



Control Number: 49225



Item Number: 108

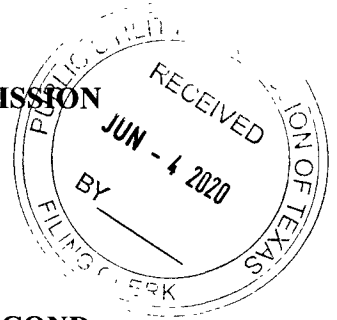
Addendum StartPage: 0

**SOAH DOCKET NO. 473-20-1554.WS  
DOCKET NO. 49225**

**PETITION BY OUTSIDE CITY  
RATEPAYERS APPEALING THE  
WATER RATES ESTABLISHED BY  
THE CITY OF CELINA**

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§

**PUBLIC UTILITY COMMISSION  
OF TEXAS**



**CITY OF CELINA'S THIRD REQUEST FOR INFORMATION AND SECOND  
REQUEST FOR ADMISSIONS TO OUTSIDE CITY RATEPAYERS**

To: Petitioner, Outside City Ratepayers, by and through its attorneys of record, Randall B. Wilburn and Helen S. Gilbert, Gilbert Wilburn PLLC, 7000 North MoPac Blvd., Suite 200, Austin, Texas 78731 & John J. Carlton and Kelli A. N. Carlton, The Carlton Law Firm, P.L.L.C., 4301 Westbank Drive, Suite B-130, Austin, Texas 78746.

Now comes the CITY OF CELINA ("City") and serves this, their Third Request for Information and Second Request for Admissions to the Outside City Ratepayers ("Ratepayers") pursuant to 16 Tex. Admin. Code Ann. § 22.144 ("TAC") and request the following information and answers to the following questions be provided under oath.

**I. DEFINITIONS**

The following definitions apply herein unless otherwise indicated by the content or expressly stated:

1. "And" and "or" shall be construed either conjunctively or disjunctively, as required by the context, to bring within the scope of these discovery requests any response or document that might be deemed outside its cope by another construction.
2. "City" means the City of Celina.
3. "Communication(s)" shall mean and include every manner or means of transmittal, disclosure, transfer, or exchange of information, and every form of transmission, disclosure, transfer or exchange of information, whether orally, electronically, or by document, and whether face-to-face, by telephone, mail, personal delivery, computer or otherwise.

4. “Concern,” “reflect(ing),” “related to,” or “relating to,” “regarding,” and similar terms mean addressing, analyzing, referring, discussing, mentioning in any way, explaining, supporting, describing, forming the basis for, or being logically or causally connected in any way with the subject of these discovery requests.
5. “Developer” or “Developers” means any or all of the following: LFC Devco GH LLC or LFC Devco Sage LLC III or Forestar/ RPG Land Company, LLC or LFC Land Company, LLC, or LFC Development Company, LLC.
6. “Document” means any written, typed, printed, recorded, graphic or photographic matter, or sound reproductions, however produced or reproduced, including copies, or computer or data processing inputs or outputs in whatever form, or any means of electronic storage of information. These include, but are not limited to, all letters, telegrams, cables, wires, notes, studies, memoranda, accounts, invoices, ledgers, books, publications, diagrams, statements, drafts, transcripts, agreements, contracts, minutes, records, diaries, voice recordings, journals, logs, work papers, manuals, calendars, governmental forms, computer or data processing inputs or printouts, microfiche or microfilm recordings, statistical compilations, slides, photographs, negatives, motion pictures or other films, samples or other physical objects of whatever nature, whether originals or reproductions, now or formerly in your possession, custody or control, or in the possession, custody or control of any employee, agent, representative, servant or attorney acting on your behalf. The term “document” also includes every copy where the copy is not an identical reproduction of the original or where the copy contains any commentary, marginal comment or any notation that may not appear in the original. A document is deemed within your control if you have ownership, possession, custody, or constructive possession of the document, or a superior right to compel the production from a third party (including an agent, authority or representative). The term “document” also includes electronic and magnetic data which are to be produced in native format, or a format mutually agreed to by the responding party and the requesting party.
7. When the term “identify” is used:
  - (1) When used in reference to a natural person, “identify” means that you should state that person's full name, address and telephone number.
  - (2) When used with respect to a “document,” as defined above, “identify” means that you should state the date, subject and substance, author, type of document, (e.g., letter, telegram, memorandum, computer printout, sound reproduction, chart, photograph, film, etc.), its present location and the identity of each of its present custodians and shall include all documents including those that you may claim are privileged. If any document was, but no longer is, in your possession or subject to your control, state whether it is (a) missing or lost; (b) was destroyed; (c) was transferred voluntarily or involuntarily to others; or (d) otherwise disposed of, and in each such instance explain the circumstances surrounding any authorization for such disposition.

