issued in Project No. 50664.

  
\_\_\_\_\_  
Geoffrey P. Kirshbaum

# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



EXHIBIT

**A**

**AN ORDER approving an agreement designating service areas between Northwest Harris County Municipal Utility District No. 5 and AquaSource Development Company pursuant to Texas Water Code Section 13.248; TCEQ Docket No. 2005-1425-UCR.**

A request for a Commission order approving a contract designating service areas between Northwest Harris County Municipal Utility District No. 5 ("Northwest Harris County"), and AquaSource Development Company, a Texas Corporation ("AquaSource"), water Certificate of Convenience and Necessity ("CCN") No. 12902 and sewer CCN No. 20867, in Harris County, Texas, was presented to the Texas Commission on Environmental Quality ("Commission") for approval pursuant to Section 13.248 of the Texas Water Code and Title 30, Section 291.117 of the Texas Administrative Code.

Northwest Harris County and AquaSource seek approval of the service area agreement ("Agreement"), as retail public utilities, as defined in Section 13.002(19) of the Texas Water Code, in order to decertify a portion of the service areas for the provision of water and sewer service currently contained in AquaSource's CCNs and to transfer such areas to Northwest Harris County.

Through the Agreement, Northwest Harris County and AquaSource seek to transfer a portion of AquaSource's certificated service areas covering 217.5687 acres (the "Property") to Northwest Harris County and for Northwest Harris County to provide water and sewer service to the Property. The Agreement is attached to this Order.

Section 13.248 of the Texas Water Code states that contracts between retail public utilities designating areas to be served and customers to be served by those retail public utilities, when approved by the Commission after public notice and hearing, are valid and enforceable and are incorporated into the appropriate areas of public convenience and necessity. The Agreement between Northwest Harris County and AquaSource will become binding and effective upon approval by the Commission.

The Commission provided notice of the Commission's consideration of the request with the publication of the agenda for the September 28, 2005 Agenda meeting in the Texas Register. The Commission held a hearing on the request at the September 28, 2005 agenda and found the request had merit.

Northwest Harris County is capable of rendering continuous and adequate water service to every customer in the area covered by the Agreement, and the transfer of this area to Northwest Harris County is necessary for the service, accommodation, convenience, or safety of the public.

NOW, THEREFORE, BE IT ORDERED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY that:

The Agreement designating retail water service areas between Northwest Harris County Municipal Utility District No. 5 and AquaSource Development Company, water CCN No. 12902 and sewer CCN No. 20867, is hereby approved.

CCN Nos. 12902 and 20867 in Harris County, held by AquaSource are hereby amended in accordance with the Agreement.

The Executive Director is directed to redraw the CCNs as provided in the Agreement and as set forth on the map attached to this Order, and to amend the Commission's official water

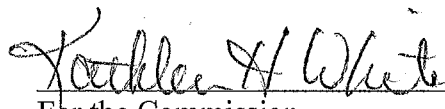
service area map for Harris County, Texas.

The Chief Clerk of the Texas Commission on Environmental Quality shall forward a copy of this Order to the parties.

If any provision, sentence, clause, or phrase of this Order is for any reason held to be invalid, the invalidity of any portion shall not affect the validity of the remaining portions of the Order.

Issue Date: **SEP 29 2005**

TEXAS COMMISSION ON  
ENVIRONMENTAL QUALITY

  
\_\_\_\_\_  
For the Commission

**RECEIVED**

AUG 05 2004

**Water Quality Applications Team**

**DECERTIFICATION AGREEMENT**

This agreement (this "Agreement") is made and entered into this the 18th day of September, 2003, by and between AQUASOURCE DEVELOPMENT COMPANY, a Texas corporation ("AquaSource") and Northwest Harris County Municipal Utility District No. 5, a body politic and corporate and a governmental agency of the State of Texas organized under the provisions of Article XVI, Section 59 of the Texas Constitution and Chapter 49 and Chapter 54, Texas Water Code, as amended (the "District") (AquaSource and the District collectively referred to herein as the "Parties").

