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DOCKET NO. 50197

APPLICATION OF TIMBERCREST	§	PUBLIC UTILITY COMMISSION
PARTNERS, LLC FOR AUTHORITY TO	§	
CHANGE RATES	§	OF TEXAS

REBUTTAL TESTIMONY (AMENDMENT 1)

OF

CHARLES E. LOY

ON BEHALF OF

TIMBERCREST PARTNERS, LLC.

OCTOBER 24, 2022

**REBUTTAL TESTIMONY OF
CHARLES E. LOY**

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ATTACHMENTS

Attachment CEL-R1 Response to Staffs 9th Data Request 9.1

Attachment CEL-R2 Comparison of Timbercrest And Staff’s Proposed Rates

Attachment CEL-R3 Response to Staffs 11th Data Request 11.1

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Attachment CEL R5 Rate Case Expenses Affidavit, GDS Assoc. & Shea Assoc. Invoices

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**REBUTTAL TESTIMONY OF
CHARLES E. LOY**

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, OCCUPATION, AND BUSINESS ADDRESS.

A. My name is Chuck Loy. I am a Principal of GDS Associates, Inc. (GDS), an engineering and consulting firm specializing in various utility operational, financial and regulatory issues. My business address is 919 Congress Ave, Suite 1110, Austin, Texas 78701.

Q. ARE YOU THE SAME CHUCK LOY WHO FILED DIRECT TESTIMONY IN THIS PROCEEDING.

A. Yes.

II. OVERVIEW OF REBUTTAL TESTIMONY

Q. WHAT WILL YOU BE ADDRESSING IN YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to discuss the adjustments to Timbercrest's water and sewer revenue requirements as proposed by Staff Witnesses Ms. Eiland and Ms. Sears in their direct testimony. I will discuss the rate design proposals and customer class cost of service study (CCOSS) concerns expressed by Staff witnesses Ms. Graham and Mr. Narvaez in their direct testimony. I will address the numerous recommendations Staff proposed to this Commission regarding the regulation of Timbercrest. And I will address rate case expenses and provide the latest actual amounts and invoices.

1 **Q. WHAT EXHIBITS ATTACHED TO THIS REBUTTAL TESTIMONY ARE**
2 **YOU SPONSORING?**

3 A. I am sponsoring Attachments CEL-R1 through CEL-R5. .

4 **III. STAFF PROPOSED REVENUE REQUIREMENT**

5 **Q: DID YOU REVIEW THE DIRECT TESTIMONIES OF MS. EILAND**
6 **REGARDING VARIOUS EXPENSE AND RATE BASE ADJUSTMENTS AND**
7 **MS. SEARS REGARDING A RECOMMENDED RATE OF RETURN?**

8 A. Yes.

9 **Q. PLEASE ADDRESS MS. EILAND'S PROPOSED ADJUSTMENTS.**

10 A. I do not agree with all of Ms. Eiland's proposed adjustments however, with the
11 exception of insurance expense, I will not present any arguments in opposition to the
12 adjustments in this proceeding.

13 **Q. PLEASE ADDRESS MS. SEARS PROPOSED RATE OF RETURN.**

14 A. I do not agree with Ms. Sears recommended rate of return, however, I will not present
15 any arguments in opposition to her recommendation in this proceeding.

16 **Q. DOES THE COMPANY ACCEPT STAFF'S REVENUE REQUIREMENT**
17 **RECOMMENDATION?**

18 A. Yes, with the exception of insurance expense, given the extended period of time of this
19 proceeding and the current economic conditions that have transpired over the last few
20 months, the Company has made the decision to accept the majority of Staff's revenue
21 requirement recommendations. The Company believes this approach will be better for
22 its customers and a bring a faster conclusion to what has been a very frustration
23 experience for all parties involved. The remaining time of this proceeding would be

1 better spent addressing the rate design concerns brought by the Staff and arriving at an
2 amicable solution for both parties.