- (3) When used in respect to any meeting or conversation, "identify" means that you should state the date and specific location of the meeting or conversation plus the "identification" of all persons present, attending, participating, witnessing or having knowledge of the meeting or conversation.
  - (4) When used in respect to an occurrence, event or happening, "identify" means that you should describe in detail what occurred or transpired at the occurrence, event or happening; the date, specific location and duration of the occurrence, event or happening and identify all persons present, attending, participating, witnessing or having knowledge of the occurrence, event or happening.
  - (5) When used in respect to a statement, "identify" means that you should state the substance of the statement; the date and specific location of the statement; and the "identity" of all persons present, witnessing, making or having knowledge of the statement.
- 8. "Person" or "Persons" includes natural persons, firms, partnerships, associations, joint ventures, corporations and any other form of business organization or arrangement, as well as governmental or quasi-governmental agencies.
  - 9. "PUC" or "Commission" refer to the Public Utility Commission of Texas.
  - 10. "Ratepayers," "Outside City Ratepayers," or "Outside Ratepayers" means and refers to the petitioners in this proceeding, being the water and wastewater customers of the City of Celina residing outside of the corporate limits of the municipality.
  - 11. "UTRWD" means and refers to the Upper Trinity Regional Water District.
  - 12. "Workpapers" refers to detailed calculations, formulas, supporting assumptions, and all other documents typically referred to as "workpapers" used to support testimony in a regulated rate case before the Commission.
  - 13. "You" or "Your" refers to the Outside City Ratepayers, including any predecessor in interest or any alias, its agents, employees, attorneys, investigators, contractors, and all others "persons" acting for said party.

## **II. INSTRUCTIONS**

- 1. These discovery requests must be answered in strict compliance with the orders of the Administrative Law Judge hearing this Docket, the Texas Rules of Civil Procedure, and the rules of the PUC.

2. Your answers to the discovery requests must be answered separately and fully in writing, and the answers must be signed and verified under oath by the person making the answers.
3. In those instances when the responding party chooses to answer a discovery request by referring to a specific document or record, the reference must be in sufficient detail to permit the requesting party to locate and identify the records and/or documents from which the answer is to be ascertained as readily as the party served with the request.
4. Whenever you are asked in these discovery requests to describe, identify, or produce documents, the term “documents” is not limited to documents in your actual or constructive possession, custody or control (as defined by Tex. R. Civ. P. 192.7(b)), but also includes all documents that you know to exist or which have existed or which you have reason to suspect to be in existence or to have been in existence, irrespective of whether the document is one intended for or transmitted internally by you or intended for or transmitted to any other person or entity, including without limitation any governmental agency, department, administrative entity, or their personnel.
5. Whenever you are asked in these discovery requests to describe or identify documents that once existed, but which no longer exist, in addition to identifying the documents, please indicate the approximate date and the circumstances under which the documents ceased to exist. Whenever you are asked in these discovery requests to describe or identify documents that are not in your actual or constructive possession, custody or control, as those terms are defined in Tex. R. Civ. P. 192.7(b), please identify (by name, address and telephone number) the person whom you believe to have such possession, custody or control.

### **III. DUTY TO SUPPLEMENT**

You are under a duty to supplement any responses that are incomplete or incorrect when made. Furthermore, you are under a duty to amend your responses within a reasonable time after you obtain information on the basis of which you know that a response either (1) was incorrect or incomplete when made or (2) although correct and complete when made, is no longer correct and complete, and the circumstances are such that failure to amend the response is in substance misleading.