WHEREAS, AquaSource holds Water Certificate of Convenience and Necessity No. 12902 (the "Water CCN") issued by the Texas Commission on Environmental Quality or its predecessor (the "Commission") which authorizes AquaSource to provide retail water service to certain defined areas within Harris County Municipal Utility District No. 283 (the "Certificated Property");

WHEREAS, AquaSource hold Sewer Certificate of Convenience and Necessity No. 20867 (the "Sewer CCN") issued by the Commission which authorizes AquaSource to provide retail sanitary sewer service to the Certificated Property;

WHEREAS, AquaSource holds Texas Pollutant Discharge Elimination System Permit No. WQ14272-001 (the "TPDES Permit") issued by the Commission for the discharge of waste from a proposed sewer treatment plant intended to serve the Certificated Property;

WHEREAS, the purpose of the District is provide water, sanitary sewer and drainage services to the property within its boundaries (the "District Property");

WHEREAS, the District intends to annex and provide water, sanitary sewer and drainage services to the Certificated Property;

WHEREAS, the Parties mutually desire to enter into this Agreement setting forth the terms and conditions pursuant to which AquaSource will release and terminate the CCNs as they relate to the Certificated Property and transfer, terminate or allow the TPDES Permit to expire and waive any future right to oppose any application for a water and/or sewer service certificate(s) of convenience and necessity by or on behalf of the District pertaining to the District Property or the District's right to serve said District Property with water and sewer service.

NOW, THEREFORE, for and in consideration of payment of ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged; AquaSource and the District agree as follows:

1. AquaSource hereby consents and agrees to execute such documents provided by the District to effectuate termination of the Water CCN and the Sewer CCN and to transfer or termination of the TPDES Permit and execute such further documents as required by the District or the Commission to effectuate termination of the CCNs and transfer or terminate the TPDES Permit. AquaSource shall immediately, but in no case later than three (3) business days from receipt thereof from the District, execute and deliver to the District all appropriate documents to be filed with the Commission to delete the Certificated Property from the CCNs and shall cooperate with the District's prosecution of the same until said Certificated Property is decertified from the CCNs.

2. AquaSource hereby waives any right to protest, object or oppose any application pertaining to the Certificated Property or the District's right to serve said Certificated Property with water and sewer service, including but not limited to the right to construct and operate the facilities necessary to serve said Certificated Property.

3. AquaSource represents and warrants that (i) other than the CCNs and the TPDES Permit, it has no right to serve the Certificated Property with water or sanitary sewer utilities, and (ii) it is the sole and rightful owner of the CCNs and the TPDES Permit and has the power and authority to cancel transfer or cause termination of the CCNs and TPDES Permit without obtaining the consent or joinder of any other party.

4. This Agreement will remain valid and enforceable unless and until superceded by a subsequent written agreement.

5. If either Party breaches any term or condition of this Agreement, the non-breaching party may, at its sole option, provide the breaching party with a written notice of the breach within thirty (30) calendar days of discovery of the breach by the non-breaching party. Upon notice of the breach, the breaching party shall have thirty (30) business days to cure the breach. If the breaching party does not cure the breach within thirty (30) business days, the non-breaching party shall have the right to seek to enforce specific performance of this Agreement on the breaching party. The rights and remedies of the parties to this Agreement are not exclusive and are in addition

to any and all other rights and remedies allowed or provided by law or under this Agreement. The prevailing party shall be entitled to recover its costs and expenses related to enforcing this Agreement.

6. The Parties covenant and agree that they will execute and deliver such other and further instruments and documents as are or may become necessary and convenient to effectuate and carry out the intent of this Agreement.

7. This Agreement is binding on the Parties, their successors and assigns, and inures to the benefit of said successors and assigns provided that the assigning party notifies the non-assigning party of the assignment at least thirty (30) days prior to the effective date of the assignment.

8. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given when sent by first-class mail, postage prepaid, addressed if to the District:

Northwest Harris County Municipal Utility District No. 5  
% Smith, Murdaugh, Little & Bonham, L.L.P.  
1100 Louisiana Street, Suite 400  
Houston, Texas 77002-5211

Notice to AquaSource to:

AquaSource Development Company  
c/o Richard D. Hugus, President  
762 West Lancaster Avenue  
Bryn Mawr, Pennsylvania 19010

with a copy (which shall not constitute notice) to:

Christopher P. Luning, Esquire  
Assistant General Counsel  
762 West Lancaster Avenue  
Bryn Mawr, Pennsylvania 19010

or in each case, at such other address as may hereafter be designated most recently in writing by the addressee to the addresser.

