



Control Number: 49225



Item Number: 118

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



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

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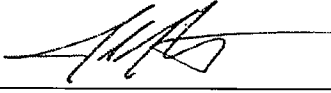
PUBLIC UTILITY COMMISSION

OF TEXAS

**OUTSIDE CITY RATEPAYERS' RESPONSES TO  
CITY OF CELINA'S SECOND REQUEST FOR INFORMATION**

COME NOW, the Outside City Ratepayers of the City of Celina ("Petitioners") and file this, their Responses to the City of Celina's Second Request for Information. The City of Celina ("City") filed and served its Second Request for Information to Petitioners on May 28, 2020. Pursuant to 16 Tex. Admin. Code Ann. § 22.144(c) ("TAC"), Petitioners' responses to City's requests are due within 20 days from receipt or June 17, 2020. Therefore, Petitioners' responses are timely filed.

Respectfully submitted,

By: \_\_\_\_\_


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**ATTORNEYS FOR PETITIONERS**

**CERTIFICATE OF SERVICE**

I hereby certify that I have served or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or Certified Mail Return Receipt Requested to all parties on this the 17<sup>th</sup> day of June 2020.

\_\_\_\_\_  
John J. Carlton

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

**OUTSIDE CITY RATEPAYERS' RESPONSES TO  
CITY OF CELINA'S SECOND REQUEST FOR INFORMATION**

**CITY'S REQUEST TO RATEPAYERS 2-1:** Please provide the names of all persons who assisted in the preparation of the prefiled testimony presented by any person on behalf of the Outside Ratepayers.

**RESPONSE:** Jay Joyce, Kevin Carlson, John Carlton, Randy Wilburn, Katy Hennings, and Leigh Ivey.

Prepared by: Jay Joyce; Kevin Carlson

Sponsored by: Jay Joyce; Kevin Carlson

**CITY’S REQUEST TO RATEPAYERS 2-2:** For each person providing prefiled testimony on behalf of the Outside Ratepayers, please identify and explain all experience, engagements with, and work for the City of Celina, including but not limited to the City’s water and wastewater system.

**RESPONSE:** None.

Prepared by: John Carlton

Sponsored by: Jay Joyce; Kevin Carlson

**CITY’S REQUEST TO RATEPAYERS 2-3:** For each person providing prefilled testimony on behalf of the Outside Ratepayers, provide the dates and times of any and all visits to any site associated with the City’s water and wastewater system.

**RESPONSE:** Mr. Carlson has visited sites associated with the City’s water and wastewater system on many occasions, which are too numerous to list. He has worked on projects in and around the City since 2002-2003.

Prepared by: John Carlton

Sponsored by: Kevin Carlson

**CITY'S REQUEST TO RATEPAYERS 2-4:** Please produce all Excel spreadsheets or other documents in unlocked, executable form, used to develop any exhibits, analysis, opinions or conclusions of each person providing prefiled testimony on behalf of the Outside Ratepayers, with all formulae and links intact.

**RESPONSE:** See native Excel files submitted with the direct testimony of Jay Joyce and attached responsive documents.

Prepared by: John Carlton

Sponsored by: Jay Joyce

**CITY'S REQUEST TO RATEPAYERS 2-5:** To the extent not provided in workpapers already filed with the ratepayers' testimony, please provide any documents, data, and workpapers associated with the development of the testimony of each person providing testimony on behalf of the Outside Ratepayers.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-5 is repetitive of RFI 2-6 and need not be answered.



**CITY'S REQUEST TO RATEPAYERS 2-6:** To the extent not provided in workpapers already filed with the ratepayers' testimony, please provide any documents, data, and workpapers which support, are relevant, or are associated with the development of the testimony of each person providing testimony on behalf of the Outside Ratepayers.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

See Petitioners' response to City's Request to Ratepayers 1-5 and attached responsive documents.

Prepared by: John Carlton

Sponsored by: Jay Joyce; Kevin Carlson

**CITY'S REQUEST TO RATEPAYERS 2-7:** To the extent not already provided, please provide the final testimony, underlying data, and exhibits in both paper and electronic (Microsoft Word, Excel or equivalent software) form for each person providing testimony on behalf of the Outside Ratepayers. For all Microsoft Excel or equivalent software documents, please provide the worksheets with all links and formulas embedded in the worksheets used to create and manipulate the data in the worksheet active.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

See native files submitted with Jay Joyce's direct testimony and Petitioners' response to City's RFI #2-4.

Prepared by: John Carlton

Sponsored by: Jay Joyce

**CITY'S REQUEST TO RATEPAYERS 2-8:** For any electronic document that requires a password in any form in order to comply with RFI 2-4, 2-5, 2-6, and 2-7 above, please provide the associated password.

**RESPONSE:** None of the referenced files are password protected.

Prepared by: John Carlton

**CITY'S REQUEST TO RATEPAYERS 2-9:** Please provide all documents and/or workpapers supporting or relevant to all exhibits, analysis, opinions and conclusions presented by each person providing prefiled testimony on behalf of the Outside Ratepayers.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-9 is repetitive of RFI 2-6 and need not be answered.

**CITY'S REQUEST TO RATEPAYERS 2-10:** Please identify dates of all meetings, including in-person or by other means, between any representative of the Outside Ratepayers, including but not limited to legal counsel or any person providing prefiled testimony on behalf of the Outside Ratepayers, with the Developer(s) regarding the City's water and wastewater system and/or its rates. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-10 is limited to the time period that begins when the Petitioners began considering an appeal of the City's rates.

Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

No such meetings have occurred.

Prepared by: John Carlton

**CITY'S REQUEST TO RATEPAYERS 2-11:** Please produce all documents provided, discussed, reviewed by or exchanged with the Developer(s) with any representative of the Outside Ratepayers, including but not limited to legal counsel or any person providing prefiled testimony on behalf of the Outside Ratepayers, regarding the City's water and wastewater system and/or its rates. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-11 is limited to the time period that begins when the Petitioners began considering an appeal of the City's rates.

Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

Petitioners have no responsive documents as no such meeting has occurred.