3 **Q. PLEASE ADDRESS YOUR CONCERN WITH STAFF’S ADJUSTMENT TO**
4 **INSURANCE EXPENSE.**

5 **A.** Commission Staff witness Ms. Eiland reduced insurance expense for Timbercrest by
6 \$6,571 for water and \$6,649 for sewer. Ms. Eiland states that “[o]ne of the pieces of
7 documentation that Timbercrest provided included documentation for commercial
8 property insurance that indicated an umbrella policy for 33 locations.” I have reviewed
9 this response to RFI 8-6, and have not located such a reference. Moreover, counsel for
10 Timbercrest has reached out to Staff for clarification. Based on my review of the
11 documentation, and further discussions with Timbercrest, I can state that all of the
12 insurance expense in this docket is attributable to Timbercrest Partners LLC and not
13 other entities. Therefore, I recommend rejected Staff’s adjustment on insurance
14 expense. Should Staff provide clarification of its reduction sufficient to address
15 Timbercrest’s disagreement with this reduction, I will revise my testimony on this
16 issue.

17 **Q. PLEASE PROVIDE THE STAFF’S PROPOSED REVENUE REQUIREMENT**
18 **RECOMMENDATION AND THE PROPOSED REDUCTIONS ACCEPTED**
19 **BY THE COMPANY.**

20 **A.** Table 1 below reflects the Timbercrest revenue requirement with the expense
21 adjustments, rate base adjustments and rate of return as proposed by Staff witnesses. It
22 does not reflect their recommended adjustments to insurance expense. It shows the
23 agreed Staff’s total reductions to the Company’s “as filed” revenue requirement.
24

TABLE 1
Revenue Requirement As Adjusted

	W A T E R	S E W E R	Total
Assigned Revenues	\$95,664	\$101,878	\$197,542
O&M Expense	\$67,923	\$113,475	\$181,398
Other Taxes	\$13,416	\$11,968	\$25,384
Depreciation Expense	\$16,339	\$15,257	\$31,596
Requested Return	\$52,977	\$39,669	\$92,646
Income Taxes	\$9,093	\$6,809	\$15,901
Less: Other Revenues	(\$2,353)	(\$2,445)	(\$4,799)
Total Revenue Requirement	<u>\$157,395</u>	<u>\$184,731</u>	<u>\$342,126</u>
As Filed	<u>\$181,237</u>	<u>\$206,248</u>	<u>\$387,485</u>
Staff Proposed Reduction	<u>(\$23,842)</u>	<u>(\$21,517)</u>	<u>(\$45,359)</u>
Resulting Revenue Increase	\$55,160	\$76,205	\$131,365
Percentage Increase	57.66%	74.80%	66.50%

IV. STAFF ISSUES WITH TIMBERCREST'S CLASS DESIGNATIONS

Q. STAFF HAS THE FOLLOWING CONCERNS REGARDING THE COMPANY'S PROPOSED RESIDENTIAL AND COMMERCIAL CLASS DESIGNATIONS: 1) TIMBERCREST DID NOT PROVIDE A REASONABLE EXPLANATION THAT JUSTIFIES TREATING ITS CUSTOMERS AS TWO SEPARATE RATE CLASSES¹; 2) TIMBERCREST DID NOT PROVIDE EVIDENCE THAT THE TRAILER PARK CUSTOMERS WERE "SUFFICIENTLY DIFFERENT" TO JUSTIFY SEPARATE RATEMAKING TREATMENT²; AND 3) THE CUSTOMER CLASS LABELS OF

¹ Narvaez Direct, page 9, Line 3-4.

² Narvaez Direct, page 9, Line 4-6. Graham Direct, page 8, Lines 24-26

1 **COMMERCIAL AND RESIDENTIAL ARE MISLEADING AND**
2 **CONFUSING³. PLEASE ADDRESS THESE CONCERNS.**

3 A. My decision to develop the two different customer classes were driven by
4 Timbercrest's unique service characteristics. Timbercrest's customers basically share
5 the same water and sewer systems but have two major differences. These two
6 differences are that the trailer park customers, or residential, do not have individual
7 meters and do not receive monthly bills for service, and the remaining customers, or
8 commercial, have either a master meter (apartment complexes) or an individual meter
9 (Stripes, etc.) and are billed monthly. The trailer park non-metered customers utility
10 service costs are reflected in their monthly rents. The rent amount received each month
11 is broken down into two amounts on Timbercrest's books. One amount for rent and an
12 amount for utility service. The trailer park customers utility amounts booked each
13 month reflect fixed amounts. The metered utility customers are billed and booked
14 accordingly. The approved water and sewer tariff for Timbercrest included both fixed
15 and volumetric rates that apply to all customer's individual use. However, as explained
16 above, the existing tariff cannot be applied properly since trailer park customers do not
17 have meters and do not receive a monthly utility bill. I determined the best approach
18 would be to propose a flat rate structure for the trailer park customers and maintain the
19 fixed and volumetric rate structure for the other customers or commercial class. Both
20 of these rate design methodologies are accepted in the Commissions approved
21 ratemaking instructions and forms for water and sewer utilities. This approach requires

