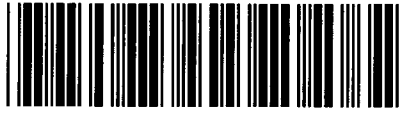




Control Number: 46438



Item Number: 133

Addendum StartPage: 0

DOCKET NO. 46438

RECEIVED

APPLICATION OF J&S WATER
COMPANY, LLC FOR A
RATE/TARIFF CHANGE

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§
§

PUBLIC UTILITY COMMISSION

2017 JAN 5 PM 12:00
PUBLIC UTILITY COMMISSION
FILING CLERK

**COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO
J&S WATER COMPANY, LLC
QUESTION NOS. STAFF 2-1 THROUGH STAFF 2-11**

Pursuant to 16 Tex. Admin. Code § 22.144 of the Commission's Procedural Rules, the Staff of the Public Utility Commission of Texas (Staff) requests that J&S Water Company, LLC (J&S) 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.

Provide an original and three copies of your answers to the questions to the Filing Clerk, Public Utility Commission of Texas, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326.

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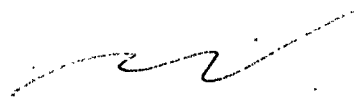
Dated: January 5, 2017

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director-Legal Division

Karen S. Hubbard
Managing Attorney - Legal Division




Landon J. Lill
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1701 N. Congress Avenue
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(512) 936-7268 (facsimile)
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DOCKET NO. 46438

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on January 5, 2017 in accordance with 16 TAC § 22.74.



Landon J. Lill

DOCKET NO. 46438

**COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO
J&S WATER COMPANY, LLC
QUESTION NOS. STAFF 2-1 THROUGH STAFF 2-11**

DEFINITIONS

- A. "J&S", "the Company" or "you" refers to the J&S Water Company, LLC and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.
- B. "Document" includes any written, recorded, or graphic matter, however produced or reproduced, including but not limited to correspondence, telegrams, contracts, agreements, notes in any form, memoranda, diaries, voice recording tapes, microfilms, pictures, computer media, work papers, 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. In the event any documents requested by this Request for Information have been transferred beyond the Company's control, describe the circumstances under which the document was destroyed or transferred and provide an exact citation to the subject document. In the event that documents containing the exact information do not exist, but documents do exist which contain portions of the required information or which contain substantially similar information, then the definition of "documents" shall include the documents which do not exist and these documents will be provided.

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**COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO
J&S WATER COMPANY, LLC
QUESTION NOS. STAFF 2-1 THROUGH STAFF 2-11**

INSTRUCTIONS

- 1) Pursuant to 16 Tex. Admin. Code § 22.144(c)(2), Staff requests that answers to the requests for information be made under oath.
- 2) Please copy the question immediately above the answer to each question. 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.
- 3) These questions 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.
- 4) 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.
- 5) The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
- 6) If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients or copies, subject matter of the document, and the basis upon which such privilege is claimed.
- 7) Pursuant to 16 Tex. Admin. Code § 22.144(g)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.
- 8) Staff requests that each item of information be made available as it is completed, rather than upon completion of all information requested.

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**COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION TO
J&S WATER COMPANY, LLC
QUESTION NOS. STAFF 2-1 THROUGH STAFF 2-11**

Provide each of the following items in excel format where the question is annotated with an *. Ensure the electronic excel file is unlocked, contains no hidden formulas, tabs or references to unavailable spreadsheets.

- Staff 2-1 Please explain the following related to materials costs which were provided in the Combined Revenue cost Allocations Schedule submitted in the application of docket 46468, item #2, page 70 of 84:
- a. What events specifically occurred that required costs to fluctuate from \$23,787 in 2015 to \$102,909 in 2016?
 - b. Why are costs projected now to drop to \$67,836 in 2017 from \$102,909 in 2016?
 - c. Please cite any underlying projects, changes in vendors, purchase of additional utility companies, etc. that may have impacted these cost changes.
- Staff 2-2 Provide a copy of your purchasing procedures.
- Staff 2-3 Provide a copy of your leasing procedures for field equipment, office equipment, vehicles, etc.
- Staff 2-4 Please explain why the revenue requirement summary historical test year column was completed with adjusted test year data.
- Staff 2-5 *Please submit a revised revenue requirement summary for both water and sewer accurately depicting historical and known and measurable changes amounts for both water and sewer.
- Staff 2-6 Please explain the following related to contract costs which were provided on schedule II-8 of the application of docket 46468, item #2, page 70 of 84:
- a. What events specifically occurred that required costs to fluctuate from \$40,104 in 2015 to \$81,191 in 2016?
 - b. Please cite any underlying projects, changes in vendors, purchase of additional utility companies, etc. that may have impacted these cost changes.

- Staff 2-7 Please explain why there were not any transportation expenses included in the proposal?
- a. How are utility sites visited for maintenance purposes, meters read, etc. without incurring transportation costs or are smart meters utilized?
- Staff 2-8 *Provide a general ledger for the test year period ending July 31, 2016. Include the following information:
- a. Test Year Period Data: August 1, 2015, - July 31, 2016.
 - b. Account Number and Account Name
 - c. Voucher Number
 - d. Vendor Name
 - e. Amount of Transaction
 - f. Check Number if applicable
 - g. Transaction Description
 - h. Subaccount Name and Description if applicable
 - i. Service Period
- Staff 2-9 Provide a comprehensive Chart of Accounts for the General Ledger requested in number 8 above.
- Staff 2-10 *Complete schedule II-6 for sewer and water staff that are paid under account 601. This may be filed confidentially.
- Staff 2-11 Provide a copy of the utility's tax returns for 2014 and 2015.