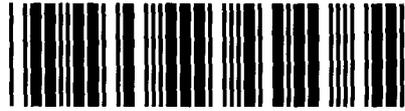


Control Number: 47998



Item Number: 3

Addendum StartPage: 0

DOCKET NO. 47998

RATEPAYERS' APPEAL OF THE
DECISION BY GALVESTON COUNTY
MUNICIPAL UTILITY DISTRICT NO.
12 TO CHANGE RATES

§
§
§
§

2019 MAR 1 AM 10:13
PUBLIC UTILITY COMMISSION
PUBLIC UTILITY COMMISSION
FILING CLERK
OF TEXAS

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-10**

Pursuant to 16 Tex. Admin. Code § 22.144 (TAC) of the Commission's Procedural Rules, the Staff of the Public Utility Commission of Texas (Staff) requests that Galveston County Municipal Utility District No. 12 by and through their 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: March 1, 2018

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Stephen Mack
Managing Attorney



Rachelle Nicolette Robles
State Bar No. 24060508
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7255
(512) 936-7268 (facsimile)
rachelle.robles@puc.texas.gov

DOCKET NO. 47998

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on March 1, 2018, in accordance with 16 TAC § 22.74.


Rachelle Nicolette Robles

DOCKET NO. 47998

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-10**

DEFINITIONS

- 1) "Galveston County MUD No. 12," "the Company" or "you" refers to Galveston County Municipal Utility District No. 12 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.

DOCKET NO. 47998

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-10**

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(h)(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.

DOCKET NO. 47998

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 12
QUESTION NOS. STAFF 1-1 THROUGH STAFF 1-10**

In reference to the request for information below please provide data applicable to the test year used to calculate the rates effective November 13, 2017.

Staff 1-1 Please admit or deny that the Galveston County MUD No. 12 completed a cost of service study for the rate increase, effective November 13, 2017.

Staff 1-2 If the response to Staff 1-1 is "admit," please provide the referenced study, as well as any documentation supporting the study.

Staff 1-3 Please provide Galveston County MUD No. 12's detailed revenue requirements based on its test year's itemized costs and expenses, as adjusted for known and measurable changes. Please provide the separate revenue requirement for water only.

Staff 1-4 Please provide the historical financial statements and/or budget used to produce the revenue requirement in the previous request. If there are any variations between the documents produced and the revenue requirement claimed, please provide an explanation.

Staff 1-5 Please describe in detail the calculations used to determine the current rate charged to Galveston County MUD No. 12's ratepayers.

Staff 1-6 Please identify the names of creditors of the city, if any. Please include the amount of loan outstanding at the end of the period Galveston County MUD No. 12 used to determine rates subject to this proceeding, the type of loan, term, interest rates, and the purpose of the loans extended to the municipality.

In addition, provide any debt service coverage requirements made by bond or debt covenant or passed by Galveston County MUD No. 12's board of directors and provide all documentation substantiating the requirements.

Staff 1-7 Please identify any grants Galveston County MUD No. 12 received or was expected to receive at the time Galveston County MUD No. 12 made the decision to change the rates that are subject to this appeal. Please include the source, amounts, and any other information of the grants received for the past five years or are expected to be received by the municipality.

Staff 1-8 Please explain in detail the accounting assumptions and procedures used to estimate amortization and/or depreciation and retirement valuations of the water plant(s) in service.

Staff 1-9 Provide a copy of Galveston County MUD No. 12's capital improvement plan.

Staff 1-10 Please provide a summary of all rate case expenses with detailed invoices incurred to date and supplement this amount with a summary and supporting invoices on a monthly basis, for the rest of this proceeding. Invoice detail should include the person providing the services, the amount of time spent per day, the tasks performed, the hourly rate charged, and detail of any expenses passed through supported by invoices, if appropriate.