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Item Number: 72

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RATEPAYERS' APPEAL OF THE
DECISION BY NORTH SAN SABA WATER
SUPPLY CORPORATION TO CHANGE
RATES

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BEFORE THE STATE OFFICE
PUBLIC UTILITY COMMISSION
FILING CLERK

OF

ADMINISTRATIVE HEARINGS

**NORTH SAN SABA WATER SUPPLY CORPORATION'S REPLY TO PUC STAFF'S
EXCEPTIONS TO PROPOSAL FOR DECISION**

COMES NOW North San Saba Water Supply Corporation (NSSWSC) and files this its Reply to PUC Staff's Exceptions to the Proposal for Decision issued in this matter, and would respectfully show the following.

I. NSSWSC's reply to Staff's Exception to the ALJ's Water Purchase cost on the grounds of Staff's claim that these costs were not "known and measurable."

Despite Staff's argument to the contrary, the \$68,418 projected water purchase expense for 2015 in the ALJ's findings was based on actual metered and billed water usages in the first seven months of 2015 (NSSWSC Initial Br., 15-16) and is thus both "known and measurable" at the time of NSSWSC's rate decision in August 2015.

Staff further asserts that "The Proposal for Decision does not take into account that water usage in the latter half of 2015 – which includes the fall and winter months – may decrease when compared to the first half of 2015, which includes the spring and summer months." (Staff's Exceptions, 3).

This claim by Staff is eminently naïve of the actual pattern of seasonality of Water Revenues and Expenses as driven by the calendar/season:

1) First the water is consumed by the ratepayer. Since NSSWSC billing cycle is from mid-month to mid-month the delay to report the meter reading due to any given day's demand is 0-30 days or 0-1 month.

2) Then the actual bills are prepared and mailed out at the end of the month and payment is due by the 15th of the following month, an extra delay of one month. Many payments come in somewhat late, so this is a best-case approximation of revenue recognition.

3) NSSWSC's payment of water expenses to the City of San Saba is due by the 16th of the next month.

Thus, there is a nominal delay of about 2 months, between an actual demand/usage event and the recognition of revenue or actual cash expense due to that event. Thus when water usage tends to peak annually in the latter hot dry summer months, the peak effect on revenues is not typically noticed till a couple months later. August-Sept is a typical peak demand time, but October-November is when the resulting annual revenue peak occurs. The comparatively lower demand-revenue months (compared to the peak) tends to be December-thru August. (Part of this delay trend and other demand seasonality for 2014 can be observed in Exhibit RW-18, 44 Second Supplement Rebuttal.)

Thus, NSSWSC's projection of 2014 water purchase expenses of \$61,475 increasing by \$6,943 in 2015 to \$68,418 is not only "known and measurable," it is an underestimation because it was based on P&I.s of the first seven months of 2015 and did not include data from the latter portion of the year (NSSWSC Initial Brief, 15-16).

Sec. 13.185 (d) (1) states that "The regulatory authority shall base a utility's expenses on historic test year information adjusted for known and measurable changes, as determined by utility commission rules..."

On the grounds that the financial projection of \$68,148 of water purchase is less than the actual 2015 water purchase of exactly \$78,191, President Whatley of the NSSWSC Board re-asserts his previous claim that future water demand is "a fundamentally unknowable quantity, being the future." (Staff's Exceptions, 2). Notwithstanding that fact, NSSWSC believes Staff's exception to the ALJ's finding of a \$6943 adjustment of Staff's Revenue Requirement to be unfounded on the grounds that it was "known and measurable" at the time of NSSWSC's rate decision and is therefore is required ("shall base") by Texas Water Code.

II. NSSWSC reply to Staff's exception to the ALJ's finding of a debt service coverage of 35% instead of Staff's recommended 25%.

NSSWSC presented evidence that Staff was ignoring significant Required Revenues that constitutes very real cash outlays that we must be capable of in order to insure financial integrity (NSSWSC Initial and Reply Briefs).

The ALJ apparently instead preferred and used the calculational route of an increased DSC to cover some of these additional Required Revenues. In NSSWSC's Exceptions, it is pointed out that, if this route of reasoning is chosen, a 45% DSC is required. This is not unprecedented in a PUC Rate case (NSSWSC Reply Brief, 4) where 75% was approved by the Commission.

1) Regarding the DSC methodology:

Section 13.185 (d) (1) states that "The regulatory authority shall base a utility's expenses on historic test year information adjusted for known and measurable changes, as determined by utility commission rules..."

Staff frequently notes the "known and measurable" standard for any financial projection used for adjustments to the "historic test year" or "base year," and that is appropriate given Texas Water Code. But has Staff applied this standard to its own methodology and claims?

