

April 24, 2026

VIA EMAIL

Mr. Alan M. Day - Brazos Valley GCD
Mr. David Van Dressar - Fayette County GCD
Mr. Elvis Hernandez - Lost Pines GCD
Mr. David Bailey - Mid-East Texas GCD
Mr. Gary Westbrook - Post Oak Savannah GCD

Re: Aqua Water Supply Corporation's Public Comments on GMA 12 Desired Future Conditions

Groundwater Management Area No. 12 Representatives:

Please accept this letter as Aqua Water Supply Corporation's ("Aqua WSC") public comments for inclusion in the administrative record for the current Groundwater Management Area No. 12 ("GMA 12") Desired Future Conditions ("DFCs") planning cycle. Aqua WSC respectfully submits these comments to GMA 12 and provides notice to each of the groundwater conservation districts within GMA 12.

Aqua WSC is a nonprofit water supply corporation organized under the Texas Water Code serving approximately 32,000 connections in Bastrop, Lee, Caldwell, and several other counties in Central Texas. Aqua WSC holds permits issued by the Lost Pines Groundwater Conservation District ("Lost Pines GCD" or the "District") authorizing production from the Carrizo-Wilcox Aquifer. Aqua WSC has built its infrastructure, capital planning, and long-term rate structure in direct reliance on those permits and has a statutory obligation under Texas law to provide continuous, adequate water service to all qualified applicants within its certificated service area.

Aqua WSC respectfully urges GMA 12 and its member districts to fully and meaningfully consider the concerns set forth below.

I. Aqua WSC Has Not Had Meaningful Notice of Critical Modeling Assumptions

After obtaining and independently reviewing the pumping file referenced by LPGCD's consultant at the April 16, 2026 GMA 12 meeting (PS4_2_final_v8.wel), Aqua WSC's hydrogeologist determined that the proposed model input caps Aqua WSC's production at just under 9,000 acre-feet per year from 2030 onward. While GMA 12 representatives have publicly characterized the proposed DFC as representing a 35% reduction from current production levels, that framing is misleading. Based on the pumping file, that 35% reduction figure is measured against Aqua WSC's current (historic) production, not its permitted production.

Relative to Aqua WSC's permitted allocation, the proposed model effectively reduces permitted production by more than half. This critical distinction was never disclosed to Aqua WSC, and to Aqua WSC's knowledge, it has never been disclosed publicly in the GMA 12 planning process. Aqua WSC has concerns about this discrepancy and urges greater transparency going forward.

Aqua WSC values its collaborative relationship with Lost Pines GCD and looks forward to continued cooperation as GMA 12 works to address an issue that materially impacts a significant number of citizens in Bastrop and Lee Counties.

II. Balancing Level of Groundwater Production and Conservation and Preservation of Groundwater

The Texas Legislature directed GMAs through the language of Section 36.108(d-2) of the Texas Water Code to provide a balance between the highest practicable level of groundwater production and the conservation and presentation of groundwater within the GMA. Based on the proposed DFCs for Lost Pines GCD and the resulting pumping, Aqua WSC does not believe the proper balance has been struck.

The proposed DFCs unreasonably favor conservation to the significant detriment of the individuals and entities, such as Aqua WSC, that rely on the continued production of groundwater to sustain everyday living. The production curtailments that could occur as a result of the proposed DFCs could be substantial and could occur over a very short time period. Aqua WSC does not think the "highest practicable level of groundwater production" was accurately considered when the DFCs were being prepared.

Aqua WSC has also invested substantially in efforts to identify and develop alternative water sources, without success to date. The practical reality is that there is no readily available substitute for the Carrizo-Wilcox Aquifer groundwater Aqua WSC is permitted to produce. Surface water resources in the river basins in Aqua WSC's area are already under significant strain. For the communities Aqua WSC serves, there is no alternative water supply waiting in reserve. Groundwater from the Carrizo-Wilcox Aquifer is not a supplemental resource. It is the only resource.

III. The Socioeconomic Impacts on Local Water Utilities Must Be Meaningfully Considered

Chapter 36 of the Texas Water Code requires GMA 12 and its member districts to consider, among other statutory factors, the reasonably anticipated socioeconomic impacts of the proposed DFCs on the region. Aqua WSC respectfully submits that those impacts have not yet been given the full and meaningful consideration the statute requires.