³ Narvaez Direct, page 9, Line 7-8. Graham Direct, page 9, Line 2 and Line 4-5.

1 separate revenue requirement assignments for each rate structure or one for the flat
2 rates and one for the fixed/volumetric rates.

3 **Q. HOW DID YOU DETERMINE THE RESIDENTIAL AND COMMERCIAL**
4 **CUSTOMER CLASS DESIGNATIONS?**

5 **A.** Timbercrest's existing sewer tariff has a designated volumetric rate for commercial
6 customers. That is, commercial customers are charged a higher volumetric rate than the
7 other customers. I designated all the sewer customers billed the commercial volumetric
8 rate, which happened to be all the "non-trailer park" customers, as commercial and
9 decided to designate the trailer park customers as residential. In retrospect, due to the
10 confusion my customer class names have given Staff, it would have been better to use
11 the designations "non-metered" rather than residential and "metered" rather than
12 commercial.

13 **Q. WHY DID THE METERED VERSUS NON-METERED CUSTOMERS**
14 **OBVIATE THE NEED FOR THE CCROSS APPROACH FOR RATE DESIGN**
15 **PURPOSES?**

16 **A.** Yes, in my mind it did. A separate revenue requirement was needed for the metered
17 customers and the non-metered customers. This was accomplished by splitting the total
18 revenue requirements into two separate revenue requirements using a CCROSS approach
19 which I discuss in the next section of this testimony. I did not consider the master meter
20 approach as proposed by Staff ⁴ which is a workable alternative but not ideal for
21 Timbercrest. The problem with master meter approach is that it would require the

⁴ Narvaez Direct, page 7, Lines 6-8.

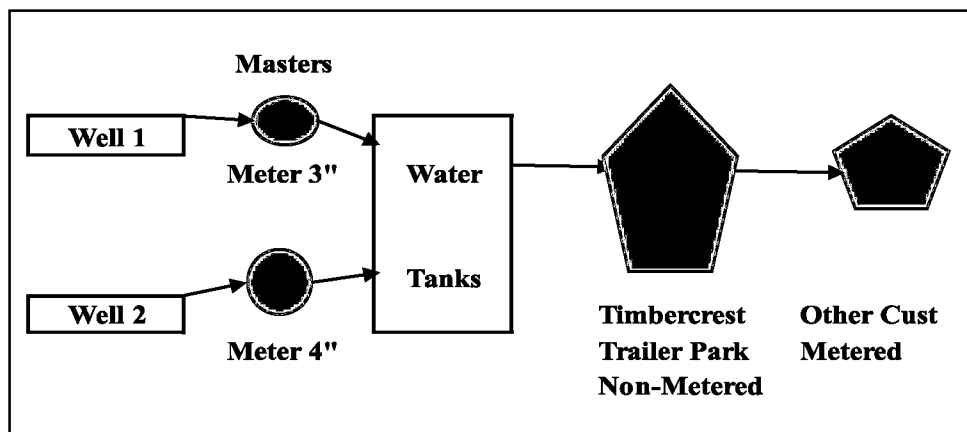
1 monthly determination of the volumes used by the non-metered class on a monthly
2 basis which would be problematic for Timbercrest administratively.

