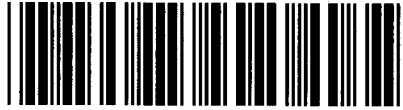


Control Number: 43535



Item Number: 36

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014.

43435

RECEIVED

SOAH DOCKET NOS. 582-04-0253, 582-04-1268 and 582-04-2730
TCEQ DOCKET NOS. 2003-0737-UCR,

2003-0738-UCR, 2003-1289-UCR and 2003-1491-UCR
PUBLIC UTILITY COMMISSION
FILING CLERK

APPLICATIONS OF THE CITY OF
ROYSE CITY TO AMEND WATER
CCN NO. 12827 AND TO OBTAIN A
SEWER CCN IN COLLIN, ROCKWALL
AND HUNT COUNTIES, TEXAS;
APPLICATION NOS. 34270-C AND
34277-C

BEFORE THE STATE OFFICE

APPLICATION OF VERANDAH
COMMUNITIES, L.P. TO OBTAIN A
SEWER CCN IN HUNT AND
ROCKWALL COUNTIES, TEXAS.;
APPLICATION NO. 34267-C

OF

APPLICATIONS OF PARKER CREEK
ESTATES, L.P. TO OBTAIN A WATER
AND A SEWER CCN IN ROCKWALL
COUNTY, TEXAS; APPLICATION
NOS. 34297-C AND 34301-C

APPLICATIONS OF THE CITY OF FATE
TO AMEND WATER CCN NO. 12889
AND TO AMEND SEWER CCN NO.
20856 IN ROCKWALL COUNTY, TEXAS;
APPLICATION NOS. 34361-C AND
34362-C

ADMINISTRATIVE HEARINGS

CHIEF CLERK'S OFFICE

2011 OCT 13 PM 2:17

TEXAS
COMMISSION
ON ENVIRONMENTAL
QUALITY

**CITY OF ROYSE CITY'S RESPONSES AND OBJECTIONS TO
THE EXECUTIVE DIRECTOR'S REQUEST FOR DISCLOSURE, FIRST
INTERROGATORIES AND FIRST REQUESTS FOR PRODUCTION**

TO: The Executive Director of the Texas Commission on Environmental Quality, by and through her attorney of record, Mr. Geoffrey Kirshbaum, P.O. Box 13087, MC-175, Austin, Texas, 78711-3087.

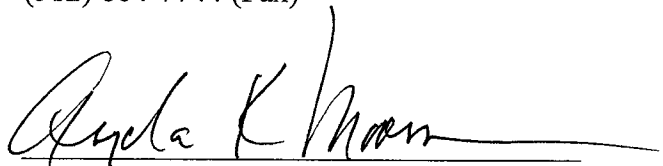
The City of Royse City ("Royse City"), serves this, its Response to the Executive Director ("ED") of the Texas Commission on Environmental Quality's (the "Commission") Request for

34

Disclosure, First Interrogatories and First Requests for Production, through her attorney of record, Mr. Geoffrey Kirschbaum, pursuant to Rules 193, 194, 196, and 197 and other applicable rules of the Texas Rules of Civil Procedure, Chapter 2001 of the Texas Government Code, and applicable rules and regulations of the Commission and the State Office of Administrative Hearings ("SOAH").

Respectfully submitted,

RUSSELL, MOORMAN & RODRIGUEZ, L.L.P.
102 West Morrow Street, Suite 103
Georgetown, Texas 78626
(512) 930-1317
(512) 864-7744 (Fax)



KERRY E. RUSSELL
State Bar No. 17417820

ANGELA K. MOORMAN
State Bar No. 24007700

ATTORNEYS FOR THE CITY OF ROYSE CITY

CERTIFICATE OF SERVICE

I hereby certify that on this the 5th day of April, 2004, a true and correct copy of the foregoing document has been sent via facsimile, first class mail, Federal Express overnight delivery, or hand delivery to the following:

| | |
|--|---|
| Mr. Geoffrey Kirshbaum Mr. James Parker Texas Commission on Environmental Quality MC-175 P.O. Box 13087 Austin, Texas 78711-3087 (mail) 12100 Park 35 Circle, Building F Austin, Texas 78753 (delivery) Telephone: (512) 239-0600 Fax: (512) 239-0606 | Representing the Executive Director, Texas Commission on Environmental Quality |
| Mr. Leonard H. Dougal Jackson Walker, L.L.P. 100 Congress Avenue, Suite 1100 Austin, Texas 78701 Telephone: (512) 236-2000 Fax: (512) 236-2002 | Representing Blackland Water Supply Corporation |
| Mr. Mark H. Zeppa Law Offices of Mark Zeppa, PC 4833 Spicewood Springs Road #202 Austin, Texas 78759-8436 Telephone: (512) 346-4011 Fax: (512) 346-6847 | Representing: <ul style="list-style-type: none">▪ Verandah Communities, LP▪ Verandah Freshwater Supply District▪ Parker Creek Estates, L.P. |
| Mr. Skip Newsom Attorney 3724 Jefferson Street, Suite 200 Austin, Texas 78731 Telephone: (512) 477-4121 Fax: (512) 477-2860 | Representing the City of Fate, Texas |

| | |
|--|--|
| <p>Ms. Susan E. Potts Mr. David Klein Potts & Reilly, L.L.P. Attorneys and Counselors 401 West 15th Street, Suite 850 Austin, Texas 78701-1665 Telephone: (512) 469-7474 Fax: (512) 469-7480</p> | <p>Representing Mr. Dean M. Gandy</p> |
| <p>Mr. Blas Coy Office of the Public Interest Counsel Texas Commission on Environmental Quality MC-103 P.O. Box 13087 Austin, Texas 78711-3087 (mail) 12100 Park 35 Circle, Building F Austin, Texas 78753 (delivery) Telephone: (512) 239-6363 Fax: (512) 239-6377</p> | <p>Representing the Office of Public Interest Counsel, Texas Commission on Environmental Quality</p> |
| <p>Ms. Amy Cortinas Utility Rates and Services Section Water Utilities Division – MC-153 Texas Commission on Environmental Quality P.O. Box 13087 Austin, Texas 78711-3087 (mail) 12100 Park 35 Circle, Building F Austin, Texas 78753 (delivery) Telephone: (512) 239-6960 Fax: (512) 239-6972</p> | <p>Texas Commission on Environmental Quality</p> |

SOAH DOCKET NOS. 582-04-0253, 582-04-1268 & 582-04-2730
TCEQ Docket Nos. 2003-0737-UCR, 2003-0738-UCR, 2003-1289-UCR & 2003-1491-UCR

| | |
|---|--|
| Docket Clerk TCEQ Office of Chief Clerk (MC-105) P.O. Box 13087 Austin, Texas 78711-3087 (mail) 12100 Park 35 Circle, Building F Austin, Texas 78753 (delivery) Fax: (512) 239-3311 | |
|---|--|

By:


ANGELA K. MOORMAN

A. **REQUEST FOR DISCLOSURE**

Rule 194.2(a) *The correct names of the parties to the lawsuit.*

RESPONSE: The correct names of the parties to these consolidated proceedings, to the best of Royse City's knowledge, are as follows:

SOAH Docket Nos. 582-04-0253 and 582-04-1268, TCEQ Docket Nos. 2003-0737-UCR, 2003-0738-UCR, and 2003-1289-UCR:

The City of Royse City
Verandah Communities, LP
Verandah Freshwater Supply District
Parker Creek Estates, L.P.
The City of Fate
Mr. Dean M. Gandy
The Executive Director of the Commission
The Office of the Public Interest Council ("OPIC") of the Commission

SOAH Docket No. 582-04-2730, TCEQ Docket No. 2003-1491-UCR:

The City of Royse City
Verandah Communities, LP
Verandah Freshwater Supply District
Parker Creek Estates, L.P.
The City of Fate
Mr. Dean M. Gandy
Blackland Water Supply Corporation
The Executive Director of the Commission

Rule 194.2(b) *The name, address, and telephone number of any potential parties.*

RESPONSE: Royse City does not know of any potential parties to these consolidated proceedings.

Rule 194.2(c) *The legal theories and, in general, the factual bases of the responding party's claims or defenses.*

RESPONSE: With regard to the consolidated proceedings identified as SOAH Docket Nos. 582-04-0253 and 582-04-1268, TCEQ Docket Nos. 2003-0737-UCR, 2003-0738-UCR, and 2003-1289-UCR, Royse City contends that its applications, Application No. 34277-C to Obtain a Sewer Certificate of Convenience and Necessity ("CCN") in Collin, Rockwall, and Hunt counties ("Royse City Sewer CCN Application") and Application No. 34270-C to Amend Water CCN No. 12827 in Rockwall and Hunt counties ("Royse City Water CCN Application") should be granted. Royse City believes that it is better situated to serve the entire area identified in the Royse City Sewer CCN Application and the Royse City Water CCN Application than are the other competing applicants, in part because Royse City is a member city of the North Texas Municipal Water District ("NTMWD"), the regional water and wastewater wholesale provider for this area. In addition, Royse City's CCN Applications meet all statutory and regulatory requirements. Royse City is better situated to serve those areas identified in the Royse City Sewer CCN Application and the Royse City Water CCN Application that overlap with areas identified in the sewer CCN application filed by Verandah Communities, LP ("Verandah LP Sewer CCN Application") and in the sewer and water CCN applications filed by Parker Creek Estates, L.P. ("Parker Creek L.P. Sewer CCN Application" and "Parker Creek L.P. Water CCN Application," respectively).

With regard to the proceeding identified as SOAH Docket No. 582-04-2730, TCEQ Docket No. 2003-1491-UCR, Royse City believes that those areas identified in the City of Fate's ("Fate") applications to amend its existing water and sewer CCNs ("Fate Water CCN Application" and "Fate Sewer CCN Application," respectively) that overlap with areas identified in the Royse City Water CCN Application and Royse City Sewer CCN Application should be certificated to Royse City. Royse City believes that it is better situated to serve the entire area identified in the Royse City Sewer CCN Application and the Royse City Water CCN Application, including those areas identified in the Fate Water CCN Application and the Fate Sewer CCN Application.

Rule 194.2(e) *The name, address, and telephone number of persons having knowledge of relevant facts, and a brief statement of each identified person's connection with the case.*

RESPONSE: Mr. Connie Goodwin, City Administrator
City of Royse City
P.O. Box 638
Royse City, Texas 75189
(972) 636-2250

The Honorable Jim Melody, Mayor
City of Royse City
P.O. Box 638
Royse City, Texas 75189
(972) 636-2250

Mr. Ken Brown, Council Member
City of Royse City
P.O. Box 638
Royse City, Texas 75189
(972) 636-2250

Mr. George McCain, Council Member
City of Royse City
P.O. Box 638
Royse City, Texas 75189
(214) 636-2250

Ms. Janet Nichol, Mayor Pro-Tem,
City of Royse City
P.O. Box 638
Royse City, Texas 75189
(972) 636-2250

Ms. Mary Miller, Council Member
City of Royse City
P.O. Box 638
Royse City, Texas 75189
(469) 636-2250

Mr. Gary Gregory, Council Member
City of Royse City
P.O. Box 638
Royse City, Texas 75189
(972) 636-2250

Mr. Hal Jones, P.E.
Mr. Travis Roberts, P.E.
Mr. Mark Hill, P.E.
Mr. Edward R. McDow, Jr., P.E.
Hunter Associates Texas, Ltd.
8140 Walnut Hill Lane
One Glen Lakes, Suite 500
Dallas, Texas 75231
(214) 369-9171
Hunter Associates provides engineering services for the City of Royse City.

Ms. Rebecca Brewer
Mr. Richard Abernathy
Abernathy, Roeder, Boyd & Joplin, P.C.
1700 Red Bud Drive, Suite 300
McKinney, Texas 75069
(214) 544-4000
Ms. Brewer and Mr. Abernathy are counsel for Royse City.

Mr. Kerry E. Russell
Ms. Angela K. Moorman
Russell, Moorman & Rodriguez, L.L.P.
102 West Morrow Street, Suite 103
Georgetown, Texas 78626
(512) 930-1317

Mr. Randel Dobbs, P.E., Planning Officer
North Texas Municipal Water District
505 East Brown Street
Wylie, Texas 75098
(972) 442-5405

Additionally, the following people may have knowledge of relevant information:

Partners of and other individuals associated with Verandah Communities, LP.

Partners of and other individuals associated with Parker Creek Estates, L.P.

Members of Verandah Fresh Water Supply District's Board of Directors.

City Council of the City of Fate.

Employees of the City of Fate.

Employees of Verandah Communities, LP.

Employees of Parker Creek Estates, L.P.

Employees of Verandah Fresh Water Supply District.

Employees of Huffines Communities, Inc.

Employees of Pate Engineers

Employees of Blackland Water Supply Corporation

Staff of the Commission that reviewed the following applications: Royse City Sewer CCN Application; Royse City Water CCN Application; Verandah LP Sewer CCN Application; Parker Creek L.P. Sewer CCN Application; Parker Creek L.P. Water CCN Application; Fate Sewer CCN Application; and Fate Water CCN Application.

OPIC staff that reviewed the following applications: Royse City Sewer CCN Application; Royse City Water CCN Application; Verandah LP Sewer CCN Application; Parker Creek L.P. Sewer CCN Application; Parker Creek L.P. Water CCN Application; Fate Sewer CCN Application; and Fate Water CCN Application.

Rule 194.2(f) *For any testifying expert:*

- (1) *The expert's name, address, and telephone number.*

RESPONSE: Ms. Victoria Harkins, Ph.D., P.E.
Espey Consultants, Inc.
3809 South Second Street, Suite B-300
Austin, Texas 78704
(512) 326-5659

Rule 194.2(f) *For any testifying expert:*

- (2) *The subject matter on which the expert will testify.*

RESPONSE: Dr. Harkins will provide testimony on the managerial and technical ability of Royse City to provide water and sewer service in the areas identified in the Royse City Sewer CCN Application and the Royse City Water CCN Application.

