



Control Number: 42866



Item Number: 46

Addendum StartPage: 0

SOAH DOCKET NO. 473-14-5144
PUC DOCKET NO. 42866

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PUBLIC UTILITY COMMISSION
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PETITION OF TRAVIS COUNTY	§	BEFORE THE STATE OFFICE
MUNICIPAL UTILITY DISTRICT NO.	§	
12 APPEALING CHANGE OF	§	
WHOLESALE WATER RATES	§	
IMPLEMENTED BY WEST	§	
TRAVIS COUNTY PUBLIC UTILITY	§	OF
AGENCY, CITY OF BEE CAVE, TEXAS	§	
HAYS COUNTY, TEXAS AND WEST	§	
TRAVIS COUNTY MUNICIPAL	§	
UTILITY DISTRICT NO. 5	§	ADMINISTRATIVE HEARINGS

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 12'S RESPONSES TO
WEST TRAVIS COUNTY PUBLIC UTILITY AGENCY'S
FIRST REQUESTS FOR INFORMATION**

COMES NOW Travis County Municipal Utility District No. 12 ("TCMUD 12 or District") and submits these Responses to West Travis County Public Utility Agency's ("WTCPUA's") First Requests for Information ("RFIs") which were received after 3:00 p.m. on September 16, 2014.

WRITTEN RESPONSES

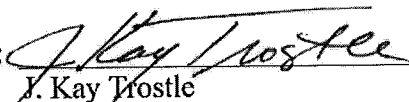
Attached hereto and incorporated herein by reference are TCMUD 12's written responses to the aforementioned RFIs. Each response is set forth on or attached to a separate page upon which the request has been restated. Such responses are made in the spirit of cooperation without waiving TCMUD 12's right to contest the admissibility of any such matters upon hearing. TCMUD 12 hereby stipulates that these responses may be treated by all parties exactly as if they were filed under oath. WTCPUA's First RFIs were served on TCMUD 12 via facsimile at 4:53 pm on September 16, 2014. These responses are timely filed on October 7, 2014, which is the first business day, twenty (20) calendar days after receipt.

46

Respectfully Submitted,

SMITH TROSTLE & HUERTA LLP

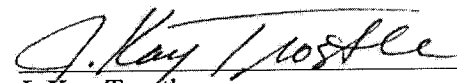
4401 Westgate Blvd., Ste. 330
Austin, Texas 78745
(512) 494-9500 (Telephone)
(512) 494-9505 (Facsimile)
ktrostle@smithtrostle.com

By: 
J. Kay Trostle
State Bar No. 20238300
Miguel A. Huerta
State Bar No. 00787733

**ATTORNEYS FOR TRAVIS COUNTY
MUNICIPAL UTILITY DISTRICT NO. 12**

CERTIFICATE OF SERVICE

I hereby certify that a on this 7th day of October a true and correct copy of the above and foregoing document is being served via electronic mail, facsimile, U.S. mail and/or hand delivery to all parties of record.


J. Kay Trostle

QUESTION NO. 1-1

Identify and provide the dollar amount of the ad valorem tax bonds that have been previously approved by the voters of MUD 12 in bond elections but have not yet been issued by MUD 12, as of March 6, 2014.

TCMUD 12'S RESPONSE:

The total amount of bonds which have been approved by the voters and which may be issued by the District excluding refunding bonds is \$137,855,000. This includes \$84,800,000 in utility bonds and \$53,055,000 for park and recreational facilities.

Prepared by: Sue Brooks Littlefield
Witness: Joe DiQuinzio

QUESTION NO. 1-2

What do you contend is the rate methodology used by the PUA to compute the wholesale water treatment service rates adopted in the 2012 Rate Order? Provide a detailed explanation for your contention and the basis thereof.

