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APPLICATION OF MONARCH §
UTILITIES I, L.P. TO CHANGE RATES §
FOR WATER AND SEWER SERVICE §

BEFORE THE STATE OFFICE OF PUBLIC UTILITY COMMISSION
ADMINISTRATIVE HEARINGS

2016 MAY 16 AM 11:54

**MONARCH UTILITIES I, L.P.’S OBJECTIONS TO
KATHY NIELSEN’S FIRST REQUESTS FOR INFORMATION**

Monarch Utilities I, L.P. (“Monarch”) files these its Objections to Kathy Nielsen’s (“Nielsen”) First Requests for Information (“RFIs”), and respectfully shows as follows:

I. PROCEDURAL HISTORY

Nielsen served its First RFIs to Monarch on April 29, 2016. Pursuant to Title 16 Tex. Admin. Code (“TAC”) § 22.144(d), these objections are timely filed. On May 3rd, 2016, counsel for Monarch made a good-faith attempt at contacting Nielsen to address these objections, but was unable to timely confer with Nielsen prior to the filing of these objections. Thus, pursuant to 16 TAC § 22.144(d), Monarch has materially complied with all procedural prerequisites to the filing of these objections.

II. OBJECTION

NIELSEN RFI 1-11: For this Request, ‘Profit’ should be calculated to include, in dollars, ‘income’ less ‘expenses’. ‘Income’ to be monies received from Monarch’s customers. ‘Expenses’ to be defined as operational costs of water and sewer systems EXCLUDING 1) salaries to Monarch executives, 2) Monarch legal costs other than business permits and the like, 3) the costs Monarch spent for purchasing and installing the new electronic ‘water meters’, and 4) costs (if any) for ‘wasted’ water (ie non-billed water spillage). ‘Executives’ is defined to be any person who has collected monetary compensation in any form from Monarch worth in excess of \$80,000.

Provide information and/or indicate document title(s) and page number(s) where requested information can be found in your documents submitted in your Application which indicates profit in dollars made by Monarch for the following years: 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015

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Objection:

Monarch objects to this request on the grounds that it is unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. This request is asking that Monarch analyze internal data on an accounting basis created solely for the request, that is not reasonably based on any accepted accounting standard (i.e. GAAP or NARUC). By structuring the request in such a fashion Monarch would be required to create entirely new schedules based on the requestor's methodology for calculating "income" and "expenses" that would necessitate a significant amount of personnel hours, ultimately for calculated data that would have little to no probative value. This request is seeking irrelevant information, which is outside the realm of GAAP or NARUC standards, as well as the standards outlined in the Class A Investor-Owned Utilities Water And/Or Sewer Rate Filing Package For Cost-Of-Service Determination ("Rate Filing Package Instructions"). Based on the foregoing, this objection should be granted.

III. PRAYER

WHEREFORE, PREMISES CONSIDERED, Monarch requests these objections be sustained. Monarch also requests any other relief to which it may show itself justly entitled.

Respectfully submitted,

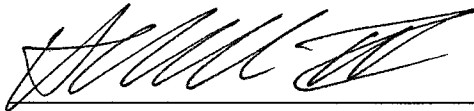
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ATTORNEYS FOR MONARCH UTILITIES I, LP

CERTIFICATE OF SERVICE

I hereby certify that on this 4th day of May, 2016, a true and correct copy of the foregoing document has been hand-delivered., sent via facsimile, e-mail, or first class mail to all parties of record.



WILLIAM A. FAULK, III