

Control Number: 49189



Item Number: 155

Addendum StartPage: 0

SOAH DOCKET NO. 473-19-6297.WS
PUC DOCKET NO. 49189

APPLICATION OF THE CITY OF § BEFORE THE STATE OFFICE
AUSTIN DBA AUSTIN WATER FOR § OF
AUTHORITY TO CHANGE WATER §
AND WASTEWATER RATES § ADMINISTRATIVE HEARINGS

**CITY OF AUSTIN D/B/A AUSTIN WATER'S
RESPONSE TO COMMISSION STAFF'S
THIRTEENTH REQUEST FOR INFORMATION**

To: Public Utility Commission of Texas (Commission), by and through its attorney of record,
Eleanor D'Ambrosio, Legal Division, 1701 N. Congress Avenue, Austin, Texas 78701.

The City of Austin (City) doing business as Austin Water (Austin Water or AW) files its Responses to Public Utility Commission Staff's Thirteenth Request for Information (RFI) to Austin Water received on October 11, 2019. This response is timely filed. Pursuant to 16 Tex. Admin. Code (TAC) § 22.144(c)(2)(F), Austin Water agrees and stipulates that all parties may treat the responses as if the answers were filed under oath.

If responsive documents exceed 99 pages, the response will indicate that the attachment is voluminous. Voluminous responses will be provided electronically. Additionally, pursuant to 16 TAC § 22.144(h)(2), the documents will be made available for inspection at the offices of Austin Water's attorneys, Lloyd Gosselink Rochelle & Townsend, P.C., located at 816 Congress Avenue, Suite 1900, Austin, Texas 78701. Please call Sam Weaver at 512-322-5883 during regular business hours, to make an appointment to review the documents.

Respectfully submitted,

**LLOYD GOSSELINK ROCHELLE
& TOWNSEND, P.C.**

816 Congress Avenue, Suite 1900
Austin, Texas 78701
(512) 322-5800
(512) 472-0532 (Fax)



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ATTORNEYS FOR CITY OF AUSTIN

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served by email on October 30, 2019, to the parties of record.



THOMAS L. BROCATO

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**AUSTIN WATER'S RESPONSE TO
COMMISSION STAFF'S 13th RFI**

STAFF 13-1 Please provide the invoices issued to AW from the City of Austin's Watershed Protection Department for drainage fees expenses included in AW's cost of service.

RESPONSE: Please see Austin Water's response to Staff's RFI No. 1-8, Attachment Nos. 1 through 62, for all invoices issued to Austin Water from the City's Watershed Protection Department for drainage fee expenses included in AW's cost of service (COS).

Prepared by: Songli Floyd
Sponsored by: David Anders and Joseph Gonzales

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AUSTIN WATER'S RESPONSE TO
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STAFF 13-2 Please provide the amount of drainage fees included in AW's cost of service and the dollar amount included in each District's cost of service.

RESPONSE: Please see AW 2-4, Attachment 1, Account No. 6174 for the amount of drainage fees included in Austin Water's COS.

Combined Water & Wastewater	North Austin MUD	Northtown MUD	WCID #10	Wells Branch MUD
	\$2,122	\$1,973	\$2,998	\$3,237

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AUSTIN WATER'S RESPONSE TO
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STAFF 13-3 Please provide the portion of drainage fees expense included in AW's cost of service that correlates to the following operations:

- a) Reclaimed water system;
- b) The Govalle WWTP;
- c) Berl L. Handcox, Sr. Water Plant (formerly WTP4).

RESPONSE: See below responses:

- a) There are no expenses for drainage fees included in Austin Water's COS that correlate to the reclaimed water system;
- b) Please see AW 2-4, Attachment 1, GL Account 8021, Account No. 6174 for the drainage fees expense included in Austin Water's COS that correlates to the Govalle WWTP;
- c) There are no expenses for drainage fees included in Austin Water's COS that correlate to the Berl L. Handcox, Sr. Water Plant (formerly WTP4) since the City drainage fee is only charged on properties within the full purpose jurisdiction.

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**AUSTIN WATER'S RESPONSE TO
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STAFF 13-4 Provide a list of properties owned by AW for which the drainage fee is assessed and the related impervious cover amounts. Please include (a) the building or plant name; (b) a description of AW's use of the building; and (c) a statement confirming that the building is used for AW operations only, or, if the building is not used for AW operations only, a description of what other City of Austin operations use the building, including the amount of space used for what annual amount of time.

RESPONSE: Please see AW Staff RFI 13-4, Attachment No. 1 for the properties owned by Austin Water for which drainage fee were assessed and the related impervious cover amounts. Also, see the same attachment for information including: (a) the building or plant name; (b) a description of AW's use of the building; and (c) a statement confirming that the building is used for AW operations only or not.

