



Control Number: 47897



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PUC DOCKET NO. 47897  
SOAH DOCKET NO. 473-18-3008.WS

2018 JUL -9 PM 12: 32

APPLICATION OF FOREST GLEN  
UTILITY COMPANY FOR AUTHORITY  
TO CHANGE RATES

PUBLIC UTILITY COMMISSION  
~~FOREST GLEN~~  
**BEFORE THE**  
PUBLIC UTILITY COMMISSION  
OF TEXAS

**DENNIS M. BROWN'S FIRST REQUEST FOR INFORMATION  
TO FOREST GLEN UTILITY COMPANY**

COMES NOW, Van Johnson and serves this, its First Requests for Information, to Forest Glen Utility Company, pursuant to Chapter 2001 of the Texas Government Code, the Texas Rules of Civil Procedure, and applicable rules and regulations of the Public Utility Commission of Texas (PUC" or "Commission") and the State Office of Administrative Hearings (SOAH").

You are requested to answer in complete detail and in writing each of the following requests for information, as well as produce the requested documents, within 20 days of service in accordance with the Texas Rules of Civil Procedure and the Procedural Rules of the PUC at the offices of the undersigned counsel, or at such other time and place as agreed between counsel. Forest Glen Utility Company may and is encouraged to produce responsive documents in an electronic format.

Respectfully submitted,

Dennis M. Brown  
285 Barden Parkway  
Castroville, TX 78009  
210-859-9343  
dennisb51@dbcglobal.net

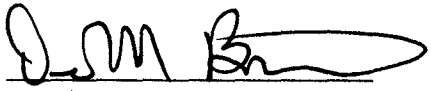
By: \_\_\_\_\_



202

## CERTIFICATE OF SERVICE

I, Dennis M. Brown, hereby certify that I have or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail, or Certified Mail Return Receipt Requested on all parties on the 02 of July 2018.

By:   
Dennis M. Brown  
INTERVENOR

## INSTRUCTIONS

- a) Singular and masculine forms of any noun or pronoun shall embrace and be applied as the plural or as the feminine or neuter, as appropriate to the context, and vice versa.
- b) *Each category following is to be construed and responded to independently and is not to be referenced to any other item herein for the purposes of limitation.*
- c) Documents produced pursuant to this request shall be tendered either in the precise form or manner in which they are kept in the usual course of business or organized and labeled to correspond with the category that follows these requests.
- d) Any use herein of the word "including shall be construed as "including, but not limited to."
- e) Any use herein of the words "and" or "or" shall be construed either conjunctively or disjunctively as necessary to bring within the scope of these requests any documents that might otherwise be considered outside its scope.
- f) Any use herein of the words "any" or "all" shall be construed generally to mean "each and every," but shall be construed either broadly or narrowly as necessary to bring within the scope of these requests any documents that might otherwise be considered outside its scope.
- g) The requirements of the Texas Rules of Civil Procedure shall be strictly complied with. All documents within the scope of these requests shall be as they are kept in the usual course of business or shall be organized and labeled to correspond to the categories of these requests.
- h) If any party named hereinabove has ever had any of the documents referred to herein in her possession, custody or control, but does not now, that party is requested to state the following with respect to each such document:

(1) The present location thereof, if known, or all reasons why the party cannot or does not know of the location thereof;

(2) The date each such document left possession, custody or control of the party;

(3) The reasons why each such document is not now in the possession, custody, or control of the party;

(4) The name and address of all persons having knowledge about the matters inquired about in the immediately preceding paragraphs (1) through (3).

(i) Any document requested herein has been destroyed, you are requested to describe in detail the circumstances of and reasons for such destruction, and to produce all documents that relate to either the circumstances or the reasons for such destruction.

(j) If any document requested herein is withheld under claim or privilege, or is not produced for whatever reason, you are requested:

(1) The state with specificity the claim of privilege or other reason used to withhold production; and,

(2) To identify each such document by date, author, and subject matter, without ruling on the privilege or other reason asserted.

You are further requested to produce those portions of any such document which are not subject to the claim of privilege or other reason for non-production by excising or otherwise protecting the portions for which a privilege is asserted, if such a technique does not result in disclosing the contents of the portions for which some privilege is asserted.

(k) These discovery requests are continuing in nature. If further information or documents come into your possession or are brought to your attention during preparation for trial or during trial, supplementation of your responses may be required.

(l) Except where otherwise specified or indicated by context, each category following requests information for the period from the time when you first had any contact or communication with the Respondent to the date of the production of the documents, subject to the duty to supplement.

(m) Unless otherwise defined, the specific terms used in these discovery requests shall have the same meaning as the definitions contained in chapter 13 of the Texas Water Code, the Public Utility Commission of Texas regulations implementing those laws and the bylaws of Avalon Water Supply and Sewer Services Corporation.