3 **Q. EXPLAIN WHY A MASTER METER RATE DESIGN FOR THE NON-**
4 **METERED CUSTOMERS WOULD BE ADMINISTRATIVELY**
5 **PROBLEMATIC FOR TIMBERCREST.**

6 **A.** As indicated in the Company's response to Staff 9-1 and as Attachment CEL-R1 to this
7 testimony, the master meter to the trailer park is represented by two well meters that
8 are read on a daily basis. The water feeds storage tanks that flow through the trailer
9 park and then on to the metered customers as presented in the system diagram below.
10 Thus, each month the water billed to the metered customers would need to be deducted
11 from the total water recorded from the well meters to determine the usage in the trailer
12 park. This approach would result in fluctuating average non-metered water usage and
13 revenue assignment each month rather than a fixed amount. It is much easier to record
14 a standard flat amount each month for each customer. In addition, if there is an issue
15 regarding the cost of water and sewer service reflected in a tenant's monthly rent, a
16 fixed amount that ties to a Commission approved tariff would be less problematic to
17 explain and more understandable to tenants. The typical trailer park tenant signs a five-
18 year fixed price contract and Timbercrests's proposed flat rate for the non-metered
19 trailer park customer would be much easier for the Company to maintain and
20 administer.

1

SYSTEM DIAGRAM



V. STAFF ISSUES WITH TIMBERCREST CCROSS AND RATE DESIGN

Q. PLEASE PROVIDE AN OVERVIEW WHY THE CCROSS APPROACH IS THE MOST REASONABLE METHOD TO DETERMINE THE SEPARATE REVENUE REQUIREMENTS FOR RATE DESIGN PURPOSES.

A. A basic principle of the regulatory framework is that rates proposed and ultimately implemented are as cost based as reasonably possible. This is done through the development of a CCROSS which assigns a utility's overall revenue requirement to the utility's various customer classes based on established cost causation principles. Separate rates are then developed to recover these revenues for each class. The CCROSS approach is generally recognized and accepted by government owned utilities as well as by both state regulatory commissions and courts of law because they assign costs to classes of customers in a nondiscriminatory and cost-responsive manner. I have conducted numerous water, sewer and gas CCROSS and have presented them before several state regulatory bodies. Additionally, this Commission recognizes CCROSS approach as essential for electric utility ratemaking. Typically, CCROSS are used for larger utilities with thousands of customers. However, this approach came in useful for

1 Timbercrest due to its unique service characteristics as described above. As indicated
2 in my Direct Testimony, I presented Timbercrest's CCOS and related workpapers in
3 the Application filed on January 17, 2020 and made available for Staff's review and
4 interrogation.

5 **Q. IN THEIR DIRECT TESTIMONY, STAFF INDICATED THAT A CCOS**
6 **APPROACH IS NOT REQUIRED⁵ SINCE THE CURRENT RATES ARE NOT**
7 **DIVIDED INTO SEPARATE RATE CLASSES; PLEASE COMMENT.**

8 **A.** As I indicated earlier the Sewer rate tariff has a separate volumetric rate for commercial
9 customers. Although the existing tariff lacks a commercial class for water, I am not
10 aware of any Commission rule or Water Code regulation that prevents a utility from
11 proposing a different rate structure in a subsequent rate case. As long as the proposed
12 rate structure supports rates that appropriately assign costs and recover the approved
13 revenue requirement, it should not be an issue. Both of the proposed rate design
14 methodologies, flat and fixed with volumetric rates, are accepted methodologies for
15 rate design in the Commissions approved ratemaking instructions and forms for water
16 and sewer utilities. The Staff has not provided any reasonable argument that
17 Timbercrest's two separate rate design approach should be disallowed. Timbercrest's
18 approach is reasonable given the special circumstances of the system.

19 **Q. STAFF RECOMMENDS "THAT THE STANDARD COMMISSION-**
20 **APPROVED RATEMAKING METHODOLOGY FOR CLASS D UTILITIES"**
21 **BE USED TO SET RATES IN THIS CASE⁶; PLEASE COMMENT.**

⁵ Narvaez, page 10, Lines 14-16.

⁶ Narvaz, page 10, Lines 11-12.

1 **A.** Timbercrest used the Commission’s Class C rate filing package as specifically required
2 for Class D utilities. Again, the schedules and instructions allow for both flat and
3 fixed/volumetric rate designs and do not indicate that the revenue requirements cannot
4 be split and be recovered via two separate rate designs.