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**AUSTIN WATER'S RESPONSE TO
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STAFF 13-5 Provide a comparison of the annual expense included in AW's cost of service for the three years prior to the test year and explain any differences that exceed 20% of the previous year's total bill.

RESPONSE: Please see AW Staff RFI 13-5, Attachment Nos. 1 through 3 for a comparison of the annual expense included in Austin Water's COS for the three years prior to the test year (FY2018), and variance explanations for any differences that exceed 20% of the previous year's total bill.

Prepared by: Songli Floyd
Sponsored by: David Anders and Joseph Gonzales

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**AUSTIN WATER'S RESPONSE TO
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STAFF 13-6 With regard to the Community Climate Action Plan adopted by the City of Austin (the Plan) and referred to in the direct testimony of David Anders (page 40), please provide the following information:

- a) A copy of the Plan;
- b) The name of the department or committee that produced the Plan;
- c) A description of the process used to approve the Plan approved; please provide city council minutes or other documents approving the plan;
- d) A list of persons or groups allowed to provide input to the Plan;
- e) If AW's wholesale customers are not included in the response to part d), an explanation of why these customers were not included in the group permitted to provide input;
- f) A description of the funds used to pay for the implementation of the Plan (tax revenues, etc.); and
- g) The amount included in the City of Austin's annual budget for Plan implementation and operation.

RESPONSE: See below responses:

- a) Please see AW Staff RFI 13-6, Attachment No. 1.
- b) Austin Office of Sustainability in conjunction with Austin Energy, Austin Resource Recovery and Austin Transportation Department.
- c) The City Council resolution showing the adoption of the Community Climate Action Plan (Plan) is attached. A discussion of the Plan development process is included in the attached Climate Plan on page 11 and Appendix F on page 78. Please see AW Staff RFI 13-6, Attachment No. 2; AW Staff RFI 13-6, Attachment No. 3, Item No. 24; AW Staff RFI 13-6, Attachment No. 4, Item No. 48; and AW Staff RFI 13-6, Attachment No. 5, Item No. 23.
- d) This was a broad public city-wide process focused on energy, transportation, and resource recovery. The public was invited to attend and provide comments at the committee meeting. Online tools were also used to gather input from the public on the Plan's strategies and actions. There were online forums and surveys to collect input. All of these public input opportunities were available to the Districts. Participant information can be found in AW Staff RFI 13-6, Attachment No. 1 in Appendix F on page 78 and in the Acknowledgements on page 82.
- e) N/A
- f) Property tax revenue, sales taxes, Austin Energy and Austin Water rates, Austin Resource Recovery, and Austin Transportation Department fees.
- g) The City of Austin does not track the implementation and operation cost of the Plan.

The responsive documents are voluminous.

Prepared by: Heather Dalrymple
Sponsored by: David Anders and Joseph Gonzales

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AUSTIN WATER'S RESPONSE TO
COMMISSION STAFF'S 13th RFI

STAFF 13-7 With regard to “Other Support Services – Economic Development”: Did the expense categories or accounts included in the Economic Incentives Reserve Fund reported in Docket No. 42857 for AW get transferred or absorbed by the “Economic Development Fund”?

RESPONSE: The Economic Incentives Reserve Fund is funded by a transfer from the General Fund based on future payouts specified in the agreements. Austin Water does not pay any amount to the Economic Incentives Reserve Fund.

Prepared by: Songli Floyd
Sponsored by: David Anders and Joseph Gonzales

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AUSTIN WATER'S RESPONSE TO
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STAFF 13-8 Please provide a budget, or other document if a budget is not available, showing income and expenditure amounts for the Economic Development Fund.

RESPONSE: The FY 2018 Approved Budget fund summary for the Economic Development Fund is provided in AW Staff RFI 13-8, Attachment No. 1.

Prepared by: Songli Floyd
Sponsored by: David Anders and Joseph Gonzales

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**AUSTIN WATER'S RESPONSE TO
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STAFF 13-9 Please identify and describe all funding sources for the Economic Development Fund.

RESPONSE: The primary funding sources for the Economic Development Fund are transfers in from other departments. City Council approved a cost-share allocation model for those City departments that contribute to the Economic Development Fund. The following departments contribute: the General Fund, Austin Water, Austin Energy, and Austin Resource Recovery.

Prepared by: Songli Floyd
Sponsored by: David Anders and Joseph Gonzales

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**AUSTIN WATER'S RESPONSE TO
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STAFF 13-10 Please provide a list of incentives, if any, provided by the Economic Development Fund and identify the entities that may receive the incentives. Please indicate if the Districts have received any such incentives from the Economic Development Fund.