Rule 194.2(f) *For any testifying expert:*

- (3) *The general substance of the expert's mental impressions and opinions and a brief summary of the basis for them, or if the expert is not retained by you, employed by you, or otherwise subject to your control, documents reflecting such information.*

RESPONSE: Dr. Harkins has performed a review of the Royse City Sewer CCN Application and the Royse City Water CCN Applications, as well as the applications filed by Verandah Communities, LP, Parker Creek Estates, L.P., and the City of Fate, as described above, and she will provide testimony regarding her professional opinion that Royse City has the managerial and technical ability to provide service to the areas identified in the Royse City Water CCN Application and the Royse City Sewer CCN Application.

Rule 194.2(f) *For any testifying expert:*

- (4) *If the expert is retained by, employed by, or otherwise subject to the control of the responding party:*
 - (A) *All documents, tangible things, reports, models or data compilations that have been provided to, reviewed by, or prepared by or for the expert in anticipation of the expert's testimony; and*
 - (B) *The expert's current resume and bibliography.*

RESPONSE: Pursuant to Order No. 3 in the consolidated proceeding identified as SOAH Docket Nos. 582-04-0253 and 582-04-1268, TCEQ Docket Nos. 2003-0737-UCR, 2003-0738-UCR, and 2003-1289-UCR, voluminous documents are those in excess of two hundred pages per set of discovery requests. The totality of the documents responsive to the *Executive Director's Request for Disclosure, First Interrogatories and First Requests for Production* is greater than two hundred pages. As such, documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

Rule 194.2(h) *Any settlement agreements as described in Rule 192.3(g).*

RESPONSE: Rule 194.2(h) is not applicable to this proceeding.

Rule 194.2(i) *Any witness statements described in Rule 192.3(h).*

RESPONSE: Royse City has no information responsive to this request.

B. SPECIFIC OBJECTIONS

These objections shall be deemed to be specific objections (hereinafter referred to collectively as "Specific Objections") and are made in addition to, and without waiving, any additional objections stated with particularity below in response to the individual written interrogatories and requests for production. These Specific Objections to each of the ED's First Interrogatories and First Requests for Production are hereby incorporated by reference in the individual answers set forth below.

1. Royse City objects to any request made in the ED's First Interrogatories and First Requests for Production which exceeds the limits set forth under the Texas Rules of Civil Procedure.

2. To the extent that the ED's First Interrogatories and First Requests for Production do not, by their terms, exclude privileged communications from the information requested, Royse City objects to each request to the extent that it seeks the disclosure of any information that is privileged for any reason, including information subject to the attorney-client privilege, the work product privilege, the exemption encompassing communications made in investigations undertaken in anticipation of litigation or for trial, and/or any other applicable privileges. Each response set forth herein is made subject to this objection, and all offers to make documents or information available set forth herein exclude any and all such privileged documents or information. In the event any privileged or work-product information is disclosed by Royse City, its production is inadvertent and does not constitute a waiver of any privilege or right.

3. Royse City objects to the ED's First Interrogatories and First Requests for Production to the extent they seek documents or information that is irrelevant and not reasonably calculated to lead to the discovery of relevant information.

4. Royse City objects to the ED's First Interrogatories and First Requests for Production insofar as they seek information or documents that contain confidential, proprietary, commercial, or other business information which is protected from disclosure by Texas or other applicable law.

5. Royse City objects to the ED's First Interrogatories and First Requests for Production to the extent that they seek information or documents which are outside the possession, custody, or control of Royse City, or to the extent that they seek to compel Royse City to create documents which do not already exist.

6. Royse City objects to the ED's First Interrogatories and First Requests for Production to the extent that they seek information or documents which are a matter of public record or equally or more readily available to the ED.

7. Royse City objects to the ED's instructions and definitions for answering the interrogatories and requests for production to the extent that such instructions and definitions are inconsistent with the Texas Rules of Civil Procedure and exceed the permissible scope of discovery.

8. Subject to the above Specific Objections and any additional objections stated with particularity below, Royse City will produce documents and tangible things, if any, as they have been kept in the usual course of business pursuant to Rule 196 of the Texas Rules of Civil Procedure.

C. INTERROGATORIES

INTERROGATORY NO. 1:

For each person Royse City expects to call as a fact witness at the evidentiary hearing in this matter, please provide: (a) the person's name and business address and telephone number; and (b) a brief description of the testimony Royse City expects that person to provide.

RESPONSE:

At this time, Royse City has not identified any fact witnesses that will be testifying on its behalf. Royse City will supplement this response if fact witnesses are later identified.

INTERROGATORY NO. 2:

For each expert not listed in the response to the Request for Disclosure whom Royse City has consulted and whose mental impressions and opinions have been reviewed by an expert Royse City expects to testify in this matter, please provide: (a) the consulting expert's name and business address and telephone number; (b) the facts known by the expert that relate to or form the basis of the expert's mental impressions and opinions formed or made in connection with this matter, regardless of when and how the factual information was acquired; (c) the expert's mental impressions and opinions formed or made in connection with this matter and any methods used to derive them; and (d) a curriculum vitae or other detailed description of the expert's qualifications.

RESPONSE:

Royse City has no information responsive to this interrogatory.

INTERROGATORY NO. 3:

Please describe in detail Royse City's position regarding the adequacy of water and sewer utility service currently provided to the areas requested by Royse City, City of Fate, Parker Creek Estates, L.P., and Verandah Communities, L.P. in their respective water and sewer Certificate of Convenience and Necessity ("CCN") applications, including, if known, a description of whether people currently reside in the requested areas that receive water and/or sewer utility service, identification of each of those people, and identification of the water and/or sewer utility service provider for each of those people. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City Water CCN Application: Royse City is seeking to amend its current Water CCN. The areas included in the Royse City Water CCN Application are areas within Royse City's corporate limits that are currently served by Royse City and other areas that are in need of water service. Service in these areas outside of Royse City's corporate limits is currently inadequate, in that while these areas are becoming populated they are not currently served by any retail water service provider. These areas are all included in Royse City's Proposed CCN Master Plan Water Distribution System. In order to facilitate the provision of water service to the areas identified in Royse City's Water CCN Application, Royse City has filed a request with NTMWD for a second point of delivery. Royse City is a member city of NTMWD and receives its supply of water from NTMWD pursuant to contract. New distribution lines from NTMWD are currently being constructed to Royse City.

