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PUC DOCKET NO. 47897

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**APPLICATION OF FOREST GLEN
UTILITY COMPANY FOR
AUTHORITY TO CHANGE RATE**

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**BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS**



**DIRECT TESTIMONY OF
FRED BEDNARSKI III
WATER UTILITY REGULATION DIVISION
PUBLIC UTILITY COMMISSION OF TEXAS
AUGUST 23, 2018**

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ATTACHMENTS

FB-1	Staff Revenue Requirement Schedules (Schedule VI – ADFIT filed as confidential)
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FB-4	Resume of Fred Bednarski
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I. PROFESSIONAL QUALIFICATIONS

Q. Please state your name and business address.

A. Fred Bednarski, III, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78711.

Q. By whom are you currently employed and how long have you been employed there?

A. I have been employed by the Public Utility Commission (Commission) in the Water Utility Regulation Division as a financial examiner since September 2014.

Q. Please describe your educational background and past work experience.

A. I graduated from the University of Texas in Austin with a Bachelor of Liberal Arts degree with a major in economics and Bachelor of Business Administration degree with a major in accounting from Texas State University. I was previously employed by the Water Supply Division of the Texas Commission on Environmental Quality (TCEQ) from April 2013 to August 2014 as a financial and managerial review specialist. Prior to that I was employed as an auditor for the Health & Human Services Commission Office of Inspector General in Austin, Texas. My responsibilities included examining, investigating, and reviewing financial documentation and management practices to ensure legal compliance with state and federal laws, rules, and regulations pertaining to the Medicaid and Children's Health Insurance Programs. I was also employed as a Trading Operations Analyst with the Texas Teacher Retirement System and the State Auditor's Office of Texas as an Auditor. I have worked in the accounting field since August of 1993.

Q. Do you have a resume discussing your professional experience, education, and background?

A. Yes, I do. A copy of my professional resume is included as Attachment FB-4.

1 **Q. Please describe your current work responsibilities.**

2 A. My responsibilities include reviewing water and sewer retail rate/tariff change applications
3 and conducting audits to review, analyze, and recommend a revenue requirement. I am
4 also responsible for participating in water and sewer utility case settlement negotiations,
5 preparing and providing testimony for evidentiary hearings, and reviewing the outcome of
6 audits of utilities for contested rate applications, wholesale rate appeals, and ratepayer
7 appeals. In addition, I review and process certificate of convenience and necessity (CCN)
8 related applications including sale/transfer/merger applications. I also review, audit,
9 analyze, and prepare comprehensive reports based on my review of financial and
10 managerial information to make a recommendation on the financial and managerial
11 capability of a retail public water or sewer utility to grant or amend a CCN at the
12 Commission.

13 **Q. Please describe specific training you have had with regard to water and sewer rate**
14 **making.**

15 A. I have worked in water and sewer utility regulation for the State of Texas since April 1,
16 2013. I have received one-on-one rate training sessions conducted by experienced TCEQ
17 and Commission staff. I attended the National Association of Regulatory Utility
18 Commissioners National Utility Rate School, from May 12–16, 2014. I have also spent
19 time evaluating rate applications and making recommendations regarding costs of service
20 and utility rates.

21 **Q. Please give the number of rate/tariff change applications, ratepayer appeals and cost**
22 **of obtaining service petitions that have been previously assigned to you.**

23 A. I have been assigned approximately 48 rate/tariff change applications, ratepayer appeals or

1 cost of obtaining service appeals during my employment with the Commission.

2

3 **II. PURPOSE & SCOPE OF TESTIMONY**

4 **Q. Please explain the purpose of your testimony and your role in this case.**

5 A. The purpose of my testimony is to present Commission Staff's recommendation regarding
6 Forest Glen Utility Company's (Forest Glen) revenue requirement for the test year ending
7 December 31, 2016. I will also present the total invested capital and calculation for return
8 on invested capital using the recommended overall return provided by Staff witness
9 Andrew Novak.

10 **Q. What is the scope of your review?**

11 A. I conducted a financial review of the records and information supporting the test year
12 amounts claimed in this application. I reviewed the application, responses to requests for
13 information, direct testimonies, trial balances, general ledgers (GL), invoices, receipts,
14 bank statements, canceled checks, and other supporting documentation provided in the
15 docket.

16 **Q. What standards did you apply during your review of this application?**

17 A. I am applying standards set forth in the Tex. Water Code Ann. (TWC) § 13.183, which
18 states in part:

19 (a) In fixing the rates for water and sewer services, the regulatory authority
20 shall fix its overall revenues at a level that will: (1) permit the utility a
21 reasonable opportunity to earn a reasonable return on its invested
22 capital used and useful in rendering service to the public over and
23 above its reasonable and necessary operating expenses; and (2)
24 preserve the financial integrity of the utility.

25

26 I am also applying 16 Texas Administrative Code (TAC) § 24.31, which states in part:

- 1 (a) Components of cost of service. Rates are based upon a utility's cost
2 of rendering service. The two components of cost of service are
3 allowable expenses and return on invested capital.
4 (b) Allowable expenses. Only those expenses that are reasonable and
5 necessary to provide service to the ratepayers may be included in
6 allowable expenses. In computing a utility's allowable expenses,
7 only the utility's test year expenses as adjusted for known and
8 measurable changes may be considered.
9 (c) Return on invested capital. The return on invested capital is the rate
10 of return times invested capital.
11

12 I performed my review in accordance with the utility rate-making standards established by
13 the *National Association of Regulatory Utility Commissioners (NARUC) Uniform System*
14 *of Accounts for Class B Wastewater Utilities* and *American Water Works Manual of Water*
15 *Supply Practices, Fifth Edition* (herein referred to as *AWWA M1 Manual*). In addition, I
16 am guided by the Generally Accepted Accounting Principles (GAAP) and the Generally
17 Accepted Auditing Standards (GAAS).

18 **Q. Was this pre-filed testimony and attachments prepared by you as a result of your**
19 **review and examination?**

20 A. Yes, it was.

21 **III. METHODOLOGY**

22 **Q. What is meant by the term revenue requirement?**

23 A. The revenue requirement is the amount of revenue the utility needs to cover all its
24 reasonable and necessary expenses properly incurred in rendering services to the public.
25 The revenue requirement equals the utility's cost of service, and is reduced by other
26 revenues to determine the final amount that Staff witness Greg Charles will use to develop
27 the rate structure.

28 **Q. Please explain the process used to determine a revenue requirement.**

1 A. To determine the revenue requirement, a utility must look at a historic test year, which
2 should consist of the most recent 12-month period for which representative operating data
3 and information for the utility are available. A rate application should be based on a test
4 year that ended less than 12 months before the date on which the utility filed its application
5 with the Commission. Non-recurring expenditures should be excluded from the revenue
6 requirement, and if known and measurable changes have occurred, or are expected to
7 occur, the test year should be adjusted to reflect those changes.

8 **Q. What is the definition of a known and measurable change?**

9 A. The term known and measurable is defined in 16 TAC § 24.3(32) as follows: “[v]erifiable
10 on the record as to amount and certainty of effectuation. Reasonably certain to occur within
11 12 months of the end of the test year.”

12 **Q. What test year have you used to review the revenue requirement of Forest Glen?**

13 A. I used Forest Glen’s requested test year of January 1, 2016, through December 31, 2016.¹

14 **Q. What method did you use to calculate the revenue requirement for Forest Glen?**

15 A. I used the utility method to calculate the revenue requirements because Forest Glen is an
16 investor owned utility operating for a profit and TWC Chapter 13 generally requires the
17 utility method for investor owned utilities.

18 **Q. Please define the utility method, or utility basis approach.**

19 A. The *AWWA M1 Manual* states, “[t]he utility basis approach for determining revenue
20 requirements consist of operating and maintenance expense, taxes or transfer payments,
21 depreciation expense, and a ‘fair’ return on rate base investment.” The following table

¹ Forest Glen Utility Company Amended Class B Rate/Tariff Change Application at 6 (Feb. 23, 2018)
(Amended Application).

shows the basic equation that Commission Staff uses to calculate the revenue requirement for the utility method.

Utility Method
$RR = E + D + T + (RB \times ROR)$
Where:
RR = Revenue requirement or cost of service
E = Operating Expenses
D = Depreciation
T = Taxes
RB = Rate Base
ROR = Rate of Return

IV. SUMMARY OF FOREST GLEN'S REQUEST

Q. Please explain Forest Glen's request.

A. Forest Glen's amended application filed on February 23, 2018 presents \$309,571 for its total revenue requirement, which is a \$256,400 increase to the test year revenue requirement of \$53,171. Forest Glen's test year reflected a negative return (loss) of \$138,311.²

Q. Did Forest Glen's request include any affiliate transactions?

A. Yes. As discussed later in my testimony, Bridge View Resources, LLC is an affiliate that charged rate case expenses to Forest Glen.

V. SUMMARY OF RECOMMENDATIONS

Q. Please summarize Staff's recommendations.

A. Attachment FB-1 presents the summary of Staff's recommended revenue requirement for Forest Glen. Attachment FB-1 shows that Staff recommends a total revenue requirement

² Amended Application, Schedule I at 6.

of \$201,709 less other revenues of \$35,867, resulting in \$165,842 to be recovered through Mr. Charles' recommended rate design. Staff notes that the requested rate of \$65 will generate revenues of \$116,220 (149 connections) or \$177,840 (228 connections).

VI. ADJUSTMENTS TO THE REVENUE REQUIREMENT

Q. As a result of your examination of the Forest Glen's application and responses to RFI's, have you proposed any adjustments to Forest Glen's cost of service?

A. Yes, Staff's proposed adjustments are presented on the schedules in Attachment FB-1. The revenue requirement is presented in a series of five schedules described as follows:

- Schedule I of Attachment FB-1 presents the revenue requirement or cost of service.
(The remaining schedules provide details of specific components on Schedule I.)
- Schedule II of Attachment FB-1 details the adjustments to operations and maintenance and administrative and general expenses.
- Schedule III of Attachment FB-1 shows the calculation of invested capital.
- Schedule IV of Attachment FB-1 details taxes other than income.
- Schedule V of Attachment FB-1 details the calculation of normalized federal income tax.
- Schedule VI of Attachment FB-1 details the calculation of accumulated deferred federal income tax (ADFIT).

Q. Please describe the format of each schedule.

A. The first column of each schedule presents December 31, 2016 historical test year amounts. The second column reflects the proposed known and measurable changes requested by Forest Glen to derive the requested amounts presented in column three. The fourth column

1 presents Staff's recommended adjustments to the Company's calculated cost of service.
2 The final column presents Staff's proposed revenue requirement. Schedule V presents
3 Staff's adjusted total company federal income tax recommendation.