5 **Q.** **EARLIER IN THIS TESTIMONY YOU INDICATED THAT THE STAFF’S**
6 **PROPOSED MASTER METER APPROACH FOR THE TRAILER PARK IS**
7 **WORKABLE. PLEASE EXPLAIN.**

8 **A.** Staff recommends that there be a fixed/volumetric rate design for the entire system
9 which includes using the master meter size as the trailer parks connection point and as
10 a separate customer for ratemaking purposes⁷. As explained earlier in my testimony,
11 this approach can present some accounting issues but nevertheless it is doable.
12 However, rather than using the two well meters as the master meter, I recommend the
13 use of a 12” “proxy meter” which has more meter equivalences and results in rates
14 more comparable to what Timbercrest is proposing.⁸

15 **Q.** **WHAT WOULD BE THE RESULT IF THE TWO MASTER METERS ARE**
16 **USED IN THE RATE DESIGN DEVELOPMENT AS PROPOSED BY STAFF?**

17 **A.** Attachment CEL-R2 provides a comparison of the various rate options related to this
18 case. Column (c) shows Timbercrests current rates, column (d) shows Timbercrest rates
19 as initially proposed or filed. Columns (e), (f) and (g) reflect rates calculated using
20 Staff’s recommended revenue requirements where column (e) reflects rates under
21 Timbercrest’s proposed two structure rate design, column (f) shows rates under Staffs

⁷ Narvaez Direct, page 9, Lines 17-19, and footnote 5.

⁸ Timbercrest is willing to install a twelve inch meter if needed.

1 proposed master meter rate design with a 12" proxy and column (g) shows the rates
2 under Staffs proposed rate design using the actual 3" and 4" master meters as
3 recommended⁹. As can be seen the rate design and master meter size as proposed by
4 Staff in columns (g) would be 72% higher than the rates originally proposed. The
5 Staff's proposed master meter rate design using a 12' proxy master meter provides
6 much more reasonable rates. I believe Timbercrest's two structure rate design does a
7 better job of balancing the revenue requirements between metered and unmetered
8 customers because it balances the demand and volumetric costs at 50/50 where the
9 Staff's master meter rate design shifts more demand costs to the higher meter sizes.
10 Regardless, Timbercrest prefers its proposed two structure rate design but will accept
11 Staff's master meter rate design with a 12" proxy. The master meter tariff would need
12 to specify that the trailer park will be charged at the listed 12" meter rate.

13 **Q. STAFF ADDRESSED SOME OTHER CONCERNS THAN THE ONES**
14 **DISCUSSED ABOVE REGARDING THE COMPANY'S PROPOSED RATE**
15 **DESIGN. PLEASE COMMENT.**

16 **A.** The three other concerns expressed by Staff are presented below. I will address each
17 one by the number assigned.

- 18 1. There is no explanation or justification as to why the Commercial rates are
19 higher than the Residential rates¹⁰.
- 20 2. There is no justification from changing the Residential classes fixed and
21 variable tariffed rates to the flat rates as proposed¹¹.

⁹ Id.

¹⁰ Graham Direct, page 9, Lines 12-13.

¹¹ Graham Direct, page 9, Lines 18-19.

1 3. There is no explanation for why only the Commercial customers pay the North
2 Harris County Regional Water Authority (NHCRWA) volumetric fee¹².

3 **Concern number 1:** As I stated above the two structure rate design assigns demand
4 and volumetric costs using a 50/50 balance under the CCOSS approach. The 50/50
5 weighting recognizes that demand and volumes are equally critical to the typical water
6 user, that is, one is not more important than the other. The Commercial class has higher
7 average demand and volume requirements per meter equivalent than Residential; thus,
8 it received a higher cost assignment than Residential. For illustrative purposes
9 regarding this issue refer to Attachment CEL-R2, Line 13, Column (e), or Timbercrest
10 proposed two structure design, shows the Metered or Commercial revenue requirement
11 as \$44,837 while the same amounts under Columns (f) and (g) are higher because the
12 Staff's proposed design approach routinely assigns demand a much higher weighting
13 than volumes, that is, this approach recognizes that demand is more important than
14 volumes to the typical user.

15 **Concern number 2:** I believe there was some confusion among Staff regarding the
16 existing tariff which shows a fixed and variable rate for all customers. As I have
17 discussed above the existing tariff does not reflect reality since the trailer park
18 customers do not have meters. I believe my explanations above sufficiently address this
19 concern.