Prepared by: John Carlton

**CITY'S REQUEST TO RATEPAYERS 2-12:** Please identify dates of all meetings, phone calls, or other communications between any representative of the Outside Ratepayers, including but not limited to any legal counsel or person providing prefiled testimony on behalf of the Outside Ratepayers, with any representative of the Public Utility Commission regarding the City's water and wastewater system and/or its rates. Please provide all documents discussed, reviewed or exchanged during these communications. To the extent any document includes privileged or confidential information, please produce with such information redacted and the requisite privilege log.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-12 is limited to the time period that begins when the Petitioners began considering an appeal of the City's rates and is related to communications between the Staff of the Public Utility Commission and the representatives of the Petitioners.

Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

No such meeting has occurred.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-13:** For each person providing prefiled testimony on behalf of the Outside Ratepayers, provide the dates and a summary of all meetings and/or conversations with City staff, operators, engineers an any other City representative regarding the City’s water and wastewater system and /or its rates. Specifically identify all City personnel with whom the person providing testimony for the Outside Ratepayers discussed and the subject matter that was discussed. If there have been no such meetings and/or conversations, please specifically state so.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-13 is limited to the time period that begins when the Petitioners began considering an appeal of the City’s rates.

Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

No such meetings have occurred.

Prepared by: Jay Joyce; Kevin Carlson

Sponsored by: Jay Joyce; Kevin Carlson



**CITY'S REQUEST TO RATEPAYERS 2-14:** Please provide all documents reviewed or discussed during the meetings referenced in RFI 2-13 directly above.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

Petitioners have no responsive documents as no such meeting has occurred.

Prepared by: John Carlton

**CITY'S REQUEST TO RATEPAYERS 2-15:** For each person providing prefiled testimony on behalf of the Outside Ratepayers, provide the dates and a summary of all meetings and/or conversations with Upper Trinity Regional Water District staff, operators, engineers an any other UTRWD representatives regarding the City of Celina's water and wastewater system and/or its rates. Specifically identify all UTRWD personnel with whom the expert discussed and the subject matter that was discussed. If there have been no such meetings and/or conversations, please specifically state so.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-15 is limited to the time period that begins when the Petitioners began considering an appeal of the City's rates.

No such meetings have occurred.

Prepared by: Jay Joyce; Kevin Carlson

Sponsored by: Jay Joyce; Kevin Carlson

**CITY'S REQUEST TO RATEPAYERS 2-16:** Please provide all documents reviewed or discussed during the meetings referenced in RFI 2-15 directly above.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

Petitioners have no responsive documents as no such meeting has occurred.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-17:** For each person providing prefiled testimony on behalf of the Outside Ratepayers, provide the names of every municipal water and wastewater utility that engaged the person to prepare or participate in the preparation of a municipal water and wastewater rate study or analysis since the year 2010. Provide the dates of every identified engagement and identify whether the utility adopted the person’s rate recommendations.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

None.

Prepared by: John Carlton

Sponsored by: Jay Joyce; Kevin Carlson

**CITY'S REQUEST TO RATEPAYERS 2-18:** For each municipal utility identified in RFI 2-17 directly above, identify whether that utility provides service to retail residential and non-residential customers outside the city limits.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

Petitioners have no response based on the answer to RFI 2-17.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-19:** For each municipal utility identified in RFI 2-17 above, identify whether that utility charges a retail residential water and wastewater rate for outside customers that is **higher** than the rate charged to inside city customers. If so, identify the percentage or multiplier of the retail outside city residential rate differential. Specifically state whether the person providing prefiled testimony on behalf of the Outside Ratepayers recommended that the utility charge a retail rate to outside city customers that is higher than the inside city limit rate. Specifically state whether the utility adopted the person’s recommendations.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

Petitioners have no response based on the answer to RFI 2-17.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-20:** For each municipal utility identified in RFI 2-17 above, identify whether that utility charges a retail residential water and wastewater rate for outside customers that is **equal** to the rate charged to inside city customers. Specifically state whether the person providing prefiled testimony on behalf of the Outside Ratepayers recommended that the utility charge a retail rate to outside city customers that is equal to the inside city limit rate. Specifically state whether the utility adopted the person’s recommendations.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

Petitioners have no response based on the answer to RFI 2-17.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-21:** For each municipal utility identified in RFI 2-17 identify whether that utility charges a retail residential water and wastewater rate that is **lower** than the rate charged to inside city customers, and if so, identify the percentage or multiplier of the retail rate differential. Specifically state whether the utility adopted the person’s recommendations.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

Petitioners have no response based on the answer to RFI 2-17.

Prepared by: John Carlton



**CITY'S REQUEST TO RATEPAYERS 2-22:** For each municipal utility identified in RFI 2-17 above, specifically identify whether the utility charged different sets of outside city retail residential rates to different outside city retail residential customers. Identify the basis or justification for charging different sets of outside city retail rates to different outside city retail residential customers.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

Petitioners have no response based on the answer to RFI 2-17.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-23:** List every municipal water and wastewater utility in the state of Texas that any person providing prefiled testimony on behalf of the Outside Ratepayers is familiar with that charges a lower retail residential outside city water and/or wastewater rate than the rate the utility charges its inside city retail residential customers.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed to clarify RFI 2-23 such that the term “is familiar with” is intended to mean “is aware of” or “has personal knowledge of.”

Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

There are thousands of municipal water and wastewater utilities in Texas, and many do not conduct cost of service studies. Mr. Joyce has not conducted a survey of Texas municipalities to determine which utilities arbitrarily charge different rates to outside customers and which municipalities base their rates on cost of service studies that support rates for outside customers that are different (either higher or lower) than the rates charged to inside customers.