4 **Q. Please explain the adjustments you recommend to the revenue requirement requested**
5 **by Forest Glen.**

6 A. I recommend adjustments in several categories. In many cases, Forest Glen's historical
7 general ledger expenses did not match the application, and there was no reconciliation
8 provided between the historical general ledger and the application.³ I recommend
9 adjustments to the operations and maintenance (O&M) expenses related to Power Expense,
10 Other Volume Related Expenses, Materials, Contract Labor, Other Plant Maintenance,
11 Office Supplies and Expenses, Professional Services, Insurance, and Regulatory Expense
12 (Other). I recommend adjustments to rate base in the form of ADFIT and the impact of all
13 O&M adjustments on cash working capital. I also recommend the normalized federal
14 income tax expense resulting from adjustments to return. I will discuss each of these
15 categories below.

16 **Q. Please explain how you calculate Staff's recommended disallowance of \$40,937 from**
17 **Forest Glen's requested operations and maintenance expense as shown in Attachment**
18 **FB-1, Staff Schedule I.**

19 A. The disallowance of \$40,937 comes from the total of each amount listed in column (d) of
20 Attachment FB-1, Staff Schedule II. Each staff adjustment amount in Staff Schedule II,
21 column (d) of was determined by totaling each adjustment amount in Attachment FB-2,
22 columns (d) and (e) after reconciling the expense accounts in the general ledger (GL). The

³ Forest Glen's Response to Staff RFI No. 1-3.

1 adjustment amounts in Attachment FB-2 were determined by comparing the application
2 operating and maintenance expense account amount claimed per account to the supporting
3 2016 and 2017 GL accounts as listed in the very first column of the schedule. During my
4 review I examined the GL account entries and supporting invoices entries provided. Each
5 of the entries and reasons for the adjusting amounts are supported by GL account schedules
6 I created indicating the reason and the amount for each adjustment in Attachment FB-2.

7 **Q. Please explain your adjustment to Purchased Power.**

8 A. I reviewed Forest Glen's purchased power GL account for 2016 and 2017 and noted the
9 cost to power increased the amount by \$660.48 as listed in Attachment FB-2 and the
10 supporting schedules.

11 **Q. Please explain your adjustments to Other Volume Related Expenses and Materials.**

12 A. The expenses included in the other plant maintenance GL account were split between the
13 Materials account and Other Volume Related Expense accounts in the amended
14 application. Forest Glen requested a known and measurable change for these two accounts
15 because "the number of customers is increasing by 53%" and "[t]here will be an 53%
16 increase in the number of homes in 2017, from 149 to 228."⁴ However, the 2017 general
17 ledger did not support these percentage increases. Therefore, I reduced the requested
18 known and measureable amount by \$4,458.89 for Other Volume Related Expenses and
19 \$12,607.08 for Materials based on reconciliation to the 2017 GL.

20 My second adjustment to Materials is a reduction in the amount of \$13,347.80, which
21 was identified as a reuse expense on the invoice provided.⁵ Consistent with the treatment

⁴ Amended Application at 14, 16.

⁵ Forest Glen's Response to Staff RFI No. 1-1.

1 of reuse expenses by Forest Glen, I removed this expense from the cost of service. Please
2 see Attachment FB-2 and supporting schedules for additional detail.

3 **Q. Please explain your adjustment to Contract Work.**

4 A. After reviewing the contract O&M work expense in the 2017 GL account, I determined
5 that wages increased from the application amount by \$531.00. Therefore, I increased
6 Forest Glen's known and measurable change to \$531.00.

7 **Q. Please explain your adjustment to Other Plant Maintenance.**

8 A. I identified repair expense in the 2017 GL account of \$888.30 that was recorded in the
9 application Regulatory Expense account. Therefore, I reclassified the expense to Other
10 Plant Maintenance. The reclassification did not result in a change to the total O&M
11 expense.

12 **Q. Please explain your adjustments to Office Supplies and Expenses.**

13 A. The total for the Office Supplies and Expenses account in the amended application contains
14 the GL account totals for office supplies, miscellaneous, and consulting/engineering
15 expenses. The total 2016 GL expenses were \$2,578.⁶ I removed the known and measurable
16 amount of \$1,295 requested by Forest Glen because it was based on the number of
17 customers increasing by 53%,⁷ which was not supported by the 2017 GL. I additionally
18 removed the consulting and engineering expense of \$1,575.00 because it was a startup cost
19 and not a normal reoccurring cost to provide wastewater service. Finally, I increased this
20 account to match the 2017 GL amount for IT & communication expense of \$700.65 as
21 detailed on the office supply general account page 12 in attachment FB-2.

⁶ Attachment FB-2 Operations and Maintenance Expense Adjustments Schedule, Office Supplies General Ledger Account, page 9.

⁷ Amended Application at 23.

1 **Q. Please explain your adjustments to Professional Services.**

2 A. Forest Glen requested an adjusted Professional Services expense of \$28,765. The
3 Professional Services expense in the application includes the GL accounts as follows:
4 accounting, legal, and management services. Based on the 2017 GL, I allowed known and
5 measurable changes of \$969.44 for accounting services and \$3,183.62 for management
6 services. This resulted in a reduction of \$2,485.04 to the known and measurable change
7 of \$6,638.10 requested by Forest Glen.⁸ Additionally, I recommend two reductions to legal
8 fees totaling \$7,818.46. The first reduction is \$2,034.71 of legal fees, which were charged
9 for services that should not be included in the cost of service. Forest Glen agreed that this
10 was the case.⁹ The second reduction is \$5,783.75. The invoices for these legal fees
11 indicated that they were for raising capital, stock, company research and planning costs
12 which should be paid for by investors and not the customers because they are not related
13 to providing sewer service, and they are non-reoccurring charges.

14 **Q. Please explain your adjustment to Insurance.**

15 A. The 2017 GL account indicated that this expense changed from \$2,446.10 in 2016 to
16 \$2,678.80. Forest Glen requested a known and measurable change of \$1,306.98, which is
17 larger than the \$212.70 difference on the GL. I therefore recommend a reduction of
18 \$1,094.18 to the adjusted test year amount of \$3,772.98. This change is reflected on page
19 17 of Attachment FB-2 which shows the proposed known and measureable amount of
20 positive \$1,306.98 being reduced by \$1,094.18.

⁸ Attachment FB-2 page 1 and 14

⁹ Forest Glen's Response to Staff RFI No. 2-17 (bates page fgu272, fgu279, fgu291).

1 **Q. Please explain your adjustment to Regulatory Expense (Other).**

2 A. The Regulatory Expense (Other) account on the application includes the GL repairs and IT
3 & communication accounts. Expenses for repairs are normally reported in the Other Plant
4 Maintenance account and IT and communication expenses are normally reported in the
5 Office Supplies and Expenses account. Therefore, I reclassified \$1,543.93 of expenditures
6 as listed on page 8 of Attachment FB-2 to the Other Plant Maintenance account on the
7 application. After reviewing the application, I determined that Forest Glen's amended
8 application omitted the expenses in the GL testing and regulatory accounts. Therefore, I
9 added these GL expenses to the Regulatory Expense (Other) account in the application as
10 follows: \$2,088 for testing and \$1,250 for regulatory (total of \$3,338) as listed on page 18
11 of Attachment FB-2.

12 **Q. Please explain your adjustments to Return on Invested Capital.**

13 A. In accordance with Mr. Novak's direct testimony, the overall rate of return was reduced
14 to 6.88% as listed in Attachment FB-1, Staff Schedule III.

15 **Q. Do you recommend reductions to Total Invested Capital? Please explain.**

16 A. Yes. Accumulated Depreciation was increased by \$47,628 as listed in Attachment FB-1,
17 Staff Schedule III and Contribution in Aid of Construction was increased by \$208,200.
18 These two adjustments were based on the direct testimony of Staff witness Greg Charles.
19 The working cash allowance was reduced by \$5,117 due to flow through changes to other
20 O&M expenses. I also recommend a reduction of \$15,461 for ADFIT, which is addressed
21 later in this testimony. Therefore, Staff's recommended total invested capital, excluding
22 reuse assets, is \$331,714 as listed in Attachment FB-1, Staff Schedule III, resulting in an

1 invested capital reduction of \$276,406. Staff recommends a return on invested capital of
2 \$22,822, or invested capital of \$331,714 times 6.88% equals \$22,822.

3 **Q. What is Working Cash Allowance?**

4 A. Working Cash Allowance represents the money needed to operate the utility between the
5 time the service is provided to the customer and the time the utility must pay its suppliers
6 and its employees for providing that service.

7 **Q. How did you calculate Working Cash Allowance?**

8 A. At the time this application was filed, 16 TAC § 24.31(c)(2)(C)(iii)(I) allowed a Working
9 Cash Allowance for class C utilities of 1/8 of total annual O&M expenses, plus reasonable
10 inventories and prepayments. I calculated a Working Cash Allowance as follows: O&M
11 expenses of \$101,007 times 1/8 equals \$12,626.

12 **Q. Did you recommend an ADFIT reduction to invested capital?**

13 A. Yes. Based on the tax information and financial information provided by Forest Glen, I
14 calculated an ADFIT adjustment of \$15,461 to be deducted from invested capital as
15 detailed in Attachment FB-1, Staff Schedules III and VI. Forest Glen did not provide an
16 ADFIT calculation on Schedule II-9(a) of its amended application.¹⁰

17 **Q. Why do you recommend an ADFIT reduction to invested capital?**

18 A. Rates are set using straight line depreciation, which means that the customers fund capital
19 for tax liabilities before the liabilities are paid if accelerated depreciation is used for tax
20 purposes. Forest Glen's shareholders benefit because the utility receives cash through the
21 rates paid by its customers before the taxes are actually due to the federal government.
22 Forest Glen files taxes as a corporation, and its tax return indicates that it reduced taxable

¹⁰ Amended Application at 39; *see also*, Forest Glen's Response to Staff RFI No. 5-3.