20 **Concern number 3:** Again, since the trailer park customers are not metered and do not
21 receive monthly bills it is not possible to collect the NHCRWA charges from them.

¹² Graham Direct, page 9, Lines 19-21.

1 The Company will cover the NHCRWA charges associated with the trailer park
2 through the rent revenues received from the trailer park tenants and bill the metered
3 customers their share of the costs through the proposed pass-through.

4 **VI. REVIEW AND COMMENT OF STAFF’S RECOMMENDATIONS**

5 **Q. STAFF OFFERED SEVERAL RECOMMENDATIONS TO THIS**
6 **COMMISSION IN THEIR DIRECT TESTIMONY THAT YOUR TESTIMONY**
7 **HAS NOT YET ADDRESSED. PLEASE PRESENT EACH OF THE**
8 **RECOMMENDATIONS AND ADDRESS EACH ONE.**

9 **A.** Staff’s recommendations are presented below. I will provide the Company’s response
10 below each recommendation.

11 1. Recommend that Timbercrest submit a report, made under oath, of “any
12 information related to themselves and affiliated interests” as detailed under
13 TWC § 13.132.¹³

14 **Company Response:** Agreed but need clarification as to what “any
15 information” is intended to reflect.

16 2. Recommend that the Commission require Timbercrest to execute a written
17 agreement for service with each affiliate and to file a copy of each agreement with
18 the Commission¹⁴.

19 **Company Response:** Agreed

20 3. Recommend the opening of a compliance docket to allow Timbercrest to file the
21 information recommended in items 1 and 2 above.¹⁵

22 **Company Response:** Agreed

23 4. Recommend that the Commission require Timbercrest to maintain separate books
24 and records for its regulated water and sewer utility operations¹⁶.

¹³ Eiland Direct, page 13, Lines 10-12

¹⁴ Eiland Direct, page 13, Lines 12-14

¹⁵ Eiland Direct, page 13, Lines 14-15

¹⁶ Eiland Direct, page 13, Lines 15-17

Company Response: Do not agree. The Company cannot maintain separate books and records for the utility since it is embedded in the trailer park operation. The Company will agree to set up a separate cost center within its general ledger accounting system and functionalize expenses and assets according to CCOSS approach proposed in the rate filing on an annual basis for Annual Reporting purposes and future rates cases.

5. Recommend rate case expenses be recovered over 36 months based on the Commission approved commercial (metered) meter sizes¹⁷.

Company Response: Agreed

6. Regarding the rate case expense surcharge, Staff recommends that Timbercrest be required to make semi-annual compliance filings to show the total surcharge amounts collected and the remaining balances¹⁸.

Company Response: Do not agree. Semi-annual compliance filings are too burdensome for the personnel of a small operation like Timbercrest. The Company will agree to file a complete report and reconciliation after all rate case expenses have been collected.

7. Recommend that Timbercrest provide an update to the rate-case expense reporting along with its Rebuttal testimony to support the amount of rate-case expenses incurred through October 2022¹⁹.

Company Response: Agreed. See the final section of this testimony.

8. Recommend that Timbercrest record a regulatory asset for its rate-case expenses incurred after it files Rebuttal testimony to be recovered in its next comprehensive base rate proceeding²⁰.

Company Response: Do not agree. The Company needs to recover all rate case expenses on a timely basis since it is not anticipated that a rate case will be filed within 5 years. The Company proposes that prior to when the order is presented to the Commission for approval, the Company will work with Staff to develop an affidavit documenting the additional rate case expenses to accompany the Order.

¹⁷ Eiland Direct, page 20, Lines 3-6

¹⁸ Eiland Direct, page 20, Lines 6-8

¹⁹ Eiland Direct, page 20, Line 13-16

²⁰ Eiland Direct, page 20. Line 19-22

9. Recommend a correction to the utility's accumulated depreciation amount of \$241,157 for water distribution that was included in Mr. Loy's testimony²¹.

Company Response: This recommendation refers to the accumulated depreciation in Mr. Loy's Direct Testimony, page 10, Table 4 titled "Proposed Rate Base" that referenced the wrong number in the rate filing workpapers. Thus, there was no impact on the Company's proposed rate base and revenue requirements. The updated corrected Table 4 is presented below.