Staff testified "To provide for recurring capital improvements that are not debt-financed or contributed, cash reserve balance, and non-reoccurring expenses (such as fines or penalties), I included debt [service] coverage of \$25,763.37 (Attachment FB-2, column E, row 33)." (Bednarski Testimony, 12-13).

Obviously Staff intends DSC to cover unknown future exigencies ("non-reoccurring expenses" such as fines or penalties. But is there any element of "known and measurable" in this testimony of Staff's purpose for including DSC?

Staff further testified "...This [DSC] coverage amount will help provide for operating capital and enable NSSWSC to cover unforeseen costs..." (Bednarski Testimony, 17). Is there any element of "known and measurable" in this testimony of Staff's purpose for including DSC?

Staff further testified "My decision to include a [debt service] coverage amount is based on the AWWA M I Manual discussions with regard to cash-needs approach and DSC, and my experience." (Bednarski Testimony, 16-17).

This testimony states that Staff's DSC recommendation is based on: a) a methodology which includes DSC, and b) DSC itself, and c) Mr. Bednarski's experience. In other words, Staff's DSC recommendation is based solely on Mr. Bednarski's experience. Is there any element of "known and measurable" in this testimony of Staff's purpose for including DSC?

It would appear that Staff does not really believe that the "known and measurable" legal standard should be applied to Staff's chosen methodology or to Staff's own judgment, but rather only to others.

It is well beyond ironic in a legal proceeding as this for Staff to claim that "Rates should not be set" because of such "purely hypothetical" considerations as "North San Saba could be assessed another TCEQ penalty or may need to make additional required infrastructure improvements" (Staff's Exceptions, 3), when Staff's own previous testimony makes exactly those recommendations and claims in order to set rates! How can anyone then have confidence in Staff's recommendation of a DSC of 25%?

2) Regarding Staff's recommendation of DSC of 25%

Staff concedes that Staff's recommendation of a DSC of 25% coupled with Staff's Nelson-Lewis revenue requirement recognition of only \$4,010.29 (instead of the full annual cash-outlay) results in a remnant amount of DSC of \$4,973.22 annually (Staff's Exceptions, 4). That is only 1.3% of Staff's recommended required revenue of \$378,500.53. It is only 1.2% of NSSWSC's calculated required revenue of \$408,000. That is an incredibly pitiful claim of adequate "cash cushion" (Staff's Exceptions, 4) for insuring future "financial integrity."

NSSWSC has also previously addressed this point at length (Whatley Second Supplement to Rebuttal Testimony, 4-6; Third Supplement to Rebuttal, 5) going so far as to state that the

“effective value” of DSC which Staff has allocated is actually only 4.8% and not 25% as claimed (Whatley’s Second Supplement to Rebuttal Testimony, 6).

Exhibit RW-18 (Whatley Second Supplement to Rebuttal Testimony) illustrates the volatility of NSSWSC water demand as it changes seasonally. In 2014 for example, a maximum peak month of about 360,000 gallons and a minimum demand month of about 150,000 gallons occurred. This is a ratio of 2.4 to 1, or 240%. As a result, water sales and the resulting monthly revenue has a similar volatility from month to month throughout the year.

The Commission is charged by the legislature with insuring the “financial integrity” of NSSWSC in this proceeding. Can anyone credibly expect a WSC to preserve its “financial integrity” in the face of roughly 240% historical variations of monthly revenues with a 1.3% of revenues “cash cushion” (Staff’s Exceptions, 4) in Required Revenues and resulting rates? Is this a serious claim?

If the Debt Service Coverage calculation (as used by the ALJ to cover NSSWSC’s remaining unaccounted Required Revenues) is to be preferred by the Commission, then 25% is not adequate. Neither is 35% adequate. Forty-five percent is required to cover NSSWSC’s actual cash expenditures, including the necessary Nelson-Lewis contracted payments (NSSWSC Exceptions, 2).

III. NSSWSC’s reply to Staff’s Exception to the ALJ’s finding of 80% fixed cost for Operations and Maintenance.

At the Hearing it became obvious from Mr. Bednarski’s testimony that he used the 55% rule without any thought as to whether NSSWSC’s relative uniqueness compared to compact municipal WSCs might merit an adjustment.

In fact, NSSWSC is quite rural as compared to most and supplies water to many ranch properties separated by considerable distances. Our physical plant requiring Operations and Maintenance largely consists of pumps and of water distribution pipes- miles and miles of pipes - and relatively few ratepayers.