Prepared by: John Carlton

Sponsored by: Jay Joyce

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-24:** Please provide total financial compensation levels for each Board Member of Collin County MUD #1 by year for the past five years.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-25:** Please list the names of each current Collin County MUD #1 Board Member, and state whether that Board Member maintains a residence in Collin County MUD #1.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-26:** Please produce all documents presented to or discussed by any representative of the Outside Ratepayers, including but not limited to any person providing prefiled testimony on behalf of the Outside Ratepayers, in preparation for, or attendance at, any meeting with the Board of Directors of Collin County MUD #1 regarding the City's water and wastewater system and/or its rates. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-27:** Please produce any documents provided by any representative of the Outside Ratepayers, including but not limited to any person providing prefiled testimony on behalf of the Outside Ratepayers, at any time to any individual member of the Board of Directors of Collin County MUD #1 regarding the City's water and wastewater system and/or its rates. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-28:** Please identify the dates of all meetings between any representative of the Outside Ratepayers, including but not limited to legal counsel or any person providing prefiled testimony on behalf of the Outside Ratepayers, with the Board of Directors of Collin County MUD #1 regarding the City's water and wastewater system and/or its rates. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-28 is subsumed in RFI 2-29 and need not be answered.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-29:** Please identify the dates of all meetings, phone calls or other communication between any representative of the Outside Ratepayers, including but not limited to legal counsel or any person providing prefiled testimony on behalf of the Outside Ratepayers, with any individual member of the Board of Directors of Collin County MUD #1, including but not limited to the legal counsel of the Collin County MUD #1 regarding the City's water and wastewater system and/or its rates. Please provide all documents discussed, reviewed or exchanged during these communications. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.



***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-30:** Provide all invoices for all services rendered by any person providing prefiled testimony on behalf of the Outside Ratepayers. If any invoices were submitted to the Law Firm of Gilbert Wilburn PLLC, the Carlton Law Firm PLLC, Crawford & Jordan LLP, or any entity other than Collin County MUD #1, please specifically state whether funds to pay these invoices were obtained directly or indirectly from Collin County MUD #1.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-31:** Please provide all invoices for all services rendered by the Law Firm of Gilbert Wilburn PLLC, the Carlton Law Firm, Crawford & Jordan LLP, and any other entity for any service related to these proceedings. Please specifically state whether funds to pay these invoices were obtained directly or indirectly from Collin County MUD #1.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-31 is repetitive of RFIs 1-14, 1-15, 1-25, 1-27, 1-29, and 1-31, and need not be answered.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-32:** Please specifically state whether Collin County MUD #1 has expended any funds in support of these proceedings, or in support of any person providing prefiled testimony on behalf of the Outside Ratepayers. If the answer is yes, provide a detailed listing of all funds expended, the dates, the recipients, and the purpose of the expended funds.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***In Outside Ratepayers' Direct Testimony, Outside Ratepayers provided allegedly expert opinion testimony regarding the City's debt coverage requirements. The following requests 2-33 through 2-37 are in reference to such testimony.***

**CITY'S REQUEST TO RATEPAYERS 2-33:** Please provide the debt service coverage requirements for all bonds issued by Collin County MUD #1.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***In Outside Ratepayers' Direct Testimony, Outside Ratepayers provided allegedly expert opinion testimony regarding the City's debt coverage requirements. The following requests 2-33 through 2-37 are in reference to such testimony.***

**CITY'S REQUEST TO RATEPAYERS 2-34:** Please describe in detail the general policy of Collin County MUD #1 regarding debt service coverage for bonds it issues.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***In Outside Ratepayers' Direct Testimony, Outside Ratepayers provided allegedly expert opinion testimony regarding the City's debt coverage requirements. The following requests 2-33 through 2-37 are in reference to such testimony.***

**CITY'S REQUEST TO RATEPAYERS 2-35:** Please provide audited financial statements for Collin County MUD #1 for Fiscal Year 2016, 2017 and 2018. To the extent any document includes privileged or confidential information, please produce with such information redacted.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***In Outside Ratepayers' Direct Testimony, Outside Ratepayers provided allegedly expert opinion testimony regarding the City's debt coverage requirements. The following requests 2-33 through 2-37 are in reference to such testimony.***

**CITY'S REQUEST TO RATEPAYERS 2-36:** Please provide approved budgets by detailed line item for Collin County MUD #1 for Fiscal Years 2016, 2017 and 2018.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***In Outside Ratepayers' Direct Testimony, Outside Ratepayers provided allegedly expert opinion testimony regarding the City's debt coverage requirements. The following requests 2-33 through 2-37 are in reference to such testimony.***

**CITY'S REQUEST TO RATEPAYERS 2-37:** Has Collin County MUD #1 received any awards for Excellence in Financial Reporting, Budgeting, Public Finance or any other entity in the last five years?

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.



**OUTSIDE CITY RATEPAYERS'  
PRODUCTION RESPONSIVE TO  
CITY REQUEST TO RATEPAYERS 2-4**

**Water Contributed Capital calculated from testimony of Kevin Carlson, P.E.**

<b>Orig Cost</b>	<b>Year</b>	<b>2018 In service</b>	<b>Annual Depr</b>	<b>Accum Depr</b>	<b>NAV</b>
852,327	2009	852,327	17,047	153,419	698,908
776,366	2014	776,366	15,527	62,109	714,257
295,120	2014	295,120	5,902	23,610	271,510
700,440	2015	700,440	14,009	42,026	658,414
90,310	2015	90,310	1,806	5,419	84,891
151,470	2020		-	-	-
133,980	2014	133,980	2,680	10,718	123,262
166,270	2018		-	-	-
74,420	2015	74,420	1,488	4,465	69,955
583,398	2009	583,398	11,668	105,012	478,386
2,230,092	2008	2,230,092	44,602	446,018	1,784,074
<u>6,054,193</u>		<u>5,736,453</u>	<u>114,729</u>	<u>852,796</u>	<u>4,883,657</u>

**Sewer Contributed Capital calculated from testimony of Kevin Carlson, P.E.**

<b>Orig Cost</b>	<b>Year</b>	<b>2018 In service</b>	<b>Annual Depr</b>	<b>Accum Depr</b>	<b>NAV</b>
1,372,469	2008	1,372,469	27,449	274,494	1,097,975
293,950	2009	293,950	5,879	52,911	241,039
1,165,994	2009	1,165,994	23,320	209,879	956,115
204,190	2013	204,190	4,084	20,419	183,771
519,300	2016	519,300	10,386	20,772	498,528
154,506	2014	154,506	3,090	12,360	142,146
17,110	2009	17,110	342	3,080	14,030
65,800	2014	65,800	1,316	5,264	60,536
90,290	2020		-	-	-
71,734	2015	71,734	1,435	4,304	67,430
104,023	2014	104,023	2,080	8,322	95,701
129,530	2015	129,530	2,591	7,772	121,758
<u>4,188,896</u>		<u>4,098,606</u>	<u>81,972</u>	<u>619,577</u>	<u>3,479,029</u>

