State Office of Administrative Hearings

Kristofer S. Monson Chief Administrative Law Judge

September 29, 2025

VIA EFILE TEXAS

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VIA EFILE TEXAS

RE: SOAH Docket Number 582-25-11135.TCEQ; TCEQ Docket No. 2024-0677-MWD; Application of Quadvest, L.P. for New TPDES

Permit No. WQ0016247001

Dear Parties:

On August 26, 2025, the undersigned Administrative Law Judge (ALJ) issued a Proposal for Decision (PFD) in this matter. On September 15, 2025, Protestants filed exceptions to the PFD.¹ On September 25, 2025, the Executive Director (ED) for the Texas Commission on Environmental Quality (TCEQ/Commission) and Quadvest, L.P. (Applicant) filed replies to Protestants' exceptions. The Office of

¹ The ALJ initially issued a letter stating that no parties had timely filed exceptions. Shortly after issuing the initial exceptions letter, however, the ALJ became aware that Protestants had timely filed exceptions, which the ALJ did not initially receive due to technical issues with eFile Texas. Accordingly, the ALJ issued SOAH Order No. 6, retracting the initial exceptions letter and allowing time for the ALJ to review Protestants' exceptions and for the other parties to respond to Protestants' exceptions.

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Public Interest Counsel did not file a response. ED and Applicant support adoption of the PFD.

The issues raised in Protestants' exceptions were fully considered and addressed in the PFD. Upon review of the evidence, the ALJ concluded the Draft Permit is protective of animal life, including livestock, and existing uses in accordance with the Texas Surface Water Quality Standards. Further, the evidence demonstrated that the Draft Permit adequately identifies and properly characterizes the functioning of the discharge route. For these reasons, the ALJ does not adopt the substantive modifications or amendments proposed by Protestants.

The ALJ is mindful that the PFD inadvertently mischaracterized the identities of the parties to a grazing lease between George and Cassie Collins and John Towler. Accordingly, the ALJ recommends amendments to specific portions of the PFD discussing the grazing lease, and these modifications are detailed in Section II of this exceptions letter. These modifications, however, do not alter the ALJ's recommendation that the Application should be granted.

I. FOOTNOTE 17 AND SIGNATURE BLOCK

Upon review of the PFD, the ALJ discovered that footnote 17, located on page 6, does not contain a corresponding citation. The superscript footnote number was entered in error. Accordingly, the reference to footnote 17 is stricken. The removal of footnote 17 does not alter the subsequent footnote numbers. The ALJ is further mindful that the signature block of the proposed Order of the Commission was omitted in error.

II. GRAZING LEASE

Protestants contend, in part, that the PFD portrays Protestants' evidence as contradictory regarding a grazing lease between the Collinses and Mr. Towler. Specifically, Protestants contend that though the PFD states that the Collinses are permitted to graze cattle and/or horses on the property owned by Mr. Towler, the Collinses are the landowners. Upon review of Protestants' Exhibit M, the ALJ finds

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the Collinses are the landowners, and Mr. Towler is the lessee. Therefore, the ALJ finds the PFD should be corrected to reflect the proper roles of the Collinses and Mr. Towler.

Accordingly, the ALJ applies the following corrections to the PFD:

• Page 20, shall be amended as follows:

Protestants provided a copy of a grazing lease held by the Collinses <u>and Mr. Towler</u>. Pursuant to the lease, the Collinses are Mr. Towler is permitted to graze cattle and/or horses on the Collinses' property.

• Finding of Fact No. 32, shall be amended as follows:

Protestants grow hay and keep livestock on their properties. The Collinses—Mr. Towler holds a grazing lease on property owned by Mr. Towler the Collinses. The Collinses are Mr. Towler is permitted to graze cattle or horses on the property. Ms. Reeves owns horses.

With the changes recommended above, the PFD is ready for the Commission's consideration.

ALJ Signature(s):

Whitney L. Stoebner,

Whitney d. Stockner

Presiding Administrative Law Judge

CC: Service List