Royse City Sewer CCN Application: Royse City is seeking a Sewer CCN for the areas within its corporate limits, extraterritorial jurisdiction ("ETJ"), and other areas to the southeast of Royse City. The areas within Royse City's corporate limits are currently served by Royse City. Service in these areas outside of Royse City's corporate limits is currently inadequate, in that while people do live in these areas, no wastewater collection system is available. Instead, the residents of these areas are currently dependent on septic tanks. Septic tank service is not adequate for this rapidly developing area. These areas are all included in Royse City's Proposed CCN Master Plan Wastewater Collection System. In order to provide wastewater services to the entirety of the area identified in the Royse City Sewer CCN Application, Royse City has entered into contracts with NTMWD and the City of Fate for the permitting, construction, and operation of a new regional wastewater treatment plant, which will be owned and operated by NTMWD, to serve both cities. The TPDES permit for the proposed Sabine Creek Regional WWTP has been deemed technically complete by Commission staff.

City of Fate CCN Applications: To the extent that Fate's CCN applications request areas that overlap areas identified in Royse City's CCN applications, Royse City believes that it is better situated to serve those areas for the reasons stated above. Many of the areas requested by Fate are within Royse City's ETJ and are more closely related geographically to Royse City than to Fate.

Parker Creek L.P. CCN Applications: Royse City is better situated to serve the areas identified in the Parker Creek L.P. Water CCN Application and Parker Creek L.P. Sewer CCN Application. Royse City has taken steps to obtain an additional water supply and the appropriate distribution system in conjunction with NTMWD to serve all areas within its requested Water CCN area. At this time, Parker Creek L.P. has no feasible source of water service other than through Royse City. With regard to its Sewer CCN Application, Parker Creek L.P. seeks to construct a small facility that will serve a limited population. The Parker Creek L.P. facility has not yet been permitted by the Commission. Such a facility does not consider the future treatment needs of this area, which is experiencing exponential growth. The construction of a small, single community wastewater treatment facility immediately upstream of the proposed Sabine Creek Regional WWTP is not the most efficient, cost-effective, and environmentally protective way to serve the Parker Creek L.P. proposed service area. State law and policy favor providing regional service as opposed to a proliferation of small wastewater treatment plants that are more costly, less efficient, and less protective of the environment. In addition, Commission staff, through its review of the TPDES permit application for the Sabine Creek Regional WWTP, acknowledged that the Sabine Creek Regional WWTP could serve the Parker Creek L.P. proposed service area. As such, Royse City through its participation in the Sabine Creek Regional WWTP is best situated to serve the Parker Creek L.P. proposed service area.

Verandah LP Sewer CCN Applications: Royse City is better situated to serve those areas identified in both the Verandah LP Sewer CCN Application and the Royse City Sewer CCN Application. Verandah LP seeks to construct a small facility that will serve a limited population. The Verandah LP facility has not yet been permitted by the Commission. Such a facility does not consider the future treatment needs of this area, which is experiencing exponential growth. The construction of a small, single community wastewater treatment facility immediately upstream of the proposed Sabine Creek Regional WWTP is not the most efficient, cost-effective, and environmentally protective way to serve the Verandah LP area. State law and policy favor providing regional service as opposed to a proliferation of small wastewater treatment plants that are more costly, less efficient, and less protective of the environment. As such, Royse City through its participation in the Sabine Creek Regional WWTP is best situated to serve the Verandah LP proposed service area.

INTERROGATORY NO. 4:

Please describe in detail Royse City's position regarding the need for additional water and/or sewer utility service to the areas requested by Royse City, City of Fate, Parker Creek Estates, L.P. and Verandah Communities, L.P., including, but not limited to, identification of any person or entity who has requested service from each entity in its requested area(s), identification of the name(s), address(es), and phone number(s) of each person or entity, description of the population in the proposed area(s) sought by each entity in its application(s), and description of the water and sewer utility service currently available to each identified person. Please distinguish between water and sewer in your response.

RESPONSE:

See response to Interrogatory No. 3, above. Information on persons who have requested service from Royse City is provided in response to specific requests for production, below. Plans to extend water distribution lines and wastewater collection lines to the east of Royse City's current service areas are underway to serve Royse City's new high school, the construction of which is not yet complete, and a proposed residential development near the high school site.

INTERROGATORY NO. 5:

Please describe in detail the position of Royse City regarding the effect of the proposed water and sewer CCNs and amended CCNs requested by Royse City, City of Fate, Parker Creek Estates, L.P., and Verandah Communities, L.P. on the water and sewer CCN applicants in this matter, or on any retail public utility of the same kind already serving the areas proximate to those areas requested to be served by the water and sewer CCN applicants in this matter. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City Water CCN Application: As described above, the areas included in the Royse City Water CCN Application are areas within Royse City's corporate limits that are currently served by Royse City and other areas that are in need of water service. Service in these areas outside of Royse City's corporate limits is currently inadequate, in that while these areas are becoming populated they are not currently served by any retail water service provider. These areas are all included in Royse City's Proposed CCN Master Plan Water Distribution System. Royse City's service in the requested areas will not affect service currently provided in nearby areas by BHP Water Supply Corporation ("WSC") or Blackland WSC. Royse City works closely with both of these retail providers.

Royse City Sewer CCN Application: As described above, Royse City is seeking a Sewer CCN for the areas within its corporate limits, ETJ, and other areas to the southeast of Royse City. The areas within Royse City's corporate limits are currently served by Royse City. Service in these areas outside of Royse City's corporate limits is currently inadequate, in that while people do live in these areas, no wastewater collection system is available. Instead, the residents of these areas are currently dependent on septic tanks. Septic tank service is not adequate for this quickly growing area. These areas are all included in Royse City's Proposed CCN Mater Plan Wastewater Collection System. There will be no effect on neighboring utilities because no wastewater collection services are currently provided in these areas.

Fate CCN Applications: Royse City's CCN Applications only affect Fate's CCN Applications to the extent there are overlaps in the areas identified to be served by each entity. As identified above, Royse City believes that it is best situated to serve these "overlap" areas for the reasons stated above. Many of the areas requested by Fate are within Royse City's ETJ and are more closely related geographically to Royse City than to Fate.

Parker Creek L.P. CCN Applications: For the reasons identified above, Royse City is best situated to provide both water distribution and wastewater collection services to the Parker Creek L.P. proposed service area. Parker Creek L.P. does not have existing utility services. Royse City is best situated to provide timely, efficient, and environmentally protective services to the Parker Creek L.P. proposed service area. Royse City has the technical, financial, and managerial expertise to provide service to the Parker Creek L.P. proposed service area.

Verandah LP Sewer CCN Application: For the reasons identified above, Royse City is best situated to provide wastewater collection services to the Verandah LP proposed service area. Verandah LP does not have existing utility services. Royse City is best situated to provide timely, efficient, and environmentally protective services to the Verandah LP proposed service area. Royse City has the technical, financial, and managerial expertise to provide service to the Verandah LP proposed service area.