9. This Agreement (a) may be executed in several counterparts, each of which

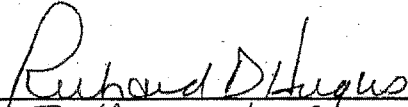
shall constitute one and the same instrument; (b) constitutes the entire agreement between AquaSource and the District with respect to the subject matter hereof; (c) shall be governed in all respects, including validity, interpretation and effect, by and shall be enforceable in accordance with the laws of the State of Texas, with exclusive venue in Harris County, Texas (d) may be modified only by an instrument signed by the duly authorized representative of each of the parties; and (e) shall not be construed as a contract for the benefit of a third party other than permitted successor or assign of a party. In the event any clause or provision of this contract shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof. Each Party may specifically, but only in writing, waive any breach of this Agreement by the other party but no such waiver shall be deemed to constitute a waiver of similar or other breaches by such other party.

Executed the first day written above by the undersigned authorized officers of the Parties.

NORTHWEST HARRIS COUNTY  
MUNICIPAL UTILITY DISTRICT NO. 5

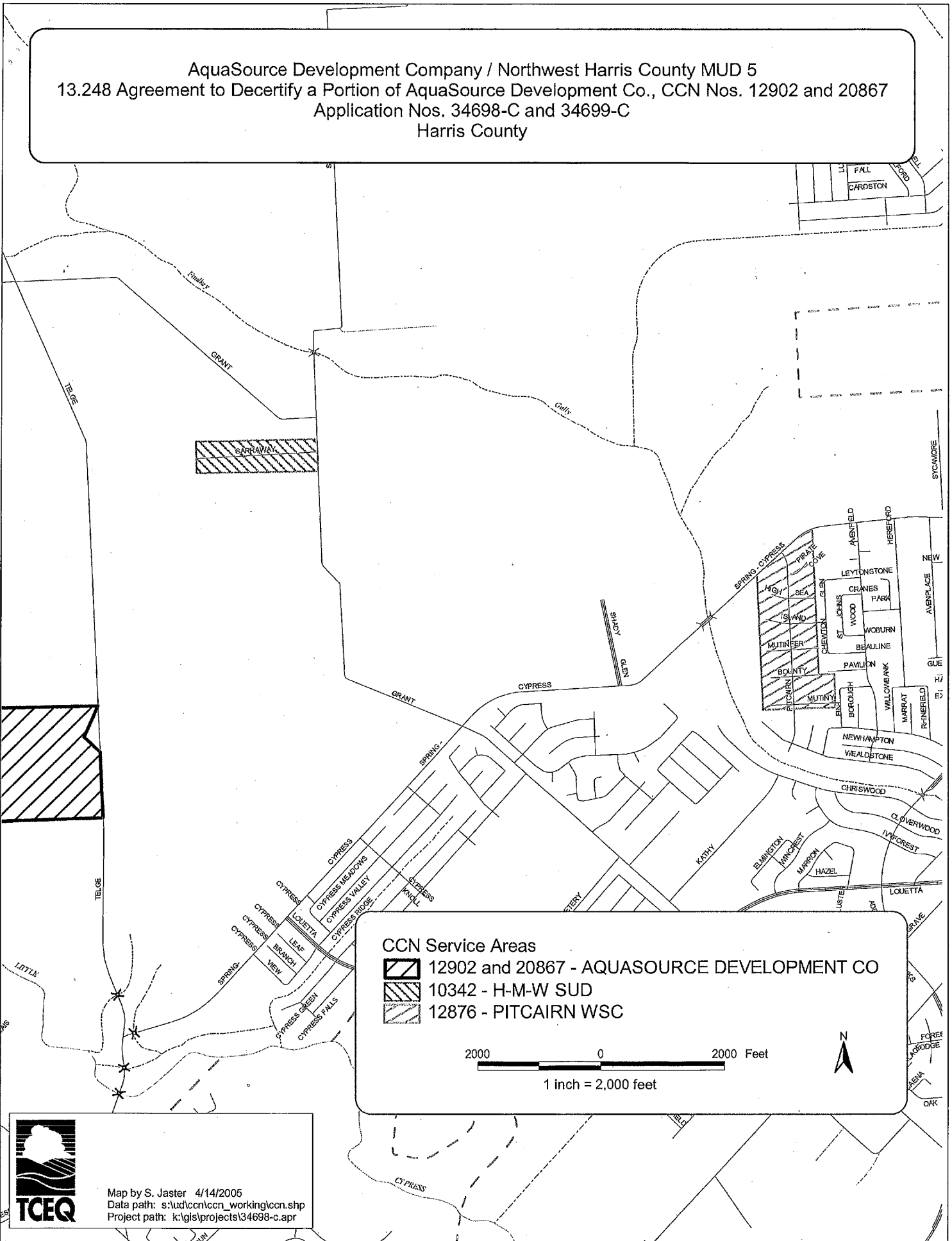
  
\_\_\_\_\_  
President, Board of Directors

AQUASOURCE DEVELOPMENT  
COMPANY




By:   
Name: RICHARD D HUGUS  
Title: PRES



AquaSource Development Company / Northwest Harris County MUD 5  
 13.248 Agreement to Decertify a Portion of AquaSource Development Co., CCN Nos. 12902 and 20867  
 Application Nos. 34698-C and 34699-C  
 Harris County



**CCN Service Areas**

-  12902 and 20867 - AQUASOURCE DEVELOPMENT CO
-  10342 - H-M-W SUD
-  12876 - PITCAIRN WSC

2000 0 2000 Feet  
 1 inch = 2,000 feet

N



Map by S. Jaster 4/14/2005  
 Data path: s:\ud\ccn\working\ccn.shp  
 Project path: k:\gis\projects\34698-c.apr



# Texas Commission On Environmental Quality

**By These Presents Be It Known To All That**

**AquaSource Development Company**


having duly applied for certification to provide water utility service for the convenience and necessity of the public, and it having been determined by this commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