Pump wear for purposes of estimating fixed/variable Operations and Maintenance expense ratio is largely a function of the volume pumped and is therefore variable cost. Pipes, on the other hand, simply sit in the ground with a TCEQ-mandated minimum pressure independent of volume pumped, and they evolve leaks based on that pressure and environmental variables as well as pipe age and condition. There tends to be a prevailing leak rate independent of volume. This maintenance is therefore a fixed cost, and our Operator has testified that it is his experience with the system that 80% of his Operations and Maintenance was fixing pipe leaks in the 2014 base year.

There is simply no way that a PUC accountant who never made a field trip to San Saba and never visited the NSSWSC system, nor ever asked the relevant questions, nor ever ascertained the relative variables involved, could exercise a superior judgment in this matter over the NSSWSC operator who actually did the Operations and Maintenance work in 2014.

IV. Request to approve additional attorney's fees.

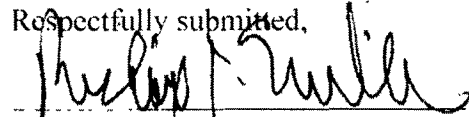
In order to adequately defend itself and file Exceptions to the PFD and these Replies to Exceptions, NSSWSC has necessarily incurred additional attorney's fees since the ALJ's Proposal for Decision, in which the ALJ proposed that NSSWSC attorney's fees be paid. NSSWSC here attaches as Exhibit A the additional attorney's fees incurred since the judge's

rendering of her Proposal for Decision and asks that the Commission would grant its request that these amounts be included in the amount the ALJ recommended NSSWSC should recover.

PRAYER

WHEREFORE, NSSWSC prays that the Commission enter an order affirming NSSWSC's current base and gallonage rates. NSSWSC further requests such other and further relief to which it shows itself justly entitled.

Respectfully submitted,



Richard T. Miller
Texas Bar No. 14108300
Law Office of Richard T. Miller
414 E. Wallace St.
San Saba, Texas 76877
325-372-4400
325-372-3645 Fax
rtmiller@centex.net
Attorney for NSSWSC

P.U.C. DOCKET NO. 45283
SOAH DOCKET NO. 473-16-1834.WS

CERTIFICATE OF SERVICE

I certify that on February 16, 2017 a copy of this document was served upon the following parties of record via e-mail, facsimile, or first class mail:

Sam Chang State Bar No. 24078333 Attorney, Legal Division Public Utility Commission of Texas 1701 N. Congress Avenue P.O. Box 13326 Austin, Texas 78711-3326 (512) 936-7261 (512) 936-7268 (facsimile) sam.chang@puc.texas.gov <i>Counsel for Public Utility Commission</i>	Barbara Horn Chairman, Ratepayers' Committee 7255 County Road 124 San Saba, TX 76877 325-372-4676
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Richard T. Miller

EXHIBIT A

STATE OF TEXAS

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§

COUNTY OF SAN SABA

AFFIDAVIT OF RICHARD T. MILLER

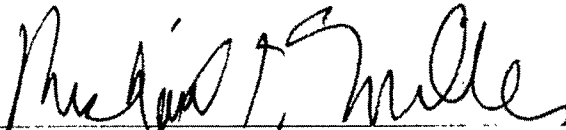
BEFORE ME, the undersigned authority, on this day personally appeared Richard T. Miller, who, having been placed under oath by me, did depose as follows:

1. "My name is Richard T. Miller. I am of sound mind and capable of making this affidavit. The facts stated herein are true and correct based upon my personal knowledge.
2. Based on my experience and education and following a thorough and critical review of all the relevant information, I have concluded that the reasonable and necessary NSSWSC legal expenses from October 2015 to present are \$25,518.77.
3. I have directed the work performed by the Law Office of Richard T. Miller staff on behalf of NSSWSC since the firm was hired by NSSWSC. I have reviewed the billings of my office submitted to NSSWSC for legal services from October 2015 through the present in connection with NSSWSC's defense of its rates. I affirm those billings accurately reflect the time spent and expenditures incurred by the Law Office of Richard T. Miller on NSSWSC's behalf.
4. My office is representing NSSWSC at a rate that is significantly reduced from my normal rate. The expenses charged were associated with matters connected with the review of NSSWSC's rate and were necessary to advise NSSWSC and to accomplish tasks in this rate proceeding.
5. The fees and expenses were necessary and for the legal representation of NSSWSC. The legal work included advising NSSWSC on strategy, review of NSSWSC files, preparation of pleadings and other documents, and review and preparation of evidentiary testimony and exhibits to be submitted for the hearing on the merits, attending mediation and the hearing on the merits, and preparing initial and closing briefs, exceptions to the proposal for decision, and replies to exceptions. These legal expenses were also incurred in preparation of responses to discovery propounded by other parties in this proceeding.
6. The attorneys' rates of \$125 (associate) and \$175 are less than what we normally bill other clients because of the unique circumstances of this case and reflect an effort to minimize expenses to a corporation performing a public service. The hours spent to perform the tasks assigned to the Law Office of Richard T. Miller were necessary to complete those tasks in a professional manner on a timely basis.

