

Control Number: 46069



Item Number: 41

Addendum StartPage: 0

APPLICATION OF NITSCH & SON
UTILITY COMPANY, INC. FOR A
RATE/TARIFF CHANGE

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PUBLIC UTILITY COMMISSIONED

2017 JAN 12 AM 9:54
OF TEXAS

PUBLIC UTILITY COMMISSION
FILING CLERK

**NITSCH & SON UTILITY COMPANY, INC.'S
THIRD SUPPLEMENTAL RESPONSES TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**

Applicant, Nitsch & Son Utility Company, Inc., submits the following Third Supplemental Responses to Commission Staff's First Request for Information.

Supplemental Responses to Commission Staff's First Request for Information

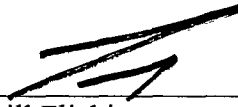
Staff 1-7 Please provide paid, detailed invoices and supporting documentation for the rate case surcharge expense.

Response: See the attached supplemental response to Question No. Staff 1-7 providing additional invoices for Marvin B. Morgan and Willatt & Flickinger, PLLC since the date the Second Supplemental Responses were provided to the Commission Staff's First Request for Information. The invoices provide a description of the services provided through December 30, 2016.

Respectfully submitted,

WILLATT & FLICKINGER, PLLC
Attorneys at Law
12912 Hill Country Blvd., Suite F-232
Austin, Texas 78738
Telephone: (512) 476-6604
Telecopier: (512) 469-9148

By: _____



Bill Flickinger
State Bar No. 07149050

Matthew W. McPhail
State Bar No. 24074692

ATTORNEYS FOR NITSCH & SON UTILITY
COMPANY, INC.

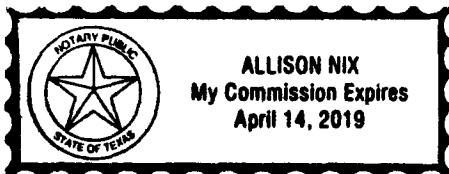
VERIFICATION

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

I hereby verify that the foregoing Third Supplemental Responses to Commission Staff's First Request for Information No. Staff 1-7 above is true and correct.

By: Marvin B. Morgan
Marvin B. Morgan, CFA
Utility Consulting

SUBSCRIBED AND SWORN TO BEFORE ME this 9th day of January, 2017.



[SEAL]

Allison Nix
Notary Public, State of Texas

Allison Nix
Printed Name
My Commission Expires: 4.14.19

CERTIFICATE OF SERVICE

I hereby certify that on January 9, 2017, the foregoing document and attachments were filed with all parties of record in this proceeding via electronic submission through the PUC Filer and via first class mail delivery of hard copies to Central Records at the PUC.



Bill Flickinger

Nitsch & Son Utility Company, Inc.
Supplemental Schedule II-17 A - Regulatory Expense
For the Test Year Ended 12/31/2015

Updated through 12/30/2016

Rate Case Expenses incurred

Marvin B. Morgan - Consulting:

12/6/2014	#11989	3,528.00	Previously provided PUC Staff #1-7
7/1/2015	#12005	2,200.00	Previously provided PUC Staff #1-7
8/14/2015	#12009	5,200.00	Previously provided PUC Staff #1-7
11/4/2015	#12012	6,464.00	Previously provided PUC Staff #1-7
12/28/2015	#12014	2,204.00	Previously provided PUC Staff #1-7
5/3/2016	#12022	4,536.00	Previously provided PUC Staff #1-7
6/2/2016	#12023	7,664.00	Previously provided PUC Staff #1-7
8/3/2016	#12026	1,004.00	Previously provided PUC Staff #1-7
8/3/2016	#12027 COH RFI's	4,200.00	Previously provided PUC Staff #1-7
8/25/2016	#12030	2,732.00	Previously provided PUC Staff #1-7
8/25/2016	#12031 COH RFI's	1,064.00	Previously provided PUC Staff #1-7
9/28/2016	#12035 PUC RFI's	1,400.00	Previously provided PUC Staff #1-7
9/28/2016	#12036 COH settlement	4,132.00	Previously provided PUC Staff #1-7
10/6/2016	#12037 COH settlement	3,136.00	Previously provided PUC Staff #1-7
11/15/2016	#12041 PUC RFI's	2,196.00	Previously provided PUC Staff #1-7
11/15/2016	#12042 COH settlement	1,936.00	Previously provided PUC Staff #1-7
1/6/2017	#12044 PUC	3,468.00	Attached

