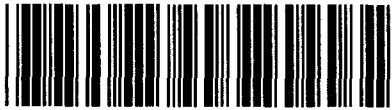




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PETITION TO INQUIRE INTO THE	§	BEFORE THE
REASONABLENESS OF THE RATES	§	PUBLIC UTILITY COMMISSION
AND SERVICES OF CAP ROCK	§	OF TEXAS
ENERGY CORPORATION	§	

**ST. LAWRENCE COTTON GROWERS ASSOCIATION  
SECOND SET OF REQUESTS FOR ADMISSION TO  
CAP ROCK ENERGY CORPORATION**

St. Lawrence Cotton Growers Association ("St. Lawrence"), by and through its attorney of record, hereby files these Request for Admissions from Cap Rock Energy Corporation ("Cap Rock"). Exhibit "A" attached hereto is incorporated herein for all purposes. St. Lawrence requests that Cap Rock provide the information and answers requested in Exhibit "A" within thirty (30) days of service hereof, or no later than **June 2, 2004**, in conformance with the requirements of PUC Procedural Rule 22.144(c).

All information responsive to the requests in the attached Exhibit "A" should be sent to the following person(s) on a piecemeal basis as individual items become available:

Don R. Richards  
Richards, Elder, Srader, Phillips & McLaren, L.L.P.  
5214 68<sup>th</sup> Street, Suite 302 (79424)  
P.O. Box 64657  
Lubbock, TX 79464-4657  
(806) 798-8868  
(806) 798-8878 (facsimile)

In preparing and submitting its responses, Cap Rock should observe the following definitions and instructions:

## DEFINITIONS

The following terms are defined and used in these Requests for Admission, otherwise words will have their ordinary meaning:

1. As used herein, "Cap Rock" means Cap Rock Electric Cooperative, Inc. And Cap Rock Energy Corporation, including, but not limited to all its representatives, consultants, agents, attorneys, employees, or other persons subject to their control or representing them in any capacity or for any purpose.
2. As used herein, "St Lawrence" means the St. Lawrence Cotton Growers Association, including but not limited to all of its representatives, consultants, agents, attorneys, employees, or other persons subject to its control or representing it in any capacity or for any purpose.
3. As used herein, "PUC" or the "Commission" refers to the Public Utility Commission of Texas.
3. "You" or "your" or "yours" refers to Cap Rock.

Respectfully submitted,

Richards, Elder, Srader, Phillips & McLaren, L.L.P.  
5214 68<sup>th</sup> Street, Suite 302 (79424)  
P.O. Box 64657  
Lubbock, Texas 79464-4657  
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By

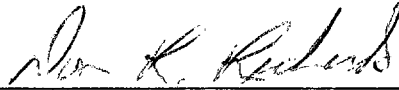


Don R. Richards  
State Bar No. 16846300  
Gary R. McLaren  
State Bar No. 00791232  
Sabra J. Srader  
State Bar No. 18982200

*Attorneys for the St. Lawrence Cotton Growers  
Association*

**CERTIFICATE OF SERVICE**

This is to certify that a true and correct copy of the foregoing has been served upon all parties of record to this proceeding by either Federal Express, facsimile or U.S. Mail, first-class postage prepaid, on this 3rd day of May 2004.



Don R. Richards

**EXHIBIT "A"**  
SOAH DOCKET NO. 473-04-3554  
PUC DOCKET NO. 28813

**ST. LAWRENCE COTTON GROWERS ASSOCIATION'S  
SECOND SET OF REQUESTS FOR ADMISSION TO  
CAP ROCK ENERGY CORPORATION**

**REQUEST FOR ADMISSION SL-RFA 2-1.**

Admit that during the sworn deposition on February 12, 2004, Mr. Pruitt gave the following noted responses to the questions as noted:

**"Q: Who would have been doing that type of review to see? You said there was analysis of the finances and so forth. Who would have been doing that type of analysis?"**