Respectfully submitted,

**DAVIDSON TROILO REAM & GARZA, P.C.**  
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Austin, Texas 78701  
Telephone: (512) 469-6006  
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By: /s/ Scott Smyth  
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**ATTORNEYS FOR CITY OF CELINA**

**CERTIFICATE OF SERVICE**

I hereby certify that this document has been served on all parties of record on this 4th day of June, 2020, via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail, and/or Certified Mail Return Receipt Requested.

/s/ Scott Smyth  
Scott Smyth

**SOAH DOCKET NO. 473-20-1554.WS  
DOCKET NO. 49225**

|                                   |          |                                  |
|-----------------------------------|----------|----------------------------------|
| <b>PETITION BY OUTSIDE CITY</b>   | <b>§</b> |                                  |
| <b>RATEPAYERS APPEALING THE</b>   |          |                                  |
| <b>WATER RATES ESTABLISHED BY</b> | <b>§</b> | <b>PUBLIC UTILITY COMMISSION</b> |
| <b>THE CITY OF CELINA</b>         | <b>§</b> | <b>OF TEXAS</b>                  |
|                                   | <b>§</b> |                                  |

**CITY OF CELINA'S THIRD REQUEST FOR INFORMATION AND SECOND  
REQUEST FOR ADMISSIONS TO OUTSIDE CITY RATEPAYERS**

**I. REQUESTS FOR INFORMATION**

**CITY'S RFI TO RATEPAYERS 3-1.** Please provide all invoices prepared and submitted by Expergy for services related to these proceedings. To the extent any document includes privileged or confidential information, please provide such information in redacted form, other than the name(s) and address(s) to whom the invoice is addressed, and the requisite privilege log.

**CITY'S RFI TO RATEPAYERS 3-2.** Please list the dates of all meetings and/or conversations by each testifying witness with any member of the Celina City Council, or employee of the City of Celina, regarding any matter contemplated in this case.

**CITY'S RFI TO RATEPAYERS 3-3.** Please list the dates of all Celina City Council meetings attended by each testifying witness, and the subject matters discussed by such witness at each Council meeting.

**CITY'S RFI TO RATEPAYERS 3-4.** Please list the dates of all meetings and/or conversations by Mr. Jay Joyce with any member of the Celina City Council, or employee of the City of Celina, specifically regarding the City's conservation policy.

**CITY'S RFI TO RATEPAYERS 3-5.** Please list the dates of all visits to the sites of any of the City of Celina's water and wastewater system assets by each testifying witness. Please list the names of any Celina city personnel who interacted with such witness and describe the subject matter of each such conversation.

**CITY'S RFI TO RATEPAYERS 3-6.** In the professional resume provided by Mr. Jay Joyce, please list the year each of his listed Water and Wastewater Cost of Service Studies/Rate Studies was completed by him.

**CITY'S RFI TO RATEPAYERS 3-7.** Regarding Page 13, Line 8 of Mr. Joyce's direct testimony, please provide the PUC docket numbers for the "several cases" referred to, other than Docket No. 46404.

**CITY'S RFI TO RATEPAYERS 3-8.** Please indicate which edition of *Principles of Public Utility Rates* is quoted on page 15 of Mr. Joyce's direct testimony and provide copies of the pages showing the quotes on Page 15, Lines 19-29 and Page 16, Lines 1-2 of Mr. Joyce's testimony.

**CITY'S RFI TO RATEPAYERS 3-9.** Regarding Page 15 of Mr. Joyce's direct testimony, please provide the specific language, including citation page numbers, that he referred to in the Supreme Court opinion in *Federal Power Commission et al v. Hope Natural Gas Co.* to develop his interpretation of the concept of just and reasonable rates as it applies to the Ratepayers' Petition.

**CITY'S RFI TO RATEPAYERS 3-10.** Please provide the basis, and identify and provide all related documents, for Mr. Joyce's opinion on Page 18 of his direct testimony that a municipal utility's general fund transfers should be "based on Test Year actual expenses of the general fund."