INTERROGATORY NO. 6:

Please describe in detail Royse City's position regarding the ability of Royse City, City of Fate, Parker Creek Estates, L.P., and Verandah Communities, L.P. to provide continuous and adequate water and/or sewer utility service to the areas requested by each of those entities in their respective CCN applications. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City Water CCN Application: All of the areas identified in Royse City's Water CCN Application are included in Royse City's Proposed CCN Master Plan Water Distribution System. In order to facilitate the provision of water service to the areas identified in Royse City's Water CCN Application, Royse City has filed a request with NTMWD for a second point of delivery. Royse City is a member city of NTMWD and receives its supply of water from NTMWD pursuant to contract. New distribution lines from NTMWD are currently being constructed to Royse City. Through its contracts with NTMWD, Royse City will be able to provide continuous and adequate water utility service to the areas identified in its Water CCN Application. Royse City has taken the appropriate steps to ensure that it can provide adequate water utility service to this rapidly growing area.

Royse City Sewer CCN Application: All of the areas identified in Royse City's Sewer CCN Application are included in Royse City's Proposed CCN Master Plan Wastewater Collection System. In order to provide wastewater services to the entirety of the area identified in the Royse City Sewer CCN Application, Royse City has entered into contracts with NTMWD and Fate for the permitting, construction, and operation of a new regional wastewater treatment plant, which will be owned and operated by NTMWD, to serve both cities. The TPDES permit for the proposed Sabine Creek Regional WWTP has been deemed technically complete by Commission staff. Through its participation in the Sabine Creek Regional WWTP, Royse City has taken the appropriate steps to ensure that it can provide adequate sewer utility service to this rapidly growing area. Royse City will be able to provide continuous and adequate sewer utility service to all of the areas identified in its Sewer CCN Application.

For all other applications, please see the information provided above. Royse City is best situated to serve those areas identified in the other applications that overlap those areas identified in the Royse City CCN applications. Royse City has the technical, financial, and managerial expertise to provide service to the area it seeks to certificate.

INTERROGATORY NO. 7:

Please describe in detail Royse City's managerial capability to provide continuous and adequate water and/or sewer utility service to its requested service areas and identify any Royse City employee and/or contractor who will be utilized for providing managerial functions and/or services. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City Water CCN Application: Royse City's Public Works Department oversees the operation and maintenance of the City's distribution facilities. Royse City has three certified operators with Class C certifications. During its annual inspections of Royse City's distribution facilities, the Commission has consistently found Royse City to be a good operator. The few concerns that have been identified have been promptly addressed by Royse City.

Royse City Sewer CCN Application: Royse City's wastewater treatment plant is operated by NTMWD pursuant to contract. Through its participation in the Sabine Creek Regional WWTP, Royse City has taken steps to address the limited capacity of its current wastewater treatment plant and to serve the growing population. NTMWD operates the Royse City WWTP and other small wastewater treatment facilities with a staff of thirteen people. Class B operators are assigned for the operation of these facilities, including the Royse City WWTP. The current Royse City WWTP is well-operated and has a compliance history rating of 1.15.

INTERROGATORY NO. 8:

Please describe in detail Royse City's position regarding the feasibility of obtaining water or sewer utility service from another retail public utility adjacent to the areas Royse City, City of Fate, Parker Creek Estates, L.P., and Verandah Communities, L.P. propose to serve in their respective CCN applications. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City Water CCN Application: Royse City does not believe that it is feasible for any other provider to provide water utility service to the areas identified in the Royse City Water CCN Application. NTMWD is the wholesale provider of water for the region including the areas identified in the Royse City Water CCN Application. Royse City has taken steps to obtain adequate water supply and distribution lines to obtain such water from NTMWD. Verandah LP and Parker Creek L.P. do not have a source of water for the proposed service areas identified in their CCN applications. As such, water utility service through them is not feasible.

Royse City Sewer CCN Application: Royse City does not believe that it is feasible for any other utility to provide wastewater collection and treatment services to the areas identified in the Royse City Sewer CCN Application. Royse City is participating in the Sabine Creek Regional WWTP, which will be the regional wastewater treatment facility for the entirety of the areas identified in all of the applications involved in these proceedings. While Verandah LP and Parker Creek L.P. have proposed to construct small, single-community wastewater treatment plants, such plants are not feasible for this fast growing area. State law and Commission policy favor regional solutions to wastewater treatment issues. Royse City, not Verandah LP or Parker Creek L.P., has taken the steps to ensure a regional treatment facility with significant additional capacity for future growth in the region.

INTERROGATORY NO. 9:

Please describe in detail Royse City's position regarding the effect granting Royse City, City of Fate, Parker Creek Estates, L.P., and Verandah Communities, L.P. their respective CCN applications would have on the environmental integrity of the service areas requested by those entities. Please distinguish between water and sewer in your response.

RESPONSE:

As described above, Royse City has taken steps to ensure a regional solution to both water and wastewater services for the areas identified in its CCN applications. It is well-recognized by the Commission that regional solutions are more protective of the environment, especially for wastewater treatment. The approval of Royse City's CCN applications will ensure environmental integrity for the area. Further, the Sabine Creek Regional WWTP will eliminate the need for septic systems in the areas Royse City seeks to certificate. It is well settled that reducing the need for septic systems is protective of the environment.

INTERROGATORY NO. 10:

Please describe in detail Royse City's position regarding the probable improvement in service or lowering of cost to consumers in the areas requested by Royse City, City of Fate, Parker Creek Estates, L.P., and Verandah Communities, L.P. should their applications be granted, including the rates they plan to charge those consumers. In your response, please include a description of historical water service reliability and historical water quality data in Royse City's proposed service areas, and describe current and projected costs to consumers in Royse City's proposed service areas. Also, please distinguish between water and sewer in your response.

RESPONSE:

Royse City Water CCN Application: As described above, the areas included in the Royse City Water CCN Application are areas within Royse City's corporate limits that are currently served by Royse City and other areas that are in need of water service. Service in these areas outside of Royse City's corporate limits is currently inadequate, in that while these areas are becoming populated they are not currently served by any retail water service provider. Service to these areas can only be improved since there is not any current service available.

Royse City has provided reliable water service to its customers. As a member city of NTMWD and through its contracts with NTMWD, Royse City has a sufficient water supply to serve its current customers and all of the areas identified in the Royse City Water CCN Application. With regard to costs, for those customers currently served because they are in Royse City's corporate limits, they will continue to pay Royse City's retail rate for service.

Royse City Sewer CCN Application: As described above, Royse City is seeking a Sewer CCN for the areas within its corporate limits, ETJ, and other areas to the southeast of Royse City. The areas within Royse City's corporate limits are currently served by Royse City. Service in these areas outside of Royse City's corporate limits is currently inadequate, in that while people reside in these areas, no wastewater collection system is available. Instead, the residents of these areas are currently dependent on septic tanks. Septic tank service is not adequate for this quickly growing area. Service will clearly be improved, both for the consumer and for the environment, if wastewater collection and treatment services are provided.

As described above, the Royse City WWTP is operated by NTMWD. The Royse City WWTP has an excellent compliance history with a compliance history rating of 1.15. As with all wastewater treatment facilities, issues to be addressed are identified by the Commission during each annual inspection. NTMWD has worked to address all issues identified by the Commission in a timely manner. In addition, NTMWD, Royse City, and Fate have taken steps to address the quickly

growing population of this area through the permitting, construction, and operation of a regional wastewater treatment facility, the Sabine Creek Regional WWTP.