TCMUD 12'S RESPONSE:

TCMUD 12 assumes the phrase "wholesale water treatment service rates" means the "Monthly Charge" and the "Volume Rate" as those terms are defined in the LCRA-TCMUD 12 Wholesale Water Services Agreement, and also means "Minimum Bill" and "Volumetric Rate" as those terms are used in the PUA's 2012 and 2013 Rate Orders.

The 2012 Rate Order (Attachment A) adopted an across the board 15.5% increase to the "Monthly Charge" (or "Minimum Bill") and the "Volume Rate" (or "Volumetric Rate") applied to the rates set by LCRA prior to the PUA's acquisition of the West Travis County System.

TCMUD 12 has not completed analysis of the PUA's responses to discovery and so may supplement this response at the time of the filing of its direct case on October 31, 2014.

QUESTION NO. 1-3

What do you contend is the rate methodology used by the PUA to compute the wholesale water treatment service rates adopted in the 2013 Rate Order? Provide a detailed explanation for your contention and the basis thereof.

TCMUD 12'S RESPONSE:

TCMUD 12 assumes the phrase "wholesale water treatment service rates" means the "Monthly Charge" and the "Volume Rate" as those terms are defined in the LCRA-TCMUD 12 Wholesale Water Services Agreement, and also means "Minimum Bill" and "Volumetric Rate" as those terms are used in the PUA's 2012 and 2013 Rate Orders.

The PUA's consultant, Nelissa Heddin, refers in her FYE2014 Wholesale Customer Minimum Bill Analysis to the "proposed new methodology" (*See e.g.*, WTCPUA 00008855) and to the "proposed methodology" (*See e.g.*, WTCPUA 00008860), which evidences the PUA's position that the 2013 Rate Order reflected a change in rate methodology. TCMUD 12 has not completed analysis of the PUA's responses to discovery and so may supplement this response at the time of the filing of its direct case on October 31, 2014.

QUESTION NO. 1-4

List the other potable water service providers within 3 miles of the jurisdictional boundaries of MUD 12, as of November 21, 2013.

TCMUD 12'S RESPONSE:

Miguel A. Huerta, Counsel for TCMUD 12 and David Klein and Georgia Crump, Counsel for the WTCPUA, have discussed this request and have agreed that as used in this request the term "potable water service providers" means any entity that has a potable water supply for sale that could provide service to TCMUD 12. In addition, the phrase "jurisdictional boundaries of MUD 12" means the metes and bounds of TCMUD 12.

The metes and bounds of TCMUD 12 are as indicated in Attachment TCMUD 12 RFI 1-4. The identity of potable water service providers within 3 miles of the TCMUD's 12 jurisdictional boundaries may be identified from public records (at TCEQ and now, perhaps, from the PUC), that address water service providers by geographical area, and hence that information is equally accessible by PUA and TCMUD 12. Under P.U.C. Proc. R. 22.144(c), TCMUD 12 is not obligated to produce the documents that would provide the information responsive to this RFI. The only entity that has a potable water supply that could provide potable water service to TCMUD 12 is the PUA.

TRAVIS COUNTY MUD No. 12

A PARCEL OF LAND IN TRAVIS COUNTY, TEXAS, BEING A PART OF THE JOHN H. GIBSON SURVEY No. 49; THE C.E.P.I.&M. Co SURVEY No. 46; THE C.E.P.I.&M. Co SURVEY No. 47; AND THE RUSK TRANSPORTATION SURVEY No. 85; ALSO BEING A PART OF THAT 309.547 ACRE TRACT CONVEYED TO JH WEST LAND VENTURES, LTD., BY DEED RECORDED IN DOCUMENT NO. 2006055644 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS; A PART OF THAT 1023.257 ACRE TRACT CONVEYED TO LAS VENTANAS LAND PARTNERS, LTD., BY DEED RECORDED IN DOCUMENT NO. 2004230439 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS; AND A PART OF THAT 437.016 ACRE TRACT CONVEYED TO LAS VENTANAS PARTNERS, LTD., IN THE SAID DEED RECORDED IN DOCUMENT NO. 2004230439; AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE at a 1/2" Iron rod found in the East Line of the said 1023.257 Acre Tract at the South Corner of Lot 1, Rough Hollow Irrigation Lot Plat, according to the plat thereof recorded in Document No. 200500233 of the Official Public Records of Travis County, Texas, the same being the South Corner of that 437.016 Acre Tract conveyed to Las Ventanas Partners, Ltd., in the said deed recorded in Document No. 2004230439;