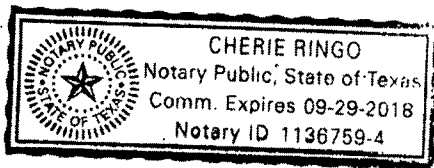
EXHIBIT A

7. In her Proposal for Decision, Administrative Law Judge Vandrovec proposed that NSSWSC be allowed to recover legal expenses of, at that time, \$22,055.02. Since the date of her Proposal, I have incurred further expenses in the preparation and filing of Exceptions to the Proposal for Decision, as well as our Reply to Staff's Exceptions. Those additional expenses are \$3,463.75 and bring the total legal expenses in this matter to \$25,518.77
8. The current and total amount of \$25,518.77 is reasonable given the complexity of this case. Attached to this affidavit is Exhibit A-1 containing all legal expenses incurred by NSSWSC as a result of this matter from October 11 to present. The attachment represents true and accurate copies of my firm's invoices as I have described.

Further affiant sayeth not.


Richard T. Miller

SUBSCRIBED AND SWORN TO BEFORE ME by the said Richard T. Miller this 16th
day of February 2017.





Notary Public, State of Texas

EXHIBIT A-1**Law Office of Richard Miller**

PO Box 99
San Saba, TX 76877

INVOICE

Invoice # 118
Date 02/05/2016
Due On: 03/06/2016

North SS Water Supply
P O Box 598
San Saba, TX 76877

M-2300.1 Price Rate Change**Services**

Type	Date	Description	Quantity	Rate	Total
Service	11/04/2015	Research	2.00	\$125.00	\$250.00
Service	12/04/2015	Set up PUC e-filing file notice of service info	0.50	\$125.00	\$62.50
Service	12/04/2015	Conference with Regina M. Morgan, Attorney	0.20	\$175.00	\$35.00
Service	01/19/2016	Research; draft list of issues	1.00	\$125.00	\$125.00
Service	01/20/2016	Conference with Regina M. Morgan, Attorney	0.20	\$175.00	\$35.00
Service	01/21/2016	revise draft of issues, prepare mailings fax to counsel, ems w/ client call w/ client	1.50	\$125.00	\$187.50
Service	01/28/2016	call w/ client	0.30	\$125.00	\$37.50
Service	02/01/2016	draft response to RFI	0.50	\$125.00	\$62.50
Service	02/01/2016	Conference with Regina M. Morgan, Attorney	0.20	\$175.00	\$35.00
Service	02/03/2016	scan docs responsive to RFI	1.00	\$125.00	\$125.00
Service	02/04/2016	draft responses to RFI, organize/bates-label docs, research	3.00	\$125.00	\$375.00
Service	02/05/2016	Conference with Regina M. Morgan, Attorney	0.00	\$175.00	\$0.00
Services Subtotal					\$1,330.00

Expenses

Type	Date	Description	Quantity	Rate	Total
Expense	12/04/2015	Postage: Certified Mail to Barbara Horn	1.00	\$6.74	\$6.74
Expense	12/04/2015	Postage: Certified Mail No return receipt to PUC	1.00	\$3.45	\$3.45
Expenses Subtotal					\$10.19
Subtotal					\$1,340.19
Total					\$1,340.19

Please make all amounts payable to Law Office of Richard Miller

EXHIBIT A-1

Law Office of Richard Miller

PO Box 99
San Saba, TX 76877

INVOICE

Invoice # 127
Date 03/03/2016
Due On 04/02/2016

North SS Water Supply
P.O. Box 598
San Saba, TX 76877

M-2300.1 Price Rate Change

Services

Type	Date	Description	Quantity	Rate	Total
Service	02/19/2016	Pre-hrg conf call with ALJ, Sam Chang, Barbara Horn, RTM, RMM	0.75	\$125.00	\$93.75
Service	02/19/2016	Pre-hrg conf call	0.75	\$175.00	\$131.25
Services Subtotal					\$225.00

Expenses

Type	Date	Description	Quantity	Rate	Total
Expense	08/31/2015	Postage- Certified Mail to OAC	1.00	\$3.94	\$3.94
Expenses Subtotal					\$3.94
Subtotal					\$228.94
Total					\$228.94

