

DOCKET NO. 46412

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PUBLIC UTILITY COMMISSION

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APPLICATION OF MSEC §
ENTERPRISES, INC. TO AMEND A §
SEWER CERTIFICATE OF §
CONVENIENCE AND NECESSITY §
IN MONTGOMERY COUNTY §

OF TEXAS

**MSEC ENTERPRISES, INC.'S RESPONSE TO
COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION**

MSEC Enterprises, Inc. ("MSEC") files this Response to the Second Request for Information ("RFI") filed by Public Utility Commission ("Commission") Staff on December 28, 2016. Pursuant to 16 Tex. Admin. Code § 22.144(c)(2)(F), these responses may be treated as if they were filed under oath.

Respectfully submitted,

**LLOYD GOSSELINK ROCHELLE
& TOWNSEND, P.C.**

816 Congress Avenue, Suite 1900

Austin, Texas 78701

(512) 322-5800

(512) 472-0532 (Fax)



GEORGIA N. CRUMP

State Bar No. 05185500

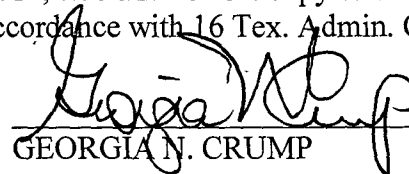
TY H. EMBREY

State Bar No. 24025346

ATTORNEYS FOR MSEC ENTERPRISES, INC.

CERTIFICATE OF SERVICE

I hereby certify that on March 17, 2017, true and correct copy of the foregoing document has been served on all parties of record in accordance with 16 Tex. Admin. Code § 22.74.



GEORGIA N. CRUMP

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MSEC's Response to Staff's Second RFI

Staff 2-1. Please provide a debt schedule which includes short and long term debt for years 2015-2020:

- a) Break out the principal and interest due each year.
- b) Provide the outstanding balance for each year presented.
- c) Label all years of data presented on the debt schedule.

Response

See Attachment 2-1.

Prepared by: Andrew Dallmeyer

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MSEC's Response to Staff's Second RFI

Staff 2-2. Please provide a comprehensive projection of all costs related to the Mid-South Project. Please also provide the following:

- a) Total project cost,
- b) Financing method, and
- c) Financing terms and amortization schedule for all debt related to the Mid-South Project.

Response

See Attachment 2-1.

Prepared by: Andrew Dallmeyer

Attachment 2-1

Staff 2-1

Debt Schedule	Year-Ending					
	2015	2016	2017	2018	2019	2020
Short-Term Balance	\$ 303,493	\$ 400,000	\$ 425,000	\$ 450,000	\$ 475,000	\$ 500,000
Principal Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Due	\$ 37,597	\$ 78,000	\$ 85,631	\$ 233,561	\$ 86,935	\$ 56,583
Long-Term Balance	\$ 17,896,094	\$ 23,614,579	\$ 29,435,211	\$ 49,150,756	\$ 53,962,275	\$ 55,577,406
Principal Due	\$ 426,916	\$ 557,996	\$ 859,255	\$ 989,541	\$ 1,960,408	\$ 2,100,787
Interest Due	\$ 664,262	\$ 879,110	\$ 920,908	\$ 1,226,784	\$ 1,327,455	\$ 1,629,226
TOTAL BALANCE	\$ 18,199,587	\$ 24,014,579	\$ 29,860,211	\$ 49,600,756	\$ 54,437,275	\$ 56,077,406
Principal Due	\$ 426,916	\$ 557,996	\$ 859,255	\$ 989,541	\$ 1,960,408	\$ 2,100,787
Interest Due	\$ 701,859	\$ 957,110	\$ 1,006,539	\$ 1,460,345	\$ 1,414,390	\$ 1,685,809

Staff 2-2

Cost Projection	2015	2016	2017	2018	2019	2020
Contract amount for the MISD WWTP		\$ 389,201	\$ 1,523,799			
Aqua Aerobics Equipment Contract		\$ 598,776	\$ 89,277			
Force Main and Lift station Contract		\$ -	\$ 553,000			
Terracon Contract		\$ 3,857	\$ 7,863			
Total Cost	\$ -	\$ 991,834	\$ 2,173,939	\$ -	\$ -	\$ -
Financing Method		LoBank LUC / Long-Term	LoBank LUC / Long-Term			
Terms / Amort Schedule		TBD	TBD			