1 income using accelerated depreciation. The cash benefits produced by the lower tax
2 liability due to accelerated depreciation may be used by Forest Glen to invest in plant. The
3 annual difference in what Forest Glen pays to the Internal Revenue Service based on
4 accelerated depreciation and what it collects from its customers for normalized taxes in the
5 cost of service accumulates over the years and is called ADFIT. This difference is a timing
6 difference, that will reverse once the individual asset giving rise to depreciation is fully
7 depreciated. Because these dollars were customer-funded rather than utility or
8 shareholder-funded, rate base should be reduced. Otherwise, the customers are paying
9 return on capital dollars that they (not the shareholders) provided. Pursuant to 16 TAC
10 § 24.31(b)(1)(D), federal income taxes on a normalized basis are an allowable expense in
11 the cost of service. Furthermore, 16 TAC §24.31(c)(3) states in part:

12 Unless otherwise determined by the commission, for good cause shown, the
13 following items will be deducted from the overall rate base in the
14 consideration of applications filed pursuant to TWC §13.187 or §13.1871:
15 (A) accumulated reserve for deferred federal income taxes.
16

17 Therefore, since Forest Glen is allowed to collect normalized federal income tax expense
18 in its cost of service, it is consistent and necessary to also address ADFIT. For these
19 reasons, I recommend an ADFIT reduction of \$15,461 to rate base. My calculations for
20 ADFIT are reflected in Attachment FB-1, Staff Schedule VI.

21 **Q. Did you make any adjustments to Federal Income Tax?**

22 **A.** Yes, the adjustment is a result of flow-through changes based on the adjustments to O&M
23 expenses and other taxes and return. The resulting federal income tax expense is \$6,067
24 as listed in Attachment FB-1, Staff Schedules I and V. This is a reduction of \$10,093 to
25 the \$16,159.67 requested by Forest Glen.

1 **Q. Did you recommend any adjustments to Other Revenues?**

2 A. Yes, I recommend that Forest Glen's net income from reuse should be deducted from its
3 revenue requirement as Other Revenues. As explained by Mr. Charles, these revenues
4 could not be generated without the wastewater facilities included in Forest Glen's invested
5 capital. Furthermore, the ratepayers are paying a rate for reuse in addition to the rate for
6 sewer service that is the subject of this application, which amounts to paying twice to treat
7 the same water. Therefore, it is reasonable to offset the revenue requirement with the net
8 income from reuse. To make this adjustment, I calculated the amount of excess net profit
9 generated by reuse using Forest Glen's Response to Staff RFI No. 2-8 and subtracted this
10 amount from the revenue requirement as shown in Attachment FB-1, Schedule I and
11 supported by Schedules III and VI. The amount I deducted from Other Revenues is
12 \$35,867.

13 **VII. ADJUSTMENTS TO RATE CASE EXPENSES**

14 **Q. Did you make any adjustments to Rate Case Expense?**

15 A. Yes, Forest Glen provided rate case expenses in the Direct Testimony of Jimmy Alan Hall.
16 I reviewed the invoices and created Attachment FB-3. Based on my review of the invoices,
17 I have determined that the \$35,520 charged by Bridge View Resources, LLC (Bridge View)
18 for Steven Greenberg's services to prepare the application is excessive and unreasonable.
19 Mr. Greenberg is Chief Executive Officer of Forest Glen and managing director of Bridge
20 View.¹¹

¹¹ Direct Testimony of Steven Greenberg at 1.

1 **Q. Is Bridge View an affiliate of Forest Glen?**

2 A. Yes. Bridge View is the general partner of BVRT, LP (BVRT). BVRT owns one third of
3 Forest Glen and 100% of its subsidiary, BVRT Utility Holding Company ("Holdco").

4 **Q. Please explain the standard used to evaluate affiliate transactions.**

5 A. With regard to affiliated transactions, TWC § 13.185(e) states:

6 Payment to affiliated interests for costs of any services, or any property, right
7 or thing, or for interest expense may not be allowed either as capital cost or
8 as expense except to the extent that the regulatory authority finds that
9 payment to be reasonable and necessary. A finding of reasonableness and
10 necessity must include specific statements setting forth the cost to the
11 affiliate of each item or class of items in question and a finding that the price
12 to the utility is no higher than prices charged by the supplying affiliate to its
13 other affiliates or divisions for the same item or items, or to unaffiliated
14 persons or corporations.

15 **Q. Do the rate case expenses requested by Forest Glen meet this standard?**

16 A. After review of the rate case expense invoices filed, I noted that the amounts charged by
17 Bridge View to prepare and amend the application were excessive and unreasonable. I
18 compared the amount Forest Glen spent to the cost of preparing the applications in Docket
19 No. 46069, *Application of Nitsch & Son Utility Company, Inc. for a Rate/Tariff Change*
20 and Docket No. 47766, *Application of Flamingo Lakes Lot Owners Association for*
21 *Authority to Change Rates*. The cost requested for preparation of not one, but two,
22 applications in Docket No. 46069 was approximately \$35,534 for a utility serving
23 approximately 610 sewer connections and approximately 729 water connections, which
24 equates to \$2.20 per connection per month.¹² The cost requested for preparation of the
25 application in Docket No. 47766 was \$4,875 for a utility serving approximately 84

¹² (35,534/1,339)/12 = 2.211

connections, which equates to \$4.84 per connection per month.¹³ Both cases referenced use of an outside consultant.

Forest Glen is claiming approximately \$46,903 in expenses related to filing and amending its application, which equates to \$26.23 per connection per month.¹⁴ For the filing of the application, \$35,520 of the \$46,903 expenses incurred to prepare and cure the application were charged by Bridge View. When compared to amounts spent by both a larger and a smaller utility, the amount of \$46,903 is not reasonable. Therefore, Staff recommends \$15,000 as a reasonable amount to prepare the application and cure all deficiencies.

Q. Did you make any other adjustments to Rate Case Expense?

A. Yes, I recommend a reduction of \$47.41 to rate case expense for lunch the same day as the prehearing conference. Expenses for meals are normally not allowable rate case expense if the utility's attorney has office(s) in town.

Q. What is your total recommended reduction to Rate Case Expense?

A. I recommend a total reduction to Rate Case Expense in the amount of \$31,950. I also recommend that rate case expense be recovered by a surcharge based on the current number of connections over a 3 year period.

Q. Does this conclude your pre-filed testimony?

A. Yes; however, I reserve the right to supplement this testimony during the course of the hearing and as new information or additional evidence is presented.

¹³ $(4875/84)/12 = 4.8363$

¹⁴ $(46,903/149)/12 = 26.2321$

SOAH DOCKET NO. 473-18-3008.WS
PUC DOCKET NO. 47897
COMPANY NAME Forest Glen Utility Company
TEST YEAR END 31-Dec-16

Attachment FB-1
Staff Schedule I
Revenue Requirement

0000020

		Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Staff Adjustments To Company Request	Staff Adjusted Total	
		(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)	Supporting Schedule
1	REVENUE REQUIREMENT						
2	Operations and Maintenance	\$ 103,509	\$ 38,436	\$ 141,945	\$ (40,937)	\$ 101,007	Schedule II
3	Depreciation and Amortization Expense	\$ 68,679	\$ 6,740	\$ 75,419	\$ (6,740)	\$ 68,679	Schedule III
4	Taxes Other Than FIT	\$ 3,134	\$ -	\$ 3,134	\$ -	\$ 3,134	Schedule IV
5	Federal Income Taxes	\$ -	\$ 16,160	\$ 16,160	\$ (10,093)	\$ 6,067	Schedule V
6	Return on Invested Capital	\$ -	\$ 72,914	\$ 72,914	\$ (50,092)	\$ 22,822	Schedule III
7	TOTAL	\$ 175,322	\$ 134,249	\$ 309,571	\$ (107,862)	\$ 201,709	
8							
9	Other Revenues From Reuse				\$ (35,867)	\$ (35,867)	Schedule III
10	Revenue Requirement Used to Set Rates	\$ 175,322	\$ 134,249	\$ 309,571	\$ (143,729)	\$ 165,842	

SOAH DOCKET NO. 473-18-3008.WS
PUC DOCKET NO. 47897
COMPANY NAME Forest Glen Utility Company
TEST YEAR END 31-Dec-16

Attachment FB-
Staff Schedule II
O&M Expense

0000021

OPERATIONS AND MAINTENANCE EXPENSE			Test Year	Company	Company	Staff	Staff
			Total	Adjustments	Requested	Adjustments	Adjusted
			(a)	To Test Year	Test Year	To Company	Total
			(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
1	Acct. No.	ACCOUNT					
2	610	PURCHASED WATER	\$ -	\$ -	\$ -	\$ -	\$ -
3	615	POWER EXPENSE-PRODUCTION ONLY	\$ 10,704.00	\$ 6,327.00	\$ 17,031.00	\$ 660.48	\$ 17,691.48
4	618	OTHER VOLUME RELATED EXPENSES	\$ 8,413.00	\$ 4,458.89	\$ 12,871.89	\$ (4,458.89)	\$ 8,413.00
5	601-1	EMPLOYEE LABOR	\$ -	\$ -	\$ -	\$ -	\$ -
6	620	MATERIALS	\$ 24,665.00	\$ 13,072.45	\$ 37,737.45	\$ (25,954.88)	\$ 11,782.57
7	631-636	CONTRACT WORK	\$ 31,000.00	\$ 4,519.00	\$ 35,519.00	\$ 531.00	\$ 36,050.00
8	650	TRANSPORTATION EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
9	664	OTHER PLANT MAINTENANCE	\$ -	\$ -	\$ -	\$ 888.30	\$ 888.30
10	601-2	OFFICE SALARIES	\$ -	\$ -	\$ -	\$ -	\$ -
11	601-3	MANAGEMENT SALARIES	\$ -	\$ -	\$ -	\$ -	\$ -
12	604	EMPLOYEE PENSIONS & BENEFITS	\$ -	\$ -	\$ -	\$ -	\$ -
13	615	PURCHASED POWER-OFFICE ONLY	\$ -	\$ -	\$ -	\$ -	\$ -
14	670	BAD DEBT EXPENSE	\$ -	\$ -	\$ -	\$ -	\$ -
15	676	OFFICE SERVICES & RENTALS	\$ -	\$ -	\$ -	\$ -	\$ -
16	677	OFFICE SUPPLIES & EXPENSES	\$ 2,590.00	\$ 1,295.00	\$ 3,885.00	\$ (2,181.37)	\$ 1,703.63
17	678	PROFESSIONAL SERVICES	\$ 22,127.00	\$ 6,638.10	\$ 28,765.10	\$ (10,303.50)	\$ 18,461.60
18	684	INSURANCE	\$ 2,466.00	\$ 1,306.98	\$ 3,772.98	\$ (1,094.28)	\$ 2,678.70
19	666	REGULATORY EXPENSE (RATE CASE)	\$ -	\$ -	\$ -	\$ -	\$ -
20	667	REGULATORY EXPENSE (OTHER)	\$ 1,544.00	\$ 818.32	\$ 2,362.32	\$ 975.68	\$ 3,338.00
21	675	MISCELLANEOUS	\$ -	\$ -	\$ -	\$ -	\$ -
22	TOTAL		\$ 103,509.00	\$ 38,435.74	\$ 141,944.74	\$ (40,937.46)	\$ 101,007.28