Please make all amounts payable to: Law Office of Richard Miller

EXHIBIT A-1**Law Office of Richard Miller**

PO Box 99
San Saba TX 76877

INVOICE

Invoice # 135
Date 03/29/2016
Due On 04/28/2016

North SS Water Supply
P O Box 598
San Saba TX 76877

M-2300.1 Price Rate Change**Services**

Type	Date	Description	Quantity	Rate	Total
Service	03/16/2016	Draft response to PUC 2nd RFI, scanned/Bates-stamped docs, ems to clients, call w/ client	1.00	\$125.00	\$375.00
Service	03/17/2016	Finalized draft response, scanned/labelled docs, burned discs, prepared mailing	1.00	\$125.00	\$125.00
Service	03/21/2016	Call to TRWA, ems w/ TRWA, research, ems w/ clients, confer with RTM	2.00	\$125.00	\$250.00
Service	03/23/2016	Mtg w/ clients re testimony, review of docs, research	3.00	\$125.00	\$375.00
Service	03/23/2016	RTM Meeting with NSSWSC and RMM	0.50	\$175.00	\$87.50
Service	03/24/2016	Draft form for Broyles testimony, ems to clients	0.50	\$125.00	\$62.50
Service	03/28/2016	call w/ client, ems w/ clients, revision of Whalley draft testimony, review of docs	1.50	\$125.00	\$187.50

Services Subtotal **\$1,462.50**

Expenses

Type	Date	Description	Quantity	Rate	Total
Expense	03/18/2016	Postage to PUC Jan-March 29, 2016 01-22-16 \$2.30 02-10-16 \$9.62, 03-17-16 \$6.70, 03-24-16 \$6.70	1.00	\$25.32	\$25.32

Expenses Subtotal **\$25.32**

Subtotal **\$1,487.82**

Total **\$1,487.82**

Please make all amounts payable to: Law Office of Richard Miller

EXHIBIT A-1

Law Office of Richard Miller

PO Box 99
San Saba, TX 76877

INVOICE

Invoice # 150
Date 07/28/2016
Due On 08/27/2016

North SS Water Supply
P.O. Box 598
San Saba, TX 76877

M-2300.1

PUC Rate Appeal

Services

Type	Date	Description	Quantity	Rate	Total
Service	03/30/2016	Finalize draft, mtg w/ clients, call w/ RW	0.75	\$125.00	\$93.75
Service	04/05/2016	mtg w/ C.H. RW, review docs	0.40	\$125.00	\$50.00
Service	04/11/2016	calls w/ clients, draft responses, scan docs for production	1.50	\$125.00	\$187.50
Service	04/12/2016	calls w/ clients, draft RFI, research	0.50	\$125.00	\$62.50
Service	04/15/2016	review of docs, scan docs, draft resp to RFI	1.00	\$125.00	\$125.00
Service	04/25/2016	finalize draft of RFI, calls w/ clients, prepare mailing, e file	1.00	\$125.00	\$125.00
Service	04/29/2016	update file, review filings	0.20	\$125.00	\$25.00
Service	05/02/2016	update files, review filings & testimony, calls w/ clients	0.50	\$125.00	\$62.50
Service	05/05/2016	calls w/ clients	0.10	\$125.00	\$12.50
Service	05/06/2016	review of docs, draft rebuttal, draft objection, e-file, prepare mailing	1.50	\$125.00	\$187.50
Service	05/16/2016	mtg w/ RW	0.30	\$125.00	\$37.50
Service	05/17/2016	revise RW draft testimony, organize exhibits	0.75	\$125.00	\$93.75

EXHIBIT A-1

Invoice # 150 - 07/28/2016

Service	05/18/2016	revise rebuttal draft	0.20	\$125.00	\$25.00
Service	05/19/2016	Copies for client RW	0.05	\$50.00	\$7.50
Service	05/20/2016	Copies for client RW	0.05	\$50.00	\$7.50
Service	05/20/2016	revision of rebuttal testimony, mtg w/ client, prepare filings, prepare disks, prepare mailings, e file	4.00	\$125.00	\$500.00
Service	05/20/2016	Meeting with Roger Whalley	0.75	\$175.00	\$131.25
Service	05/23/2016	review ems from clients, mtg w/ client	0.20	\$125.00	\$25.00
Service	05/25/2016	draft supp to RW's 2nd rebuttal testimony, prepare e-file, prepare mailings	0.20	\$125.00	\$25.00
Service	05/26/2016	ems w/ clients	0.20	\$125.00	\$25.00
Service	05/31/2016	mtg w/ client	0.20	\$125.00	\$25.00
Service	06/08/2016	revise RW's draft of rebuttal supp, ems w/ clients	0.25	\$125.00	\$31.25
Service	06/09/2016	finalize RW's 2nd rebuttal e-file, prepare for mediation, mtg w/ client, ems w/ client, copy disks for filing	2.50	\$125.00	\$312.50
Service	06/13/2016	Calls w/ PUC, Barbara Hore, Judge Gutzman, client ems w/ PUC, ems w/ client, mtg w/ client, draft into e-file, prepare filings, e-file, prepare mailings	4.00	\$125.00	\$500.00
Service	06/20/2016	revise comments, prepare documents filing	0.75	\$125.00	\$93.75
Service	06/21/2016	ems w/ clients, call w/ mediator, ems w/ mediator, ems w/ PUC	0.40	\$125.00	\$50.00
Service	07/05/2016	Draft mediation statement, ems to RIM, ems to client, put together mediation mtg	1.00	\$125.00	\$125.00
Service	07/06/2016	mtg w/ RW re mediation, review docs	0.50	\$125.00	\$62.50
Service	07/06/2016	Mtg w/ client re mediation	0.50	\$125.00	\$62.50
Service	07/08/2016	Travel to/from mediation, attend mediation	0.75	\$175.00	\$131.25
Service	07/15/2016	Format RW's 2nd rebuttal testimony, ems w/ RW, ems to RIM, call to client	0.50	\$125.00	\$62.50
Service	07/19/2016	ems to PUC	0.10	\$125.00	\$12.50
Service	07/26/2016	ems to PUC	0.10	\$125.00	\$12.50
Services Subtotal					\$5,077.50