**CITY'S RFI TO RATEPAYERS 3-11.** Page 13 of Mr. Joyce's direct testimony indicates that under the Texas Water Code, the "...Commission may consider only the information that was available to [the City] at the time it made its decision." As the City stated in its response to Ratepayers' RFI 2-9 (provided well before Mr. Joyce filed his testimony in this case), the City's 2018 Audit/Comprehensive Annual Financial Report was not issued until March 2019. Using Mr. Joyce's logic, since this information was not available to the City Council at the time it made its decision in November 2018, how does Mr. Joyce justify the use of this actual FY 2018 data in his cost of service calculations?

**CITY'S RFI TO RATEPAYERS 3-12.** Besides the \$46,735 asset value indicated in Footnote 13 of Page 29 of Mr. Joyce's direct testimony, please identify in detail all other assets that the Ratepayers believe are double counted in the 9/30/17 CWIP balance and 9/30/18 CWIP balance.



**CITY'S RFI TO RATEPAYERS 3-13.** Please identify and provide all of the source documents for Mr. Joyce's assertion on Page 30 of his direct testimony that none of the "PTYA" projects were under construction at 9/30/18.

**CITY'S RFI TO RATEPAYERS 3-14.** In Mr. Joyce's models (49225 Petitioners COS-CARD Model, 14-Water Billing Units), did Mr. Joyce use estimates of 5,090 water accounts in FY 2018 and 7,482 water accounts in FY 2020, reflecting a 47% increase? Please explain.

**CITY'S RFI TO RATEPAYERS 3-15.** Regarding the direct testimony of Mr. Joyce, did he base his recommended water rate design on FY 2020 projected water accounts? Please explain.

**CITY'S RFI TO RATEPAYERS 3-16.** Regarding the direct testimony of Mr. Joyce, did he use the City's FY 2018 actual Upper Trinity Regional Water District (UTRWD) water costs in his cost of service calculation? If the answer is yes, please explain the rationale for assuming that water *rates* should be based on 2020 accounts, which are 47% greater than FY2018, but *cost of service* should be based on UTRWD costs that are unchanged from 2018 levels.

**CITY'S RFI TO RATEPAYERS 3-17.** Please confirm that, in his model estimates, Mr. Joyce used the 4,356 wastewater accounts in FY 2018 and 6,406 wastewater accounts in FY 2020, a 47% increase (49225 Petitioners COS-CARD Model, 21-Sewer Billing Units)?

**CITY'S RFI TO RATEPAYERS 3-18.** Does Mr. Joyce confirm that he based his recommended wastewater rate design on FY 2020 wastewater accounts?

**CITY'S RFI TO RATEPAYERS 3-19.** Did Mr. Joyce use the City's FY 2018 actual Upper Trinity Regional Water District (UTRWD) wastewater costs in his cost of service calculation? If the answer is yes, please explain the rationale for assuming that wastewater rates should be based on 2020 accounts, which are 47% greater than 2018, but cost of service should be based on UTRWD costs that are unchanged from 2018 levels. If the answer is no, please explain.

**CITY'S RFI TO RATEPAYERS 3-20.** Do you agree that the City's 47% increase in water and wastewater accounts between 2018 and 2020 represents a "known and measurable change"

that should be factored into the development of the City's cost of service calculation? If your answer is "no," please explain.

**CITY'S RFI TO RATEPAYERS 3-21.** Do you agree that in preparing financial forecasts, it is reasonable to include an inflation factor in preparing a budget estimate for years beyond the test year? If your answer is "no," please explain.

**CITY'S RFI TO RATEPAYERS 3-22.** Do you consider a general inflation factor to be a reasonable "known and measurable change" to a base or test year expense level? If your answer is "no," please explain.

**CITY'S RFI TO RATEPAYERS 3-23.** Please explain Mr. Joyce's rationale for assuming that his recommended water and wastewater rate design should be based on 2020 water and wastewater accounts and volumes (which are 47% greater than 2018), but cost of service should be based on 2018 operating expenses and rate base.

**CITY'S RFI TO RATEPAYERS 3-24.** Regarding Page 34 of Mr. Joyce's direct testimony, please provide detailed descriptions of each line item for the water and sewer contributed capital tables.