THENCE along the West Line of said Lot 1 and the common line of the 1023.257 Acre Tract and the 437.016 Acre Tract the following four courses:

1. N.27°19'32"W. a distance of 1162.29 feet to a 1/2" Iron rod found;
2. N.02°48'19"E. a distance of 172.74 feet to a 1/2" Iron rod found;
3. N.16°45'33"W. a distance of 420.09 feet to a 1/2" Iron rod found;
4. N.08°37'04"W. a distance of 310.30 feet to a 1/2" Iron rod set at the Point of Beginning;

THENCE crossing the said 1023.257 Acre Tract the following ten courses:

1. S.56°18'53"W. a distance of 123.45 feet;
2. N.73°08'09"W. a distance of 182.11 feet to a point on a non-tangent curve to the right;
3. Westerly along the arc of said curve, a distance of 1545.14 feet (said curve having a radius of 825.00 feet, a central angle of 107°18'33" and a chord bearing S.76°26'50"W., 1329.01 feet);
4. N.49°53'54"W. a distance of 480.97 feet;
5. N.61°04'31"W. a distance of 248.03 feet to a point on a non-tangent curve to the right;
6. Southwesterly along the arc of said curve, a distance of 207.60 feet (said curve having a radius of 275.00 feet, a central angle of 43°15'14" and a chord bearing S.61°27'58"W., 202.71 feet);
7. S.83°05'35"W. a distance of 103.34 feet;
8. S.58°37'44"W. a distance of 328.42 feet;
9. S.75°14'51"W. a distance of 711.36 feet;
10. S.14°41'29"E. a distance of 332.96 feet to the Northeasterly Line of Bee Creek Road and the Southwesterly Line of the said 1023.257 Acre Tract;

THENCE along said Southwesterly Line and the Northeasterly Line of Bee Creek Road the following 12 courses:

EXHIBIT "A"

TRAVIS COUNTY MUD No. 12

1. N.81°02'47"W. a distance of 75.36 feet to an Iron pipe found;
2. N.80°48'33"W. a distance of 454.73 feet to an Iron pipe found;
3. N.31°46'21"W. a distance of 207.51 feet to an Iron pipe found;
4. N.12°41'06"W. a distance of 244.71 feet to an Iron pipe found;
5. N.12°24'11"E. a distance of 219.57 feet to an Iron pipe found;
6. N.33°27'23"E. a distance of 236.53 feet to a fence post;
7. N.09°55'35"E. a distance of 802.38 feet to an Iron pipe found;
8. N.11°14'00"W. a distance of 327.58 feet;
9. N.64°45'04"W. a distance of 78.48 feet;
10. N.46°56'23"W. a distance of 124.72 feet;
11. N.42°30'44"W. a distance of 116.72 feet;
12. N.39°24'07"W. a distance of 191.16 feet to a "PK" nail in Bee Creek Road found;

THENCE N.29°02'46"E., along the West Line of the 1023.257 Acre Tract, a distance of 36.68 feet to a fence post at the South Corner of the said 309.547 Acre Tract;

THENCE along the West Line of the 309.547 Acre Tract and the East Line of Bee Creek Road the following two courses:

1. N.16°25'28"W. a distance of 153.68 feet;
2. N.01°14'24"W. a distance of 222.27 feet;

THENCE crossing the said 309.547 Acre Tract the following two courses:

1. N.38°19'47"E. a distance of 792.05 feet;
2. N.45°12'50"E. a distance of 350.40 feet to the East Line of the 309.547 Acre Tract and the West Line of the 1023.257 Acre Tract;

THENCE crossing the 1023.257 Acre Tract the following three courses:

1. N.80°20'02"E. a distance of 130.81 feet;
2. N.55°28'49"E. a distance of 925.41 feet;
3. N.05°01'55"W. a distance of 922.20 feet to the West Line of the 1023.257 Acre Tract and the East Line of the 309.547 Acre Tract;

THENCE N.28°53'41"E., along the common line of the 1023.257 Acre Tract and the 309.547 Acre Tract, a distance of 2152.15 feet;

THENCE crossing the said 1023.257 Acre Tract the following 21 courses:

1. S.64°46'12"E. a distance of 529.09 feet;
2. S.16°35'20"E. a distance of 255.28 feet;
3. S.39°43'28"E. a distance of 191.30 feet;
4. S.07°26'46"E. a distance of 105.01 feet;
5. S.62°31'12"E. a distance of 384.42 feet;

EXHIBIT "A"

TRAVIS COUNTY MUD No. 12

6. S.45°42'50"E. a distance of 109.49 feet;
7. S.28°22'51"E. a distance of 231.21 feet;
8. S.12°11'35"W. a distance of 217.83 feet to a point of curvature of a curve to the left;
9. Southerly, along the arc of said curve to the left a distance of 156.48 feet, (said curve having a radius of 300.00 feet, a central angle of 28°53'04", and a chord bearing S.02°44'57"E., 154.71 feet);
10. S.17°41'29"E. a distance of 189.13 feet to a point of curvature of a curve to the right;
11. Southerly, along the arc of said curve to the right a distance of 310.18 feet, (said curve having a radius of 400.00 feet, a central angle of 44°25'49", and a chord bearing S.04°31'25"W., 302.47 feet);
12. S.26°44'19"W. a distance of 171.70 feet to a point of curvature of a curve to the left;
13. Southerly, along the arc of said curve to the left a distance of 195.19 feet, (said curve having a radius of 300.00 feet, a central angle of 37°18'46", and a chord bearing S.08°05'56"W., 191.77 feet);
14. S.10°32'27"E. a distance of 143.07 feet to a point on a non-tangent curve to the right;
15. Easterly along the arc of said curve, a distance of 147.58 feet (said curve having a radius of 490.00 feet, a central angle of 17°15'24" and a chord bearing N.87°48'37"E., 147.02 feet);
16. S.83°33'41"E. a distance of 390.00 feet to a point of curvature of a curve to the left;
17. Easterly, along the arc of said curve to the left a distance of 232.54 feet, (said curve having a radius of 490.00 feet, a central angle of 27°11'27", and a chord bearing N.82°50'35"E., 230.36 feet);
18. N.69°14'51"E. a distance of 412.93 feet;
19. S.24°40'51"E. a distance of 592.29 feet to a point of curvature of a curve to the right;
20. Southeasterly, along the arc of said curve to the right a distance of 29.91 feet, (said curve having a radius of 475.00 feet, a central angle of 03°36'28", and a chord bearing S.22°52'37"E., 29.90 feet);
21. N.83°13'49"E., at a distance of 247.75 feet pass the common line of the 1023.257 Acre Tract and the 437.016 Acre Tract, in all a total distance of 404.07 feet;

THENCE S.04°14'43"E., at a distance of 558.15 feet pass the common line of the 1023.257 Acre Tract, in all a total distance of 924.19 feet;

THENCE S.12°34'39"W., across the 1023.257 Acre Tract, a distance of 45.75 feet to the common line of the 1023.257 Acre Tract and the 437.016 Acre Tract;

THENCE along the said common line, the same being the West Line of Lot 1, Rough Hollow Irrigation Lot Plat the following 18 courses:

1. S.15°49'05"W. a distance of 259.31 feet;
2. S.41°12'57"W. a distance of 170.60 feet;
3. S.25°25'55"W. a distance of 116.07 feet;
4. S.07°16'19"E. a distance of 149.95 feet;
5. S.41°07'12"E. a distance of 241.96 feet;
6. S.02°18'13"W. a distance of 110.23 feet;
7. S.20°32'20"W. a distance of 266.29 feet;

EXHIBIT "A"

TRAVIS COUNTY MUD No. 12

8. S.33°20'56"W. a distance of 188.54 feet;
9. S.45°42'28"W. a distance of 143.55 feet;
10. S.62°07'39"W. a distance of 168.44 feet to a spindle found;
11. S.64°18'03"W. a distance of 221.95 feet to a "PK" nail found;
12. S.39°38'38"W. a distance of 199.51 feet to a "PK" nail found;
13. S.62°09'15"W. a distance of 149.74 feet to a "PK" nail found;
14. S.42°44'22"W. a distance of 154.87 feet to a "PK" nail found;
15. S.08°53'59"W. a distance of 312.25 feet to a "PK" nail found;
16. S.73°00'45"W. a distance of 261.13 feet to an iron rod found;
17. S.43°09'08"W. a distance of 125.93 feet to an iron rod set;
18. S.08°37'04"E. a distance of 11.23 feet to the said Point of Beginning.

Containing 527.351 acres, more or less.

John Kenneth Weigand
2-11-2007

John Kenneth Weigand
Registered Professional Land Surveyor No. 5741
State of Texas



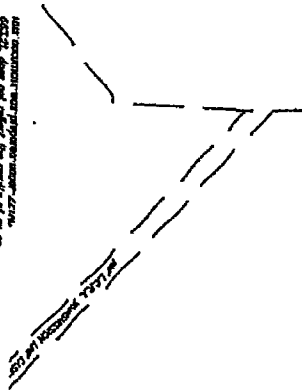
RJ Surveying, Inc.
1212 East Braker Lane
Austin, Texas 78753

This document was prepared under 22TAC 663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

EXHIBIT "A"

[illegible]

THE ASSOCIATION WAS INCORPORATED IN 1876, DEC. 21, DOES NOT REFLECT THE RESULTS OF ANY OF THE GENERAL SURVEYS, AND IS NOT TO BE TAKEN AS AN ADOPTION OF THE RESULTS OF ANY OF THE SURVEYS OR AN ENDORSEMENT OF THE RESULTS OF THE SURVEYS OR AN ENDORSEMENT OF THE SURVEYS OR AN ENDORSEMENT OF THE SURVEYS FOR WHICH IT WAS PREPARED.

[illegible]

Admiral Fracture



MOZART MUSIC, STATE OF TEXAS

C. J. Kenneth Maynard, a Registered Professional Land Surveyor, do hereby certify that the foregoing is a true and correct duplicate the boundaries of Hinds County, Mississippi, County District No. 12.

WITNESSES: JAY HARRIS AND SCOTT STEVENS, both of Hinds County, Mississippi, on the 21st day of August, 2002.

C. J. Kenneth Maynard
C. J. Kenneth Maynard
Registered Professional Land Surveyor No. 5541



JAMES EARL RAY, JR.
 1000 N. 10TH ST.
 ST. LOUIS, MO. 63101

0 SET 1/2" FROM ROD
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TRANS COUNTY MUD No. 12

RAUNDALL JONES & ASSOCIATES ENGINEERING, INC.
10000 W. BRANSON LANE, AUSTIN, TEXAS 78758
(512) 335-4715 FAX: (512) 335-4917

RA SURVEYING & ASSOCIATES, INC.
1225 E. BRANSON LANE, AUSTIN, TEXAS 78758
(512) 335-4233 FAX: (512) 335-4417

QUESTION NO. 1-5

Describe and explain what is a monopoly.

