

Control Number: 46333



Item Number: 151

Addendum StartPage: 0

RECEIVED

SOAH DOCKET NO. 473-17-2285.WS
DOCKET NO. 46333

2017 JUN -9 PM 3: 22

APPLICATION OF PK-RE §
DEVELOPMENT COMPANY, INC. §
DBA GREENSHORES UTILITY §
SERVICES AND DBA OAK SHORES §
WATER SYSTEM FOR AUTHORITY §
TO CHANGE RATES AND TARIFFS §
IN TRAVIS COUNTY §

BEFORE THE STATE OFFICE
PUBLIC UTILITY COMMISSION
HEARING OFFICE

OF

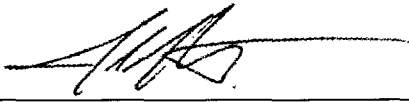
ADMINISTRATIVE HEARINGS

**GREENSHORES ON LAKE AUSTIN PROPERTY OWNERS'
ASSOCIATION, INC.'S FIRST REQUEST FOR INFORMATION TO PK-RE
DEVELOPMENT COMPANY, INC. D/B/A GREENSHORES UTILITY SERVICES
AND D/B/A OAK SHORES WATER SYSTEM
QUESTION NOS. GREENSHORES 1-1 THROUGH 1-107**

Pursuant to 16 Tex. Admin. Code Ann. § 22.144 (TAC), Greenshores on Lake Austin Property Owners' Association, Inc. ("Greenshores") requests that PK-RE Development Company Inc. d/b/a Greenshores Utility Services and d/b/a Oak Shores Water System ("PK-RE") by and through its attorneys of record, provide the following information and answer the following question(s) under oath. The question(s) shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within 20 days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These question(s) are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

151

Respectfully submitted,

By: 
John J. Carlton

John J. Carlton
The Carlton Law Firm P.L.L.C.
2705 Bee Cave Road, Suite 200
Austin, Texas 78746
(512) 614-0901
Fax (512) 900-2855
State Bar No. 03817600

ATTORNEY FOR GREENSHORES ON LAKE
AUSTIN PROPERTY OWNERS'
ASSOCIATION, INC.

CERTIFICATE OF SERVICE

I hereby certify that I have served or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or Certified Mail Return Receipt Requested to all parties on this the 9th day of June, 2017.


John Carlton

**SOAH DOCKET NO. 473-17-2285.WS
DOCKET NO. 46333**

**GREENSHORES ON LAKE AUSTIN POA
FIRST REQUEST FOR INFORMATION TO PK-RE
GREENSHORES RFI NO. 1-1 THROUGH 1-107**

DEFINITIONS

- A. "PK-RE," "the Company," "you" or "your" refers to PK-RE Development Co., Inc. d/b/a Greenshores Utility Services and d/b/a Oak Shores Water System and any person acting or purporting to act on their behalf, including, without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
- B. The terms "document" or "documents" are used in their broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description; whether printed, stored, produced, or reproduced by any process, whether visually, magnetically, mechanically, electronically, or by hand, whether final or draft or deleted, original or reproduction, whether or not claimed to be privileged or otherwise excludable from discovery, and whether or not in your actual or constructive possession, custody, or control. The terms include, but are not limited to, writings, correspondence, telegrams, memoranda, studies, reports, surveys, statistical compilations, diagrams, schematic and other drawings, engineering plans and drawings, maps, studies, notes, calendars, tapes, computer disks, data on computer drives, existing and deleted e-mail, electronic recordings, tape recordings, cards, records, contracts, agreements, easements, invoices, licenses, diaries, journals, accounts, ledgers, pamphlets, books, publications, microfilm, microfiche, photographs, video recordings, and any other data compilations from which information can be obtained and translated, by you if necessary, into reasonably usable form. "Document" or "documents" shall also include every copy of a document where the copy contains any commentary or notation of any kind that does not appear on the original or any other copy.
- C. The terms "affiliated interest", "affiliate" or "affiliates" has the meaning established by the Texas Water Code §13.002(2).
- D. The term "concerning," or one of its inflections, includes the following meanings: relating to; referring to; pertaining to; regarding; discussing; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legally, logically or factually connected with the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.
- E. The term "including," or one of its inflections, means and refers to "including but not limited to."

- F. "Explain the basis" means provide all information on or describe every fact, statistic, inference, estimate, consideration, conclusion, study, and analysis known to Undine that was relied upon in support of the expressed contention, proposition, conclusion or statement.