Local water utilities such as Aqua WSC are not abstract entities. They are the mechanism by which groundwater resources are translated into safe, reliable drinking water for homes, businesses, schools, and hospitals across Central Texas. If adopted DFCs require and result in curtailment of Aqua WSC's permits, the consequences will not be limited to Aqua WSC as an organization. The consequences will fall directly on the families, businesses, and communities that depend on Aqua WSC for their water supply.

The human stakes of this cannot be overstated. Water service is not a convenience. It is a public health necessity. The 113,000+ Central Texans served by Aqua WSC depend on continuous water supply for drinking, sanitation, fire protection, and basic hygiene. A reduction of more than half of Aqua WSC's permitted production cannot be absorbed gradually or managed around. It would force Aqua WSC to choose between routine service interruptions and ignoring GCD regulations. There is no third option. GMA 12 should not adopt DFCs whose real-world effect is to force a public water utility to periodically shut off water to families, businesses, schools, and medical facilities. That outcome is incompatible with the socioeconomic balancing that Chapter 36 requires.

Over the past five decades, Aqua WSC's members and ratepayers have invested in a water supply system valued at approximately \$343 million. Aqua WSC's audited financial statements reflect \$163.2 million in active construction and a capital program exceeding \$600 million, all premised on continued full use of its permitted groundwater allocations. The customers served by Aqua WSC are today funding that commitment through their water rates. GMA 12's DFC decisions will either honor the foundation those investments were built on, or risk stranding those investments.

IV. Curtailment Would Have Immediate and Serious Operational Consequences for Aqua WSC

Whether curtailment is applied against historic production, permitted production, or aggregate capacity, the practical difference is only the timeline, not the ultimate impact. Aqua WSC has made commitments and investments based on its full aggregate permitted instantaneous and/or annual capacity, and any reduction will just shift the timing of the impact without eliminating it.

When applicants request water service, Aqua WSC must determine how to meet the demands of each request based on the amount of water supply Aqua WSC has available at the time of the request, including the amount of groundwater permitted by Lost Pines GCD. Aqua WSC has no ability to predetermine what regulatory actions may be taken in the future which could impact the amount of groundwater Aqua WSC can produce from its water wells. Therefore, Aqua WSC cannot deny service to a qualified applicant based on the possibility that the GCD may later curtail its permits.

Aqua WSC's water supply system is a highly dynamic, interconnected operation. Any disruption to pumping operations ripples immediately through this entire system, affecting flow, pressure, water quality, and system efficiency. Curtailment of instantaneous flow would directly compromise Aqua WSC's ability to maintain state-mandated minimum pressure and flow throughout its system. Annual curtailment would place Aqua WSC in the impossible position of shutting down production on any given day when our water budget threshold had been met, creating regular system-wide outages.

Aqua WSC's capital plan, financing, and rate structure are built around full utilization of its existing permit allocation across a 40-year planning horizon. Without access to its full permitted allocation, Aqua WSC would face serious financial and operational challenges for which no contingency currently exists.

VI. Aqua WSC's Requests.

In light of the foregoing, Aqua WSC respectfully requests that GMA 12 and its member districts:

- Maintain transparency in the DFC decision-making process, including with respect to any assumptions about curtailment or production limits that are being incorporated into the planning models. Local water utilities must be given a meaningful and informed opportunity to understand and respond to modeling assumptions before DFCs are adopted;
- Give full and meaningful weight to the highest practicable level of groundwater production as required by Section 36.108(d-2);
- Conduct and give full and meaningful weight to a socioeconomic analysis (as required by Chapter 36) that specifically addresses the impacts of proposed DFCs on local water utilities and the communities they serve; and
- Adopt DFCs that accommodate Aqua WSC's **full permitted allocations**, consistent with Aqua WSC's long-term planning obligations and the investments its members have made in reliance on those permits.

Aqua WSC appreciates the opportunity to submit these comments and looks forward to continued engagement with GMA 12 and Lost Pines GCD as the joint planning process continues. Aqua WSC respectfully requests that these comments be included in the full administrative record for this DFC planning cycle.

Sincerely,



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