**CITY'S RFI TO RATEPAYERS 3-25.** Regarding your responses to 3-24, please provide a detailed reference for each line item in these tables to a specific, detailed point in Mr. Carlson's direct testimony and the Petitioner's Exhibits in Support of Direct Testimony. Identify each page number, exhibit number, and line number for each item listed in this response.

**CITY'S RFI TO RATEPAYERS 3-26.** Regarding Page 34 Line 7 of Mr. Joyce's direct testimony, identify each point, including each page number, exhibit number, and line number in Mr. Carlson's direct testimony where he states that the water well standpipe is not used and useful as emergency (redundancy) back-up and the standpipe is not currently used. Please provide copies of all engineering analyses used to develop Mr. Carlson's and/or Mr. Joyce's conclusions regarding this assertion.

**CITY'S RFI TO RATEPAYERS 3-27.** Regarding Page 35, Line 22 of Mr. Joyce's direct testimony, please provide all supporting documentation used by Mr. Joyce to support his assertion

that the City's refundable Customer Deposits should be deducted from municipal/public (not investor owned) water/sewer utility rate base.

**CITY'S RFI TO RATEPAYERS 3-28.** Regarding Page 35, Line 22, of Mr. Joyce's direct testimony, please provide all supporting documentation used by Mr. Joyce to determine the value of Customer Deposits in his direct testimony.

**CITY'S RFI TO RATEPAYERS 3-29.** Regarding Page 35 of Mr. Joyce's direct testimony, please explain and identify and provide all supporting documentation used by Mr. Joyce to determine taxes other than income should not be included in the calculation of working capital for a municipal utility.

**CITY'S RFI TO RATEPAYERS 3-30.** Regarding Page 35 of Mr. Joyce's direct testimony, please provide a detailed description and the value of each item included in "taxes other than income" that is purported to be excludable from the working capital calculation for a municipal utility.

**CITY'S RFI TO RATEPAYERS 3-31.** Please explain why, in Mr. Joyce's spreadsheet "49225 Petitioner's Revenue Requirement Model," the total rate base calculated in Tab "3-TOTAL Revenue Requirement" is \$29.8 million and the outstanding debt total in his capital structure Tab "8-Rate of Return" is \$32.6 million. Explain how the City can have debt that is greater than its calculated rate base.

**CITY'S RFI TO RATEPAYERS 3-32.** Please explain why, per "49225 Petitioner's Revenue Requirement Model", Tab "8-Rate of Return", Mr. Joyce believes the City's total equity in the water system is only approximately \$5.6 million.

- a. Please explain in detail how he determined this equity value.
- b. Please explain in detail how he validated its accuracy.
- c. Please provide all supporting documentation used in this validation process.

**CITY'S RFI TO RATEPAYERS 3-33.** Please identify all Commission decisions and docket numbers referred to at Page 36 of Mr. Joyce's direct testimony where he refers to "other water and sewer cases at the Commission" that are consistent with determining ROE in the Laguna Madre case. Indicate if Mr. Joyce testified or participated in any of these cases and provide copies of his testimony, or if such testimony is publicly accessible, provide the precise online locations such testimony is publicly accessible.

**CITY'S RFI TO RATEPAYERS 3-34.** Regarding Pages 38, Lines 16-25 of Mr. Joyce's direct testimony, please identify all supporting Commission precedent that Mr. Joyce used to support his deviation from generally accepted ratemaking guidelines to add lost and unaccounted-for water into his water utility customer class allocation process.

**CITY'S RFI TO RATEPAYERS 3-35.** Please identify where in Mr. Carlson's testimony he states that the water distribution system in developments outside city limits do not contribute to the City's water system's lost and unaccounted-for water.

**CITY'S RFI TO RATEPAYERS 3-36.** Regarding Page 38 of Mr. Joyce's direct testimony, please provide all engineering studies and other analyses or rationale that supports Mr. Joyce's assertion that "the utility and its inside customers maintain almost all of the control over water loss and should be therefore held accountable for any excessive water loss."

**CITY'S RFI TO RATEPAYERS 3-37.** Regarding Page 22, Lines 9-12 of Mr. Joyce's direct testimony, please describe in detail Mr. Joyce's full and complete understanding of how his proposed rate plan will enable the City to fund its \$164,283,000 capital improvement plan.