Royse City believes that the service it can provide, both for water and wastewater utilities, will be less expensive than if those services are provided by Parker Creek L.P. and/or Verandah LP. Both Parker Creek L.P. and Verandah LP propose to serve very limited populations. As such, their costs will be distributed among a much smaller population. Through economies of scale, Royse City will be able to charge less for both water and wastewater services.

INTERROGATORY NO. 11:

Please describe the proximity of the proposed areas sought in the applications filed by Royse City, City of Fate, Parker Creek Estates, L.P., and Verandah Communities, L.P. to any existing facilities currently operated by Royse City and any other retail public utility, if known, and to any water and/or sewer facilities Royse City proposes to construct. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City Water CCN Application: Royse City's elevated tank for water storage is near the area identified in the Verandah LP Sewer CCN Application. In addition, Royse City is currently working on plans for extensions of water service to the new high school and a development just south of the Verandah LP proposed service area. Based on these plans, a twelve inch water distribution line will be within one-half mile of the Verandah LP proposed service area.

Royse City Sewer CCN Application: As with the water service described above, Royse City is currently working on plans to extend wastewater collection services to the new high school and a development just south of the Verandah LP proposed service area. Because of this, wastewater collection lines will be very near the Verandah LP proposed service area and the proposed Verandah LP WWTP. Also, the proposed Sabine Creek Regional WWTP will be located adjacent to the area identified in the Parker Creek Sewer CCN Application, and will be less than one-half mile downstream from the proposed Parker Creek L.P. WWTP.

INTERROGATORY NO. 12:

Please identify and describe, including amount and type, any and all costs that will be passed to potential customers in the proposed Royse City water and sewer CCN areas if Royse City becomes the water and/or sewer utility service provider for those areas, including, but not limited to, any and all initial and long-term facility costs. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City will charge the same rates to those residents within the proposed CCN areas as it will its current retail customers.

INTERROGATORY NO. 13:

If Royse City proposes to construct a new stand alone water and/or sewer system to serve any of the areas requested in its applications, please provide a detailed analysis of all the costs necessary for the first five years to construct, operate, and maintain those facilities.

RESPONSE:

Royse City does not plan to construct a new stand alone water and/or sewer system.

INTERROGATORY NO. 14:

Is it your position that Royse City has a water treatment and distribution system and/or a wastewater treatment system in place that is adequate to provide utility service to the areas Royse City proposes to serve in its applications? If so, please describe any potable water treatment and delivery system that you believe is in place and adequate to provide water utility service to the proposed areas sought in Royse City's water CCN amendment application, as well as any wastewater treatment system. Please describe the capacities of each component of any such systems, including, but not limited to: well capacities (including a description of each well's depth, aquifer, and gallons per minute production during average and peak drought conditions); feet of distribution lines in the systems and the diameters of those lines; pumps and their rated capacities; and treatment plants and their capacities not already used to meet peak demands of existing Royse City customers and/or customers Royse City is already committed to serve. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City Water CCN Application: The areas identified in the Water CCN Application are either currently served by Royse City (*i.e.*, within Royse City's corporate limits) or are identified in Royse City's Proposed CCN Master Plan Water Distribution System. Royse City is planning to put distribution lines in place to serve areas identified in the Water CCN Application as growth dictates where such development should occur. The extension of current service lines will occur as the population grows in the area over the build out period for this area. As described above, Royse City has already started to take steps, both through its wholesale contracts with NTMWD and through extensions of its own distributions lines, to serve these areas. Royse City's current distribution system is described in documents provided in response to specific requests for production.

Royse City Sewer CCN Application: The areas identified in the Royse City Sewer CCN Application are either currently served by Royse City (*i.e.*, within Royse City's corporate limits), are within Royse City's ETJ, or are areas to the immediate south and east of Royse City's ETJ. All of these areas are identified in Royse City's Proposed CCN Master Plan Wastewater Collection System. Royse City, through its contracts with NTMWD and Fate, has taken steps to obtain wastewater treatment capacity at the proposed Sabine Creek Regional WWTP. The Sabine Creek Regional WWTP is designed to provide adequate treatment capacity for this entire region. Royse City's collection system will be extended as growth occurs where such development takes place. Royse City's current collection system is described in documents provided in response to specific requests for production.

INTERROGATORY NO. 15:

Please describe the financial stability of Royse City, including, if applicable, the adequacy of Royse City's debt-equity ratio and cash flow for debt service coverage.

RESPONSE:

As described above, Royse City has entered into contracts with NTMWD in order to ensure adequate water and wastewater service to those areas identified in the Royse City Water CCN Application and the Royse City Sewer CCN Application. Specific additions to the base distribution system for water and the base collection system for wastewater will be paid for by developer contributions. No additional debt service is required.

INTERROGATORY NO. 16:

Please estimate the time it would take for Royse City to provide water and sewer utility service to Royse City's proposed water and sewer service areas in compliance with all applicable Commission rules and statutes, and please describe the time it would take Royse City to provide water and sewer utility service to any person requesting service in any outlying portions of the areas requested by Royse City in its applications. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City Water CCN Application: As described above, Royse City has filed a request with NTMWD for a second point of delivery. Royse City is a member city of NTMWD and receives its supply of water from NTMWD pursuant to contract. New distribution lines from NTMWD are currently being constructed to Royse City. The first of two new distribution lines from NTMWD is to be completed in August 2005, with a second new distribution line to be completed in autumn 2006. As identified above, Royse City will not be providing service to the entire area identified in the Royse City Water CCN Application all at once. Instead, the extension of Royse City's distribution lines to specific parts of the requested CCN area will occur as growth occurs in those areas. As previously discussed, Royse City has a Proposed CCN Master Plan for its Water Distribution System. The Master Plan will be addressed in a phased approach.

Royse City Sewer CCN Application: As identified above, Royse City will not be providing service to the entire area identified in the Royse City Sewer CCN Application all at once. Instead, the extension of Royse City's collection system to specific parts of the requested CCN area will occur as growth occurs in those areas. Royse City has a Proposed CCN Master Plan for its Wastewater Collection System. The Master Plan will be addressed in a phased approach. The current Royse City WWTP has some additional treatment capacity remaining. In addition, Royse City has contracted with NTMWD and Fate for the permitting, construction, and operation of the

Sabine Creek Regional WWTP. The TPDES permit application for the Sabine Creek Regional WWTP has been deemed technically complete by Commission staff, and NTMWD has published the second required public notice. It is estimated that construction of the Sabine Creek Regional WWTP will be completed and the facility will be operational within eighteen months of permit issuance. The interceptor lines to the Sabine Creek Regional WWTP will also be completed within that time period.

INTERROGATORY NO. 17:

Do you contend that the City of Fate, Parker Creek Estates, L.P., or Verandah Communities, L.P. water and/or sewer CCN applications should not be granted by the Texas Commission on Environmental Quality? Please state the basis for your contention. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City believes that it is best situated to provide adequate and continuous water and sewer utility service to all areas identified in the Royse City Water CCN Application and the Royse City Sewer CCN Application, respectively. To the extent applications filed by Fate, Parker Creek L.P., and Verandah LP overlap with areas identified in the Royse City CCN Applications, Royse City believes that such applications should not be granted.

