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

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

**CITY OF AUSTIN D/B/A AUSTIN WATER'S
RESPONSE TO COMMISSION STAFF'S
FIFTEENTH 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 Response to Public Utility Commission Staff's Fifteenth Request for Information (RFI) to Austin Water received on October 18, 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.

Respectfully submitted,

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

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ATTORNEYS FOR CITY OF AUSTIN

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served by email on November 4, 2019, to the parties of record.



THOMAS L. BROCATO

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

**AUSTIN WATER'S RESPONSE TO
COMMISSION STAFF'S 15th RFI**

STAFF 15-1 Please refer to AW's response to Districts 10-14 at Attachment 5. Please identify by G/L account the dollar amounts for the costs of water losses that AW requests in this proceeding to be included in (a) total water system cost of service, and (b) cost of service to Districts. Please explain the requested methodologies to allocate the costs of losses between wholesale and retail and provide the data that is used to perform the allocations. Put differently, explain how the total costs of losses flow through to wholesale cost of service and retail cost of service. Please provide a narrative explanation of the rationale for the requested allocation basis, including an explanation as to how the request is consistent with cost causation.

RESPONSE: Austin Water's Texas Water Development Board 2018 Water Audit Report (AW Districts 10-14, Attachment No. 5) provides the calculation of the State mandated water loss identification of total water losses, apparent losses, and real losses. The report also provides financial performance indicators, which estimate the cost of water losses.

However, the water cost of service (COS) model includes all operations and maintenance costs of water treatment production, inclusive of any costs associated with the eventual loss of water in the transmission and distribution systems. The cost of water loss is not separated as an individual line item cost in the COS model. It is embedded in the cost of water treatment production and allocated to all customer classes.

Prepared by: Robert Rowan
Sponsored by: David Anders and Joseph Gonzales