Expenses

Type	Date	Description	Quantity	Rate	Total
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EXHIBIT A-1

Expense	03/31/2016	UPS 4 Packages Next Day to PUC 04-04-16 Invoice# 0000884675156 Paid 04-13-16	1.00	\$112.53	\$112.53
Expense	04/06/2016	UPS 4 Packages Next Day to PUC 04-09-16 Invoice# 0000884675156 Paid 04-13-16	1.00	\$112.08	\$112.08
Expense	04/12/2016	SOS Direct Receipt Batch 66541967 Paid Online	1.00	\$1.03	\$1.03
Expense	04/16/2016	Refund for 03/31/16 4 Packages not delivered Next Day 04-09-16 Invoice# 0000884675156 Paid on 04-13-16 OK# 1382391 Issued 05-23-16 for Refund	1.00	\$110.05	\$110.05
Expense	04/20/2016	UPS 1 Package Next Day to PUC 04-21-16 for Invoice# 0000884675156 Paid 04-25-16	1.00	\$28.02	\$28.02
Expense	04/20/2016	Postage to B. Horn	1.00	\$1.36	\$1.36
Expense	04/25/2016	Postage to PUC & B. Horn	1.00	\$7.85	\$7.85
Expense	05/06/2016	UPS 1 Package Next Day to PUC 05-16-16 Invoice# 0000884675206 Paid 05-19-16	1.00	\$23.48	\$23.48
Expense	05/20/2016	UPS 2 Packages Next Day to PUC 05/23/16 Invoice# 0000884675226 Paid 05-31-16	1.00	\$56.62	\$56.62
Expense	05/25/2016	UPS 1 Package Next Day to PUC 05/28/16 Invoice# 0000884675266 Paid 05-31-16	1.00	\$28.15	\$28.15
Expense	06/09/2016	UPS 1 Package Next Day to PUC 06/09/16	1.00	\$28.29	\$28.29
Expense	06/09/2016	UPS 1 Package Next Day to PUC 06/09/16	1.00	\$28.29	\$28.29
Expense	06/10/2016	Postage to B. Horn	1.00	\$1.36	\$1.36
Expense	06/13/2016	UPS 1 Package Next Day to PUC 06/13/16	1.00	\$28.29	\$28.29
Expense	06/21/2016	UPS 1 Package Next Day to PUC 06/21/16	1.00	\$28.29	\$28.29
Expense	07/08/2016	Mileage to Mediation - 210 mile round trip @ \$4.14/mile	1.00	\$113.40	\$113.40
Expenses Subtotal					\$488.99
Subtotal					\$5,566.49
Total					\$5,566.49

EXHIBIT A-1**Law Office of Richard Miller**

PO Box 99
San Saba, TX 76877

INVOICE

Invoice # 154
Date: 10/12/2016
Due On: 11/11/2016

North SS Water Supply
P.O. Box 598
San Saba, TX 76877

M-2300.1**PUC Rate Appeal****Services**

Type	Date	Description	Quantity	Rate	Total
Service	08/03/2016	Emails with PUC	0.30	\$175.00	\$52.50
Service	08/04/2016	Mtg w/ client	0.20	\$125.00	\$25.00
Service	08/04/2016	Emails with Client	0.20	\$175.00	\$35.00
Service	08/04/2016	Emails with PUC	0.20	\$175.00	\$35.00
Service	08/05/2016	Mtg w/ client, review of ems, review of docs. ems w/ client	1.00	\$125.00	\$125.00
Service	08/05/2016	Emails with Mediators	0.30	\$175.00	\$52.50
Service	08/05/2016	Emails with Client	0.10	\$175.00	\$17.50
Service	08/08/2016	Emails with PUC, Mediators, Clients	0.30	\$175.00	\$52.50
Service	08/09/2016	Emails with PUC	0.10	\$175.00	\$17.50
Service	08/11/2016	Emails to Mediators	0.20	\$175.00	\$35.00
Service	08/11/2016	Review Emails from Client	0.10	\$175.00	\$17.50
Service	08/15/2016	Call with PUC	0.30	\$175.00	\$52.50
Service	08/15/2016	Emails with Client	0.20	\$175.00	\$35.00