City's Requested Revenue Requirements		
	Water	Sewer
<u>Outside City</u>		
Residential	\$ 1,803,964	\$ 2,328,789
Commercial	127,892	-
Total Outside City	\$ 1,931,857	\$ 2,328,789

Petitioners' Recommended Rates

	<u>Residential</u>	<u>Commercial</u>
<u>Outside City</u>		
<u>Water</u>		
Meter Charge		
3/4"	\$ 8.90	\$ 11.00
1"	16.00	19.00
1 1/2"	31.00	38.00
2"	50.00	62.00
4"		
Volumetric Charge (per 1,000 gal)		
2,001 - 10,000	\$ 2.00	\$ 3.75
10,001 - 20,000	2.95	5.63
20,001 - 30,000	3.50	6.56
30,001 +	5.00	9.38
 <u>Sewer</u>		
Meter Charge		
3/4"	\$ 17.00	N/A
1"	30.00	N/A
1 1/2"	59.00	N/A
2"	95.00	N/A
Volumetric Charge (per 1,000 gal)		
2,001 - 5,000	\$ 5.50	N/A
5,001 - 14,000	5.50	N/A
14,001 +	-	N/A

**Bill Comparison - Outside City Residential**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b><u>5,000 Gallons</u></b>			
Monthly Bill under Current Rates	\$ 86.11	\$ 64.99	\$ 151.10
Monthly Bill under Petitioners' Proposed Rates	\$ 22.00	\$ 46.50	\$ 68.50
Difference in Monthly Bill	\$ (64.11)	\$ (18.49)	\$ (82.60)
Percent Difference in Monthly Bill	-74%	-28%	-55%
<b><u>10,000 Gallons</u></b>			
Monthly Bill under Current Rates	\$ 126.37	\$ 96.82	\$ 223.19
Monthly Bill under Petitioners' Proposed Rates	\$ 32.00	\$ 74.00	\$ 106.00
Difference in Monthly Bill	\$ (94.37)	\$ (22.82)	\$ (117.19)
Percent Difference in Monthly Bill	-75%	-24%	-53%
<b><u>30,000 Gallons</u></b>			
Monthly Bill under Current Rates	\$ 391.81	\$ 175.63	\$ 567.43
Monthly Bill under Petitioners' Proposed Rates	\$ 96.50	\$ 129.00	\$ 225.50
Difference in Monthly Bill	\$ (295.31)	\$ (46.63)	\$ (341.93)
Percent Difference in Monthly Bill	-75%	-27%	-60%

**Bill Comparison - Outside City Commercial**

	<u>Water</u>
<b><u>5,000 Gallons</u></b>	
Monthly Bill under Current Rates	\$ 101.61
Monthly Bill under Petitioners' Proposed Rates	\$ 30.25
Difference in Monthly Bill	\$ (71.36)
Percent Difference in Monthly Bill	-70%
<b><u>10,000 Gallons</u></b>	
Monthly Bill under Current Rates	\$ 141.87
Monthly Bill under Petitioners' Proposed Rates	\$ 49.00
Difference in Monthly Bill	\$ (92.87)
Percent Difference in Monthly Bill	-65%
<b><u>30,000 Gallons</u></b>	
Monthly Bill under Current Rates	\$ 407.31
Monthly Bill under Petitioners' Proposed Rates	\$ 170.90
Difference in Monthly Bill	\$ (236.41)
Percent Difference in Monthly Bill	-58%

## Summary of Petitioners' Revenue Requirements Adjustments

	<b>Water</b> \$000's	<b>Sewer</b> \$000's	<b>Total</b> \$000's
Celina's Requested Revenue Requirements	\$ 9,891	\$ 7,671	\$ 17,562
<u>Petitioners' Recommended Rev Rqmt Adjustments:</u>			
Eliminate Revenue Requirement Impact of:			
Construction Work In Progress (CWIP) TY begin & end	(1,576)	(966)	(2,542)
Post-Test Year Adjustments (PTYA)	(1,553)	(1,156)	(2,708)
Contributed Capital	(289)	(217)	(506)
Transfers to General Fund	(370)	(173)	(543)
Inflation & Other Unsupported Adjustment Factors	(805)	(278)	(1,083)
Use Actual Test Year Data instead of Budget	254	(294)	(40)
Incorporate Other Rate Base and Depreciation Adjustments	(15)	(10)	(26)
Adjust Rate of Return on Invested Capital	(1,790)	(1,597)	(3,387)
Total Petitioners' Recommended Rev Rqmt Adjustments	\$ (6,144)	\$ (4,691)	\$ (10,836)
<b>Total Petitioners' Recommended Revenue Requirements</b>	<b>\$ 3,747</b>	<b>\$ 2,980</b>	<b>\$ 6,727</b>

CRPS Improvements	\$ 5,295,000
CRPS & Downtown Pump Station - Phase 1	4,325,000
Downtown Water Improvements	427,500
Coit Rd 2 MGD Water Tower Construction	5,130,000
Pressure Plane Modification	170,625
Discharge Line from CRPS to RR	1,326,000
30" and 36" Discharge Line from RR to DTPS	936,000
30" and 24" Parallel Line from DTPS to Sunset	585,000
Subtotal Water	<u>\$ 18,195,125</u>
 Downtown WWTP Upgrade to .95 MGD	 \$ 12,165,000
Downtown WW Improvements	427,500
Downtown Rehab Sewer	475,000
Subtotal Sewer	<u>\$ 13,067,500</u>
 Total Requested Water & Sewer PTYA	 <u>\$ 31,262,625</u>

Petitioners' Recommended Class Cost of Service		
	Water	Sewer
<u>Outside City</u>		
Residential	\$ 530,155	\$ 903,743
Commercial	290,714	-
Total Outside City	\$ 820,868	\$ 903,743




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

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

**OUTSIDE CITY RATEPAYERS' RESPONSES TO  
CITY OF CELINA'S SECOND REQUEST FOR INFORMATION**

COME NOW, the Outside City Ratepayers of the City of Celina ("Petitioners") and file this, their Responses to the City of Celina's Second Request for Information. The City of Celina ("City") filed and served its Second Request for Information to Petitioners on May 28, 2020. Pursuant to 16 Tex. Admin. Code Ann. § 22.144(c) ("TAC"), Petitioners' responses to City's requests are due within 20 days from receipt or June 17, 2020. Therefore, Petitioners' responses are timely filed.