**CITY'S RFI TO RATEPAYERS 3-38.** Since Mr. Joyce does not appear to mention the City's \$164,283,000 capital improvement plan ("CIP") in his prefiled testimony, does he believe that this CIP is irrelevant to the determination of the City's cost of service and setting of rates?

**CITY'S RFI TO RATEPAYERS 3-39.** Regarding Page 22, Lines 9-12 of Mr. Joyce's direct testimony, identify the debt service coverage totals included within Mr. Joyce's rate recommendations. If no such totals are included, please explain in detail why they are not.

**CITY'S RFI TO RATEPAYERS 3-40.** Regarding Page 22, Lines 9-12 of Mr. Joyce's direct testimony, please identify the number of days of water and sewer operating expense in reserve? If no such numbers are included, please explain in detail why they are not.

**CITY'S RFI TO RATEPAYERS 3-41.** Regarding Page 5, Line 1 of Mr. Carlson's direct testimony, he states that his experience is in "primarily private land developments." Please identify all public water or wastewater utility system master planning, system-wide capital improvement

planning, or impact fee studies that Mr. Carlson has had a lead role in or has directly participated in developing. Please provide a copy of all documents in such matters created by Mr. Carlson.

**CITY'S RFI TO RATEPAYERS 3-42.** Please provide all written communications among Mr. Carlson and Mark Wagner, Pete Wagner, and Rick Strauss from September 1, 2006 to March 31, 2007 regarding Mr. Carlson's recommendations and reviews of the Development Agreement.

**CITY'S RFI TO RATEPAYERS 3-43.** In his direct testimony at Page 6, Lines 19-20, Mr. Carlson refers to the "Light Farms water system." Please provide a complete water system map of the "Light Farms water system" including a list of all water infrastructure owned or operated by the "Light Farms system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-44.** In his direct testimony at Page 6, Lines 19-21, Mr. Carlson states that there is an "in-city system" and a "Light Farms system." Please provide the location and description of any air gap or other physical separation, if any exists, between the "in-city system" and the "Light Farms system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-45.** In his direct testimony at Page 6, Line 19, Mr. Carlson refers to the "Light Farms water system." Please produce the Public Water System ID number issued by the State of Texas to the "Light Farms water system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-46.** In his direct testimony at Page 6, Line 19, Mr. Carlson refers to the "Light Farms water system." Please produce all information designating the "Light Farms water system" either a Community Water System, a Nontransient Noncommunity Water System, or a Transient Noncommunity Water System as defined by 30 TAC §290.38. If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-47.** In his direct testimony at Page 6, Line 19, Mr. Carlson refers to the "Light Farms water system." Please produce documentation showing the point of demarcation between the "Light Farms water system" and the in-city water system. If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-48.** In his direct testimony at Page 7, Line 8, Mr. Carlson states that "Light Farms is essentially a stand-alone system." Please produce documentation showing the ground or elevated storage capacity that is owned, operated, and maintained by the "Light Farms water system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-49.** In his direct testimony at Page 7, Line 8, Mr. Carlson states that "Light Farms is essentially a stand-alone system." Please produce documentation showing the ground or surface water pumping capacity that is owned, operated, and maintained by the "Light Farms water system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-50.** In his direct testimony at Page 7, Line 8, Mr. Carlson states that "Light Farms is essentially a stand-alone system." Please produce documentation showing the ground or surface water treatment capacity that is owned, operated, and maintained by the "Light Farms water system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-51.** In his direct testimony at Page 7, Line 8, Mr. Carlson states that "Light Farms is essentially a stand-alone system." Please produce documentation showing the Certificates of Convenience and Necessity that are owned, operated, and maintained by the "Light Farms water system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-52.** In his direct testimony at Page 7, Line 8, Mr. Carlson states that "Light Farms is essentially a stand-alone system." Please produce documentation showing any legal water rights, contracts or other agreements for the "Light Farms water system" to purchase or otherwise acquire any wholesale raw or treated water. If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-53.** In his direct testimony at Page 7, Line 8, Mr. Carlson states that "Light Farms is essentially a stand-alone system." Please produce documentation showing any employees, contracts or agreements for the "Light Farms water system" to supply or otherwise obtain the state required testing and water quality reporting of a water system. If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-54.** In his direct testimony at Page 7, Line 8, Mr. Carlson states that "Light Farms is essentially a stand-alone system." Please produce documentation showing the water meter installation capabilities that are employed, contracted or operated by the "Light Farms water system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-55.** In his direct testimony at Page 7, Line 8, Mr. Carlson states that "Light Farms is essentially a stand-alone system." Please produce documentation showing the water meter reading capabilities that are owned, employed, contracted or operated by the "Light Farms water system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-56.** In his direct testimony at Page 7, Line 8, Mr. Carlson states that "Light Farms is essentially a stand-alone system." Please produce documentation showing the utility bill production and collection capabilities that are employed, contracted or operated by the "Light Farms water system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-57.** In his direct testimony at Page 7, Line 8, Mr. Carlson states that "Light Farms is essentially a stand-alone system." Please produce documentation showing the water line repair or maintenance capabilities that are employed, contracted or operated by the "Light Farms water system." If none exist, please so state.

