



Control Number: 46996



Item Number: 11

Addendum StartPage: 0

PUC DOCKET NO. 46996

**APPLICATION OF CHUCK BELL DBA §
CHUCK BELL WATER SYSTEM, LLC §
AND UNDINE TEXAS, LLC FOR SALE, §
TRANSFER, OR MERGER OF §
FACILITIES AND CERTIFICATE §
RIGHTS IN JOHNSON AND TARRANT §
COUNTIES §**

PUBLIC UTILITY COMMISSION

**RECEIVED
2017 APR 27 AM 9:36**

**PUBLIC UTILITY COMMISSION
OF TEXAS
FILING CLERK**

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO UNDINE TEXAS, LLC (UNDINE)
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-8**

Pursuant to 16 Tex. Admin. Code (TAC) § 22.144, the Commission Staff (Staff) of the Public Utility Commission of Texas (Commission) requests that Undine Texas, LLC (Undine), 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.

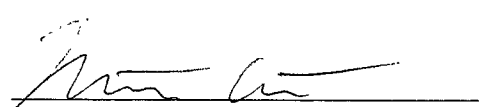
Dated: April 27, 2017

Respectfully Submitted;

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Katherine Lengieza Gross
Managing Attorney



Matthew A. Arth
State Bar No. 24090806
(512) 936-7021
(512) 936-7268 (facsimile)
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
Matthew.Arth@puc.texas.gov

PUC DOCKET NO. 46996

CERTIFICATE OF SERVICE

I, Matthew Arth, staff attorney for the Public Utility Commission of Texas, certify that a copy of this document was served on all parties of record in this proceeding on April 27, 2017 pursuant to 16 Tex. Admin. Code § 22.74.



Matthew A. Arth

PUC DOCKET NO. 46996

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO UNDINE TEXAS, LLC (UNDINE)
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-8**

DEFINITIONS

- 1) "Undine," "you," or "Company" refer to Undine Texas, LLC and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.
- 2) "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.

PUC DOCKET NO. 46996

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO UNDINE TEXAS, LLC (UNDINE)
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-8**

INSTRUCTIONS

- 1) Pursuant to 16 TAC § 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 TAC § 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.

PUC DOCKET NO. 46996

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO UNDINE TEXAS, LLC (UNDINE)
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-8**

- Staff 1-1 Please explain why the purchase price for the facilities and certificate rights associated with water CCN No. 12190 is reasonable and in the public interest in relation to the net book value of the assets.
- Staff 1-2 Please explain how Undine intends to recoup the acquisition plant adjustment and/or premium resulting from the purchase of Chuck Bell.
- Staff 1-3 Please refer to Attachment 5 of the application, page 80. Confirm that the Projected Balance Sheet pertains to Undine's Projected Balance Sheet for 2017 (Start Up), 2018 (Year 1), 2019 (Year 2), 2020 (Year 3), 2021 (Year 4), and 2022 (Year 5).
- Staff 1-4 Please refer to Attachment 5 of the application, page 81. Confirm that the Projected Income Statement pertains to Undine's Projected Income Statement for 2017 (Start Up), 2018 (Year 1), 2019 (Year 2), 2020 (Year 3), 2021 (Year 4), and 2022 (Year 5).
- Staff 1-5 Please refer to Attachment 5 of the application, page 82. Confirm that the Projected Expense Detail pertains to Undine's Projected Expense Detail for 2017 (Start Up), 2018 (Year 1), 2019 (Year 2), 2020 (Year 3), 2021 (Year 4), and 2022 (Year 5).
- Staff 1-6 Please refer to Attachment 5 of the application, page 80. Confirm the following information related to the "Notes Payable, Long-Term" line item: (1) projected loan amount, (2) interest rate, (3) term, (4) monthly or yearly payments, and (5) maturity date of the loan.
- Staff 1-7 Please provide a detailed explanation of how the acquired system will be operated and managed.
- Staff 1-8 Please provide copies of documents to support the projected long-term notes payable.