Respectfully submitted,

By: \_\_\_\_\_

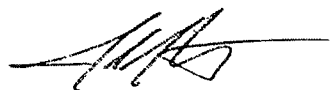
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**ATTORNEYS FOR PETITIONERS**

**CERTIFICATE OF SERVICE**

I hereby certify that I have served or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or Certified Mail Return Receipt Requested to all parties on this the 17<sup>th</sup> day of June 2020.

\_\_\_\_\_  
John J. Carlton

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

**OUTSIDE CITY RATEPAYERS' RESPONSES TO  
CITY OF CELINA'S SECOND REQUEST FOR INFORMATION**

**CITY'S REQUEST TO RATEPAYERS 2-1:** Please provide the names of all persons who assisted in the preparation of the prefiled testimony presented by any person on behalf of the Outside Ratepayers.

**RESPONSE:** Jay Joyce, Kevin Carlson, John Carlton, Randy Wilburn, Katy Hennings, and Leigh Ivey.

Prepared by: Jay Joyce; Kevin Carlson

Sponsored by: Jay Joyce; Kevin Carlson

**CITY'S REQUEST TO RATEPAYERS 2-2:** For each person providing prefiled testimony on behalf of the Outside Ratepayers, please identify and explain all experience, engagements with, and work for the City of Celina, including but not limited to the City's water and wastewater system.

**RESPONSE:** None.

Prepared by: John Carlton

Sponsored by: Jay Joyce; Kevin Carlson

**CITY'S REQUEST TO RATEPAYERS 2-3:** For each person providing prefiled testimony on behalf of the Outside Ratepayers, provide the dates and times of any and all visits to any site associated with the City's water and wastewater system.

**RESPONSE:** Mr. Carlson has visited sites associated with the City's water and wastewater system on many occasions, which are too numerous to list. He has worked on projects in and around the City since 2002-2003.

Prepared by: John Carlton

Sponsored by: Kevin Carlson

**CITY'S REQUEST TO RATEPAYERS 2-4:** Please produce all Excel spreadsheets or other documents in unlocked, executable form, used to develop any exhibits, analysis, opinions or conclusions of each person providing prefiled testimony on behalf of the Outside Ratepayers, with all formulae and links intact.

**RESPONSE:** See native Excel files submitted with the direct testimony of Jay Joyce and attached responsive documents.

Prepared by: John Carlton

Sponsored by: Jay Joyce

**CITY'S REQUEST TO RATEPAYERS 2-5:** To the extent not provided in workpapers already filed with the ratepayers' testimony, please provide any documents, data, and workpapers associated with the development of the testimony of each person providing testimony on behalf of the Outside Ratepayers.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-5 is repetitive of RFI 2-6 and need not be answered.

**CITY'S REQUEST TO RATEPAYERS 2-6:** To the extent not provided in workpapers already filed with the ratepayers' testimony, please provide any documents, data, and workpapers which support, are relevant, or are associated with the development of the testimony of each person providing testimony on behalf of the Outside Ratepayers.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

See Petitioners' response to City's Request to Ratepayers 1-5 and attached responsive documents.

Prepared by: John Carlton

Sponsored by: Jay Joyce; Kevin Carlson



**CITY'S REQUEST TO RATEPAYERS 2-7:** To the extent not already provided, please provide the final testimony, underlying data, and exhibits in both paper and electronic (Microsoft Word, Excel or equivalent software) form for each person providing testimony on behalf of the Outside Ratepayers. For all Microsoft Excel or equivalent software documents, please provide the worksheets with all links and formulas embedded in the worksheets used to create and manipulate the data in the worksheet active.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

See native files submitted with Jay Joyce's direct testimony and Petitioners' response to City's RFI #2-4.

Prepared by: John Carlton

Sponsored by: Jay Joyce

**CITY'S REQUEST TO RATEPAYERS 2-8:** For any electronic document that requires a password in any form in order to comply with RFI 2-4, 2-5, 2-6, and 2-7 above, please provide the associated password.

**RESPONSE:** None of the referenced files are password protected.

Prepared by: John Carlton

**CITY'S REQUEST TO RATEPAYERS 2-9:** Please provide all documents and/or workpapers supporting or relevant to all exhibits, analysis, opinions and conclusions presented by each person providing prefiled testimony on behalf of the Outside Ratepayers.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-9 is repetitive of RFI 2-6 and need not be answered.

**CITY'S REQUEST TO RATEPAYERS 2-10:** Please identify dates of all meetings, including in-person or by other means, between any representative of the Outside Ratepayers, including but not limited to legal counsel or any person providing prefiled testimony on behalf of the Outside Ratepayers, with the Developer(s) regarding the City's water and wastewater system and/or its rates. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-10 is limited to the time period that begins when the Petitioners began considering an appeal of the City's rates.

Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

No such meetings have occurred.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-11:** Please produce all documents provided, discussed, reviewed by or exchanged with the Developer(s) with any representative of the Outside Ratepayers, including but not limited to legal counsel or any person providing prefiled testimony on behalf of the Outside Ratepayers, regarding the City’s water and wastewater system and/or its rates. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-11 is limited to the time period that begins when the Petitioners began considering an appeal of the City’s rates.

Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

Petitioners have no responsive documents as no such meeting has occurred.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-12:** Please identify dates of all meetings, phone calls, or other communications between any representative of the Outside Ratepayers, including but not limited to any legal counsel or person providing prefiled testimony on behalf of the Outside Ratepayers, with any representative of the Public Utility Commission regarding the City’s water and wastewater system and/or its rates. Please provide all documents discussed, reviewed or exchanged during these communications. To the extent any document includes privileged or confidential information, please produce with such information redacted and the requisite privilege log.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-12 is limited to the time period that begins when the Petitioners began considering an appeal of the City’s rates and is related to communications between the Staff of the Public Utility Commission and the representatives of the Petitioners.

Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

No such meeting has occurred.