INSTRUCTIONS

- A. Pursuant to 16 TAC § 22.144(c)(2), Greenshores requests that answers to the requests for information be made under oath. Each answer should identify the person responsible for preparing that answer (other than the purely clerical aspects of its preparation) and the name of the witness in this proceeding who will sponsor the answer and who can vouch for its accuracy.
- B. In producing documents pursuant to this request for information, please indicate the specific request(s) to which the document is being produced.
- C. These requests are continuing in nature, and should there be a change in circumstances which would modify or change an answer supplied by you, such changed answer shall be submitted as a supplement to your original answer within five working days of acquiring the information, pursuant to 16 TAC § 22.144(i).
- D. Please answer each request and sub-request in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the request.
- E. Greenshores requests that each item of information be made available as it is completed, rather than upon compilation of all information requested.
- F. Pursuant to Tex. R. Civ. P. 196.4, Greenshores specifically requests that any electronic or magnetic data (which is included in the definition of "document") that is responsive to a request herein be produced in a format that is compatible with Microsoft and be produced with your response to these requests.
- G. The terms "and" and "or" shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.
- H. "Each" shall be construed to include the word "every" and "every" shall be construed to include the word "each."
- I. "Any" shall be construed to include "all" and "all" shall be construed to include "any."
- J. 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.
- K. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.

- L. Pursuant to 16 TAC § 22.144(g)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.
- M. If the information requested is included in previously furnished exhibits, workpapers, 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.
- N. If a data response is available in Excel format, provide the Excel version of the data response.
- O. If any document is withheld under any claim of privilege, please furnish a privilege log identifying each document for which a privilege is claimed, together with the following information: date and title of the document, the preparer or custodian of the information, to whom the document was sent and from whom it was received, subject matter of the document, and an explanation of the basis upon which the privilege is claimed.
- P. Words and phrases used in this request that also are used in the PUC Chapter 24 Rules shall have the same meaning as given to those words and phrases in those rules.

**SOAH DOCKET NO. 473-17-2285.WS
DOCKET NO. 46333**

**GREENSHORES ON LAKE AUSTIN POA
FIRST REQUEST FOR INFORMATION TO PK-RE
GREENSHORES RFI NO. 1-1 THROUGH 1-107**

GREENSHORES RFI NO. 1-1 Please produce any documents concerning agreements you have with persons or entities to provide water service.

GREENSHORES RFI NO. 1-2 Please produce any documents concerning agreements you have with persons or entities to provide wastewater service.

GREENSHORES RFI NO. 1-3 Please produce any documents concerning agreements for accounting services, billing services, or construction, maintenance or repair, or any other aspect of your company.

GREENSHORES RFI NO. 1-4 Please produce any documents concerning agreements to obtain water supply between you and any third party.

GREENSHORES RFI NO. 1-5 Please produce any documents concerning agreements to dispose of effluent from your wastewater treatment plant, whether by irrigation or otherwise.

GREENSHORES RFI NO. 1-6 Please produce any documents concerning the financing of or funding for the operation of your water and sewer systems.

GREENSHORES RFI NO. 1-7 Please produce any documents concerning the purchase or construction of your surface water treatment plant.

GREENSHORES RFI NO. 1-8 Please produce any documents concerning financing of or funding for construction and capital improvements for your water and sewer systems.

GREENSHORES RFI NO. 1-9 Please produce your actual invoices for the construction and/or operation of the water treatment plant and intake structure installed in late 2009.

GREENSHORES RFI NO. 1-10 Please produce any documents concerning the details for the construction and/or operation of your water treatment plant and intake structure installed in late 2009.

GREENSHORES RFI NO. 1-11 Please produce your monthly operating reports for wells 1, 2 and 3 for the test year.

GREENSHORES RFI NO. 1-12 Please produce any documents concerning your system's average daily demand water use for the past three years, including the test year.

GREENSHORES RFI NO. 1-13 Please produce any documents concerning the final build-out potential for the subdivisions served by and CCN area assigned to your water and wastewater systems.

GREENSHORES RFI NO. 1-14 Please produce any documents concerning work orders for the repairs and maintenance for both your water and wastewater systems for the test year.

GREENSHORES RFI NO. 1-15 Please produce any documents concerning the miscellaneous line item costs included in the Application as part of the revenue requirement for both your water and wastewater systems.