Item 82, page 6

Item 82, page 6

Attachment FB2, page

1

**Attachment FB-1
Staff Schedule III
Invested Capital**

Greg Charles
Direct Testimony

**Confidential, Item
126, Response to
Staff RFI 2-11, Att
2-11 2016 Reuse
& WW GL**

	Wastewater Test Year Total	Wastewater Company Adjustments To Test Year	Wastewater Company Requested Test Year Total	Wastewater Staff Adjustments To Company Request	Wastewater Staff Adjusted Total	Reuse Staff Total	
	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)	(f)	
1	INVESTED CAPITAL						
2	Plant in Service	\$ 2,026,113	\$ -	\$ 2,026,113	\$ -	\$ 2,026,113	\$ 545,896
3	Accumulated Depreciation	\$ (78,942)	\$ -	\$ (78,942)	\$ (47,628.42)	\$ (126,570)	\$ (42,379)
4							
5	Net Plant in Service	\$ 1,947,171	\$ -	\$ 1,947,171	\$ (47,628)	\$ 1,899,543	\$ 503,517
6							
7	Working Cash Allowance	\$ 12,939	\$ 4,804	\$ 17,743	\$ (5,117)	\$ 12,626	\$ 11,069
8	Materials and Supplies			\$ -			
9	Prepayments			\$ -			
10	Customer Advances Construction			\$ -			
11	Contribution in Aid of Construction	\$ (1,356,794)		\$ (1,356,794)	\$ (208,200)	\$ (1,564,994)	\$ (471,847)
12	Customer Deposits			\$ -			
13	Regulatory Assets			\$ -			
14	Accumulated Deferred FIT	\$ -	\$ -	\$ -	\$ (15,461)	\$ (15,461)	\$ (3,364)
15	Regulatory Liabilities			\$ -			
16				\$ -			
17	TOTAL INVESTED CAPITAL (RATE BASE)	\$ 603,316	\$ 4,804	\$ 608,120	\$ (276,406)	\$ 331,714	\$ 39,376
18							
19	RATE OF RETURN			11.99%	-5.11%	6.88%	6.88%
20							
21	RETURN ON INVESTED CAPITAL	\$ 72,914	\$ 72,914	\$ (50,092)	\$ 22,822	\$ 2,709	
22							
23							
					Reuse Net Income 2017	\$ 38,576	Staff Schedule VI
					Other Revenues to Wastewater Plant	\$ (35,867)	(f)17 minus (f)22

SOAH DOCKET NO. 473-18-3008.WS
PUC DOCKET NO. 47897
COMPANY NAME Forest Glen Utility Company
TEST YEAR END 31-Dec-16

Attachment FB-1
Staff Schedule IV
Taxes Other Than FIT

0000023

		Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Staff Adjustments To Company Request	Staff Adjusted Total
		(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
1	TAXES OTHER THAN FIT					
2						
3	Non-Revenue Related					
4	Ad Valorem Taxes	\$ 3,134	\$ -	\$ 3,134		\$ 3,134
5	Total Property	\$ 3,134	\$ -	\$ 3,134		\$ 3,134
6						
7	Payroll Taxes					
8	FICA	\$ -	\$ -	\$ -	\$ -	\$ -
9	MEDICARE	\$ -	\$ -	\$ -	\$ -	\$ -
10	MEDICARE-Affordable Care Act	\$ -	\$ -	\$ -	\$ -	\$ -
11	FUTA	\$ -	\$ -	\$ -	\$ -	\$ -
12	SUTA	\$ -	\$ -	\$ -	\$ -	\$ -
13	Total	\$ -	\$ -	\$ -	\$ -	\$ -
14						
15	LESS Capitalized	\$ -	\$ -	\$ -	\$ -	\$ -
16	Total Payroll	\$ -	\$ -	\$ -	\$ -	\$ -
17						
18	Other Taxes					
19	Other taxes and Licenses	\$ -	\$ -	\$ -	\$ -	\$ -
20	Total Other Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
21						
22	TOTAL TAXES OTHER THAN FIT	\$ 3,134	\$ -	\$ 3,134	\$ -	\$ 3,134

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SOAH DOCKET NO. 473-18-3008.WS
PUC DOCKET NO. 47897
COMPANY NAME Forest Glen Utility Company
TEST YEAR END 31-Dec-16

Attachment FB-1
Staff Schedule V
Federal Income Taxes

0000024

	Test Year Total	Company Requested Test Year Total	Staff Adjustments To Company Request	Staff Adjusted Total
	(a)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
FEDERAL INCOME TAXES				
Return	Total	\$ 72,913.60	\$ (50,091.69)	\$ 22,821.91
Less				
Interest Included in Return				
Plus				
Other Adjustments				
TAXABLE COMPONENT OF RETURN		\$ 72,913.60	\$ (50,091.69)	\$ 22,821.91
TAX RATE		18%		21%
TAX FACTOR $(1/(1-TR))*(TR)$		0.221627697		0.265822785
FEDERAL INCOME TAX BEFORE ADJUSTMENTS		\$ 16,159.67	\$ -	\$ 6,066.58
LESS				
Adjustments		\$ -		
TOTAL FEDERAL INCOME TAXES		\$ 16,159.67	\$ (10,093.09)	\$ 6,066.58

Staff Schedule III

**Attachment FB-1, Staff Schedule VI – ADFIT
was filed confidentially because it contains highly sensitive protected material**

			A	B	C	D	E	F	
			12/31/2016 Test Year Total	Company Known & Measurable	Company Requested Test Year Total	Staffs Adjustments to Known & Measurable	Staffs Allowable & Unallowable Expenses Adjustments	Staff's Recommended Amount	
1									
2	Supporting Schedules / GL Account (Response to RFI 2-23)	Appl. Acct #	APPLICATION OPERATIONS AND MAINTENANCE EXPENSE ACCOUNT	(a)	(b)	(c)=(a)+(b)	(d)	(e)	(f)=(c)+(d)+(e)
3		610	PURCHASED WATER	0.00	0.00	0.00	0.00	0.00	0.00
4	Purchase Power	615	POWER EXPENSE-PRODUCTION ONLY	10,704.00	6,327.00	17,031.00	660.48	0.00	17,691.48
5	Other Plant Maintenance	618	OTHER VOLUME RELATED EXPENSES	8,413.00	4,458.89	12,871.89	(4,458.89)	0.00	8,413.00
6		601-1	EMPLOYEE LABOR	0.00	0.00	0.00	0.00	0.00	0.00
7	Other Plant Maintenance	620	MATERIALS	24,665.00	13,072.45	37,737.45	(12,607.08)	(13,347.80)	11,782.57
8	Contract O&M Work	631-636	CONTRACT WORK	31,000.00	4,519.00	35,519.00	531.00	0.00	36,050.00
9		650	TRANSPORTATION EXPENSES	0.00	0.00	0.00	0.00	0.00	0.00
10	Repair	664	OTHER PLANT MAINTENANCE	0.00	0.00	0.00	0.00	888.30	888.30
11		601-2	OFFICE SALARIES	0.00	0.00	0.00	0.00	0.00	0.00
12		601-3	MANAGEMENT SALARIES	0.00	0.00	0.00	0.00	0.00	0.00
13		604	EMPLOYEE PENSIONS & BENEFITS	0.00	0.00	0.00	0.00	0.00	0.00
14		615	PURCHASED POWER-OFFICE ONLY	0.00	0.00	0.00	0.00	0.00	0.00
15		670	BAD DEBT EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
16		676	OFFICE SERVICES & RENTALS	0.00	0.00	0.00	0.00	0.00	0.00
17	Office Supplies, Miscellaneous, Consulting & Engineering, IT & Communication	677	OFFICE SUPPLIES & EXPENSES	2,590.00	1,295.00	3,885.00	(1,295.00)	(886.37)	1,703.63
18	Accounting, Legal, & Management Services	678	PROFESSIONAL SERVICES	22,127.00	6,638.10	28,765.10	(2,485.04)	(7,818.46)	18,461.60
19	Insurance	684	INSURANCE	2,466.00	1,306.98	3,772.98	(1,094.18)	0.00	2,678.80
20		666	REGULATORY EXPENSE (RATE CASE)	0.00	0.00	0.00	0.00	0.00	0.00
21	Repair, IT Comm , Testing, Regulatory	667	REGULATORY EXPENSE (OTHER)	1,544.00	818.32	2,362.32	(818.32)	1,794.00	3,338.00
22		675	MISCELLANEOUS	0.00	0.00	0.00	0.00	0.00	0.00
23			TOTAL	103,509.00	38,435.74	141,944.74	(21,567.03)	(19,370.33)	101,007.38

The remaining pages of Attachment FB-2 were filed confidentially
because they contain highly sensitive protected material