Prepared by: John Carlton

**CITY'S REQUEST TO RATEPAYERS 2-13:** For each person providing prefiled testimony on behalf of the Outside Ratepayers, provide the dates and a summary of all meetings and/or conversations with City staff, operators, engineers and any other City representative regarding the City's water and wastewater system and /or its rates. Specifically identify all City personnel with whom the person providing testimony for the Outside Ratepayers discussed and the subject matter that was discussed. If there have been no such meetings and/or conversations, please specifically state so.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-13 is limited to the time period that begins when the Petitioners began considering an appeal of the City's rates.

Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

No such meetings have occurred.

Prepared by: Jay Joyce; Kevin Carlson

Sponsored by: Jay Joyce; Kevin Carlson

**CITY'S REQUEST TO RATEPAYERS 2-14:** Please provide all documents reviewed or discussed during the meetings referenced in RFI 2-13 directly above.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

Petitioners have no responsive documents as no such meeting has occurred.

Prepared by: John Carlton



**CITY'S REQUEST TO RATEPAYERS 2-15:** For each person providing prefiled testimony on behalf of the Outside Ratepayers, provide the dates and a summary of all meetings and/or conversations with Upper Trinity Regional Water District staff, operators, engineers an any other UTRWD representatives regarding the City of Celina's water and wastewater system and/or its rates. Specifically identify all UTRWD personnel with whom the expert discussed and the subject matter that was discussed. If there have been no such meetings and/or conversations, please specifically state so.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-15 is limited to the time period that begins when the Petitioners began considering an appeal of the City's rates.

No such meetings have occurred.

Prepared by: Jay Joyce; Kevin Carlson

Sponsored by: Jay Joyce; Kevin Carlson

**CITY'S REQUEST TO RATEPAYERS 2-16:** Please provide all documents reviewed or discussed during the meetings referenced in RFI 2-15 directly above.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

Petitioners have no responsive documents as no such meeting has occurred.

Prepared by: John Carlton

**CITY'S REQUEST TO RATEPAYERS 2-17:** For each person providing prefiled testimony on behalf of the Outside Ratepayers, provide the names of every municipal water and wastewater utility that engaged the person to prepare or participate in the preparation of a municipal water and wastewater rate study or analysis since the year 2010. Provide the dates of every identified engagement and identify whether the utility adopted the person's rate recommendations.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

None.

Prepared by: John Carlton

Sponsored by: Jay Joyce; Kevin Carlson

**CITY’S REQUEST TO RATEPAYERS 2-18:** For each municipal utility identified in RFI 2-17 directly above, identify whether that utility provides service to retail residential and non-residential customers outside the city limits.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

Petitioners have no response based on the answer to RFI 2-17.

Prepared by: John Carlton

**CITY'S REQUEST TO RATEPAYERS 2-19:** For each municipal utility identified in RFI 2-17 above, identify whether that utility charges a retail residential water and wastewater rate for outside customers that is **higher** than the rate charged to inside city customers. If so, identify the percentage or multiplier of the retail outside city residential rate differential. Specifically state whether the person providing prefiled testimony on behalf of the Outside Ratepayers recommended that the utility charge a retail rate to outside city customers that is higher than the inside city limit rate. Specifically state whether the utility adopted the person's recommendations.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners' objection, please see below:

Petitioners have no response based on the answer to RFI 2-17.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-20:** For each municipal utility identified in RFI 2-17 above, identify whether that utility charges a retail residential water and wastewater rate for outside customers that is **equal** to the rate charged to inside city customers. Specifically state whether the person providing prefiled testimony on behalf of the Outside Ratepayers recommended that the utility charge a retail rate to outside city customers that is equal to the inside city limit rate. Specifically state whether the utility adopted the person’s recommendations.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

Petitioners have no response based on the answer to RFI 2-17.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-21:** For each municipal utility identified in RFI 2-17 identify whether that utility charges a retail residential water and wastewater rate that is **lower** than the rate charged to inside city customers, and if so, identify the percentage or multiplier of the retail rate differential. Specifically state whether the utility adopted the person’s recommendations.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

Petitioners have no response based on the answer to RFI 2-17.

Prepared by: John Carlton

**CITY’S REQUEST TO RATEPAYERS 2-22:** For each municipal utility identified in RFI 2-17 above, specifically identify whether the utility charged different sets of outside city retail residential rates to different outside city retail residential customers. Identify the basis or justification for charging different sets of outside city retail rates to different outside city retail residential customers.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

Petitioners have no response based on the answer to RFI 2-17.

Prepared by: John Carlton



**CITY’S REQUEST TO RATEPAYERS 2-23:** List every municipal water and wastewater utility in the state of Texas that any person providing prefiled testimony on behalf of the Outside Ratepayers is familiar with that charges a lower retail residential outside city water and/or wastewater rate than the rate the utility charges its inside city retail residential customers.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed to clarify RFI 2-23 such that the term “is familiar with” is intended to mean “is aware of” or “has personal knowledge of.”

Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina’s Second Request for Information*, filed June 8, 2020.

Notwithstanding Petitioners’ objection, please see below:

There are thousands of municipal water and wastewater utilities in Texas, and many do not conduct cost of service studies. Mr. Joyce has not conducted a survey of Texas municipalities to determine which utilities arbitrarily charge different rates to outside customers and which municipalities base their rates on cost of service studies that support rates for outside customers that are different (either higher or lower) than the rates charged to inside customers.