GREENSHORES RFI NO. 1-16 Please produce any documents that show you can provide adequate water and sewer service to current customers.

GREENSHORES RFI NO. 1-17 Please produce any documents that show you can provide adequate water and sewer service to future customers.

GREENSHORES RFI NO. 1-18 Please produce any historical data concerning the quality of your water provided to customers since 2012.

GREENSHORES RFI NO. 1-19 Please produce any historical data concerning your wastewater effluent quality since 2012.

GREENSHORES RFI NO. 1-20 Please produce your Franchise Tax returns for 2012 through 2016.

GREENSHORES RFI NO. 1-21 Please produce any documents showing the number of your water accounts by customer class, including, but not limited to, meter size, and whether under construction, vacant, or occupied homes, by month for 2014, 2015, 2016 and 2017 year to date.

GREENSHORES RFI NO. 1-22 Please produce documents concerning the amount of water you billed to all customers for the test year by meter size.

GREENSHORES RFI NO. 1-23 Please produce any documents showing your system's metered and/or sold water consumption by customer class (including, but not limited to, meter size, and whether under construction, vacant, or occupied homes) by month for 2014, 2015 and 2016.

GREENSHORES RFI NO. 1-24 Please produce any documents showing the number of your sewer accounts by customer class (including, but not limited to, meter size, and whether under construction, vacant, or occupied homes) by month for 2014, 2015 and 2016.

GREENSHORES RFI NO. 1-25 Please produce any documents showing your sewer volume billed by customer class (including, but not limited to, meter size, and whether under construction, vacant, or occupied homes) by month for 2014, 2015 and 2016.

GREENSHORES RFI NO. 1-26 Please produce any documents concerning any bill frequency analysis of your systems for 2014, 2015 and 2016 (volume by rate blocks).

GREENSHORES RFI NO. 1-27 Please produce your utility income statement for the test year, reconciled with the per books amounts in the Rate Applications.

GREENSHORES RFI NO. 1-28 Please produce your water and sewer utility income statements for 2014, 2015 and 2016.

GREENSHORES RFI NO. 1-29 Please produce any documents showing the amount of water and sewer rate case expenses you have incurred to date for the Rate Applications.

GREENSHORES RFI NO. 1-30 Please produce any documents showing the total number of your water and sewer connections estimated at full build out of the water and sewer systems, including any breakout between Greenshores on Lake Austin, Wood of Greenshores and Oak Shores.

GREENSHORES RFI NO. 1-31 Please produce your water and sewer cash flow statements for 2014, 2015, 2016 and 2017 year to date.

GREENSHORES RFI NO. 1-32 Please produce your water and sewer utility budgets or proforma income statements for 2014, 2015, 2016 and 2017 year to date.

GREENSHORES RFI NO. 1-33 For each loan listed under expense in your income statements for 2014-2016, please produce any documents showing the 2014, 2015 and 2016 annual principal and 2014, 2015 and 2016 annual interest expense.

GREENSHORES RFI NO. 1-34 For each loan listed under expense in your income statements for 2014-2016, please produce any documents showing the origination date, original amount, outstanding balance at year end for each of those years, term and interest rate for each loan.

GREENSHORES RFI NO. 1-35 For each loan listed under expense in your income statements for 2014-2016, please produce any documents showing the utilization of loan proceeds.

GREENSHORES RFI NO. 1-36 Please produce any documents showing the basis for any lease expense on your income statements, including origination date and term.

GREENSHORES RFI NO. 1-37 Please produce any documents showing the breakout details for the miscellaneous sewer expenses line item in the Rate Application.

GREENSHORES RFI NO. 1-38 Please produce any documents showing the breakout details for the repairs/maintenance/supplies line item in the Rate Application.

GREENSHORES RFI NO. 1-39 Please produce any documents supporting the increase in your sewer operations and maintenance costs from 2007 to the test year.

GREENSHORES RFI NO. 1-40 Please produce any documents supporting the cost for your gravity collections sewers.

GREENSHORES RFI NO. 1-41 Please produce the Excel or other spreadsheets used to develop the applications for increased water and sewer rates that are the subject of the Rate Applications with all links and formulae intact.

GREENSHORES RFI NO. 1-42 Please produce the operating budget(s) for your systems that formed the basis of the Rate Applications and for 2014, 2015, 2016 and 2017 year to date.