**CITY'S RFI TO RATEPAYERS 3-58.** In his direct testimony at Page 8, Lines 19-21, Mr. Carlson states "Except for the Celina pump station and its line along FM 428, the Light Farms system operates independently from Celina's water system." Please describe in detail the capabilities of the purported "Light Farms system" to maintain the following (as would be required to operate independently from the City of Celina):

- a. adequate fire flow within its "system" including the location and sizes of all ground or elevated storage tank(s) owned and/or operated by the "Light Farms system,"
- b. locations and capacities of pumps owned and/or operated by the "Light Farms system", and
- c. fire flow modeling owned and/or produced by the "Light Farms system."

**CITY'S RFI TO RATEPAYERS 3-59.** In his direct testimony at Page 7, Lines 8-9, Mr. Carlson states "Light Farms constructed and paid for the elevated water storage tank ("EST") that serves all of Light Farms' residents. Please produce documentation showing, in detail, the costs to design, build, and construct the referenced EST.

**CITY'S RFI TO RATEPAYERS 3-60.** In his direct testimony at Page 8, Lines 5-7, Mr. Carlson states "At Celina's request, an additional 12-inch water transmission main was designed, bid, and constructed by CCMUD No. 1 to provide a secondary feed to the downtown area of Celina." Please produce documentation showing Celina's request for the referenced water main

and amounts paid by CCMUD No. 1 to design, build, and construct the referenced 12-inch water transmission main.

**CITY'S RFI TO RATEPAYERS 3-61.** Please identify each communication between Mr. Carlson and any employee of the Celina regarding any flushing of the 18-inch water line and/or the EST referred to in Mr. Carlson's direct testimony.

**CITY'S RFI TO RATEPAYERS 3-62.** Regarding Mr. Carlson's testimony on the Development Agreement, please provide all documentation in your actual or constructive possession or in the actual or constructive possession of a testifying witness regarding the initial cost estimates of \$5,467,285 for costs associated with the design and construction of the Phase I Water Facilities and the \$298,439 right-of-way acquisition costs referred to in Section 5.5 of the Development Agreement.

**CITY'S RFI TO RATEPAYERS 3-63.** Please provide documentation in your actual or constructive possession or in the actual or constructive possession of a testifying witness that explains the difference in the initial cost estimate of \$5,765,724 for the design, construction and right-of-way acquisition for the Phase I Water Facilities from Section 5.5 of the Development Agreement and the total cost of \$3,082,419.12 shown for these projects on Exhibit KNC-2 of Mr. Carlson's direct testimony.

**CITY'S RFI TO RATEPAYERS 3-64.** Please provide all documentation in your actual or constructive possession or in the actual or constructive possession of a testifying witness showing the amounts received by the original developer, or its successors or assigns, from the City of Celina for the Part Two grant payments referenced in the Economic Development Agreement by and between the City of Celina and Forestar/RPG Land Company LLC, which was executed concurrently with the Development Agreement on March 12, 2007.