EXHIBIT A-1

Invoice # 154 10/12/2016

Service	08/16/2016	Emails with PUC	0.30	\$175.00	\$52.50
Service	08/16/2016	Review clients docs, revise draft, ems w/ client, call w/ client, consult w/ RTM	0.75	\$125.00	\$93.75
Service	08/17/2016	Emails with Client, PUC	0.20	\$175.00	\$35.00
Service	08/18/2016	call w/ client	0.10	\$125.00	\$12.50
Service	08/19/2016	Emails with PUC	0.10	\$175.00	\$17.50
Service	08/24/2016	Emails with PUC	0.20	\$175.00	\$35.00
Service	08/25/2016	mtg w/ client	0.20	\$125.00	\$25.00
Service	08/29/2016	Review Emails re Hearing	0.20	\$175.00	\$35.00
Service	08/30/2016	Emails with Client	0.30	\$175.00	\$52.50
Service	08/30/2016	call to BH re hrg date	0.10	\$125.00	\$12.50
Service	10/03/2016	Emails to PUC	0.20	\$175.00	\$35.00
Service	10/03/2016	ems to client, ems to PUC	0.20	\$125.00	\$25.00
Service	10/06/2016	Emails with Client, Meeting with Client	0.60	\$175.00	\$105.00
Service	10/06/2016	mtg w/ client, organize rebuttal testimony, ems to client, update file, call w/ client	2.00	\$125.00	\$250.00
Service	10/07/2016	Emails with Client	0.10	\$175.00	\$17.50
Service	10/07/2016	Finalize rebuttal testimony, copy discs, prepare mailing, e-file, ems to PUC	2.00	\$125.00	\$250.00
Service	10/10/2016	Emails with Client	0.10	\$175.00	\$17.50
Service	10/10/2016	Call with TRWA	0.40	\$175.00	\$70.00
Service	10/10/2016	Review Testimony	1.00	\$175.00	\$175.00
Service	10/10/2016	Mtg w/ clients	1.00	\$175.00	\$175.00
Service	10/11/2016	Emails with Client	0.30	\$175.00	\$52.50
Services Subtotal					\$2,096.25

Expenses

Type	Date	Description	Quantity	Rate	Total
Expense	10/07/2016	Express Postage to PUC	1.00	\$22.95	\$22.95
Expense	10/07/2016	Postage to Barbara Horn	1.00	\$2.62	\$2.62
Expenses Subtotal					\$25.57

EXHIBIT A-1

Invoice # 154 - 10/12/2016

Subtotal	\$2,121.82
Total	\$2,121.82

Detailed Statement of Account

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
154	11/11/2016	\$2,121.82	\$0.00	\$2,121.82
Outstanding Balance				\$2,121.82
Total Amount Outstanding				\$2,121.82

Please make all amounts payable to: Law Office of Richard Miller

Please replenish our Trust account with the amount listed as Outstanding Balance within 30 days.

EXHIBIT A-1

Law Office of Richard Miller

PO Box 99
San Saba, TX 76877

INVOICE

Invoice # 167
Date: 11/17/2016
Due On: 12/17/2016

North SS Water Supply
P.O. Box 598
San Saba, TX 76877

M-2300.1

PUC Rate Appeal

Services

Type	Date	Description	Quantity	Rate	Total
Service	10/12/2016	Review of docs. hearing prep	1.00	\$175.00	\$262.50
Service	10/12/2016	Hearing prep	1.00	\$125.00	\$125.00
Service	10/13/2016	Hearing prep	2.00	\$175.00	\$350.00
Service	10/13/2016	Hearing prep	2.00	\$125.00	\$250.00
Service	10/14/2016	Attend hearing - prep for trial	1.00	\$175.00	\$175.00
Service	11/01/2016	Review of docs. draft initial brief	4.00	\$125.00	\$500.00
Service	11/02/2016	Review of docs. draft initial brief	1.00	\$125.00	\$125.00
Service	11/03/2016	Review of brief and revisions	2.00	\$175.00	\$350.00
Service	11/03/2016	Review of docs. draft initial brief	1.00	\$125.00	\$125.00
Service	11/04/2016	Final revisions to brief, submit to Court Administrator regarding filing	2.00	\$175.00	\$350.00
Service	11/04/2016	E-file brief, make copies, and submit to court	1.00	\$125.00	\$125.00
Service	11/14/2016	Review of record and preparation of brief	1.00	\$175.00	\$175.00
Service	11/15/2016	Review of record and preparation of brief	1.00	\$175.00	\$175.00