GREENSHORES RFI NO. 1-43 Please produce any documents prepared by or for you from 2012 to the present relating to efforts that reduced (or are anticipated to reduce) lost and unaccounted-for water.

GREENSHORES RFI NO. 1-44 Please produce any documents showing the basis for or supporting your requested return on equity in your application.

GREENSHORES RFI NO. 1-45 Please produce any documents concerning the workpapers supporting your return on equity study that forms the basis of the requested rate of return on equity in your application.

GREENSHORES RFI NO. 1-46 Please produce any documents concerning any workpapers used in developing your Rate Application that were not already provided with the Application itself.

GREENSHORES RFI NO. 1-47 Please produce any documents concerning any studies for that address the adequacy of current and/or future water supplies for your system.

GREENSHORES RFI NO. 1-48 Please produce any documents concerning the service lives assigned to each asset made a basis of or referred to in your Rate Application.

GREENSHORES RFI NO. 1-49 Please produce any capital improvement plans or master plans for current and future improvements or repairs to your water or sewer systems.

GREENSHORES RFI NO. 1-50 Please produce any documents concerning any complaints you have received in the past five years from your customers.

GREENSHORES RFI NO. 1-51 Please produce any documents concerning complaints you have received in the past five years from any person or entity, other than your customers, that relate to your service, operations, or management.

GREENSHORES RFI NO. 1-52 Please produce a copy of any TCEQ inspection report and related TCEQ correspondence for your water system since 2012 and any responses provided by you to TCEQ.

GREENSHORES RFI NO. 1-53 Please produce a copy of any TCEQ inspection report and related TCEQ correspondence for your sewer system since 2012 and any responses provided by you to TCEQ.

GREENSHORES RFI NO. 1-54 Please produce any documents regarding enforcement actions for your water and sewer system by the TCEQ within the past 5 years.

GREENSHORES RFI NO. 1-55 Please produce any documents regarding each violation the TCEQ region office found during investigations of your water and sewer system(s) since 2012.

GREENSHORES RFI NO. 1-56 For any alleged violations noted by the TCEQ regional office for your water or sewer system(s) during the past year, but for which you have not yet taken any action to address the alleged violation, please produce any documents that explain why you have taken no action to address the violation, and that explain any future plans you have to address the violation to ensure that your water and sewer systems comply with TCEQ regulations.

GREENSHORES RFI NO. 1-57 Please produce any document concerning PK-RE's intention to sell PK-RE's water and sewer utility assets to Undine.

GREENSHORES RFI NO. 1-58 Admit or deny that Undine will purchase the PK-RE water and sewer systems if the PUC approves PK-RE's requested rate increase.

GREENSHORES RFI NO. 1-59 Admit or deny that Undine will purchase the PK-RE water and sewer systems if the PUC approves any PK-RE rate increase:

GREENSHORES RFI NO. 1-60 Admit or deny that Undine will not purchase the PK-RE water and sewer systems if the PUC does not approve PK-RE's requested rate increase.

GREENSHORES RFI NO. 1-61 Admit or deny that Undine will not purchase the PK-RE water and sewer systems if the PUC does not approve any PK-RE rate increase.

GREENSHORES RFI NO. 1-62 Admit or deny that Undine engaged Donald J. Clayton to testify on behalf PK-RE.

GREENSHORES RFI NO. 1-63 Admit or deny that Undine engaged Georgia Crump to prepare the rate application on behalf of PK-RE.

GREENSHORES RFI NO. 1-64 Admit or deny that Russel Eppright is not a client of Lloyd Gosselink and/or Georgia Crump.

GREENSHORES RFI NO. 1-65 Please identify any attorney retained by you to represent you concerning this proceeding and provide a copy of any document concerning those services.

GREENSHORES RFI NO. 1-66 Please identify any consultant retained by you to represent you in this proceeding and provide a copy of any document concerning those services.

GREENSHORES RFI NO. 1-67 Please produce a copy of any agreement between the Lloyd Gosselink law firm and PK-RE.

GREENSHORES RFI NO. 1-68 Please produce any document showing concerning communications between Russell Eppright and Georgia Crump and/or any employee or agent of Lloyd Gosselink in connection with this proceeding or PUC Docket NO. 46150.

GREENSHORES RFI NO. 1-69 Please produce any documents related to the formation and structure of any entities affiliated with PK-RE.

GREENSHORES RFI NO. 1-70 Please produce any and all documents related to the MUD formation request, and denial by City of Austin.