**CITY'S RFI TO RATEPAYERS 3-65.** Please provide all reports, emails, meeting notes or other communications in your actual or constructive possession or in the actual or constructive possession of a testifying witness among Kevin Carlson and Mark Wagner, Pete Wagner, Rick Strauss, and/or Bob Zollars regarding the cost associated with either the Development Agreement or Economic Development Agreement executed concurrently on March 12, 2007.



## II. REQUESTS FOR ADMISSIONS

**CITY'S RFA TO RATEPAYERS 2-1.** Admit or deny that the project shown as 18" W constructed in 2009 at a cost of \$852,327.12 on Exhibit KNC-2 of Mr. Carlson's direct testimony is the same project shown on the Development Agreement as Phase I Proposed Water Line.

**CITY'S RFA TO RATEPAYERS 2-2.** Admit or deny that the project shown as WATER TOWER constructed in 2008 at a cost of \$2,230,092.00 on Exhibit KNC-2 of Mr. Carlson's direct testimony is the same project shown on the Development Agreement as Phase I 1.0MG ELEVATED STORAGE TANK.

**CITY'S RFA TO RATEPAYERS 2-3.** Admit or deny that in his review of the Development Agreement Mr. Carlson read Section 2.1(f), which states in part that the original Developers and all future land owners agree to abide by the Retail Utility Policies of the City of Celina.

**CITY'S RFA TO RATEPAYERS 2-4.** Admit or deny that in his review of the Development Agreement Mr. Carlson read Section 2.10, which states in part that the original Developers and all future land owners "...waive any and all claims against the City regarding the validity or enforceability of...water rates described in this Agreement."

**CITY'S RFA TO RATEPAYERS 2-5.** Admit or deny that in his review of the Development Agreement, Mr. Carlson read Section 5.2, which states in part "The City, at its sole cost and expense (including, but not limited to, water and sanitary sewer impact fees collected by the City) will construct such additional water and sanitary sewer Facilities, if any, that are located outside of the RPG Property and that are required to provide capacity for service to the remaining connections required for Full Development in accordance with the Demand Projections, up to a maximum of 2700 residential units."

**CITY'S RFA TO RATEPAYERS 2-6.** Admit or deny that in his review of the Development Agreement, Mr. Carlson read Section 6.3 Rates, which reads in part "The retail water rates charged to customers located within the RPG Property shall not exceed 150% of those rates duly adopted and uniformly charged by the City for "in-city" service."

**CITY'S RFA TO RATEPAYERS 2-7.** Admit or deny that the original developer, its successors or assigns, received \$5,780,000.00 from the City of Celina for Part Two of the Economic Development Agreement in consideration for the costs the original developer paid for

the 18-inch water transmission main and the IMG elevated storage tank referenced in Mr. Carlson's direct testimony.

**CITY'S RFA TO RATEPAYERS 2-8.** Admit or deny that the original developer, its successors or assigns, received \$230,000.00 from the City of Celina in refunded Water Impact Fees in fulfillment of Celina's obligations under Section 3.3 of the Economic Development Agreement and Section 5.5(d) of the Development Agreement.

**CITY'S RFA TO RATEPAYERS 2-9.** Admit or deny that the original developer, its successors or assigns, received \$270,000.00 from the City of Celina in refunded Sewer Impact Fees in fulfillment of Celina's obligations under Section 3.3 of the Economic Development Agreement and Section 5.6(d) of the Development Agreement.

**CITY'S RFA TO RATEPAYERS 2-10.** Admit or deny that the original developer, its successors or assigns, received \$1,000,000.00 from the City of Celina for Part Three of the Economic Development Agreement and pursuant to Section 6.3 of the Development Agreement, calculated as the first \$1,000,000.00 of the portion of the retail water rates for "in-city" service collected by the City from the customers in Light Farms.

**CITY'S RFA TO RATEPAYERS 2-11.** Admit or deny that the original developer, its successors or assigns, received \$3,450,000.00 from the City of Celina for Part Four of the Economic Development Agreement in consideration for the costs the original developer paid for the offsite wastewater facilities Mr. Carlson refers to in his direct testimony.