57,064.00

Bill Flickinger, Attorney

6/20/2016 # NITSCH062016	2,734.20	Previously provided PUC Staff #1-7
8/18/2016 # NITSCH081816	2,198.00	Previously provided PUC Staff #1-7
8/18/2016 # NITSCH081816 COH RFI's	3,825.30	Previously provided PUC Staff #1-7
9/27/2016 #NITSCH092716 PUC RFI's	118.40	Previously provided PUC Staff #1-7
9/28/2016 #NITSCH092716 COH	3,946.28	Previously provided PUC Staff #1-7
10/6/2016 #NITSCH100616 PUC RFI's	1,412.10	Previously provided PUC Staff #1-7
10/6/2016 #NITSCH100616 COH settlement	3,494.40	Previously provided PUC Staff #1-7
11/15/2016 #NITSCH111516 PUC RFI's	3,676.10	Previously provided PUC Staff #1-7
11/15/2016 #NITSCH111516 COH settlement	3,068.74	Previously provided PUC Staff #1-7
12/30/2016 #NITSCH123016 PUC	2,610.50	Attached
12/30/2016 #NITSCH123016 COH settlement	168.50	Attached

27,252.52

84,316.52

Total rate case expenses incurred

Less amounts to be recovered from inside City of Houston via settlement

9,676.80

Net recoverable incurred rate case expenses

74,639.72

Amortize over three years

24,879.91

Total Water and Sewer Customers

1,145

Per Customer per month for 36 months

\$ 1.81

Marvin B. Morgan, Utility Consulting

15009 Glen Heather Drive
Lakeway, TX 78734-6276
Phone (512) 346-8349

Invoice submitted to:

Nitsch and Son Utility Company, Inc.
8131 Northline Dr.
Houston, TX 77037

January 6, 2017

In Reference To: Rate Increase Application
Invoice #12044

Professional Services

	<u>Amount</u>
12/10/2016 Rate Increase Application Preparation for conference call with PUC Staff	
12/15/2016 Rate Increase Application - Participate in conference call with the PUC Staff	
Analyze items identified by Staff as reductions in the Cost of Service	
12/19/2016 Rate Increase Application - Analyze Office Supplies and Expense and Employee benefits and prepare counter offer to PUC Staff	
	<u>Hours</u>
For professional services rendered	8.67 \$3,468.00
Previous balance	\$6,328.00
	<u> </u>
Balance due	<u><u>\$9,796.00</u></u>

WILLATT & FLICKINGER, PLLC
ATTORNEYS AT LAW

12912 HILL COUNTRY BLVD., SUITE F-232 · AUSTIN, TEXAS 78738 · (512) 476-6604 · FAX (512) 469-9148

December 30, 2016

Mr. Glenn Nitsch
Nitsch & Son Utility Company, Inc.
17414 Spicewood Spring Lane
Spring, Texas 77379

INVOICE # NITSCH123016

FOR PROFESSIONAL SERVICES RENDERED since the date of last billing in connection with the Nitsch & Son Utility Company, Inc. rate case:

PUC APPLICATION

BILL FLICKINGER

- 11/28/16 Telephone conference with Marvin Morgan on PUC Staff's request for an evidentiary hearing in the pending rate case. (0.2 Hours). Telephone conference with PUC attorney Michael Crnich on Staff request for hearing. (0.2 Hours). Telephone conference with Glenn Nitsch on status of PUC case. (0.2 Hours).
- 12/08/16 Send email to Marvin Morgan and Glenn Nitsch attaching SOAH Order No. 1 in PUC rate case. (0.2 Hours). Telephone conference with PUC attorney Mike Crnich on possible conference call to discuss settlement of rate case. Email Glenn Nitsch and Marvin Morgan on same. (0.3 Hours). Receive, review and respond to email from Glenn Nitsch on number of customer protests. (0.2 Hours).
- 12/09/16 Telephone conference with Marvin Morgan on upcoming conference calls with PUC Staff and SOAH ALJ. (0.3 Hours). Telephone conference with PUC attorney Mike Crnich on conference call to discuss possible settlement of PUC rate case and on his request for information related to settlement with the City of Houston. (0.2 Hours).
- 12/12/16 Draft email to PUC attorney Mike Crnich with copies of settlement, tariff and ordinance with City of Houston per his request and requesting login information for December 15 conference call. (0.5 Hours).
- 12/13/16 Telephone conference with Glenn Nitsch on upcoming conference call with PUC Staff on possible settlement of rate case. (0.3 Hours).