INTERROGATORY NO. 18:

On a large scale map, please identify the locations of Royse City's proposed water and sewer CCN area(s), the water and sewer CCN areas requested in the City of Fate, Parker Creek Estates, L.P, and Verandah Communities, L.P. water and sewer CCN applications, and Royse City's current water and sewer service areas. Please identify the name of the applicant and certificate number for each CCN area identified on the map. Also, please distinguish between water and sewer CCNs in your response.

RESPONSE:

Information responsive to this interrogatory has been previously provided on February 25, 2004. Additionally, information is also provided in response to specific requests for production.

INTERROGATORY NO. 19:

On large scale copies of the service area maps submitted with Royse City's original applications, please identify, to the best of your knowledge, all Royse City's proposed water and/or sewer connection(s) located outside the corporate limits of Royse City. Please distinguish between water and sewer in your response.

RESPONSE:

Please see maps provided in response to specific requests for production.

INTERROGATORY NO. 20:

Please describe whether granting Royse City's water and/or sewer CCN applications would promote the Commission's policy goal of regionalization.

RESPONSE:

The granting of both the Royse City Water CCN Application and the Royse City Sewer CCN Application will promote the Commission's policy of regionalization. With regard to sewer utility service, Royse City is participating in the permitting, construction, and operation of NTMWD's Sabine Creek Regional WWTP. The Sabine Creek Regional WWTP will provide wastewater treatment for all of the area identified in the Royse City Sewer CCN Application as well as the region as a whole. Parker Creek L.P. and Verandah LP propose to rely on small, single-community wastewater treatment facilities. Such facilities are contrary to the Commission's regionalization policy, especially where regional treatment options, such as the Sabine Creek Regional WWTP, are available. With regard to water service, Royse City obtains its water from NTMWD. NTMWD is the water provider for this entire region. Royse City has worked with NTMWD to identify the water needs for the entire area identified in the Royse City Water CCN Application and has made arrangements with NTMWD for additional distribution lines and water supply.

D. REQUESTS FOR PRODUCTION

REQUEST FOR PRODUCTION NO. 1:

Please provide a copy of the report from the most recent inspection by the TCEQ region office on any Royse City public water system facility that may be used to provide water utility service to the area Royse City requests to serve in its water CCN amendment application and a copy of any notice of violation issued to Royse City and Royse City's response to the notice of violation.

RESPONSE:

Royse City objects to this request for production to the extent that it seeks information and/or documents which are a matter of public record, and are equally or more readily available to the ED. The documents requested in this request for production are contained in the Commission's records. Subject to its objections and without waiving them, Royse City makes the following response:

Pursuant to Order No. 3 in the consolidated proceeding identified as SOAH Docket Nos. 582-04-0253 and 582-04-1268, TCEQ Docket Nos. 2003-0737-UCR, 2003-0738-UCR, and 2003-1289-UCR, voluminous documents are those in excess of two hundred pages per set of discovery requests. The totality of the documents responsive to the *Executive Director's Request for Disclosure, First Interrogatories and First Requests for Production* is greater than two hundred pages. As such, documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

REQUEST FOR PRODUCTION NO. 2:

Please provide any and all documents relating to TCEQ, County and/or all other regulatory agency approvals required for Royse City's existing and proposed water and sewer utility service facilities. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City objects to this request for production to the extent that it seeks information and/or documents which are a matter of public record, and are equally or more readily available to the ED. The documents requested in this request for production are contained in the Commission's records. Subject to its objections and without waiving them, Royse City makes the following response:

Documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

REQUEST FOR PRODUCTION NO. 3:

Please provide any and all documents sent between Royse City, City of Fate, Parker Creek Estates, L.P., and Verandah Communities, L.P. regarding the proposed areas sought in each entity's water and/or sewer CCN applications. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City objects to this request for production as unclear, overly broad, unduly burdensome, seeks information that is part of confidential settlement negotiations, and fails to identify the information sought with sufficient particularity. Subject to its objections and without waiving them, Royse City makes the following response:

Documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

REQUEST FOR PRODUCTION NO. 4:

Please provide Royse City's latest audit report or financial information for the past fiscal year and current balance sheet information.

RESPONSE:

Documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

REQUEST FOR PRODUCTION NO. 5:

Please provide any and all documents from any person or entity requesting service from you in the proposed areas sought in the Royse City applications and your response. Please distinguish between water and sewer in your response.

RESPONSE:

Documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

REQUEST FOR PRODUCTION NO. 6:

Please provide any and all maps showing the location or locations of those persons requesting service in the proposed areas sought in the Royse City CCN applications. Please distinguish between water and sewer in your response.

RESPONSE:

Documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

REQUEST FOR PRODUCTION NO. 7:

Please provide any and all estimates of the capital costs for Royse City to provide water and sewer utility service to the proposed areas sought in the Royse City CCN applications. Please distinguish between water and sewer in your response.

RESPONSE:

After a diligent search, Royse City has determined that there are no documents responsive to this request for production at this time.

REQUEST FOR PRODUCTION NO. 8:

Please provide any and all existing capital asset acquisition budgets for Royse City. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City objects to this request for production as unclear, overly broad, unduly burdensome, and fails to identify the information sought with sufficient particularity. Subject to its objections and without waiving them, Royse City makes the following response:

See response to Request for Production No. 9.

REQUEST FOR PRODUCTION NO. 9:

Please provide any and all documents that contain or discuss the method and terms of financing the capital acquisition costs for Royse City.

RESPONSE:

Royse City objects to this request for production as unclear, overly broad, unduly burdensome, and fails to identify the information sought with sufficient particularity. Subject to its objections and without waiving them, Royse City makes the following response:

Documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

REQUEST FOR PRODUCTION NO. 10:

Please provide any and all maps that illustrate the location of all water and sewer treatment facilities currently in place in or within two miles of the proposed water and sewer utility service areas in the Royse City CCN applications. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City objects to this request for production as unclear, overly broad, unduly burdensome, and fails to identify the information sought with sufficient particularity. Subject to its objections and without waiving them, Royse City makes the following response:

Documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

REQUEST FOR PRODUCTION NO. 11:

Please provide any and all maps that illustrate the location(s) within the water and/or sewer service areas requested in Royse City's CCN applications where Royse City currently provides water and/or sewer service.

RESPONSE:

Documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

REQUEST FOR PRODUCTION NO. 12:

Please provide any and all colored maps that illustrate the water and/or sewer service areas requested in Royse City's CCN applications and any overlap of those areas with service areas requested by City of Fate, Parker Creek Estates, L.P., and Verandah Communities, L.P. in this proceeding.