TCMUD 12'S RESPONSE:

In the economics literature, a monopoly is a market structure within which one producer (or a group of producers acting in concert) exercises exclusive control over all, or nearly all, of a supply of a good or service in a certain area or market, and where there are formidable barriers to entry. As stated in Water Code 13.001(b) "retail public utilities are by definition monopolies in the area they serve."

QUESTION NO. 1-6

Explain how the wholesale water treatment service rates charged by the PUA to MUD 12, adopted by the PUA in the 2013 Rate Order, have impaired MUD 12's financial and/or operational abilities to continue providing water service to MUD 12's customers after November 21, 2013, if any.

TCMUD 12'S RESPONSE:

TCMUD 12 assumes the phrase "wholesale water treatment service rates" means the "Monthly Charge" and the "Volume Rate" as those terms are defined in the LCRA-TCMUD 12 Wholesale Water Services Agreement, and also means "Minimum Bill" and "Volumetric Rate" as those terms are used in the PUA's 2012 and 2013 Rate Orders.

TCMUD 12 is in the process of formulating its prefiled testimony which is due on October 31, 2014, and by that date will have a response to this RFI.

QUESTION NO. 1-7

Describe and explain how the wholesale water treatment service rates charged by the PUA to MUD 12, as adopted by the PUA in the 2013 Rate Order, impair the PUA's financial and/or operational abilities to continue providing water service to its wholesale and retail customers after November 21, 2013, if any.

TCMUD 12'S RESPONSE:

TCMUD 12 assumes the phrase "wholesale water treatment service rates" means the "Monthly Charge" and the "Volume Rate" as those terms are defined in the LCRA-TCMUD 12 Wholesale Water Services Agreement, and also means "Minimum Bill" and "Volumetric Rate" as those terms are used in the PUA's 2012 and 2013 Rate Orders.

TCMUD 12 has no information responsive to this RFI, which requests information that is presumably in the possession of the requester, PUA.

QUESTION NO. 1-8

Describe and explain the disparate bargaining power between the PUA and MUD 12, experienced by MUD 12, regarding the provision of wholesale water treatment services by the PUA to MUD 12 between November 15, 2012 and March 6, 2014, if any.

TCMUD 12'S RESPONSE:

TCMUD 12 assumes the phrase "wholesale water treatment service" means "wholesale water services" as defined in Article I of the Wholesale Water Services Agreement Between LCRA and TCMUD 12, which is as follows: "the diversion of raw water from the Colorado River, the transmission of the raw water to a place or places of treatment, the treatment of the water into potable form and the transmission of the potable water to the Delivery Point."

TCMUD 12 is in the process of formulating its prefiled testimony which is due on October 31, 2014, and by that date will have a response to this RFI.

QUESTION NO. 1-9

Describe and explain how the PUA's wholesale water treatment service rate methodology used for calculating the PUA's wholesale water treatment rates charged to MUD 12 changed between the 2012 Rate Order and the 2013 Rate Order, if any.

TCMUD 12'S RESPONSE:

TCMUD 12 assumes the phrase "wholesale water treatment service rates" means the "Monthly Charge" and the "Volume Rate" as those terms are defined in the LCRA-TCMUD 12 Wholesale Water Services Agreement, and also means "Minimum Bill" and "Volumetric Rate" as those terms are used in the PUA's 2012 and 2013 Rate Orders.

The PUA's consultant, Nelissa Heddin, refers in her FYE2014 Wholesale Customer Minimum Bill Analysis to the "proposed new methodology" (*see e.g.*, WTCPUA 00008855) and to the "proposed methodology" (*see e.g.*, WTCPUA 00008860), which evidences the PUA's position that the 2013 Rate Order reflected a change in rate methodology. TCMUD 12 has not completed analysis of the PUA's responses to discovery and so may supplement this response at the time of the filing of its direct case on October 31, 2014.

