

PUBLIC UTILITY COMMISSION OF TEXAS

SOAH DOCKET NO. 473-16-1848.WS

Docket No. 44809

REQUEST NUMBER: STAFF 4-11

COMPANY NAME: Quadvest, L.P.

DATE DUE: 05/16/16

INFORMATION REQUESTED:

Staff 4-11 Please provide a detailed, complete explanation for account numbers 1529 – Utility Plant in Service:1529-1-Utility Plant in Service-Rate. And 1529 - Utility Plant in Service:1529:2 - Utility Plant in Service-Tax. Please include in the explanation the nature of the accounts and how they reconcile to the rate/tariff change application subject to these proceedings.

REQUESTED BY: Public Utility Commission of Texas

RESPONSE: "Account 1529-1 Utility Plant In Service -Rate" is a sub account of "Account 1529 Utility Plant In Service" and is used to record water sewer utility assets in which Quadvest has no federal income tax basis. "Account 1529-2 Utility Plant In Service -Tax" is a sub account of "Account 1529 Utility Plant In Service" and is used to record water sewer utility assets in which Quadvest has federal income tax basis. "Account 1529 Utility Plant In Service" reflects the original cost of both contributed, acquired and purchased utility assets. The two sub accounts were not used in the rate base calculation process.

SUPPORTING WITNESS:

Jeff Eastman

The foregoing response to the above information request is accurate and complete, and contains no material misrepresentations or omissions based upon present facts known to the undersigned. The undersigned agrees to immediately inform the Requestor if any matters are discovered which would materially affect the accuracy or completeness of the information provided in response to the above information request.

Signature of Company Representative

/s/ Jeff Eastman

Date Provided: 05/16/16

PUBLIC UTILITY COMMISSION OF TEXAS

SOAH DOCKET NO. 473-16-1848.WS

Docket No. 44809

REQUEST NUMBER: STAFF 4-12

COMPANY NAME: Quadvest, L.P.

DATE DUE: 05/16/16

INFORMATION REQUESTED:

Staff 4-12 Item number 74 filed in the PUC interchange for Docket No. 44809 includes two bills from a customer. One bill is dated 3/3/16 and lists "Water Base Rate" of \$42.07, regulatory assessment of \$0.42 for a total bill of \$42.52. There appears to be zero usage on both bills. Please explain how this is correct given the proposed rates in this application and the indication by Quadvest that the second phase of the rate would not be implemented until PUC approval.

REQUESTED BY: Public Utility Commission of Texas

RESPONSE: The customer bill referenced is for a 40 day period rather than a 30 day period therefore the \$42.07 base rate can be recalculated by dividing \$31.55 (Phase I rate) by 30 days then multiplying by 40 days. Quadvest transitioned from billing all customers once per month to billing a portion of its customers each week (i.e. cycle billing) during this period of time, noting subsequent customer bill will reflect the \$31.55 Phase I rate. All impacted customers were notified of this transition. The referenced customer has zero recorded water usage (as a result no water usage fees) since June 2015, noting Quadvest operators on multiple occasions have confirmed the "zero usage" meter readings provided by our 3rd party meter reader. If the customer believes to have used water during this period of time, then Quadvest needs to further investigate the situation as it is possible that we might have underbilled this customer for water usage due to broken meter. Finally, Quadvest would like to reiterate that it has not and will not charge Phase II rates until approved by the PUC. See "Staff 4-12 Customer Billing" for supporting details.

SUPPORTING WITNESS:

Jeff Eastman

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provided in response to the above information request.

Signature of Company Representative

/s/ Jeff Eastman

Date Provided: 05/16/16

PUBLIC UTILITY COMMISSION OF TEXAS

SOAH DOCKET NO. 473-16-1848.WS

Docket No. 44809

REQUEST NUMBER: STAFF 4-13

COMPANY NAME: Quadvest, L.P.

DATE DUE: 05/16/16

INFORMATION REQUESTED:

Staff 4-13 Provide the salary and related benefits included in the adjusted cost of service (after proposed known and measurable changes) for the Business Development Salesperson and the Business Development Manager. Please also indicate the specific line number in the application on page 14 (bates 16) in which the amounts are included.

REQUESTED BY: Public Utility Commission of Texas

RESPONSE: See "Staff 4-13 Business Development Salary and Benefit Detail". Please note that Quadvest's business development group focuses on a wide range of activities including obtaining wastewater permits, renewing wastewater permits, filing for new/amended CCNs, filing STMs, onboarding new non-residential customers, and pursuing potential acquisitions and greenfield developments. If the business development group did not perform these functions, Quadvest would have to either hire additional personnel or outsource such functions to 3rd party consultants or attorneys.

SUPPORTING WITNESS:

Jeff Eastman

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Signature of Company Representative

/s/ Jeff Eastman

Date Provided: 05/16/16