



Control Number: 49154



Item Number: 40

Addendum StartPage: 0

**SOAH DOCKET NO. 473-19-5677.WS
PUC DOCKET NO. 49154**

2019 MAY -3 PM 2:03

**RATEPAYERS' APPEAL OF THE
DECISION BY LAGUNA MADRE
WATER DISTRICT TO CHANGE
RATES**

§
§
§
§

BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO LAGUNA MADRE WATER DISTRICT
QUESTION NO. STAFF 1-1 THROUGH STAFF 1-16**

Pursuant to 16 Texas Administrative Code (TAC) § 22.144 of the Commission's Procedural Rules, the Staff of the Public Utility Commission of Texas (Staff) requests that Laguna Madre Water District (Laguna Madre WD) 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 78711-3326.

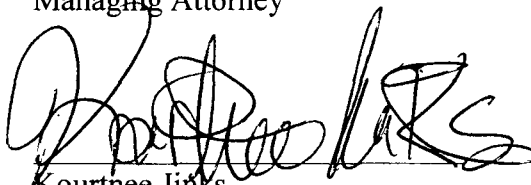
Dated: November 8, 2019

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Margaret Uhlig Pemberton
Division Director

Karen S. Hubbard
Managing Attorney

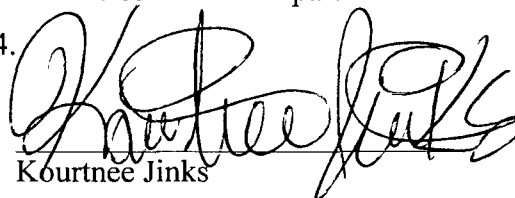
A handwritten signature in black ink, appearing to read 'Kourtnee Jinks', written over a horizontal line.

Kourtnee Jinks
State Bar No. 24097146
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
(512) 936-7265
(512) 936-7268 (facsimile)
kourtnee.jinks@puc.texas.gov

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on November 8, 2019, in accordance with 16 TAC § 22.74.

A handwritten signature in black ink, appearing to read 'Kourtnee Jinks', written over a horizontal line.

Kourtnee Jinks

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**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO LAGUNA MADRE WATER DISTRICT
QUESTION NO. STAFF 1-1 THROUGH STAFF 1-16**

DEFINITIONS

- 1) "Laguna Madre WD," "the Company" or "you" refers to Laguna Madre Water District 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 exist, and these documents will be provided.

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**COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO LAGUNA MADRE WATER DISTRICT
QUESTION NO. STAFF 1-1 THROUGH STAFF 1-16**

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 FIRST REQUEST FOR INFORMATION
TO LAGUNA MADRE WATER DISTRICT
QUESTION NO. STAFF 1-1 THROUGH STAFF 1-16**

- Staff 1-1 Please provide a copy of the rate study used to determine the rate increase subject to this appeal.
- Staff 1-2 Please provide all information used by the board of directors of Laguna Madre Water District to determine the rate increase subject to this appeal.
- Staff 1-3 Please provide copy of the tariffs or rate schedules before and after the rate increase.
- Staff 1-4 Please provide a copy of Laguna Madre's annual budgets approved by the board of directors for the fiscal years (FY) 2017, 2018, and 2019.
- Staff 1-5 Please provide a copy of Laguna Madre's audited financial statements, including the notes to basic financial statements and required Texas supplemental schedules, and any other financial reports for the FY 2016, 2017, and 2018. If the audited financial statements are not available, please provide the unaudited financial statements.
- Staff 1-6 Please provide a schedule for Bonds Issued or any Debt Issuances for 2018 and 2019, with the following column headings:
- a. Purpose;
 - b. Creditor;
 - c. Description of the bonds or debt certificates;
 - d. Original Amount;
 - e. Year of Issue;
 - f. Final Maturity or Maturity Date;
 - g. Interest Rate;
 - h. Amount of Annual Payments;
 - i. Balance as of 9/30/2018, or end of the FY; and
 - j. Annual debt service outstanding balance broken down by principle and interest for 2017, 2018, and 2019.
- Staff 1-7 Please provide a schedule of Laguna Madre's property plant and equipment for the FY 2017 and 2018, with the following column headings:
- a. Item or account name;
 - b. Date of acquisition or date placed in service;
 - c. Original Cost;

- d. Estimated life of the asset;
- e. Annual Depreciation;
- f. Accumulated Depreciation;
- g. Net Book Value; and
- h. Discuss whether the item is used to produce or deliver water to the appellant in this case.

- Staff 1-8 Please provide copies of contracts between Laguna Madre with any company, agency, or any service provider for the years 2017, 2018, and 2019.
- Staff 1-9 Please provide copies of contracts with all commercial, non-residential, wholesale, and non-potable water customers of Laguna Madre.
- Staff 1-10 Please provide copies of the minutes of Laguna Madre's board meetings when the rate increase to customers were discussed and approved.
- Staff 1-11 Please provide a schedule of revenues for FY 2017, 2018, and 2019, broken down by base rate revenues (gallonge charges and minimum monthly or annual charges, and other income or revenues, such as tap fees and late fees).
- Staff 1-12 Please provide the number of customers of Laguna Madre for FY ending 2017 and 2018. Please classify the customers as to residential, commercial, etc.
- Staff 1-13 Please provide a list of Laguna Madre's customers for FY ending 2017 and 2018.
- Staff 1-14 Please provide copies of tax returns, any IRS forms, or other documents filed with the Internal Revenue Service for the years ending 2017 and 2018.
- Staff 1-15 Please provide a list of Laguna Madre's officers and board of directors as of FY 2018 and 2019.
- Staff 1-16 Please provide a list of officers and employees as of December 31, 2018, of Laguna Madre with the following column headings:
- a. Name;
 - b. Position;
 - c. Date employed;
 - d. Date terminated, if applicable;
 - e. Salary per hour, month, or year, where applicable;
 - f. Number of hours work per week; and
 - g. Detailed job description.