Prepared by: John Carlton

Sponsored by: Jay Joyce

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-24:** Please provide total financial compensation levels for each Board Member of Collin County MUD #1 by year for the past five years.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-25:** Please list the names of each current Collin County MUD #1 Board Member, and state whether that Board Member maintains a residence in Collin County MUD #1.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-26:** Please produce all documents presented to or discussed by any representative of the Outside Ratepayers, including but not limited to any person providing prefiled testimony on behalf of the Outside Ratepayers, in preparation for, or attendance at, any meeting with the Board of Directors of Collin County MUD #1 regarding the City's water and wastewater system and/or its rates. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-27:** Please produce any documents provided by any representative of the Outside Ratepayers, including but not limited to any person providing prefiled testimony on behalf of the Outside Ratepayers, at any time to any individual member of the Board of Directors of Collin County MUD #1 regarding the City's water and wastewater system and/or its rates. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-28:** Please identify the dates of all meetings between any representative of the Outside Ratepayers, including but not limited to legal counsel or any person providing prefiled testimony on behalf of the Outside Ratepayers, with the Board of Directors of Collin County MUD #1 regarding the City's water and wastewater system and/or its rates. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-28 is subsumed in RFI 2-29 and need not be answered.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-29:** Please identify the dates of all meetings, phone calls or other communication between any representative of the Outside Ratepayers, including but not limited to legal counsel or any person providing prefiled testimony on behalf of the Outside Ratepayers, with any individual member of the Board of Directors of Collin County MUD #1, including but not limited to the legal counsel of the Collin County MUD #1 regarding the City's water and wastewater system and/or its rates. Please provide all documents discussed, reviewed or exchanged during these communications. To the extent any document includes privileged or confidential information, please provide such information in redacted form and the requisite privilege log.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-30:** Provide all invoices for all services rendered by any person providing prefiled testimony on behalf of the Outside Ratepayers. If any invoices were submitted to the Law Firm of Gilbert Wilburn PLLC, the Carlton Law Firm PLLC, Crawford & Jordan LLP, or any entity other than Collin County MUD #1, please specifically state whether funds to pay these invoices were obtained directly or indirectly from Collin County MUD #1.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.



***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-31:** Please provide all invoices for all services rendered by the Law Firm of Gilbert Wilburn PLLC, the Carlton Law Firm, Crawford & Jordan LLP, and any other entity for any service related to these proceedings. Please specifically state whether funds to pay these invoices were obtained directly or indirectly from Collin County MUD #1.

**RESPONSE:** Pursuant to negotiations, Petitioners and the City have agreed that RFI 2-31 is repetitive of RFIs 1-14, 1-15, 1-25, 1-27, 1-29, and 1-31, and need not be answered.

***One of the Ratepayer Petitioners is a board member of Collin County MUD #1. Responses to the following requests 2-24 through 2-32 are required for multiple reasons, one of which is to assess the bias of the direct testimony of Outside Ratepayers.***

**CITY'S REQUEST TO RATEPAYERS 2-32:** Please specifically state whether Collin County MUD #1 has expended any funds in support of these proceedings, or in support of any person providing prefiled testimony on behalf of the Outside Ratepayers. If the answer is yes, provide a detailed listing of all funds expended, the dates, the recipients, and the purpose of the expended funds.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

*In Outside Ratepayers' Direct Testimony, Outside Ratepayers provided allegedly expert opinion testimony regarding the City's debt coverage requirements. The following requests 2-33 through 2-37 are in reference to such testimony.*

**CITY'S REQUEST TO RATEPAYERS 2-33:** Please provide the debt service coverage requirements for all bonds issued by Collin County MUD #1.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

*In Outside Ratepayers' Direct Testimony, Outside Ratepayers provided allegedly expert opinion testimony regarding the City's debt coverage requirements. The following requests 2-33 through 2-37 are in reference to such testimony.*

**CITY'S REQUEST TO RATEPAYERS 2-34:** Please describe in detail the general policy of Collin County MUD #1 regarding debt service coverage for bonds it issues.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***In Outside Ratepayers' Direct Testimony, Outside Ratepayers provided allegedly expert opinion testimony regarding the City's debt coverage requirements. The following requests 2-33 through 2-37 are in reference to such testimony.***

**CITY'S REQUEST TO RATEPAYERS 2-35:** Please provide audited financial statements for Collin County MUD #1 for Fiscal Year 2016, 2017 and 2018. To the extent any document includes privileged or confidential information, please produce with such information redacted.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***In Outside Ratepayers' Direct Testimony, Outside Ratepayers provided allegedly expert opinion testimony regarding the City's debt coverage requirements. The following requests 2-33 through 2-37 are in reference to such testimony.***

**CITY'S REQUEST TO RATEPAYERS 2-36:** Please provide approved budgets by detailed line item for Collin County MUD #1 for Fiscal Years 2016, 2017 and 2018.

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

***In Outside Ratepayers' Direct Testimony, Outside Ratepayers provided allegedly expert opinion testimony regarding the City's debt coverage requirements. The following requests 2-33 through 2-37 are in reference to such testimony.***

**CITY'S REQUEST TO RATEPAYERS 2-37:** Has Collin County MUD #1 received any awards for Excellence in Financial Reporting, Budgeting, Public Finance or any other entity in the last five years?

**RESPONSE:** Petitioners objected to this Request, please see *Objections of Outside City Ratepayers to City of Celina's Second Request for Information*, filed June 8, 2020.

**OUTSIDE CITY RATEPAYERS'  
PRODUCTION RESPONSIVE TO  
CITY REQUEST TO RATEPAYERS 2-4**



**Water Contributed Capital calculated from testimony of Kevin Carlson, P.E.**

Orig Cost	Year	2018 In service	Annual Depr	Accum Depr	NAV
852,327	2009	852,327	17,047	153,419	698,908
776,366	2014	776,366	15,527	62,109	714,257
295,120	2014	295,120	5,902	23,610	271,510
700,440	2015	700,440	14,009	42,026	658,414
90,310	2015	90,310	1,806	5,419	84,891
151,470	2020		-	-	-
133,980	2014	133,980	2,680	10,718	123,262
166,270	2018		-	-	-
74,420	2015	74,420	1,488	4,465	69,955
583,398	2009	583,398	11,668	105,012	478,386
2,230,092	2008	2,230,092	44,602	446,018	1,784,074
6,054,193		5,736,453	114,729	852,796	4,883,657

**Sewer Contributed Capital calculated from testimony of Kevin Carlson, P.E.**

Orig Cost	Year	2018 In service	Annual Depr	Accum Depr	NAV
1,372,469	2008	1,372,469	27,449	274,494	1,097,975
293,950	2009	293,950	5,879	52,911	241,039
1,165,994	2009	1,165,994	23,320	209,879	956,115
204,190	2013	204,190	4,084	20,419	183,771
519,300	2016	519,300	10,386	20,772	498,528
154,506	2014	154,506	3,090	12,360	142,146
17,110	2009	17,110	342	3,080	14,030
65,800	2014	65,800	1,316	5,264	60,536
90,290	2020		-	-	-
71,734	2015	71,734	1,435	4,304	67,430
104,023	2014	104,023	2,080	8,322	95,701
129,530	2015	129,530	2,591	7,772	121,758
4,188,896		4,098,606	81,972	619,577	3,479,029