**A: [by Mr. Pruitt] I would have said John Parker with my help.**

**Q: And what was Mr. Parker's position at that time?**

**A: [by Mr. Pruitt] He was a vice president and our chief finance officer.**

**Q: Is he still in that position?**

**A: [by Mr. Pruitt] No.**

**Q: Is he still with Cap Rock?**

**A: [by Mr. Pruitt] No.**

**Q: Where is Mr. Parker now?**

**A: [by Mr. Pruitt] I think he died.**

**Q: Do you know where he is residing?**

**A: [by Mr. Pruitt] I don't know. I made that up. I don't know.**

**Q: All right. So he's not with the company?**

**A: [by Mr. Pruitt] He's not with the company.**

**Q: And you don't know where he is?**

**A: [by Mr. Pruitt] Huh-uh.**

**Q: Did he voluntarily leave the company, or was he terminated? What was the situation?**

**A: [by Mr. Pruitt] Well, after the offer I made him, he volunteered to leave -- to terminate.**

**Q: Was it essentially -- did you ask him to leave?**

**A: [by Mr. Pruitt] Yes.**

**Q: And what was the reason for asking Mr. Parker to leave his employment?**

**A: [by Mr. Pruitt] What does it have to do with this?**

**Q: I don't know. I'm just asking to see, you know.**

**A: [by Mr. Pruitt] His lack of concentration on what we were doing.**

**Q: Poor -- you didn't think his work was up to par or he wasn't doing what you thought he should be doing?**

**A: [by Mr. Pruitt] Okay.**

**Q: Well, I mean, I'm just asking if that's --**

**A: [by Mr. Pruitt] You made up the answer, and I'll go along with it.**

**Q: Well, if it's not correct, just let me know.**

**A: [by Mr. Pruitt] And I'll let you know if your questions are out of line, too.**

**Q: So Mr. Parker was let go at some point for poor work performance; is that right?**

**A: [by Mr. Pruitt] Yes."**

**RESPONSE:**

## **REQUEST FOR ADMISSION SL-RFA 2-2.**

Admit that during the sworn deposition on February 12, 2004, Mr. Pruitt gave the following noted responses to the questions as noted:

**“Q: All right. Are the facts as found by the Administrative Law Judge in Exhibit 20 – do you take issue with any of the fact findings they made?”**

**A: [by Mr. Pruitt] What do you mean?**

**Q: Well, I mean, do you look at it and say when they say – when they say this is a fact, Cap Rock had a total debt load of \$193 million on September 30, 2001, is that correct or incorrect?**

**A: [by Mr. Pruitt] I don’t know. I thought we had more than that.**

**Q: All right.**

**A: [by Mr. Pruitt] Now, we’ve got about \$140 million.**

**Q: All I’m asking is in looking at the findings of fact that were made by the Administrative Law Judge, did they get it right or did they get it wrong?**

**A: [by Mr. Pruitt] I don’t know. They took stuff out of context.”**

## **RESPONSE:**

## **REQUEST FOR ADMISSION SL-RFA 2-3.**

Admit that during the sworn deposition on February 12, 2004, Mr. Pruitt gave the following noted responses to the questions as noted:

**“Q: On page 4 of Exhibit 20, in the first full paragraph, there’s a statement: ‘The ALJ’s are convinced that Cap Rock Energy is faced with an extremely difficult financial future. Moreover, the ALJ’s believe that Cap Rock Energy’s financial condition and ability to provide adequate service on an ongoing basis would be significantly hampered if Cap Rock Energy’s management continues to operate the company in the same fashion the cooperative has been operated the past ten years.’**

**Did you see that statement that was made by the Administrative Law Judges?**

**[Attorney question omitted]**

**That's on page 4. I can show you real quick. Starting right there with 'Moreover.' What's your reaction to that comment?**