SOAH DOCKET NO. 473-18-4008.WS
PUC Docket No. 47897
RATE CASE EXPENSE ANALYSIS
ATTACHMENT FB-3

0000028

A	B	C	D	E	F	G	H	I	J	K
	Invoice Date	Work Date	Vendor	Invoice #	Amount	Hours	Hourly Rate	Employee	Description	Total
1	FGU 0714	1/2/2017	12/23/2016	Gilbert Wilburn, PLLC	1684	\$ 90.00	0.3	\$ 300.00	RBW	Prepare application
2	FGU 0714	1/2/2017	12/23/2016	Gilbert Wilburn, PLLC	1684	\$ 450.00	1.5	\$ 300.00	RBW	Prepare application
3	FGU 0715	2/2/2017	1/22/2017	Gilbert Wilburn, PLLC	1783	\$ 1,200.00	4	\$ 300.00	RBW	Prepare application
4	FGU 0716	1/2/2018	7/11/2017	Gilbert Wilburn, PLLC	1920	\$ 175.00	0.5	\$ 350.00	RBW	Prepare application
5	FGU 0716	1/2/2018	12/6/2017	Gilbert Wilburn, PLLC	1920	\$ 1,050.00	3	\$ 350.00	RBW	Prepare application
6	FGU 0716	1/2/2018	12/21/2017	Gilbert Wilburn, PLLC	1920	\$ 1,225.00	3.5	\$ 350.00	RBW	Prepare application
7	FGU 0716	1/2/2018	1/2/2018	Gilbert Wilburn, PLLC	1920	\$ 150.87	0.44	\$ 350.00	RBW	Prepare application
8	FGU 0717	1/31/2018	1/8/2018	Gilbert Wilburn, PLLC	1948	\$ 350.00	1	\$ 350.00	RBW	Review protest filings
9	FGU 0717	1/31/2018	1/11/2018	Gilbert Wilburn, PLLC	1948	\$ 700.00	2	\$ 350.00	RBW	File notice & review hearing requests and motions
10	FGU 0718	3/7/2018	2/21/2018	Gilbert Wilburn, PLLC	1967	\$ 140.00	0.4	\$ 350.00	HSG	File rate padding application
11	FGU 0718	3/7/2018	2/28/2018	Gilbert Wilburn, PLLC	1967	\$ 350.00	1	\$ 350.00	HSG	Finalize confidential documents
12	FGU 0718	3/7/2018	2/28/2018	Gilbert Wilburn, PLLC	1967	\$ 350.00	1	\$ 350.00	RBW	Review electronic responses Steven Greenberg PUC requests
13	FGU 0718	3/7/2018	2/28/2018	Gilbert Wilburn, PLLC	1967	\$ 175.00	0.5	\$ 350.00	RBW	Conference call Steven Greenberg PUC requests
14	FGU 0718	3/7/2018	2/21/2018	Gilbert Wilburn, PLLC	1967	\$ 525.00	1.5	\$ 350.00	RBW	Review various rate documents and email to Steven Greenberg
15	FGU 0718	3/7/2018	2/22/2018	Gilbert Wilburn, PLLC	1967	\$ 525.00	1.5	\$ 350.00	RBW	Review documents from Mary Hoyt, T/C Mary Hoyt, prepare response docs PUC
16	FGU 0718	3/7/2018	2/23/2018	Gilbert Wilburn, PLLC	1967	\$ 700.00	2	\$ 350.00	RBW	Finalize prepare documents for filing PUC, review electronic messages amend filing docs.
17	FGU 0718	3/7/2018	2/28/2018	Gilbert Wilburn, PLLC	1967	\$ 350.00	1	\$ 350.00	RBW	Prepare confidential documents
18	FGU 0719	4/2/2018	3/23/2018	Gilbert Wilburn, PLLC	1993	\$ 70.00	0.2	\$ 350.00	HSG	Electronic mail client, RFI from PUC
19	FGU 0719	4/2/2018	3/29/2018	Gilbert Wilburn, PLLC	1993	\$ 140.00	0.4	\$ 350.00	HSG	Objections to staffs RFI
20	FGU 0719	4/2/2018	3/22/2018	Gilbert Wilburn, PLLC	1993	\$ 350.00	1	\$ 350.00	RBW	Review Staffs RFI forward
21	FGU 0720	5/2/2018	4/3/2018	Gilbert Wilburn, PLLC	2019	\$ 315.00	0.9	\$ 350.00	HSG	Prepare answers to RFI
22	FGU 0720	5/2/2018	4/4/2018	Gilbert Wilburn, PLLC	2019	\$ 525.00	1.5	\$ 350.00	HSG	RFI answer prep
23	FGU 0720	5/2/2018	4/5/2018	Gilbert Wilburn, PLLC	2019	\$ 175.00	0.5	\$ 350.00	HSG	Emails and answer prep
24	FGU 0720	5/2/2018	4/6/2018	Gilbert Wilburn, PLLC	2019	\$ 280.00	0.8	\$ 350.00	HSG	Electronic mail and T/C w Harry Hausman re preparation of discovery answers same with Steven Greenberg
25	FGU 0720	5/2/2018	4/9/2018	Gilbert Wilburn, PLLC	2019	\$ 385.00	1.1	\$ 350.00	HSG	Electronic mail and T/C w/client re: prep of discovery
26	FGU 0720	5/2/2018	4/10/2018	Gilbert Wilburn, PLLC	2019	\$ 490.00	1.4	\$ 350.00	HSG	Electronic email w/ client re documentation production and discovery
27	FGU 0720	5/2/2018	4/11/2018	Gilbert Wilburn, PLLC	2019	\$ 490.00	1.4	\$ 350.00	HSG	Electronic email w/ client re documentation production and discovery
28	FGU 0720	5/2/2018	4/12/2018	Gilbert Wilburn, PLLC	2019	\$ 2,030.00	5.8	\$ 350.00	HSG	Electronic email w/ client re documentation production and discovery, review answers to RFI
29	FGU 0720	5/2/2018	4/13/2018	Gilbert Wilburn, PLLC	2019	\$ 2,380.00	6.8	\$ 350.00	HSG	Continue preparation of RFI answers, electronic mail and T/C with Steven Greenberg
30	FGU 0720	5/2/2018	4/14/2018	Gilbert Wilburn, PLLC	2019	\$ 210.00	0.6	\$ 350.00	HSG	Electronic mail w/ Steven Greenberg and R Wilburn re contents of RFI answers
31	FGU 0720	5/2/2018	4/15/2018	Gilbert Wilburn, PLLC	2019	\$ 1,365.00	3.9	\$ 350.00	HSG	Electronic mail w/ Steven Greenberg and R Wilburn re contents of RFI answers
32	FGU 0720	5/2/2018	4/16/2018	Gilbert Wilburn, PLLC	2019	\$ 245.00	0.7	\$ 350.00	HSG	File response to PUC Staff First RFI Electronic mail w/client re preparation of revised gl for filing
33	FGU 0720	5/2/2018	4/19/2018	Gilbert Wilburn, PLLC	2019	\$ 770.00	2.2	\$ 350.00	HSG	Continue preparation list of issues
34	FGU 0720	5/2/2018	4/20/2018	Gilbert Wilburn, PLLC	2019	\$ 350.00	1	\$ 350.00	HSG	Finalize PUC list of issues
35	FGU 0721	5/2/2018	4/23/2018	Gilbert Wilburn, PLLC	2019	\$ 140.00	0.4	\$ 350.00	HSG	Electronic mail w/ client —to submit response in RFI
36	FGU 0721	5/2/2018	4/24/2018	Gilbert Wilburn, PLLC	2019	\$ 735.00	2.1	\$ 350.00	HSG	Prepare notice of prehearing conference
37	FGU 0721	5/2/2018	4/25/2018	Gilbert Wilburn, PLLC	2019	\$ 1,050.00	3	\$ 350.00	HSG	Prepare supplemental RFI answers, finalize and the same w/PUC, electronic mail and TC w/ PUC Staff
38	FGU 0721	5/2/2018	4/27/2018	Gilbert Wilburn, PLLC	2019	\$ 105.00	0.3	\$ 350.00	HSG	TC w/PUC Staff Attorney Oshea Spencer re request conference call to discuss general ledger
39	FGU 0721	5/2/2018	4/30/2018	Gilbert Wilburn, PLLC	2019	\$ 210.00	0.6	\$ 350.00	HSG	Electronic email w/PUC staff re scheduling conference call electronic mail to client
40	FGU 0721	5/2/2018	4/3/2018	Gilbert Wilburn, PLLC	2019	\$ 350.00	1	\$ 350.00	RBW	Review order of referral. Review draft list of issues, send electronic message to team re need for responses to RFI, assignment of list of issues and order of referral file management
41	FGU 0721	5/2/2018	4/4/2018	Gilbert Wilburn, PLLC	2019	\$ 350.00	1	\$ 350.00	RBW	Prepare response to PUC Staffs First Official RFI
42	FGU 0721	5/2/2018	4/6/2018	Gilbert Wilburn, PLLC	2019	\$ 350.00	1	\$ 350.00	RBW	Review electronic messages from team re: application T/C w/H Gilbert re same and PUC issues w/discovery deadline; respond to team re: same
43	FGU 0721	5/2/2018	4/9/2018	Gilbert Wilburn, PLLC	2019	\$ 350.00	1	\$ 350.00	RBW	Conference call Steven Greenberg, Harry Hausman and H Gilbert re: response to PUC Staffs RFI; research re same
44	FGU 0721	5/2/2018	4/10/2018	Gilbert Wilburn, PLLC	2019	\$ 525.00	1.5	\$ 350.00	RBW	T/C w Harry Hausman re documents for submittal to PUC: T/C w/H Gilbert re same
45	FGU 0721	5/2/2018	4/11/2018	Gilbert Wilburn, PLLC	2019	\$ 350.00	1	\$ 350.00	RBW	Prepare responses to PUC Staff RFI
46	FGU 0721	5/2/2018	4/12/2018	Gilbert Wilburn, PLLC	2019	\$ 1,050.00	3	\$ 350.00	RBW	Prepare responses to PUC Staff RFI
47	FGU 0721	5/2/2018	4/13/2018	Gilbert Wilburn, PLLC	2019	\$ 1,575.00	4.5	\$ 350.00	RBW	Review and edit responses to PUC Staff RFI
48	FGU 0721	5/2/2018	4/14/2018	Gilbert Wilburn, PLLC	2019	\$ 350.00	1	\$ 350.00	RBW	Review and edit attachments for FGU responses to PUC Staff RFI
49	FGU 0722	5/2/2018	4/16/2018	Gilbert Wilburn, PLLC	2019	\$ 700.00	2	\$ 350.00	RBW	File response to PUC First RFI, Send electronic message to Steven Greenberg
50	FGU 0722	5/2/2018	4/17/2018	Gilbert Wilburn, PLLC	2019	\$ 350.00	1	\$ 350.00	RBW	Review and edit responses to Richard nemer re: missing responses to Staffs RFI; Conversation w/ Helen Gilbert re: same
51	FGU 0722	5/2/2018	4/23/2018	Gilbert Wilburn, PLLC	2019	\$ 350.00	1	\$ 350.00	RBW	Review electronic responses —submitted to team T/C w/H Gilbert re: same
52	FGU 0722	5/2/2018	4/24/2018	Gilbert Wilburn, PLLC	2019	\$ 350.00	1	\$ 350.00	RBW	Conference w H/Gilbert re: information for filing w/PUC: T/C w/Steven Greenberg re: same
53	FGU 0722	5/2/2018	4/24/2018	Gilbert Wilburn, PLLC	2019	\$ 123.66	Office Depot			
54	FGU 0722	5/2/2018	4/24/2018	Gilbert Wilburn, PLLC	2019	\$ 7.57	Office Depot			
55	FGU 0722	5/2/2018	4/24/2018	Gilbert Wilburn, PLLC	2019	\$ 9.61	Office Depot			
56	FGU 0722	5/2/2018	4/24/2018	Gilbert Wilburn, PLLC	2019	\$ 4.76	Office Depot			