EXHIBIT A-1

Invoice # 157 - 11/17/2016

Service	11/16/2016	Preparation of audit	9.00	\$175.00	\$1,575.00
Service	11/16/2016	Review/edit audit	1.00	\$125.00	\$125.00
Service	11/17/2016	Review/review draft audit make disc copies, prepare mailing	1.00	\$125.00	\$125.00
Service	11/17/2016	Conference with client and review of audit and mailing audit filed	1.00	\$175.00	\$175.00
Services Subtotal					\$11,262.50

Expenses

Type	Date	Description	Quantity	Rate	Total
Expense	10/12/2016	Express Postage - mail	1.00	\$22.95	\$22.95
Expense	10/12/2016	Postage to Barnstable	1.00	\$1.36	\$1.36
Expense	11/17/2016	Express Postage - mail	1.00	\$22.95	\$22.95
Expenses Subtotal					\$47.26

Subtotal \$11,309.76

Total \$11,309.76

EXHIBIT A-1**Law Office of Richard Miller**

PO Box 99
San Saba, TX 76877

INVOICE

Invoice # 163
Date: 02/16/2017
Due On: 03/18/2017

North SS Water Supply
P.O. Box 598
San Saba, TX 76877

M-2300.1**PUC Rate Appeal****Services**

Type	Date	Description	Quantity	Rate	Total
Service	11/28/2016	draft corrections, revise, ph calls w/ client, mtg w/ client, c-file, prepare copies for mailing	3.00	\$125.00	\$375.00
Service	01/23/2017	Conference w/ Barbara Horn and client	0.75	\$175.00	\$131.25
Service	01/24/2017	Confer w/ NSSWSC member, conference w/ Regina	0.75	\$175.00	\$131.25
Service	01/25/2017	mtg w/ Bob H, ph call w/ Bill H, talk to NSSWSC member, call w/ Barbara Horn, preparing summary of rates under ALJ proposal	2.50	\$175.00	\$437.50
Service	01/27/2017	draft exceptions to PFD, call w/ client	2.00	\$125.00	\$250.00
Service	01/31/2017	review/revise draft, prepare filing, e-file, make disc copies, prepare mailing	3.00	\$125.00	\$375.00
Service	02/01/2017	Review of email & spreadsheet from Stephen Mack; conference with Regina	0.30	\$175.00	\$52.50
Service	02/02/2017	Phone conference w/ Stephen Mack; review of spreadsheet data	0.75	\$175.00	\$131.25
Service	02/03/2017	emails to/from Stephen Mack; conference w/ Regina	1.25	\$175.00	\$218.75
Service	02/08/2017	mtg w/ JB, call w/ PUC, call w/ RW	1.50	\$175.00	\$262.50
Service	02/09/2017	phone call w/ Stephen Mack and Margaret Pemberton	0.25	\$175.00	\$43.75

EXHIBIT A-1

Service	02/12/2017	phone calls w/ Roger Whatley confirming reaffirmation of rate increase and my authority in stlm negotiations	0.25	\$175.00	\$43.75
Service	02/13/2017	draft statement, mtg w/ BH and JB, call w/ RW, call w/ JB, attend NSSWSC board meeting	3.50	\$125.00	\$437.50
Service	02/13/2017	phone calls with Sam Chang, Regina Morgan, Margaret Pemberton	0.60	\$175.00	\$105.00
Service	02/14/2017	phone calls w/ Sam Chang, Regina Morgan	0.50	\$175.00	\$87.50
Service	02/15/2017	draft affirmation sheet, call w/ JB, ems to JB & BH, call w/ RW, formal replies to exceptions	2.00	\$125.00	\$250.00
Service	02/15/2017	phone calls w/ Stephen Mack, ems from Roger Whatley	0.40	\$175.00	\$70.00
Service	03/01/2017	call w/ client	0.30	\$125.00	\$37.50
Services Subtotal					\$3,440.00

Expenses

Type	Date	Description	Quantity	Rate	Total
Expense	02/01/2017	Express Postage to PUC CK #5857	1.00	\$23.75	\$23.75
Expenses Subtotal					\$23.75
Subtotal					\$3,463.75
Total					\$3,463.75