

TCEQ DOCKET NO. 2025-1594-MWD

APPLICATION BY MUSTANG SPRINGS	§	BEFORE THE
UTILITY, LLC AND JAFFE INTERESTS,	§	
LP FOR TPDES PERMIT NO.	§	TEXAS COMMISSION ON
WQ0016524001	§	ENVIRONMENTAL QUALITY
	§	

MUSTANG CREEK RANCH’S REPLY TO RESPONSES TO HEARING REQUESTS

TO THE HONORABLE COMMISSIONERS:

Mustang Creek Ranch, LLC, formerly known as Grace Ranches, LLC, and Bill and Tere Grace (collectively “Mustang Creek Ranch” or “Requestors”) hereby submit this Reply to the Responses to Hearing Requests filed by Mustang Springs Utility, LLC and Jaffe Interests, LP (the “Applicants”), the Executive Director (“ED”), and the Office of Public Interest Counsel (“OPIC”) regarding the Application for TPDES Permit No. WQ0016524001. The proposed permit would authorize construction and operation of a wastewater treatment plant in Bell County that would discharge up to 990,000 gallons per day of treated effluent (the “Plant”). Requestors submitted two timely-filed hearing requests dated February 3, 2025 and August 27, 2025, respectively. For the reasons given below, Requestors urge the Commission to grant their requests for a contested case hearing and refer the issues raised therein to the State Office of Administrative Hearings (“SOAH”). In addition, Requestors also request a referral of this matter to the Commission’s Office of Alternative Dispute Resolution.

I. Discussion

The ED and OPIC have correctly found that Mustang Creek Ranch is an affected person. By presenting no discussion of Mustang Creek Ranch’s requests and limiting their recommendation of denial to “the hearing requests of all but one requestor,”¹ the Applicants

¹ Applicants’ Response to Hearing Requests at p. 1.

implicitly acknowledge that Requestors are affected persons. In summary, no party has recommended denial of Mustang Creek Ranch's requests.

Mustang Creek Ranch operates a world-class white-tail deer breeding program, hunting business, and cattle ranch located on Requestors' acreage immediately adjacent to the property where the Plant would be located. Not only is Mustang Creek Ranch an adjacent landowner,² the proposed discharge route cuts across the entirety of its property. The map provided by the ED (Attachment A to the ED's Response to Hearing Requests) depicts Requestors' property relative to the Plant, its outfall, and its discharge route into Mustang Creek.

The ED notes that staff's GIS mapping determined that Mustang Creek Ranch is only 0.44 linear miles from the Plant.³ As confirmed by a review of the ED's map, much of the Requestors' acreage lies within 0.44 -1.00 mile of the Plant. As for Requestor's location relative to the discharge route specifically, based on the depiction of the discharge route and the distance scale provided on the ED's map, the discharged effluent would enter the eastern property line of Mustang Creek Ranch one mile or less from the outfall.⁴ The discharged effluent would cross the entirety of Requestors' property, as Mustang Creek bisects the namesake ranch.

As explained in the hearing requests, because of the location and uses of the Mustang Creek Ranch property, Requestors have a personal justiciable interest not common to the general public. Potential surface water contamination resulting from the Plant's operation would harm the health and safety of the Grace family and Mustang Creek Ranch's employees, guests, and business patrons. The contamination of Mustang Creek would also harm Requestors' inventory of white-

² Grace Ranches LLC, d/b/a Mustang Creek Ranch, LLC, is the owner of property identified as Map ID 1; Property ID 136143 in the Application's Adjacent and Downstream Landowners List.

³ ED's Response to Hearing Requests at p. 10.

⁴ The ED's Response to Hearing Requests, Attachment A, Appendix A states a distance from the Plant's outfall as 1.4 miles, which appears to be erroneous.

tail deer, aquatic life, and other wildlife on the Mustang Creek Ranch property. Requestors' personal use and enjoyment of their property, as well as their economic interests in their ranching, deer breeding, hunting, and nature preserve enterprises, would also be harmed by potential nuisance odor conditions.

These detailed interests are protected under Texas Water Code Chapter 26, as well as Chapters 217, 307, and 309 of the Commission's Rules, and are reasonably related to Plant operations to be authorized under the proposed permit. The specific issues appropriate for referral to a contested case hearing are identified in section headings II-X of Mustang Creek Ranch's February 3, 2025 request. As explained in Mustang Creek Ranch's subsequent August 27, 2025 request, the ED's Response to Comments has not resolved Requestors' concerns and all issues raised by Requestors remain disputed.

II. Conclusion

For the reasons stated above, Mustang Creek Ranch has established a personal justiciable interest and met all other applicable requirements of the Commission's Chapter 55 Rules. Requestors respectfully request that the Commission grant their hearing requests and refer the issues raised therein to SOAH for a contested case hearing. In addition, Mustang Creek Ranch requests a referral of this matter to the Commission's Office of Alternative Dispute Resolution.

Respectfully submitted,

/s/ Vic McWherter

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CERTIFICATE OF SERVICE

I do hereby certify that, on November 7, 2025, a true and correct copy of the foregoing document was served upon the following parties via electronic mail and certified mail, return receipt requested.

/s/ Vic McWherter

Vic McWherter

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