**A: [by Mr. Pruitt] Silly.**

**Q: Do you believe they're incorrect?**

**A: [by Mr. Pruitt] I know they're incorrect.**

**Q: What's silly about the comment?**

**A: [by Mr. Pruitt] It's not true.**

**Q: And tell me what your – what you believe to be untrue about the statement?**

**A: [by Mr. Pruitt] All of it."**

**RESPONSE:**

#### **REQUEST FOR ADMISSION SL-RFA 2-4.**

Admit that during the sworn deposition on February 12, 2004, Mr. Pruitt gave the following noted responses to the questions as noted:

**"Q: ... Now, in finishing up about Exhibit 20 [Docket 24577 PFD] in Exhibit 20 there is a recommendation that there be some changes of management practices by Cap Rock. Since Exhibit 20 was signed, since the Administrative Law Judges made their proposal for decision, has Cap Rock changed any of its management practices?**

**A: [by Mr. Pruitt] No. That thing is silly. We've changed nothing based on this document."**

**RESPONSE:**



## **REQUEST FOR ADMISSION SL-RFA 2-5.**

Admit that during the sworn deposition on February 12, 2004, Mr. Pruitt gave the following noted responses to the questions as noted:

**“Q: All right. After the Exhibit 20 was entered by the Administrative Law Judges did you present any information to Lamar’s board to counter what was in Exhibit 20 that you disagreed with?”**

**A: [by Mr. Pruitt] I think – yeah. I know Lambeth Townsend, our PUC attorney met with the Board. And Ronnie showed me a letter yesterday that we had written – Ronnie wrote explaining our position on that. And, you know, I think in summary our position was that we were pretty well elated, pleased, and surprised that based on our experience in the past at the PUC, and especially with this ALJ, that we got the ruling we got.**

**Q: Was it the position of Cap Rock that you were elated with Exhibit 20?**

**A: [by Mr. Pruitt] And I overemphasized the word ‘elated.’ We were pleasantly surprised that in her report that she recommended that the CCN be transferred, even though by law we new it had to happen.”**

**RESPONSE:**

## **REQUEST FOR ADMISSION SL-RFA 2-6.**

Admit that during the sworn deposition on February 12, 2004, Mr. Pruitt gave the following noted responses to the questions as noted:

**“Q: So your testimony they [Lamar Board of Directors] should not have relied on Exhibit 20, that that’s faulty information?”**

**A: [by Mr. Pruitt] We – we didn’t rely on it.”**

**RESPONSE:**

#### **REQUEST FOR ADMISSION SL-RFA 2-7.**

Admit that during the sworn deposition on February 12, 2004, Mr. Pruitt gave the following noted responses to the questions as noted:

**“Q: All right. Now there had been proceedings that Cap Rock took part in with the Administrative Law Judge advancing those very same arguments, right?”**

**A: [by Mr. Pruitt] Yes.**

**Q: With Lambeth Townsend and everybody else you could get to help with that, right?”**

**A: [by Mr. Pruitt] Yeah, we put on testimony.**

**Q: And after hearing and considering all that testimony the Administrative Law Judges – that’s what they found to be true, is what’s in Exhibit 20?”**

**[Attorney comment omitted]**

**A: [by Mr. Pruitt] These people took excerpts out of the dissidents’ testimony and stuck it in there. They did not do their own research. The data they had – they would not let us submit more current data. And when it’s taken out of context and mix it all with the way they did it, a finding of fact, was a total sham, a total – it was totally unprofessional. It was totally incorrect as far as their concept and even unethical in the way they put it together.”**

#### **RESPONSE:**

#### **REQUEST FOR ADMISSION SL-RFA 2-8.**

Admit that during the sworn deposition on February 12, 2004, Mr. Pruitt gave the following noted responses to the questions as noted:

**“Q: You mentioned a little while ago about Cap Rock’s debt. What do you understand Cap Rock’s debt presently to be?”**

**A: [by Mr. Pruitt] Well, this is – this is my estimate. About – about \$144 million.”**

**RESPONSE:**