City's Requested Revenue Requirements		
	Water	Sewer
<u>Outside City</u>		
Residential	\$ 1,803,964	\$ 2,328,789
Commercial	127,892	-
Total Outside City	\$ 1,931,857	\$ 2,328,789

Petitioners' Recommended Rates

	Residential	Commercial
<u>Outside City</u>		
Water		
Meter Charge		
3/4"	\$ 8.90	\$ 11.00
1"	16.00	19.00
1 1/2"	31.00	38.00
2"	50.00	62.00
4"		
Volumetric Charge (per 1,000 gal)		
2,001 - 10,000	\$ 2.00	\$ 3.75
10,001 - 20,000	2.95	5.63
20,001 - 30,000	3.50	6.56
30,001 +	5.00	9.38
Sewer		
Meter Charge		
3/4"	\$ 17.00	N/A
1"	30.00	N/A
1 1/2"	59.00	N/A
2"	95.00	N/A
Volumetric Charge (per 1,000 gal)		
2,001 - 5,000	\$ 5.50	N/A
5,001 - 14,000	5.50	N/A
14,001 +	-	N/A

**Bill Comparison - Outside City Residential**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<u><b>5,000 Gallons</b></u>			
Monthly Bill under Current Rates	\$ 86.11	\$ 64.99	\$ 151.10
Monthly Bill under Petitioners' Proposed Rates	\$ 22.00	\$ 46.50	\$ 68.50
Difference in Monthly Bill	\$ (64.11)	\$ (18.49)	\$ (82.60)
Percent Difference in Monthly Bill	-74%	-28%	-55%
<u><b>10,000 Gallons</b></u>			
Monthly Bill under Current Rates	\$ 126.37	\$ 96.82	\$ 223.19
Monthly Bill under Petitioners' Proposed Rates	\$ 32.00	\$ 74.00	\$ 106.00
Difference in Monthly Bill	\$ (94.37)	\$ (22.82)	\$ (117.19)
Percent Difference in Monthly Bill	-75%	-24%	-53%
<u><b>30,000 Gallons</b></u>			
Monthly Bill under Current Rates	\$ 391.81	\$ 175.63	\$ 567.43
Monthly Bill under Petitioners' Proposed Rates	\$ 96.50	\$ 129.00	\$ 225.50
Difference in Monthly Bill	\$ (295.31)	\$ (46.63)	\$ (341.93)
Percent Difference in Monthly Bill	-75%	-27%	-60%

**Bill Comparison - Outside City Commercial**

	<u>Water</u>
<u><b>5,000 Gallons</b></u>	
Monthly Bill under Current Rates	\$ 101.61
Monthly Bill under Petitioners' Proposed Rates	\$ 30.25
Difference in Monthly Bill	\$ (71.36)
Percent Difference in Monthly Bill	-70%
<u><b>10,000 Gallons</b></u>	
Monthly Bill under Current Rates	\$ 141.87
Monthly Bill under Petitioners' Proposed Rates	\$ 49.00
Difference in Monthly Bill	\$ (92.87)
Percent Difference in Monthly Bill	-65%
<u><b>30,000 Gallons</b></u>	
Monthly Bill under Current Rates	\$ 407.31
Monthly Bill under Petitioners' Proposed Rates	\$ 170.90
Difference in Monthly Bill	\$ (236.41)
Percent Difference in Monthly Bill	-58%

## Summary of Petitioners' Revenue Requirements Adjustments

	<b>Water</b> \$000's	<b>Sewer</b> \$000's	<b>Total</b> \$000's
Celina's Requested Revenue Requirements	\$ 9,891	\$ 7,671	\$ 17,562
<u>Petitioners' Recommended Rev Rqmt Adjustments:</u>			
Eliminate Revenue Requirement Impact of:			
Construction Work In Progress (CWIP) TY begin & end	(1,576)	(966)	(2,542)
Post-Test Year Adjustments (PTYA)	(1,553)	(1,156)	(2,708)
Contributed Capital	(289)	(217)	(506)
Transfers to General Fund	(370)	(173)	(543)
Inflation & Other Unsupported Adjustment Factors	(805)	(278)	(1,083)
Use Actual Test Year Data instead of Budget	254	(294)	(40)
Incorporate Other Rate Base and Depreciation Adjustments	(15)	(10)	(26)
Adjust Rate of Return on Invested Capital	(1,790)	(1,597)	(3,387)
Total Petitioners' Recommended Rev Rqmt Adjustments	\$ (6,144)	\$ (4,691)	\$ (10,836)
<b>Total Petitioners' Recommended Revenue Requirements</b>	<b>\$ 3,747</b>	<b>\$ 2,980</b>	<b>\$ 6,727</b>

CRPS Improvements	\$ 5,295,000
CRPS & Downtown Pump Station - Phase 1	4,325,000
Downtown Water Improvements	427,500
Coit Rd 2 MGD Water Tower Construction	5,130,000
Pressure Plane Modification	170,625
Discharge Line from CRPS to RR	1,326,000
30" and 36" Discharge Line from RR to DTPS	936,000
30" and 24" Parallel Line from DTPS to Sunset	585,000
Subtotal Water	<u>\$ 18,195,125</u>
 Downtown WWTP Upgrade to .95 MGD	 \$ 12,165,000
Downtown WW Improvements	427,500
Downtown Rehab Sewer	475,000
Subtotal Sewer	<u>\$ 13,067,500</u>
 Total Requested Water & Sewer PTYA	 <u>\$ 31,262,625</u>

Petitioners' Recommended Class Cost of Service		
	Water	Sewer
<u>Outside City</u>		
Residential	\$ 530,155	\$ 903,743
Commercial	290,714	-
Total Outside City	\$ 820,868	\$ 903,743

**OUTSIDE CITY RATEPAYERS’  
PRODUCTION RESPONSIVE TO CITY  
REQUEST TO RATEPAYERS 2-6**