(n) Pursuant to 30 Tex. Admin. Code ("TAC") § 22.144(c)(2), answer to the requests for information shall be made under oath.

## **DEFINITIONS**

1. "You" and "your" means Forest Glen Utility Company as well as your attorneys, employees, independent contractors, representatives, consultants, affiliates, and expert witnesses.
2. "FGU" means Forest Glen Utility Company, applicant in the above-docketed rate case.
3. "Commission "PUC" means the Public Utility Commission of Texas with jurisdiction over this matter, PUC Docket No. 47897.
4. "Document" or "documents" means and refers to all writings, data, data compilations, correspondence, electronic transmissions, email, electronically stored data and data compilations, and all versions and modifications of same.
5. "McMillin" means McMillin Texas Management Services, LLC.
6. "PID" means Public Improvement District.

**REQUEST FOR INFORMATION NO. 1-1:** Does Mr. Harry Hausman have any Financial Business interest with FGU, 320 Potranco Ranch Sub-division Developers or the Public Improvement District?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-2:** Do you now or have you ever received any money from the 320 Potranco Ranch Sub-division Public Improvement District (PID) to support your Recycled Non-Potable Water and Sewer business expenses? If so, how much and how long have you been receiving this additional money?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-3:** As a sale promotion did FGU tell Endeavor Wall Homes or Terrata Homes Sale Representatives that the Recycled Non-Potable Water rate would be less expensive than regular Potable water rates?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-4:** You stated in a letter dated 07 October 2015 sent to the Homeowners, that you were approved by the Texas Commission on Environmental Quality (TCEQ) from the beginning, which I assume beginning meant the start of development of the 320 Potranco Ranch Sub-division for a Sewer base rate of \$35.00. You also stated that you felt that it would be wise to start the base rate at \$12.00 until the true expenses of the Utility could be determined. Based on this information what date did you start charging the \$12.00 base rate and why did you knowingly continued to charge a base rate of \$12.00 while you were losing revenues?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-5:** Based on your letter dated 07 October 2015, why didn't you provide a breakdown of the expenditures you incurred and the income revenue you received to qualify your Sewer rate increase from a base rate of \$12.00 to the current rate of \$35.00?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-6:** You stated that the TCEQ approved your base rate increase from \$12.00 to \$35.00 in 2012. First, why did you wait until 01 January 2016 to implement the new rate? Secondly, after losing money for 3 years in a row and expenses ballooning out of your control are you now using your failed investment as an opportunity to overcharge Homeowners in 320 Potranco Ranch Sub-Division to recoup loss revenue that was created by you?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-7:** If the TCEQ approved FGU base rate increase for Sewer from \$12.00 to \$35.00 in 2012 why didn't you notify Endeavor Wall Homes and the Homeowners of 320 Potranco Ranch Sub-Division of this approval in 2012?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-8:** Based upon your analysis of the cost to run your Business and your proposed base rate increase from \$35.00 to \$65.00 for Sewer. What would be your projected cost of Sewer rates once Potranco Ranch Sub-division is completed?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-9:** Did you brief Endeavor Wall Homes and Terrata Homes Sale Representatives on your Wastewater and Reuse Water Service Agreement and Rules and regulatory requirements so that potential home buyers would be well informed prior to any Purchase Agreement made between Buyer and Seller? If yes, who did you brief?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-10:** Is your charge per Thousand Gallons up to 2000 Gallons of Recycled Non-Potable Water rates the same as that of Yancey Water Supply Corporation rates? If not why?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-11:** After FGU's Wastewater and Reuse Water Service Agreement is signed by a new Homeowner they are billed a monthly minimum fee of \$21.10 for Reuse Water regardless whether Recycled Non-Potable Water is used or not. For the average Homeowner in 320 Potranco Ranch Sub-Division, that is roughly anywhere between 4 and 6 months of minimum payments. What is this additional revenue used for?

**RESPONSE**

**REQUEST FOR INFORMATION NO. 1-12:** Are FGU employees' physically performing the Backflow Test annually on ever Homeowner's Backflow Valve? Secondly, why do Homeowners have to pay a \$50.00 Annual fee for the Test and pay for any repairs done to your equipment and what is this additional revenue used for?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-13:** Why do the TCEQ Charge Homeowners of 320 Potranco Ranch Sub-division 2 different monthly fees?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-14:** In your RFI dated 18 May 2018 to the Intervenors you stated that under state law, you may collect additional revenue from the customers to provide funds for capital improvements necessary to provide facilities capable of providing adequate and continuous utility service. Based on this information is there also a state law that protects the customer from unreasonable or unnecessary collection of additional revenue by FGU?

**RESPONSE:**

**REQUEST FOR INFORMATION NO. 1-15:** Do you admit that you briefed or insured that potential home buyers would be briefed on your Wastewater and Reuse Water Service Agreement prior to any Purchase Agreement made between Buyer and Seller?

**RESPONSE:**