

Control Number: 48819



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DOCKET NO. 48819

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**APPLICATION OF NORTHTOWN
ACRES WATER SUPPLY FOR
AUTHORITY TO CHANGE RATES**

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PUBLIC UTILITY COMMISSION

OF TEXAS
FILING CLERK

**COMMISSION STAFF'S THIRD REQUEST FOR
INFORMATION TO NORTHTOWN ACRES WATER SUPPLY
QUESTION NOS. STAFF 3-1 THROUGH 3-14**

Pursuant to 16 Texas Administrative Code (TAC) § 22.144, the Staff of the Public Utility Commission of Texas (Staff) requests that Northtown Acres Water Supply by and through its attorneys of record, provide the following information and answer the following question(s) under oath. The question(s) shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within 20 days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These question(s) are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

Provide an original and three copies of your answers to the questions to the Filing Clerk, Public Utility Commission of Texas, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78712-3326.

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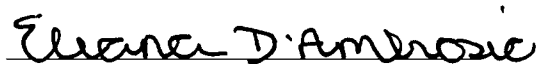
Dated: October 17, 2019

Respectfully Submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

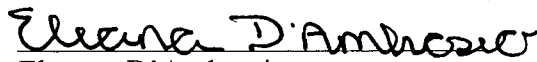
Karen S. Hubbard
Managing Attorney



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(512) 936-7021
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Eleanor.Dambrosio@puc.texas.gov

**DOCKET NO. 48819
CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on October 17, 2019, in accordance with 16 TAC § 22.74.



Eleanor D'Ambrosio

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**COMMISSION STAFF'S THIRD REQUEST FOR
INFORMATION TO NORTHTOWN ACRES WATER SUPPLY
QUESTION NOS. STAFF 3-1 THROUGH 3-14**

DEFINITIONS

- A. "Northtown Acres", "Company", or "you" refers to Northtown Acres Water Supply and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees or other persons.

- B. "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 exist and these documents will be provided.

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**COMMISSION STAFF'S THIRD REQUEST FOR
INFORMATION TO NORTHTOWN ACRES WATER SUPPLY
QUESTION NOS. STAFF 3-1 THROUGH 3-141**

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.

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**COMMISSION STAFF'S THIRD REQUEST FOR
INFORMATION TO NORTHTOWN ACRES WATER SUPPLY
QUESTION NOS. STAFF 3-1 THROUGH 3-14**

- Staff 3-1 Please provide a list of the individual transactions included in the \$15,955 requested in Account 620 - Materials, including the date of the transaction, the amount of the transaction, the paid receipt or other document showing the amount of the transaction, and the name of the vendor to which the amount was paid.
- Staff 3-2 Please provide a list of the individual transactions included in the \$6,255 requested in Account 650 – Transportation Expenses, including the date of the transaction, the amount of the transaction, the paid receipt or other document showing the amount of the transaction, and the name of the vendor to which the amount was paid.
- Staff 3-3 Please provide a list of the individual transactions included in the \$363 requested in Account 670 – Bad Debt Expenses, including the date of the transaction, the amount of the transaction, the paid receipt or other document showing the amount of the transaction, and an explanation of why the transaction qualifies as bad debt.
- Staff 3-4 Please provide a list of the individual transactions included in the \$4,023 requested in Account 677 – Office Supplies and Expenses, including the date of the transaction, the amount of the transaction, the paid receipt or other document showing the amount of the transaction, and the name of the vendor to which the amount was paid.
- Staff 3-5 Referencing Northtown Acres' response to Staff RFI Nos. 1-4 and 1-10, please admit or deny that North Petty Chapel Water Supply is an affiliate of Northtown Acres. An affiliate is defined in Texas Water Code § 13.002(2) as follows:
"Affiliated interest" or "affiliate" means:
(A) any person or corporation owning or holding directly or indirectly five percent or more of the voting securities of a utility;
(B) any person or corporation in any chain of successive ownership of five percent or more of the voting securities of a utility;
(C) any corporation five percent or more of the voting securities of which is owned or controlled directly or indirectly by a utility;
(D) any corporation five percent or more of the voting securities of which is owned or controlled directly or indirectly by any person or corporation that owns or controls directly or indirectly five percent or more of the voting securities of any utility or by any person or corporation in any chain of successive ownership of five percent of those utility securities;
(E) any person who is an officer or director of a utility or of any corporation in any chain of successive ownership of five percent or more of voting securities of a public utility;