RESPONSE: The Economic Development Fund that Austin Water contributes to does not provide payments for incentives.

Prepared by: Christina Romero
Sponsored by: David Anders and Joseph Gonzales

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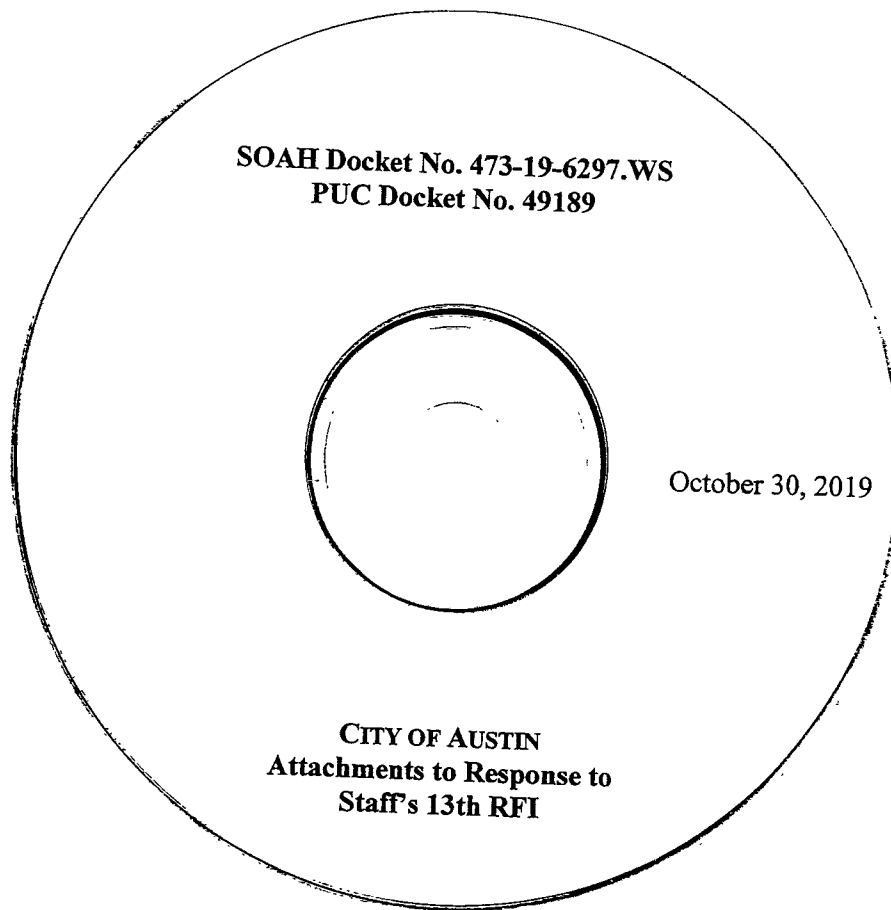
**AUSTIN WATER'S RESPONSE TO
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STAFF 13-11 Please explain why the Economic Development Fund expenses are reasonable and necessary for provision of water service by AW to a) its retail customers and b) its wholesale customers.

RESPONSE: Please see Austin Water's response to Commission Staff's RFI No. 6-15 for explanations on how the Economic Development Fund expenses are reasonable and necessary for provision of water service by Austin Water. The Districts do not pay for costs associated with the Economic Development Fund.

Prepared by: Songli Floyd
Sponsored by: David Anders and Joseph Gonzales

ATTACHMENTS PROVIDED CD



AW Staff RFI 13-4, Attachment No. 1 - Drainage Fee Account Detail.xlsx

AW Staff RFI 13-5, Attachment No. 1 - FY2018 vs FY2017 Expense Variances Analysis.xlsx

AW Staff RFI 13-5, Attachment No. 2 - FY2017 vs FY2016 Expense Variances Analysis.xlsx

AW Staff RFI 13-5, Attachment No. 3 - FY2016 vs FY2015 Expense Variances Analysis.xlsx

AW Staff RFI 13-6, Attachment No. 1 - Austins Community Climate Plan Doc.pdf

AW Staff RFI 13-6, Attachment No. 2 - Council Resolution Adopting Community Climate Action Plan.pdf

AW Staff RFI 13-6, Attachment No. 3 - 04 08 2014 Council Agenda.pdf

AW Staff RFI 13-6, Attachment No. 4 - 06 04 2015 Council Approval for Climate ACCP.pdf

AW Staff RFI 13-6, Attachment No. 5 - 02 15 2007 Council Minutes.pdf

AW Staff RFI 13-8, Attachment No. 1 - FY 2018 Approved Budget Economic Development Fund.pdf.pdf