

Control Number: 45570



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SOAH DOCKET NO. 473-16-2873.WS
PUC DOCKET NO. 45570

RECEIVED

APPLICATION OF MONARCH §
UTILITIES I, LP FOR AUTHORITY TO §
CHANGE RATES §

STATE OFFICE OF PUBLIC UTILITY COMMISSION
ADMINISTRATIVE HEARINGS CLERK
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COMMISSION STAFF'S TWELFTH REQUEST
FOR INFORMATION TO MONARCH UTILITIES I, LP
STAFF NOS. 12-1 THROUGH NO. 12-7

To: Monarch Utilities I, LP, through its counsel of record, Lambeth Townsend, Georgia N. Crump, and William A. Faulk, III, Lloyd, Gosselink, Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701

Pursuant to 16 Tex. Admin. Code § 22.144, Commission Staff of the Public Utility Commission of Texas requests that Monarch Utilities I, LP provide responses and produce documents in response to Staff's Twelfth Request for Information.

Provide an original and three (3) copies of your responses to:

Public Utility Commission of Texas
Attention: Filing Clerk
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78712-3326

226

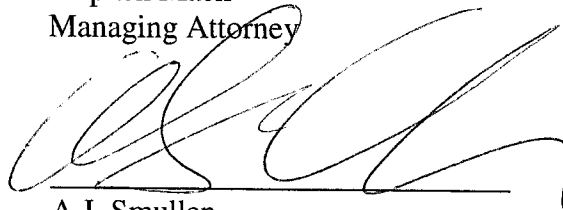
Date: July 8, 2016

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Stephen Mack
Managing Attorney

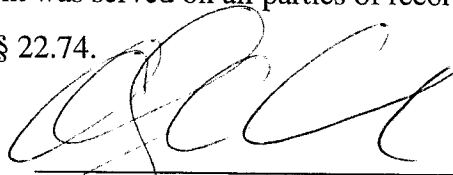


A.J. Smullen
State Bar No. 24083881
(512) 936-7289
Sam Chang
State Bar No. 24078333
1701 N. Congress Avenue
Austin, Texas 78712-3326
(512) 936-7268 (facsimile)

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CERTIFICATE OF SERVICE

I certify that a copy of this document was served on all parties of record on July 8, 2016
in accordance with 16 Tex. Admin. Code § 22.74.



AJ Smullen

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INSTRUCTIONS

1. Monarch Utilities' responses to Staff's 12th RFI shall be provided within the time limit provided by the presiding officer or, if the presiding officer has not provided a time limit, within twenty (20) days.
2. Monarch Utilities' responses to Staff's 12th RFI shall be in sufficient detail to fully present all of the relevant facts.
3. Each response must be made under oath and identify the person that prepared the response or the person under whose direct supervision the response was prepared. Additionally, each response must also identify the sponsoring witness, if any.
4. Copy the specific question or document request immediately above each response. With respect to the production of documents, indicate the specific document request(s) to which the documents are being produced.
5. Monarch Utilities has a continuing duty to supplement its responses to Staff's 12th RFI if it acquires information upon the basis of which it knows or should know that the response was incorrect or incomplete when made or though correct or complete when made, is materially incorrect or incomplete. Monarch Utilities shall amend its prior response within five (5) working days of acquiring the information.
6. If any responsive Document, Electronically Stored Information, or tangible item is withheld under any claim of privilege, provide a privilege log identifying each Document for which a privilege is claimed, together with the following information:
 - a. Date of the Document was created;
 - b. Subject matter of the Document; and
 - c. The basis upon which such privilege is claimed.
7. Electronically Stored Information and Documents in an electronic format shall be produced with metadata intact.
8. If the response to any request is voluminous, provide a detailed index of the voluminous material and the means by which Staff may obtain the voluminous material.
9. Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.

10. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
11. The terms “and” and “or” shall be construed as either conjunctive or conjunctive as necessary to make the request inclusive rather than exclusive

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DEFINITIONS

1. "Monarch Utilities" means Monarch Utilities I, LP and any entity or person acting or purporting to act on its behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, independent contractors, or other persons.
2. "Commission" means the Public Utility Commission of Texas.
3. "Document" is used in its broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description, whether printed, produced, or reproduced by any process (visually, magnetically, mechanically, electronically, or by hand); whether a final draft, initial draft, original copy, or reproduction; whether claimed as privileged or otherwise excludable from discovery; and whether or not in your actual or constructive possession, custody, or control. The term includes any written, recorded, or graphic matter, however produced or reproduced, including but not limited to Electronically Stored Information, correspondence, e-mails, telegrams, contracts, agreements, notes in any form, memoranda, reports, invoices, ledgers, spreadsheets, data, models, diaries, compilations, voice recording tapes, microfilms, pictures, computer media, workpapers, calendars, minutes of meetings or other writings or graphic matter, including copies containing marginal notes or variations of any of the foregoing, now or previously in your possession.
4. "Electronically Stored Information" means data that is created, altered, communicated, and stored in digital form.
5. "NARUC" means the National Association of Regulatory Commissioners.

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- Staff 12-1 Reference Errata – Schedule II-A-1, Cost of Service by Water/Sewer, Updated 6/2/2016, of the \$333,022 total bad debts (Account 670/770), how much of the total amount is due to or allocable to Blue Mound and Midway?
- Staff 12-2 Please see Monarch's response to Staff RFI 2-39, which details setting up the allowance for probable losses or bad debts. Please describe in detail Monarch's accounting policies, not only for setting up bad debts, but for writing-off bad debts. In responding, please provide any written policy or documents that describe Monarch's procedures for writing-off bad debts from the allowance for bad debts and receivable account.
- Staff 12-3 Please provide the accounting entries made to record the bad debts with a total of \$333,022 for the test year (provide monthly totals of accounts debited and accounts credited).
- Staff 12-4 Please provide the beginning balance of Monarch's allowance for doubtful/uncollectible accounts on July 1, 2014. Please provide the total by month for debits and credits to allowance for doubtful/uncollectible accounts for the test year.
- Staff 12-5 Admit or deny that the allowance for bad debts or uncollectible accounts as of June 30, 2015 is \$100,420 (credit).
- Staff 12-6 Please provide the accounting entries and the total amount by month of bad debts directly written off from the receivable accounts for the test year.
- Staff 12-7 Admit or deny that the bad debts account amounting to \$333,022 includes amounts allocated from the other Texas Utilities or SWWC Utilities.