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

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

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**BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS**

**COMMISSION STAFF'S FIFTH REQUEST FOR INFORMATION
TO LAGUNA MADRE WATER DISTRICT
QUESTION NOS. STAFF 5-1 THROUGH 5-15**

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: January 28, 2020

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Thomas S. Hunter
Division Director

Rachelle Nicolette Robles
Managing Attorney

Kourtnee Jinks

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

w/permission
Rachelle
Robles

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on January 28, 2020, in accordance with 16 TAC § 22.74.

Kourtnee Jinks

Kourtnee Jinks

w/permission
Rachelle
Robles

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**COMMISSION STAFF'S FIFTH REQUEST FOR INFORMATION
TO LAGUNA MADRE WATER DISTRICT
QUESTION NOS. STAFF 5-1 THROUGH 5-15**

DEFINITIONS

- 1) "Laguna Madre WD," "the District" 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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QUESTION NOS. STAFF 5-1 THROUGH 5-15**

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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QUESTION NOS. STAFF 5-1 THROUGH 5-15**

- Staff 5-1 Please refer to the spreadsheet entitled "Operational Input" in the model titled *2020 01 02 LMWD Rate Model Staff RFI* provided in response to Staff 2-1.
- a) Please provide all workpapers supporting the calculation of the accelerators used to determine the forecasted increase in operations and maintenance and administrative expenses in native excel format with all formulas intact.
 - b) Please explain the rationale for all the accelerators used to calculate the forecasted increase in each operations and maintenance expense line item allocated to raw water
 - c) Please explain the rationale for all the accelerators used to calculate the forecasted increase in each administrative expense line item.
- Staff 5-2 Please provide the District's cost of service models used to develop the base rates for retail customers in Laguna Madre WD's last two rate changes in native excel format with all formulas intact.
- Staff 5-3 Please provide the functional allocation factors used to allocate all line items within the cost of service models referenced in Staff 5-2.
- Staff 5-4 For the items that were allocated among the functions in the cost of service models referenced in Staff 5-2, please explain the rational for the functional allocation factor that was used.
- Staff 5-5 Please indicate which items were directly assigned to each function within the cost of service models referenced in Staff 5-2.
- Staff 5-6 For each item referenced in Staff 5-5, please justify why direct assignment is preferable to an allocation treatment.
- Staff 5-7 Please provide all workpapers supporting the calculation of the billing determinants used to set the base rates for retail customers in the District's the last two rate changes in native excel format with all formulas intact. Please include any adjustments made to billing determinates.
- Staff 5-8 Please provide all workpapers supporting the calculation of the accelerators used to determine the forecasted increase in operations and maintenance and

administrative expenses in the Laguna Madre WD's cost of service models used to develop the base rates for retail customers in the District's the last two rate changes. Please provides workpapers in native excel format with all formulas intact.

- Staff 5-9 Please provide all budgets, projections, financial statements and workpapers supporting the water cost of service used in the rate models for the retail customers for the district's last two rate changes approved by the board of directors. Also provide a key that shows what accounts in the budgets and financial statements are combined into the expense categories included in the rate models for each rate change.
- Staff 5-10 Please provide general ledgers for the two historical periods coinciding with the budgets used in the last two rate changes.
- Staff 5-11 What is the maximum amount of raw water the district is capable of delivering?
- Staff 5-12 What is the maximum amount of raw water the District is capable of delivering to South Padre Island Golf Course?
- Staff 5-13 Please provide the billing determinants for all raw water customers that coincide with the test year used to set the retail base rates in the last two retail base rate changes within the Laguna Madre Water District.
- Staff 5-14 Please identify what percentage of all operations and maintenance expenses and administrative expenses constitutes either a volumetric or a fixed expense.
- Staff 5-15 Does the South Padre Island Golf Course have a minimum bill requirement? If so, please provide state what is the minimum bill requirement.