SOAH DOCKET NO. 473-18-4008.WS
PUC Docket No. 47897
RATE CASE EXPENSE ANALYSIS
ATTACHMENT FB-3

0000029

A	B	C	D	E	F	G	H	I	J	K
	Invoice Date	Work Date	Vendor	Invoice #	Amount	Hours	Hourly Rate	Employee	Description	Total
57	FGU 0722	5/2/2018	4/24/2018	Gilbert Wilburn, PLLC	2019	\$ 20.44	Office Depot			Invoice 2019 Total \$ 19,416.04
58	FGU 0723	6/3/2018	5/2/2018	Gilbert Wilburn, PLLC	2042	\$ 630.00	1.8	\$ 350.00	HSG	Prepare notice affidavit for filing w/PUC, file same. Multiple electronic mail communications w/ PUC staff and client re availability for conference call; T/C w Steven Greenberg re: same
59	FGU 0723	6/3/2018	5/8/2018	Gilbert Wilburn, PLLC	2042	\$ 910.00	2.6	\$ 350.00	HSG	T/C w / client and consultants re: response to PUC staffs questions; conference call w/ PUC staff client and consultants re same; Electronic messages w/Oshea , PUC staff Attorney re answers to staff's questions
60	FGU 0723	6/3/2018	5/10/2018	Gilbert Wilburn, PLLC	2042	\$ 175.00	0.5	\$ 350.00	HSG	Legal research re: standard for Motion to Intervene and objections to sam; T/C w/R Wilburn re: same
61	FGU 0723	6/3/2018	5/11/2018	Gilbert Wilburn, PLLC	2042	\$ 385.00	1.1	\$ 350.00	HSG	Electronic mail w- Steven Greenberg and team re: communications w/protestants, T/C w/ R Wilburn re: preparation of discovery requests for intervenors, Legal research re same. Prepare requests for information on individual ratepayer intervenors
62	FGU 0723	6/3/2018	5/15/2018	Gilbert Wilburn, PLLC	2042	\$ 455.00	1.3	\$ 350.00	HSG	Continue preparation for requests for information on individual intervenors, Electronic mail w/ R Wilburn
63	FGU 0723	6/3/2018	5/18/2018	Gilbert Wilburn, PLLC	2042	\$ 805.00	2.3	\$ 350.00	HSG	Review request for information to individual intervenors, T/C w/ Oshea Spencer, PUC Staff Attorney, re: draft hearing schedule: review same and electronic mailw/ R Wilburn and Steven Greenberg re same
64	FGU 0723	6/3/2018	5/17/2018	Gilbert Wilburn, PLLC	2042	\$ 665.00	1.9	\$ 350.00	HSG	T/C and office conference w/R Wilburn re lack of preliminary order establishing list of issues and jurisdictional effect of same; T/C with Oshea re same and proposed hearing schedule, legal research re suspension of rules finalize discovery request for intervenors Review 2nd round of RFI's from staff
65	FGU 0723	6/3/2018	5/18/2018	Gilbert Wilburn, PLLC	2042	\$ 2,065.00	5.9	\$ 350.00	HSG	Attend SOAH preliminary hearing: Prepare answers to PUC Staff's 2nd RFIs: File RFIs against intervenors
66	FGU 0723	6/3/2018	5/21/2018	Gilbert Wilburn, PLLC	2042	\$ 490.00	1.4	\$ 350.00	HSG	Electronic mail W/R Wilburn re: conference call and client desire to withdraw application. Conference call w/ client re: status of case potential for interim rates and mediation: T/C w/R Wilburn re: potential for mediation and his T/C w/ pro see intervenors
67	FGU 0724	6/3/2018	5/22/2018	Gilbert Wilburn, PLLC	2042	\$ 805.00	2.3	\$ 350.00	HSG	Electronic mail w/ Steven Greenberg re proceeding w/ discovery requests for interim rates and informal mediation; T/C and electronic mail w/R Wilburn re same: Prepare objections and answers to PUC 2nd RFIs
68	FGU 0724	6/3/2018	5/23/2018	Gilbert Wilburn, PLLC	2042	\$ 1,050.00	3	\$ 350.00	HSG	T/C w Steven Greenberg and R Wilburn re Motion for Interim Rates and Objections to PUC 2nd RFIs: T/C w/R Wilburn re: PUC Chairman's memo re need for new statement of intent and effective date of rates; Review memo; Legal research
69	FGU 0724	6/3/2018	5/24/2018	Gilbert Wilburn, PLLC	2042	\$ 805.00	2.3	\$ 350.00	HSG	T/C w/Steven Greenberg and R Wilburn re: Motion for interim rates and objections to PUC 2nd RFI's. TC w/R Wilburn to PUC Chairman's memo re need for new statement of intent and effective date of rates. Review memo; Legal research
70	FGU 0724	6/3/2018	5/25/2018	Gilbert Wilburn, PLLC	2042	\$ 840.00	2.4	\$ 350.00	HSG	Attend PUC Agenda for consideration of Preliminary Order; T/C w/ Oshea Spencer and staff re. implementation of Commissioners' ruling and objections to discovery request re: reuse: T/C w/R Wilburn re: same; T/C w/R Wilburn and Steven Greenberg re: reuse issue, objections, interim rates, and claims of confidentiality for reuse data.
71	FGU 0724	6/3/2018	5/29/2018	Gilbert Wilburn, PLLC	2042	\$ 1,820.00	5.2	\$ 350.00	HSG	Legal research re: protective order in lieu of declaration of confidentiality for reuse related information or objections; Prepare request to adopt Protective Order; Finalize and file same at PUC; Electronic mail and T/Cs w/ client and R Wilburn re: same, discovery responses, new statement of intent, and motion for interim rates;
72	FGU 0724	6/3/2018	5/30/2018	Gilbert Wilburn, PLLC	2042	\$ 1,260.00	3.6	\$ 350.00	HSG	Electronic mail and T/Cs w/ Steven Greenberg and R Wilburn re: execution and mailing of new Statement of Intent, completion of annual report and discovery questions; Review answer to first RFIs received from intervenors; Revise Motion for Interim Rates
73	FGU 0724	6/3/2018	5/31/2018	Gilbert Wilburn, PLLC	2042	\$ 315.00	0.9	\$ 350.00	HSG	Revise Motion for Interim Rates; Finalize new Statement of intent.
74	FGU 0724	6/3/2018	5/8/2018	Gilbert Wilburn, PLLC	2042	\$ 525.00	1.5	\$ 350.00	RBW	Conference call w/ team re: PUC conference call -----T/C w/ Helen Gilbert re: same.
75	FGU 0724	6/3/2018	5/15/2018	Gilbert Wilburn, PLLC	2042	\$ 700.00	2	\$ 350.00	RBW	Prepare draft discovery requests for Protestants.
76	FGU 0725	6/3/2018	5/17/2018	Gilbert Wilburn, PLLC	2042	\$ 1,750.00	5	\$ 350.00	RBW	Conference w/H Gilbert re: rate hearing: Prepare for same; T/C w/ staff re: PUC failure to adopt a List of Issues and Preliminary Order; Review 2nd RFI; Review electronic mail from Steven Greenberg in response; Send electronic mail in response to same.
77	FGU 0725	6/3/2018	5/18/2018	Gilbert Wilburn, PLLC	2042	\$ 2,100.00	6	\$ 350.00	RBW	Attend Prehearing Conference; Conference w/H Gilbert re same
78	FGU 0725	6/3/2018	5/21/2018	Gilbert Wilburn, PLLC	2042	\$ 700.00	2	\$ 350.00	RBW	Review PUC 2nd RFI to Forest Glen'; Research re: affiliated interest issue; Research re: Landownership in FGU CCN area.
79	FGU 0725	6/3/2018	5/22/2018	Gilbert Wilburn, PLLC	2042	\$ 350.00	1	\$ 350.00	RBW	Conference call w/ Randall, Chuck, Steven Greenberg, and H Gilbert re: Response to RFI; T/C w/ Harry Hausman re: same.
80	FGU 0725	6/3/2018	5/24/2018	Gilbert Wilburn, PLLC	2042	\$ 700.00	2	\$ 350.00	RBW	Prepare response to PUC 2nd RFI' Conferences re: Interim Rate and prosecution strategies.
81	FGU 0725	6/3/2018	5/25/2018	Gilbert Wilburn, PLLC	2042	\$ 700.00	2	\$ 350.00	RBW	Review Commissioner Memo re: Preliminary Order and Notice of Rate Change; Legal research re: same; T/Cs w/H Gilbert
82	FGU 0725	6/3/2018	5/29/2018	Gilbert Wilburn, PLLC	2042	\$ 1,050.00	3	\$ 350.00	RBW	Commission Agenda on Preliminary Hearing: T/Cs w/ H Gilbert re: PUC RFI and conference w/ Staff re: same; Conference call w/ H Gilbert and Steven Greenberg re: strategy for response to RFI.
83	FGU 0725	6/3/2018	5/30/2018	Gilbert Wilburn, PLLC	2042	\$ 455.00	1.3	\$ 350.00	RBW	Prepare Motion for Protective Order; Prepare Protective Order
84	FGU 0725	6/3/2018	5/31/2018	Gilbert Wilburn, PLLC	2042	\$ 1,050.00	3	\$ 350.00	RBW	Review electronic messages re: Response to 2nd RFI, Statement of Intent, and PUC Annual Report; Research re: Annual Report, Send electronic mail to Steven Greenberg re: same; Review Intervenor Responses to 1st RFI;
85	FGU 0725	6/3/2018		Gilbert Wilburn, PLLC	2042	\$ 1.67	Copy expense			Review and edit Motion for Interim Rates

