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SOAH DOCKET NO. 473-16-1848.WS PUC DOCKET NO. 44809

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APPLICATION OF QUADVEST, LP

FOR A RATE/TARIFF CHANGE

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OF

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ADMINISTRATIVE HEARINGS

OFFICE OF PUBLIC UTILITY COUNSEL'S FOURTH REQUEST FOR INFORMATION TO QUADVEST, L.P.

The Office of Public Utility Counsel (OPUC) files and submits this Fourth Request for Information to Quadvest, L.P. (Quadvest) in the captioned proceeding.

Under Commission Procedural Rules 22.141-.145, 16 Tex. Admin. Code Ch. 22, OPUC requests that Quadvest, as defined herein, provide the following information and answer the following questions under oath. Please answer the questions and sub-questions in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the question.

Definitions

As used in this introduction and in these questions,

- (1) "Quadvest", the "Company", and "Applicant" refer to Quadvest, L.P. and its affiliates;
- (2) "You", "yours" and "your" refer to Quadvest, L.P. (as defined above), including its directors, officers, employees, consultants, agents, and attorneys.
- (3) "Document" and "documents" mean any written, recorded, filmed, or graphic matter, whether produced, reproduced, or on paper, cards, tapes, film, electronic facsimile, computer storage device or any other media, including, but not limited to, electronic mail (e-



mail), memoranda, notes, analyses, minutes, records, photographs, correspondence, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, contracts, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, observations, commercial practice manuals, reports and summaries of interviews, reports of consultants, appraisals, forecasts, tape recordings, or any form of recording that is capable of being transcribed into written form.

Instructions

- 1. The Definitions, Instructions, and Claim of Privilege set out in this Request for Information apply to these questions.
- 2. In answering these questions, furnish all information that is available to you, including information in the possession of your agents, employees, and representatives, all others from whom you may freely obtain it, and your attorneys and their investigators.
- 3. Please answer each question based upon your knowledge, information, or belief, and any answer that is based upon information or belief should state that it is given on that basis.
- 4. If you have possession, custody, or control (as defined by Tex. R. Civ. P. 192.7(b)) of the originals of these documents requested, please produce the originals or a complete copy of the originals and all copies that are different in any way from the original, whether by interlineation, receipt stamp, or notation.
- 5. If you do not have possession, custody, or control of the originals of the documents requested, please produce copies of the documents, however made, in your possession, custody, or control. If any document requested is not in your possession or subject to your

- control, please explain why not, and give the present location and custodian of any copy or summary of the document.
- 6. If any question appears confusing, please request clarification from the undersigned counsel.
- 7. In providing your responses, please start each response on a separate page and type, at the top of the page, the question that is being answered.
- 8. As part of the response to each question, please state, at the bottom of the answer, the name and job position of each person who participated in any way, other than providing clerical assistance, in the preparing of the answer. If the question has sub-parts, please identify the person or persons by sub-part. Please also state the name of the witness in this docket who will sponsor the answer to the question and who can vouch for the truth of the answer. If the question has sub-parts, please identify the witness or witnesses by sub-part.
- 9. Rather than waiting to provide all of the responses at the same time, please provide individual responses as each becomes available.
- 10. These questions are continuing in nature. If there is a change in circumstances or facts or if you receive or generate additional information that changes your answer between the time of your original response and the time of the hearings, then you should submit, under oath, a supplemental response to your earlier answer.
- 11. If you consider any question to be unduly burdensome, or if the response would require the production of a voluminous amount of material, please call the undersigned counsel as soon as possible in order to discuss the situation and to try to resolve the problem.

 Likewise, if you object to any of the questions on the grounds that the question seeks

- confidential information, or on any other grounds, please call the undersigned counsel as soon as possible.
- 12. If the response to any question is voluminous, please provide separately an index to the materials contained in the response.
- 13. If the information requested is included in previously furnished exhibits, workpapers, or responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references.
- 14. To the extent that a question asks for the production of copyrighted material, it is sufficient to provide a listing of such material, indicating the title, publisher, author, edition, and page references relied on or otherwise relevant to the question.

Claim of Privilege

If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients, recipients of copies, subject matter of the document, and the basis upon which such privilege is claimed.