GREENSHORES RFI NO. 1-71 Please produce the Joint Development and Reimbursement Agreement between PK-RE and Woods of Greenshores, Ltd.

GREENSHORES RFI NO. 1-72 Please produce any and all transactions made between PK-RE and Woods of Greenshores, Ltd.

GREENSHORES RFI NO. 1-73 Please produce any and all documents relating to the CCNs PK-RE took over encompassing the Greenshores and Oakshores areas.

GREENSHORES RFI NO. 1-74 Please produce any and all documents related to the 2009 loan for 1.26 million.

GREENSHORES RFI NO. 1-75 Please produce any and all documents related to the 2009 SBA loan for \$834,000.

GREENSHORES RFI NO. 1-76 Please produce any and all books and records related to operations and maintenance for PK-RE.

GREENSHORES RFI NO. 1-77 Please produce any and all documentation related to capacity information for all assets and invoices for PK-RE.

GREENSHORES RFI NO. 1-78 Please produce all invoices to PK-RE for rate case expenses in this proceeding.

GREENSHORES RFI NO. 1-79 Regarding the tables Water – Schedule II-4 and II-5 in the application, please explain in detail the reason for the increase in electric expense from 2014 to 2015 – 17k increase.

GREENSHORES RFI NO. 1-80 Please produce any invoices concerning amounts listed on the table Water – Schedule II-4 and II-5 electric expense.

GREENSHORES RFI NO. 1-81 Please explain the locations and equipment served by each of the electric meters.

GREENSHORES RFI NO. 1-82 Please explain the water treatment plant repairs in November and December of 2015.

GREENSHORES RFI NO. 1-83 Please explain the collection rate for bills more than 120 days past due and your service cut-off procedures.

GREENSHORES RFI NO. 1-84 Please explain the test year expenses for office supplies and expenses.

GREENSHORES RFI NO. 1-85 Please produce any accounting services contracts.

GREENSHORES RFI NO. 1-86 Please produce any invoices related to accounting services during 2015, 2016 and 2017 year to date.

GREENSHORES RFI NO. 1-87 Please produce a copy of your insurance policies in effect and invoices received during 2015, 2016 and 2017 year to date.

GREENSHORES RFI NO. 1-88 Please produce any invoices concerning amounts listed on the table Water - Schedule II-17 – regulatory expense.

GREENSHORES RFI NO. 1-89 Please produce any invoices concerning amounts listed on the table Water – Schedule II-18, other regulatory expenses.

GREENSHORES RFI NO. 1-90 Please produce any invoices concerning amounts listed on the table Water – Schedule II-19, telephone expenses.

GREENSHORES RFI NO. 1-91 Please produce any invoices concerning amounts listed on the table Water - Schedule III-2. Rate base – original cost.

GREENSHORES RFI NO. 1-92 Please explain the basis for the increase in return for Phases II and III of the proposed water rate increase.

GREENSHORES RFI NO. 1-93 Regarding the table Wastewater - Schedule III-1(a), please explain the water production.

GREENSHORES RFI NO. 1-94 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule II-4, electricity.

GREENSHORES RFI NO. 1-95 Please explain the increase in electricity related expenses from the prior application to increase rates.

GREENSHORES RFI NO. 1-96 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule II-5, other volume related expenses.

GREENSHORES RFI NO. 1-97 Please explain the increase in other volume related expenses from the prior application to increase rates.

GREENSHORES RFI NO. 1-98 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule II-8, Contract.

GREENSHORES RFI NO. 1-99 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule II-10, Repair and maintenance.

GREENSHORES RFI NO. 1-100 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule II-12, Bad debt.

GREENSHORES RFI NO. 1-101 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule II-14, Office expenses.

GREENSHORES RFI NO. 1-102 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule II-17, Regulatory expense - rate case.

GREENSHORES RFI NO. 1-103 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule II-18, Regulatory expense.

GREENSHORES RFI NO. 1-104 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule II-19, Miscellaneous expense.

GREENSHORES RFI NO. 1-105 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule III-3, Utility Plant in Service (Net Book Value) Calculation.

GREENSHORES RFI NO. 1-106 Please produce any invoices concerning amounts listed on the table Wastewater - Schedule IV-(a), Taxes.

GREENSHORES RFI NO. 1-107 Please explain the basis for the increase in return for Phases II and III of the proposed sewer rate increase.