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A	B	C	D	E	F	G	H	I	J	K
	Invoice Date	Work Date	Vendor	Invoice #	Amount	Hours	Hourly Rate	Employee	Description	Total
86	FGU 0725	6/3/2018	Gilbert Wilburn, PLLC	2042	\$ 47.14	RBW lunch with H Gilbert				
87	FGU 0725	6/3/2018	Gilbert Wilburn, PLLC	2042	\$ 15.91	Office Depot - Discovery on Intervenor				
88	FGU 0725	6/3/2018	Gilbert Wilburn, PLLC	2042	\$ 15.00	Wells Fargo Tower - Preliminary Hearing				
89	FGU 0725	6/3/2018	Gilbert Wilburn, PLLC	2042	\$ 3.00	COA Parking Prelim. Hearing				
Invoice 2042 Total \$										23,637.72
90	FGU 0726	6/29/2018	5/22/2018	Gilbert Wilburn, PLLC	2069	\$ 805.00	2.3	\$ 350.00	HSG	Electronic mail and T/C w/ Steven Greenberg re: proceeding w/discovery, request for interim rates, and informal mediation; T/C and electronic mail w/ R Wilburn re: same. Prepare objections and answers to PUC 2nd RFIs.
91	FGU 0726	6/29/2018	6/1/2018	Gilbert Wilburn, PLLC	2069	\$ 525.00	1.5	\$ 350.00	HSG	Finalize and file affidavit of new Statement of Intent w/ PUC; Electronic message w/ Steven Greenberg re: status of discovery answers and submittal of 2017 Annual Report.
92	FGU 0726	6/29/2018	6/4/2018	Gilbert Wilburn, PLLC	2069	\$ 140.00	0.4	\$ 350.00	HSG	Electronic mail w/Steven Greenberg re. status of answers to 2nd RFIs' Electronic mail w/ R Wilburn and Mary Hoyt re: same and production of responsive documents in tangible form.
93	FGU 0726	6/29/2018	6/5/2018	Gilbert Wilburn, PLLC	2069	\$ 2,345.00	6.7	\$ 350.00	HSG	Revise 2nd RFI answers; Electronic mail w/ Steven Greenberg re: same.
94	FGU 0726	6/29/2018	6/6/2018	Gilbert Wilburn, PLLC	2069	\$ 2,205.00	6.3	\$ 350.00	HSG	Finalize and file Response to 2nd RFI from PUC Staff; T/C w/Oshea Spencer Re: staff intent to file motion for additional intervention; T/C w/R Wilburn re: same; Revise Motion for Interim Rates; Electronic mail w/Steven Greenberg re: timing of filing of same.
95	FGU 0726	6/29/2018	6/7/2018	Gilbert Wilburn, PLLC	2069	\$ 805.00	2.3	\$ 350.00	HSG	Prepare response to forthcoming Staff motion seeking time for additional intervention; Legal research re: intervention and suspension of rate
96	FGU 0726	6/29/2018	6/8/2018	Gilbert Wilburn, PLLC	2069	\$ 105.00	0.3	\$ 350.00	HSG	Review new Draft Preliminary Order issued by PUC set for Commission consideration; T/C w/R Wilburn re: same and possible need for oral argument to address same.
97	FGU 0726	6/29/2018	6/11/2018	Gilbert Wilburn, PLLC	2069	\$ 140.00	0.4	\$ 350.00	HSG	Review Steven Greenberg's revisions to Motion for Interim Rates; T/C w/ R Wilburn re. same.
98	FGU 0726	6/29/2018	6/12/2018	Gilbert Wilburn, PLLC	2069	\$ 175.00	0.5	\$ 350.00	HSG	Review Motion for Interim Rates; T/C and electronic mail w Steven Greenberg re same; Legal research re: Commission of adoption of Preliminary Order.
99	FGU 0726	6/29/2018	6/13/2018	Gilbert Wilburn, PLLC	2069	\$ 1,085.00	3.1	\$ 350.00	HSG	Review Motion for Interim Rates; T/C and electronic mail w/ Steven Greenberg re' same; Legal research re: Commission adoption of Preliminary Order.
100	FGU 0726	6/29/2018	6/14/2018	Gilbert Wilburn, PLLC	2069	\$ 1,225.00	3.5	\$ 350.00	HSG	Continue revision to Motion for Interim Rates. T/C w/ Steven Greenberg re; data included in same; T/C w/ R Wilburn re: effect of suspension of rates
101	FGU 0727	6/29/2018	6/15/2018	Gilbert Wilburn, PLLC	2069	\$ 1,645.00	4.7	\$ 350.00	HSG	Finalize and file Motion for Interim Rates at PUC; Transmit copies to intervenors; Electronic mail w/ PUC Staff and Intervenor re: same and forthcoming motion to align; T/C w/R Wilburn re: same; Prepare Motion to Align and Require Email Service.
102	FGU 0727	6/29/2018	6/18/2018	Gilbert Wilburn, PLLC	2069	\$ 665.00	1.9	\$ 350.00	HSG	Finalize and file Motion to Align Intervenor; Attempt T/Cs and electronic messages w/intervenor re:same; T/C w/Van Johnson re: same and unwillingness to agree to alignment or mediation; Electronic mail w/Steven Greenberg re: same and status of Motion for Interim Rates; Attempt T/C w/ Oshea Spencer re: intervenor participation; Electronic mail w/ Ms. Spencer re: service on intervenors.
103	FGU 0727	6/29/2018	6/19/2018	Gilbert Wilburn, PLLC	2069	\$ 175.00	0.5	\$ 350.00	HSG	T/C w/Oshea Spencer re: alignment, interim rates, and staff intent to allow additional intervention opportunity.
104	FGU 0727	6/29/2018	6/21/2018	Gilbert Wilburn, PLLC	2069	\$ 1,085.00	3.1	\$ 350.00	HSG	Prepare prefiled testimony for Steven Greenberg; T/C w/R Wilburn re:same; T/C w/ SOAH ALJ assistant re: email address correction for intervenors; Review 3rd RFI from PUC Staff; Prepare answers to same; Electronic mail w/ Steven Greenberg re: same.
105	FGU 0727	6/29/2018	6/22/2018	Gilbert Wilburn, PLLC	2069	\$ 770.00	2.2	\$ 350.00	HSG	Review Motion to Deny Alignment filed by Intervenor; Prepare response; Finalize for filing; Electronic mail w/ Steven Greenberg re: preparation of Prefiled Testimony; Review Staff's Response to Motion for Interim Rates; Electronic mail w/Steven Greenberg and R Wilburn re: same.
106	FGU 0727	6/29/2018	6/25/2018	Gilbert Wilburn, PLLC	2069	\$ 665.00	1.9	\$ 350.00	HSG	Revise, finalize, and file Response to Intervenor's Motion to Deny Alignment; Electronic mail w/ Steven Greenberg re: status of objections to 3rd RFIs.
107	FGU 0727	6/29/2018	6/26/2018	Gilbert Wilburn, PLLC	2069	\$ 350.00	1	\$ 350.00	HSG	Legal research re: Preliminary Order's List of Issues to be included in Steven Greenberg PFT; Revise same; Review Prefiled Testimony re: reuse.
108	FGU 0727	6/29/2018	6/27/2018	Gilbert Wilburn, PLLC	2069	\$ 140.00	0.4	\$ 350.00	HSG	T/C w/ Steven Greenberg re: deadline for objections to PUC Staff's 3rd RFI
109	FGU 0728	6/29/2018	6/28/2018	Gilbert Wilburn, PLLC	2069	\$ 1,400.00	4	\$ 350.00	HSG	T/C w/ Steven Greenberg re: answers to 3rd RFI and preparation of PFT; Review Staff's Motion for Additional Intervention; Prepare response to same; Electronic mail w/ R Wilburn re: same; Electronic mail w/ Mary Hoyt re: reimbursable costs for rate case expenses and new connections since April 2018
110	FGU 0728	6/29/2018	6/29/2018	Gilbert Wilburn, PLLC	2069	\$ 105.00	0.3	\$ 350.00	HSG	Electronic mail w/ Mary Hoyt re: reimbursable rate case expenses and reuse vs wastewater accounting for contract work.
111	FGU 0728	6/29/2018	6/4/2018	Gilbert Wilburn, PLLC	2069	\$ 245.00	0.7	\$ 350.00	RBW	Review draft response to PUC 2nd RFI
112	FGU 0728	6/29/2018	6/5/2018	Gilbert Wilburn, PLLC	2069	\$ 1,050.00	3	\$ 350.00	RBW	Conference w/ Steven Greenberg re: response to PUC 2nd RFI; Prepare response to a portion of the items; Forward same to H Gilbert for inclusion in FGU response; Revise FGU response.
113	FGU 0728	6/29/2018	6/6/2018	Gilbert Wilburn, PLLC	2069	\$ 875.00	2.5	\$ 350.00	RBW	Review and finalize Response to 2nd PUC RFI
114	FGU 0728	6/29/2018	6/11/2018	Gilbert Wilburn, PLLC	2069	\$ 525.00	1.5	\$ 350.00	RBW	Prepare Motion for Interim Rates
115	FGU 0728	6/29/2018	6/14/2018	Gilbert Wilburn, PLLC	2069	\$ 1,050.00	3	\$ 350.00	RBW	PUC Commission Agenda re. Preliminary Order; Revise and edit Motion for Interim Rates
116	FGU 0728	6/29/2018	6/15/2018	Gilbert Wilburn, PLLC	2069	\$ 525.00	1.5	\$ 350.00	RBW	Finalize Motion for Interim Rates; Research re: Motion to Align Parties