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- **4-1.** Please provide Quadvest's most recently completed water audit. Please include the current level of real and apparent losses. Specific to apparent losses, please indicate the amount of water loss attributable to data handling errors and customer meter inaccuracy.
- **4-2.** Please provide the following information related to the proposed AMR system:
 - a. The manufacturer of the meters Quadvest is using or proposes to use.
 - b. If different from the meters, the manufacturer of the Meter Interface Unit/Transponder.
 - c. Specific to the Meter Interface Unit/Transponder, what is the battery life included within the manufacturer's warranty?
 - d. Please indicate if the Meter Interface Unit/Transponder unit is capable of one-way or two-way communication.
 - e. Please indicate if the proposed data collection units are mobile or fixed.
 - f. Please describe the security features of the system and the steps which will be taken to protect customer data.
 - g. Please indicate the system's capability for remote turn-on / turn-off of water service to a customer.
 - h. Please indicate the system's capability for allowing customers access to their consumption history. If available, what intervals of use will customers have access to (i.e., monthly consumption, daily consumption, hourly consumption)?
 - i. Please indicate any non-meter costs of using the AMR system, e.g., software, software support.
- **4-3.** Please provide any cost benefit analyses, performed internally or externally by Quadvest or any of its affiliates, of installing the AMR meters? Additionally, please provide:
 - a. Any specifics regarding the type of meters being purchased and the specific capabilities of said meters.
 - b. The quantifiable projected cost-benefit to customers of installing the AMR system?
 - c. Whether the quantified costs are based on bulk purchase or individual purchase price.

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- d. Whether retrofitting existing meter registers was considered as opposed to a full meter replacement and the cost-benefit justification for full replacement.
- e. All workpapers and assumptions made in the analysis.
- **4-4.** Whether Quadvest has solicited bids for purchasing the meters. If yes, please provide the solicitation process and the solicitation documents (for example, the request for proposals and responses).
- 4-5. Please explain Quadvest's procurement process in determining which types to purchase.
- **4-6.** Please refer to WP4.1, Adjustment 6. How was the \$82,149 adjustment for 3rd party meter reading determined? Please provide documentation supporting this determination.
- 4-7. Please refer to WP5.2, under "AMR Meter Known and Measurable." How was the \$40 per meter cost of installation determined? Please provide documentation supporting this determination.
- **4-8.** What benefits to customers support the Company's investment in AMR technology versus traditional meters?
- **4-9.** Please provide any analyses reviewed by Quadvest staff or prepared for Quadvest regarding the increased accuracy of AMR meters over non-AMRs?
- **4-10.** Specific to the decommissioned meters, please indicate whether:
 - a. They will be removed from rate base and, if so, how is this reflected within the application?
 - b. Their salvage value and, if quantified, how this has been reflected within the application?
 - c. Their useful lives.
- **4-11.** Please provide a detailed deployment schedule for the AMR meters? Indicate the anticipated dates of installation, by system.
- **4-12.** Other than the third-party meter reading expense identified within the application, what other cost savings does Quadvest anticipate from the installation of the AMR meters? Please provide all analyses supporting these anticipated cost savings.
- **4-13.** The following questions relate to the Direct Testimony of Jeff Eastman, beginning on page 8 (bates 10), line 12:

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- a. Please state and provide supportive documentation of Quadvest's AMR migration strategy?
- b. Please discuss and provide further background on how the decision to migrate to AMRs was made?
- c. Please discuss and provide further explanation on what kind of a "better customer service experience" the AMRs will provide to Quadvest customers?
- d. Please discuss and provide further explanation of what kind of "increase water system management" the AMRs will provide?
- e. What improvements to employee safety do AMRs provide?
- f. Please quantify the "immediate financial benefit from 100% AMR communities"?
- **4-14.** Please provide all incident reports of any employee hazards experienced due to the use of non-AMR meters.

Dated: March 24, 2016

Respectfully submitted,

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CERTIFICATE OF SERVICE

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I certify that today, March 24, 2016, a true copy of the Office of Public Utility Counsel's Fourth Request for Information to Quadvest, L.P. was served on all parties of record via United States First-Class Mail, hand-delivery or facsimile.

Christiaan Siano