QUESTION NO. 1-10

Describe and explain how the wholesale water treatment service rate methodology that the PUA utilized to compute the wholesale water treatment service rates adopted by the PUA Board of Directors in the 2012 Rate Order is different from the wholesale water treatment service rate methodology used by the PUA to compute the wholesale water treatment rates adopted by the PUA Board of Directors in the 2013 Rate Order, if any.

TCMUD 12'S RESPONSE:

Miguel A. Huerta, Counsel for TCMUD 12 and David Klein and Georgia Crump, Counsel for the WTCPUA, have discussed WTCPUA RFI 1-10 and have agreed that this request seeks identical information sought by WTCPUA RFI 1-9 and that TCMUD 12 need not respond to this request.

QUESTION NO. 1-11

Describe and explain how the wholesale water treatment service rate methodology that the PUA utilized to compute the wholesale water treatment service rates adopted by the PUA in the 2013 Rate Order is prejudicial, preferential, or discriminatory to MUD 12, as compared to the wholesale water treatment service rates adopted by the PUA in the 2013 Rate Order for the PUA's other wholesale water treatment customers listed in the 2013 Rate Order, if any.

TCMUD 12'S RESPONSE:

TCMUD 12 assumes the phrase "wholesale water treatment service rates" means the "Monthly Chargé" and the "Volume Rate" as those terms are defined in the LCRA-TCMUD 12 Wholesale Water Services Agreement, and also means "Minimum Bill" and "Volumetric Rate" as those terms are used in the PUA's 2012 and 2013 Rate Orders.

TCMUD 12 is in the process of formulating its prefiled testimony which is due on October 31, 2014, and by that date will have a response to this RFI.

QUESTION NO. 1-12

For all entities that have provided raw water, treated water, or water treatment services to MUD 12 between January 1, 2009 and January 1, 2014, list the names of such service providers, and for each of these service providers, the dates that such services were provided, the quantity or amount of water delivered to MUD 12 for such services, and the costs incurred by MUD 12 for such services.

TCMUD 12'S RESPONSE:

TCMUD 12 assumes the phrase "water treatment service" means "wholesale water services" as defined in Article I of the Wholesale Water Services Agreement Between LCRA and TCMUD 12, which is as follows: "the diversion of raw water from the Colorado River, the transmission of the raw water to a place or places of treatment, the treatment of the water into potable form and the transmission of the potable water to the Delivery Point."

TCMUD 12 received raw water from LCRA beginning on October 20, 2009 and through and including January 1, 2014. The quantity of raw water delivered to TCMUD 12 from LCRA was 140,831,700 gallons. The costs incurred and paid by TCMUD 12 for raw water from LCRA during the time period was \$65,047.32.

TCMUD 12 received wholesale water services from LCRA from January 1, 2009 until March 15, 2012, when that service obligation was transferred to WTCPUA. TCMUD 12 paid LCRA \$407,882.01 for 57,445,700 gallons that LCRA diverted from the Colorado River, transmitted to a place of treatment, treated into potable form, and transmitted to TCMUD 12's Delivery Point. TCMUD 12 paid WTCPUA \$445,681.85 for 83,386,000 gallons from the time of the PUA's conditional acquisition of the System until January 1, 2014.

QUESTION NO. 1-13

Describe and explain the disparate bargaining power between the PUA and MUD 12, experienced by MUD 12, regarding the calculation and determination of wholesale water treatment service rates by the PUA to MUD 12 between November 15, 2012 and March 6, 2014, if any.

TCMUD 12'S RESPONSE:

TCMUD 12 assumes the phrase "wholesale water treatment service rates" means the "Monthly Charge" and the "Volume Rate" as those terms are defined in the LCRA-TCMUD 12 Wholesale Water Services Agreement, and also means "Minimum Bill" and "Volumetric Rate" as those terms are used in the PUA's 2012 and 2013 Rate Orders.

TCMUD 12 is in the process of formulating its prefiled testimony which is due on October 31, 2014, and by that date will have a response to this RFI.