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A	B	C	D	E	F	G	H	I	J	K
	Invoice Date	Work Date	Vendor	Invoice #	Amount	Hours	Hourly Rate	Employee	Description	Total
117	FGU 0728	6/29/2018	6/19/2018	Gilbert Wilburn, PLLC	2069	\$ 525.00	1.5	\$ 350.00	RBW	Conference call w/ PUC Attorneys re: Motion for Interim Rates, Motion to Align Parties, etc.; T/Cs w/ H Gilbert re: same.
118	FGU 0728	6/29/2018	6/21/2018	Gilbert Wilburn, PLLC	2069	\$ 350.00	1	\$ 350.00	RBW	Conference w/ H Gilbert re: strategy for case, Review PUC 3rd RFI to FGU.
119	FGU 0728	6/29/2018	6/22/2018	Gilbert Wilburn, PLLC	2069	\$ 175.00	0.5	\$ 350.00	RBW	Review and edit Response to Intervenor's Motion to Deny Alignment.
120	FGU 0728	6/29/2018	6/25/2018	Gilbert Wilburn, PLLC	2069	\$ 210.00	0.6	\$ 350.00	RBW	Review electronic messages from team re: PUC 3rd RFI and preparation of responses to same; Respond to same.
121	FGU 0728	6/29/2018	6/26/2018	Gilbert Wilburn, PLLC	2069	\$ 525.00	1.5	\$ 350.00	RBW	Prepare response to 3rd RFI
122	FGU 0728	6/29/2018	6/28/2018	Gilbert Wilburn, PLLC	2069	\$ 105.00	0.3	\$ 350.00	RBW	Review Motion to Allow new Intervenor
123	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 11.35			USPS Postage	
124	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 3.26			USPS Postage	
125	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 5.95			Office Depot Copies	
126	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 113.01			Roommaker Document Copies	
127	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 18.77			Office Max copies	
128	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 54.87			Office Max copies	
129	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 10.81			Office Depot copies	
130	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 14.35			Office Depot copies	
131	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 21.67			Office Depot copies	
132	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 1.00			USPS Postage	
133	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 7.58			Office Max copies	
134	FGU 0728	6/29/2018		Gilbert Wilburn, PLLC	2069	\$ 0.82			Office Max copies	
135									Invoice 2069 Total \$	22,978.44
									Total of Gilbert Wilburn, PLLC \$	75,078.07
136										
137	FGU 0730	4/30/2018	4/23/2018	Lowrey, Powell, Stevens & Mangum, P.C.	47968	\$ 250.00	1.25	\$ 200.00	Stevens	meeting to determine what needs to be provided and coordinate the work
138	FGU 0730	4/30/2018	4/23/2018	Lowrey, Powell, Stevens & Mangum, P.C.	47968	\$ 150.00	0.75	\$ 200.00	Stevens	meeting to discuss support to FGU, discuss the CTR, and
139	FGU 0730	4/30/2018	4/23/2018	Lowrey, Powell, Stevens & Mangum, P.C.	47968	\$ 200.00	1.0	\$ 200.00	Stevens	Adjusting copy of Quick Start to reflect the information received from the FGU Rate Case and the
									Invoice 47968 Total \$	3,300.00
140	FGU 0732	5/31/2018	5/8, 21/18	Lowrey, Powell, Stevens & Mangum, P.C.	48267	\$ 600.00	3	\$ 200.00	Stevens	conference call to go over questions with attorneys and Steven
141	FGU 0732	5/31/2018	5/8, 21/18	Lowrey, Powell, Stevens & Mangum, P.C.	48267	\$ 1,312.50	6.56	\$ 228.26	Stevens & Lowrey	Update CR file to reflect changes made to the CR, and
142									Invoice 48267 Total \$	1,912.50
143									Total of Lowrey, Powell, Stevens & Mangum, P.C. \$	5,212.50
144										
145	FGU 0733	4/25/2018	4/25/2018	Staples		\$ 188.96			Stamps and envelopes	
146	FGU 0734			Staples		\$ 26.32			Paper	
147									Total Staples \$	215.28
148										
149										
150	FGU 0735	7/10/2018	7/10/2018	Bridge View Resources, LLC	Oct 2016	\$ 3,840.00	16	\$ 240.00	Steven Greenberg	Reviewed FGU books, questions and answers
151	FGU 0735	7/10/2018	7/10/2018	Bridge View Resources, LLC	Oct 2016	\$ 5,040.00	21	\$ 240.00	Steven Greenberg	Prepared rate application workbook
152	FGU 0736	7/10/2018	7/10/2018	Bridge View Resources, LLC	Nov 2016	\$ 1,200.00	5	\$ 240.00	Steven Greenberg	Reviewed rate app with attorneys, accountants, and
153	FGU 0736	7/10/2018	7/10/2018	Bridge View Resources, LLC	Nov 2016	\$ 2,400.00	10	\$ 240.00	Steven Greenberg	Reviewed rate app with attorneys, accountants, and
154	FGU 0737	7/10/2018	7/10/2018	Bridge View Resources, LLC	Dec 2016	\$ 960.00	4	\$ 240.00	Steven Greenberg	Further review of rate app with attorneys, accountants, and
155	FGU 0737	7/10/2018	7/10/2018	Bridge View Resources, LLC	Dec 2016	\$ 1,680.00	7	\$ 240.00	Steven Greenberg	Reviewed Rate app
156	FGU 0738	7/10/2018	7/10/2018	Bridge View Resources, LLC	Jan 2017	\$ 2,400.00	10	\$ 240.00	Steven Greenberg	Updated rate app with attorneys, accountants, and
157	FGU 0739	7/10/2018	7/10/2018	Bridge View Resources, LLC	Jan 2017	\$ 2,400.00	10	\$ 240.00	Steven Greenberg	Updated rate app with attorneys, accountants, and
158	FGU 0739	7/10/2018	7/10/2018	Bridge View Resources, LLC	April 2017	\$ 2,400.00	10	\$ 240.00	Steven Greenberg	Updated rate app with attorneys, accountants, and
159	FGU 0740	7/10/2018	7/10/2018	Bridge View Resources, LLC	May 2017	\$ 1,200.00	5	\$ 240.00	Steven Greenberg	Reviewed rate application with attorneys
160	FGU 0741	7/10/2018	7/10/2018	Bridge View Resources, LLC	Oct 2017	\$ 960.00	4	\$ 240.00	Steven Greenberg	Reviewed rate application with attorneys
161	FGU 0741	7/10/2018	7/10/2018	Bridge View Resources, LLC	Oct 2017	\$ 3,840.00	16	\$ 240.00	Steven Greenberg	Reviewed rate application for 2017 presentation
162	FGU 0742	7/10/2018	7/10/2018	Bridge View Resources, LLC	Nov 2017	\$ 1,200.00	5	\$ 240.00	Steven Greenberg	Reviewed rate application with attorneys, accountants, and
163	FGU 0743	7/10/2018	7/10/2018	Bridge View Resources, LLC	Dec 2017	\$ 1,200.00	5	\$ 240.00	Steven Greenberg	Reviewed rate application with attorneys, accountants, and
164	FGU 0744	7/10/2018	7/10/2018	Bridge View Resources, LLC	Jan 2018	\$ 1,200.00	5	\$ 240.00	Steven Greenberg	Reviewed rate application with attorneys, accountants, and
165	FGU 0745	7/10/2018	7/10/2018	Bridge View Resources, LLC	Feb 2018	\$ 3,600.00	14	\$ 240.00	Steven Greenberg	Reviewed rate application with attorneys, accountants, and
									Invoice Jan 2018 Total \$	1,200.00
									Invoice Feb 2018 Total \$	3,600.00

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FRED BEDNARSKI III

Education

The University of Texas

May 1989

Austin, Texas

Degree: BA/Economics

Southwest Texas State University

August 1995

San Marcos, Texas

Degree: BBA/Accounting

Work Experience

Texas Commission on Environmental Quality

Public Utility Commission of Texas

April 13–Present

Austin, Texas

Financial and Managerial Review Specialist

Review water/sewer utility retail rate change applications for utility costs of service and follow up on applications through the final action date to ensure rates are just and reasonable. Conduct special utility audits as directed. Participate in utility case [certificates of convenience and necessity (CCN) or rate] settlement negotiations, prepare/provide testimony for evidentiary hearings, including describing the outcome of audits on the books and records of utilities related to rate case proceedings for contested applications/cost of service appeals, CCNs/sale, transfer, and mergers (STMs); and maintain effective communication and coordination with legal staff and co-workers. Review, audit, analyze, and prepare comprehensive reports of complex business plans and/or financial and managerial information for public water or sewer utilities as well as provide assistance for public water systems and retail public water or sewer utilities in developing business plans.

Office of Inspector General Texas HHSC

Aug 10–March 13

Austin, Texas

Auditor

Performed moderately complex (journey-level) auditing work for the Medicaid/CHIP Audit Unit (MCAU). The work involved examining, investigating, and reviewing financial documentation and management practices to ensure legal compliance with state and federal laws, rules, and regulations pertaining to the Medicaid and Children's Health Insurance Programs. Worked as part of audit teams within the MCAU in conducting audits for program economy, efficiency, and effectiveness with a goal of identifying and eliminating waste, abuse, and fraud within the programs. Worked under general supervision with limited latitude for the use of initiative and independent judgment.

Texas Teacher Retirement System

Aug 04–July 10

Austin, Texas

Trading Operations Analyst

Performed complex analysis, support and accounting of equity trading operations. Work involved assisting in developing and implementing automated processes, assisting in administering trading systems, monitoring the trading and execution and settlement process, researching, reconciling and resolving problems and discrepancies, performing pre- and post-trade analytics, verifying exchange rates and conversions, and providing back up assistance to the Senior Trading Operations Specialist. Assisted in preparation of Board Commission Report.

Texas State Auditor

April 98–Aug 04

Austin, Texas

Staff Auditor

Work involved the examination, investigation, and review of records, reports, financial statements, and management practices to ensure legal compliance with state statutes and internal regulations, and performance of audits for program economy, efficiency, and effectiveness. Team member on several financial audits as well as compliance and management control audits, and Team leader for 2 Performance Measure Audits.

JI Specialty Services, Inc.

Aug 97–Dec 97

Austin, Texas

Corporate Accountant

Prepared Financial statements, consolidation of statements, intercompany transactions, reconciliations, managed cash and payroll.

Hydrolab Corporation

Sept. 95–Aug 97

Austin, Texas

Staff Accountant

Responsible for accounts receivable, monthly sales and commission report preparation, reconciliation of various G/L accounts, deposit preparation, monthly and quarterly sales tax returns, and credit analysis.

Ricon Products and Fast

Sept. 95–Sept. 96

Stop Stores, Inc.

Austin, Texas

Accountant

Responsible for payroll, accounts receivable, accounts payable, reconcile statements, and post entries to the general ledger.

William Bonner CPA

Aug 93–Sept. 94

Austin, Texas

Bookkeeper

Reconciled bank statements, coded and posted checks to the general ledger, and conducted general administrative duties.

Austin Teachers Federal Credit Union

April 93–Sept 94

Austin, Texas

Financial Service Representative

Awards Received

- Employee of the month (July 29, 1994 Austin Teachers Federal Credit Union)
- The University of Texas Football Letterman 1986 and 1988
- Passed the Audit and Business Law sections of the CPA exam
- Bushel of Fun Award from TRS for demonstrating outstanding dedication by working flexible and long hours to accommodate both International and Domestic Trade Operations
- CGAP exam passed 12/4/2010

Special Skills

- Software Experience: Bloomberg Trading System, Gateway (data management software) PAM (equity security accounting system), Windows, Microsoft Office, Microsoft Excel, Teammate (auditing software), and other accounting software (Peachtree, Mapics, & Quickbooks)
- Attended the National Association of Regulatory Utility Commissioners Utility Rate School from May 12-16, 2014

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Previous Testimonies

- Docket No. 42862 – Appeal of Water and Sewer Rates Charged by the Town of Woodloch
CCN Nos. 12312 and 20141
- Docket No. 43554 – Petition of Mansions at Turkey Creek, LP Pursuant to Texas Water Code
§ 13.043 for Review of the Decision by Northwood Municipal Utility Districts No. 1 to Change
Rates in Harris County
- Docket No. 45283 – Ratepayers’ Appeal of the Decision by North San Saba Water Supply
Corporation to Change Rates
- Docket No. 46256 – Application of Liberty Utilities (Woodmark Sewer) Corp. and Liberty
Utilities (Tall Timbers Sewer) Corp. for a Rate/Tariff Change