RESPONSE:

Royse City objects to this request for production to the extent that it seeks information and/or documents which are a matter of public record, and are equally or more readily available to the ED. The documents requested in this request for production are contained in the Commission's records. Subject to its objections and without waiving them, Royse City makes the following response:

Royse City has previously made this information available to all parties to these proceedings on February 25, 2004.

REQUEST FOR PRODUCTION NO. 13:

Please provide a copy of any and all complaints Royse City has received in the past five years related to Royse City's water or sewer utility service, operations, or management. Please distinguish between water and sewer in your response.

RESPONSE:

Royse City objects to this request for production as unclear, overly broad, unduly burdensome, and fails to identify the information sought with sufficient particularity. Subject to its objections and without waiving them, Royse City makes the following response:

After a diligent search, Royse City has determined that there are no documents responsive to this request for production at this time.

REQUEST FOR PRODUCTION NO. 14:

Please provide a copy of any and all requests or applications for loans or grants made by Royse City.

RESPONSE:

Royse City objects to this request for production as unclear, overly broad, unduly burdensome, and fails to identify the information sought with sufficient particularity.

REQUEST FOR PRODUCTION NO. 15:

Please produce copies of any and all water and/or sewer service agreements, either wholesale and/or retail, between Royse City and Parker Creek Estates, L.P., the City of Fate, Verandah Communities, L.P. or any other utility to provide water and sewer service.

RESPONSE:

Royse City objects to this request for production as unclear, overly broad, unduly burdensome, and fails to identify the information sought with sufficient particularity. Subject to its objections and without waiving them, Royse City makes the following response:

Documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

REQUEST FOR PRODUCTION NO. 16:

Please produce copies of any and all documents identified in your responses to Interrogatory Nos. one (1) through twenty (20) listed above or used to assist you in responding to Interrogatory Nos. one (1) through twenty (20) listed above.

RESPONSE:

Royse City objects to this request for production as unclear, overly broad, unduly burdensome, and fails to identify the information sought with sufficient particularity. Subject to its objections and without waiving them, Royse City makes the following response:

Documents responsive to this request are considered voluminous and will be made available for review by appointment, at a mutually agreed upon time and date, at the offices of Russell, Moorman & Rodriguez, L.L.P., 102 West Morrow Street, Suite 103, Georgetown, Texas.

RUSSELL, MOORMAN & RODRIGUEZ, L.L.P.

Attorneys at Law

102 Morrow Street, Suite 103

Georgetown, Texas 78626

Phone (512) 930-1317

E-mail: amoorman@rmrlawfirm.com

Fax (512) 864-7744

FAX COVER SHEET

Date: April 5, 2004

| | |
|------------------------|---------------------|
| Mr. Mark Zeppa | Fax: (512) 346-6847 |
| Mr. Skip Newsom | Fax: (512) 477-2860 |
| Mr. Geoffrey Kirshbaum | Fax: Hand Delivered |
| Mr. Blas Coy | Fax: (512) 239-6377 |
| Ms. Susan E. Potts | Fax: (512) 469-7480 |
| Mr. David Klein | |
| Ms. Amy Cortinas | Fax: (512) 239-6972 |
| Docket Clerk, TCEQ | Fax: (512) 239-3311 |
| Mr. Connie Goodwin | Fax: (972) 635-2434 |

FROM: Kerry Russell/Angela Moorman
 Direct Phone: (512) 930-1317

Client Number: 390-00

PAGES: 38 PAGES + COVER PAGE

Comments: City of Royse City's Responses to the Executive Director's Requests for Disclosure, First Set of Interrogatories, and First Set of Requests for Production, *Application of the City of Royse City to Amend Water CCN and to Obtain Sewer CCN in Collin, Rockwall, and Hunt Counties*, Consolidated Docket, SOAH Docket Nos. 582-04-0253 & 582-04-1268, TCEQ Docket Nos. 2003-0737-UCR, 2003-0738-UCR, & 2003-1289-UCR.

Notice: The following material is intended for the use of the individual or entity to which it is addressed. The material may contain information that is attorney-client privileged, or otherwise confidential and exempt from disclosure under law. If you are not the specified recipient, do not read this material. Any use, dissemination or copying of this material is strictly prohibited. If you have received this material in error, please notify us by telephone at the above number and return the material to us by U.S. Mail.

RM&RRUSSELL MOORMAN & RODRIGUEZ, L.L.P.
ATTORNEYS AT LAWTEXAS HERITAGE PLAZA · 102 WEST MORROW STREET, SUITE 103
GEORGETOWN, TEXAS 78626
PHONE (512) 930-1317 · FAX (512) 864-7744

Email: amoorman@rmrlawfirm.com

April 5, 2004

VIA FACSIMILEMs. LaDonna Castañuela
Office of Chief Clerk (MC-105)
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

Re: Responses to Discovery Requests, *Application of the City of Royse City to Amend Water CCN and to Obtain Sewer CCN in Collin, Rockwall, and Hunt Counties*, Consolidated Docket, SOAH Docket Nos. 582-04-0253, 582-04-1268, and 582-04-2730; TCEQ Docket Nos. 2003-0737-UCR, 2003-0738-UCR, 2003-1289-UCR & 2003-1491-UCR.

Dear Ms. Castañuela:

Enclosed are the City of Royse City's Responses to the Executive Director's Request for Disclosure, First Set of Interrogatories, and First Requests for Production to be filed in the above-referenced consolidated proceeding. If you have any questions, please telephone me or Mr. Kerry Russell at (512) 930-1317.

Sincerely,



Angela K. Moorman

390\00\tr040405

Enclosures

cc: Service List
Mr. Connie Goodwin
Mr. Kerry Russell

RM&RRUSSELL MOORMAN & RODRIGUEZ, L.L.P.
ATTORNEYS AT LAWTEXAS HERITAGE PLAZA • 102 WEST MORROW STREET, SUITE 103
GEORGETOWN, TEXAS 78626
PHONE (512) 930-1317 • FAX (512) 864-7744

Email: amoorman@rmlawfirm.com

April 5, 2004

VIA HAND DELIVERYMr. Geoffrey Kirshbaum
Texas Commission on Environmental Quality
MC-175
P.O. Box 13087
Austin, Texas 78711-3087

Re: Responses to Discovery Requests, *Application of the City of Royse City to Amend Water CCN and to Obtain Sewer CCN in Collin, Rockwall, and Hunt Counties*, Consolidated Docket, SOAH Docket Nos. 582-04-0253, 582-04-1268, and 582-04-2730; TCEQ Docket Nos. 2003-0737-UCR, 2003-0738-UCR, 2003-1289-UCR & 2003-1491-UCR.

Dear Mr. Kirshbaum:

Enclosed are the City of Royse City's Responses to the Executive Director's Request for Disclosure, First Set of Interrogatories, and First Requests for Production in the above-referenced consolidated proceeding. If you have any questions, please telephone me or Mr. Kerry Russell at (512) 930-1317.

Sincerely,



Angela K. Moorman

390\00\tr0400405

Enclosures

cc: Service List
Mr. Connie Goodwin
Mr. Kerry Russell