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- 12/14/16 Email PUC attorney Mike Crnich on three-week extension of statutory deadline and on tomorrow's prehearing conference in rate case, and receive and review his response. (0.4 Hours).
- 12/15/16 Continue preparation for today's conference call with the PUC on possible settlement of rate case, and meet with Marvin Morgan on same. (0.5 Hours). Conference call with PUC on possible settlement of rate case, and discussion with Marvin Morgan and Glenn Nitsch on same. (1.2 Hours).
- 12/16/16 Continue revising Second Supplement to RFIs from the PUC (rate case expenses). (0.2 Hours). Prepare for and participate in conference call/prehearing conference with SOAH ALJ. (0.5 Hours).
- 12/20/16 Receive and review the PUC Staff's list of issues and SOAH Order No. 2, and email same to Glenn Nitsch and Marvin Morgan for their information. (0.4 Hours). Telephone conference with Marvin Morgan on counteroffer for PUC rate case. (0.3 Hours). Email PUC attorney Mike Crnich with counteroffer for PUC consideration. (0.3 Hours).

Attorney BF: 6.4 Hours

ALLISON NIX

- 11/17/16 Receive and review email from Marvin Morgan transmitting updated rate case expenses for submission to the PUC. (0.2 Hours).
- 11/23/16 Receive and review PUC Staff's Request for a Hearing, and email same to Glenn Nitsch and Marvin Morgan for their information. (0.2 Hours).
- 12/09/16 Review SOAH Order No. 1. Review documents filed in the PUC rate case in connection with same. Draft and send email to Glenn Nitsch and Marvin Morgan providing copies of all protests filed by customers. Gather documents from City of Houston rate case requested by PUC Staff. (1.0 Hours).
- 12/15/16 Continue preparation for today's conference call with the PUC Staff. Continue preparation of Second Supplemental Responses to PUC Staff's First RFI to update rate case expenses. (0.6 Hours). Forward all PUC RFI responses to Marvin Morgan with cover email at his request. (0.4 Hours).
- 12/16/16 Draft and send email to Marvin Morgan asking for him to sign the verification for a supplemental response to the PUC to update rate case expenses, and receive and review his response. (0.2 Hours). Continue preparation of Second

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Supplemental Responses to PUC Staff's First RFI. Office conference with Marvin Morgan to review submission prior to filing. E-file same with the PUC, and arrange for mailing of the submission of required hard copies to the PUC. (1.0 Hours).

12/21/16 Receive and review email from Marvin Morgan with his comments on last week's conference call with the PUC Staff. (0.2 Hours).

Legal Assistant AN: 3.8 Hours

CITY OF HOUSTON APPLICATION

BILL FLICKINGER

11/22/16 Receive and review City Ordinance and signed settlement in connection with City of Houston rate case. (0.3 Hours).

Attorney BF: 0.3 Hours

ALLISON NIX

11/22/16 Received copy of signed Settlement Agreement with the City of Houston. Review same. Forward same to Glenn Nitsch and Marvin Morgan with cover email. (0.5 Hours).

Legal Assistant AN: 0.5 Hours

Attorney BF: 6.7 Hours @ \$325.00 per hour	\$2,177.50
Legal Assistant AN: 4.3 Hours @ \$125.00 per hour	\$537.50

CLIENT EXPENSES

160 PUC Photocopies @ \$.20 each	\$32.00
47 Color PUC Photocopies @ \$.50 each	\$23.50
15 Houston Photocopies @ \$.20 each	\$3.00
11 Color Houston Photocopies @ \$.50 each	\$5.50

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Total Client Expenses \$64.00

TOTAL AMOUNT DUE \$2,779.00

ALLOCATION OF LEGAL FEES AND EXPENSES

PUC Rate Case Filing (6.4 Hours Attorney time @ \$325.00 per hour + 3.8 Hours Legal Assistant time @ \$125.00 per hour + \$55.50 in Client Expenses)	\$2,610.50
City of Houston Rate Case Filing (0.3 Hours Attorney time @ \$325.00 per hour + 0.5 Hours Legal Assistant time @ \$125.00 per hour + \$8.50 in Client Expenses)	\$168.50