(F) any person or corporation that the utility commission, after notice and hearing, determines actually exercises any substantial influence or control over the policies and actions of a utility or over which a utility exercises such control or that is under common control with a utility, such control being the possession directly or indirectly of the power to direct or cause the direction of the management and policies of another, whether that power is established through ownership or voting of securities or by any other direct or indirect means; or

(G) any person or corporation that the utility commission, after notice and hearing, determines is exercising substantial influence over the policies and actions of the utility in conjunction with one or more persons or corporations with which they are related by ownership or blood relationship, or by action in concert, that together they are affiliated within the meaning of this section, even though no one of them alone is so affiliated.

- Staff 3-6 Referencing Northtown Acres' response to Staff RFI No. 1-4, please admit or deny that SnoBiz of Corsicana is an affiliate of Northtown Acres as defined in TWC § 13.002(2) (see definition in RFI No. 3-5 above).
- Staff 3-7 Referencing Northtown Acres' response to Staff RFI No. 1-4, please admit or deny that SnoBiz of Waxahachie is an affiliate of Northtown Acres as defined in TWC § 13.002(2) (see definition in RFI No. 3-5 above).
- Staff 3-8 Referencing the response to Staff RFI No. 1-10, which states" We also have North Petty, but we consider it as one with Northtown Acres, for all intents and purposes." Please identify all expenses claimed in the application that are shared by Northtown Acres and North Petty Chapel Water Supply.
- Staff 3-9 For each expense identified in response to Staff RFI No. 3-8, please provide the total amount of the shared expense along with a written explanation of how the decision was made regarding the amount of the expense allocated to Northtown Acres and the amount of the expense allocated to North Petty Chapel Water Supply.
- Staff 3-10 Referencing Northtown Acres' response to Staff RFI No. 1-7, please admit or deny that the 2000 Ford Pick-Up listed on the automobile insurance policy is used to conduct the business of North Petty Chapel Water Supply, SnoBiz of Waxahachie, or SnoBiz of Corsicana in addition to the business of Northtown Acres. If admit, please provide the percentage of time the vehicle is used in support of each company,
- Staff 3-11 Referencing Northtown Acres' response to Staff RFI No. 1-7, please admit or deny that the 2016 Ford Pick-Up listed on the automobile insurance policy is used to conduct the business of North Petty Chapel Water Supply, SnoBiz of Waxahachie, or SnoBiz of Corsicana in addition to the business of Northtown Acres. If admit, please provide the percentage of time the vehicle is used in support of each company,

- Staff 3-12 Referencing the response to Staff RFI No. 1-6 and Schedule III-3 of the application, please confirm whether the Vehicle included on Line 15 of Schedule III-3 is the same vehicle as the 2016 Ford Super Duty F for which payments are being made to CRB Auto. If they are not the same vehicle, please explain which vehicle is included in Line 15 of Schedule III-3.
- Staff 3-13 Please provide the amount of rate-case expenses Northtown Acres is seeking to recover in connection with this application and provide the receipts, invoices, or other documentation supporting the requested amount.
- Staff 3-14 Please provide paid receipts, invoices, or other documentation supporting the following fee increases requested in the application:
- a) Tap fee charge of \$1,000.00 (currently \$300.00);
 - b) Transfer fee charge of \$45.00 (currently N/A); and
 - c) Returned check charge of \$30.00 (currently \$10.00).