## **Certificate of Convenience and Necessity No. 12902**

to provide continuous and adequate water utility service to that service area or those service areas in Bandera, Bosque, Brazoria, Burnett, Cherokee, Comal, Denton, Erath, Fort Bend, Grayson, Harris, Hays, Henderson, Kerr, McLennan, Medina, Montgomery, Parker, Somervell, Tarrant, Travis and Wise Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No. 34698-C are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of AquaSource Development Company to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this \_\_\_\_\_

**SEP 29 2005**

  
\_\_\_\_\_  
For the Commission



# Texas Commission On Environmental Quality

**By These Presents Be It Known To All That**

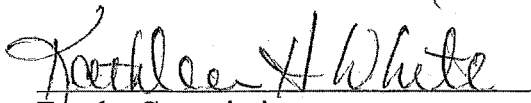
**AquaSource Development Company**

having duly applied for certification to provide sewer utility service for the convenience and necessity of the public, and it having been determined by this commission that the public convenience and necessity would in fact be advanced by the provision of such service by this Applicant, is entitled to and is hereby granted this

## **Certificate of Convenience and Necessity No. 20867**

to provide continuous and adequate sewer utility service to that service area or those service areas in Bastrop, Brazoria, Cherokee, Comal, Denton, Fort Bend, Hood, Harris, Hays, Montgomery, Parker, Tarrant, Travis and Wise Counties as by final Order or Orders duly entered by this Commission, which Order or Orders resulting from Application No. 34699-C are on file at the Commission offices in Austin, Texas; and are matters of official record available for public inspection; and be it known further that these presents do evidence the authority and the duty of AquaSource Development Company to provide such utility service in accordance with the laws of this State and Rules of this Commission, subject only to any power and responsibility of this Commission to revoke or amend this Certificate in whole or in part upon a subsequent showing that the public convenience and necessity would be better served thereby.

Issued at Austin, Texas, this SEP 29 2005

  
For the Commission