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SOAH DOCKET NO. 473-19-4089.WS
PUC DOCKET NO. 48640

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APPLICATION OF W. E. VLASEK § BEFORE THE STATE OFFICE
FOR AUTHORITY TO CHANGE § OF
RATES § ADMINISTRATIVE HEARINGS

2020 FEB 26 AM 10:36

PUBLIC UTILITY COMMISSION
FILING CLERK

**PREFILED TESTIMONY OF BRET WAYNE FENNER, P. E.
IN SUPPORT OF UNANIMOUS STIPULATION AND SETTLEMENT AGREEMENT
ON BEHALF OF W. E. VLASEK**

Q: Please state your name for the record.

A: Bret Wayne Fenner.

Q: How are you employed?

A: I am the President of B & D Environmental, Inc. I was one of the founding shareholders of the company in 1997 and have been employed by B & D Environmental, Inc. since that time.

Q: Do you hold any professional licenses?

A: Yes. I am a licensed civil engineer in the State of Texas. My Professional Engineer License Number is 81939. I am also a License Real Estate Broker in the State of Texas. My Broker's License Number is 0605704.

Q: Please describe your educational background and professional experience.

A: I hold a Bachelor of Science Degree in Architectural Engineering from the University of Texas in 1982 and a Master of Business Administration from Southwest Texas State University in 1991. I have over 30 years' experience in public water and water management and regulatory field. Among other positions, I have owned and managed water systems; been a court appointed receiver and temporary manager for various water and sewer system; and been appointed to conduct third-party engineering appraisals. I have qualified and testified as an expert witness in more than 28 water rate cases during my career.

Purpose of Testimony

Q: Please describe the purpose of your testimony.

A: The purpose of this testimony is to support the Unanimous Stipulation and Settlement Agreement (Stipulation) between W. E. Vlasek and parties agreed to in this proceeding.

Q: How many current Certificates of Convenience and Necessity (CCN) does Mr. Vlasek hold?

- A. Mr. Vlasek Water current holds two CCN's, numbers 12685 and 11570.
- Q. Does the agreed to rate structure in this settlement agreement apply to the rates charged to all customers in both CCN service areas.
- A. Yes.
- Q. Please identify the main components of the settlement agreement?
- A. Yes.
1. The agreed to revenue requirement will be set at \$284,621 annually.
 2. Mr. Vlasek's net plant in the invested capital (rate base) as of December 31, 2017 will be \$459,347.
 3. The rates agreed to shall be effective for usage on and after March 1, 2020, or the date of the Commission's final order setting the rates in this docket, whichever is earlier.
 4. Mr. Vlasek is entitled to recover \$37,000 in rate-case expenses in this docket to be collected via a surcharge of \$4.00 per connection per month calculated as follows: $\$37,000 \div 386 \text{ connection} \div 24 \text{ months} = \4.00 . Mr. Vlasek may collect the surcharge for 24 months or until the full \$37,000 is collected, whichever occurs first
 5. Base on the agreed to revenue requirement, the rate structure for all customers in both of Mr. Vlasek's CCN service area shall be as the following:

Meter Size	Multiplier:	Base Rate
5/8x3/4"	1.00	31.86
3/4"	1.50	47.79
1"	2.50	79.65
1-1/2"	5.00	159.29
2"	8.00	254.87
3"	15.00	477.87
4"	25.00	796.46
6"	50.00	1592.91

Gallonge Rates
\$4.15 per 1,000 gallons from 0 to 9,999 gallons
\$5.40 from 10,000 gallons and above

CONCLUSION

Q. Do you have a recommendation regarding the settlement agreement?

A. Yes, I recommend that the Commission find the terms of the settlement agreement are in the public interest and adopt the agreement.

Q. Does this conclude your testimony?

A. Yes.

VERIFICATION

STATE OF TEXAS

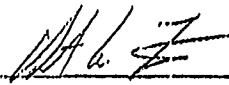
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COUNTY OF WILLIAMSON

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BEFORE ME, the undersigned authority, personally appeared Bret W. Fenner, P.E., who stated, upon oath, that the statements made in the foregoing instrument are within his personal knowledge and are true and correct.


Bret W. Fenner, P.E.

SUBSCRIBED AND SWORN TO BEFORE ME on January 29, 2020 before me the undersigned Notary Public.


Notary Public, State of Texas

[SEAL]