**Table 4 (CEL Direct)
Proposed Rate Base**

	W A T E R	S E W E R	Total
Distribution - Gross	\$410,477	\$513,296	\$923,773
Accumulated Depreciation	(\$180,587)	(\$238,237)	(\$418,824)
Treatment Plant - Gross	\$508,797	\$286,913	\$795,710
Accumulated Depreciation	(\$192,530)	(\$181,223)	(\$373,753)
Land	\$250,078	\$207,851	\$457,929
Cash Working Capital	\$10,441	\$43,368	\$53,809
Total Rate Base	<u>\$806,677</u>	<u>\$631,967</u>	<u>\$1,438,645</u>

10. Recommend that Timbercrest be required to install individual meters on each home at the trailer park no later than one year from the date an order is issued in this case²²

Company Response: Do not agree. The mobile home park was built in or about 1994 and there has been no request to submeter or individually meter the mobile home rental community, nor has any complaint ever been received since Timbercrest took over ownership in 2004. Pursuant to Tex. Util. Code §

²¹ Graham Direct, page 5, Lines 3-5.

²² Graham Direct, page 10, Lines 4-6. Narvaez Direct, page 7, Lines 9-12.

13.502(b), a mobile home rental community before 2003 is not required to be submetered or individually metered. Please refer Attachment CEL-R3 which provides Company's response to Staff 11-1 and concerns this issue.

11. Recommend that Timbercrest be required to install individual meters on each unit at the apartment complex no later than one year from the date an order is issued in this case²³

Company Response: Do not agree. The owner of the apartment complex has not installed meters. Pursuant to Tex. Util. Code § 13.502(b) and (d), it is the responsibility of the owner or the manager of the apartment complex to install meters or arrange for the installation of meters. The public utility is not required to install meters unless the owner of the apartment complex requests it and it is feasible. No request has been made. Please refer Attachment CEL-R4 which provides the Company's response to Staff 11-2 which addresses this issue.

12. Once recommendation 10 and 11 above are completed; it is recommended that Timbercrest be ordered to file an application under TWC § 13.1871 or TWC § 13.183(c) to recover the costs associated with installing the meters and to design its rates consistent with the recommendation of Staff that include the number of connections of the trailer park and apartment complex.²⁴

Company Response: Do not agree. As stated in responses to items 10 and 11 above, the Company is not required to comply with them.

13. If 10 and 11 above are not required, it is recommended that Timbercrest be ordered to file an application under TWC § 13.1871 within one year to update its rates in accordance with Staff's recommendations²⁵.

Company Response: Do not agree. As stated in the Direct Testimony of Charles Loy, the reason for the rate filing was for the sole purpose to obtain rates the larger meter sizes. The Company does not foresee the need for a full-blown rate case over the next five years.

14. The subsequent case filed by Timbercrest should be considered a Class C Utility or greater than 500 connections that include the trailer park and apartment residents as individual connections²⁶.

²³ Id.

²⁴ Graham Direct, page 10, Lines 6-11. Narvaez direct, page 11, Lines 17-20.

²⁵ Graham Direct, page 10, Lines 11-14. Narvaez direct, page 11, Lines 17-20.

²⁶ Graham Direct, page 10, Lines 14-17. Narvaez direct, page 11, Lines 17-20.

1 **Company Response:** Do not agree. Regardless if the Staff's proposed master
2 meter rate design is approved or the Company's proposed two rate structure rate
3 design is approved, in both instances there will not be more than 500 actual
4 customer connections.
5

6 **VII. RATE CASE EXPENSE UPDATE**

7 **Q. EARLIER IN THIS TESTIMONY YOU INDICATED THAT YOU WOULD**
8 **PROVIDE A RATE CASE EXPENSE UPDATE FOR COSTS INCURRED**
9 **AFTER YOUR DIRECT TESTIMONY WAS FILED. PLEASE COMMENT.**

10 A. Attachment CEL-R5 attached to this testimony presents signed affidavits and copies of
11 additional invoices not previously filed before this Commission. The current rate case
12 expenses incurred to date are \$130,495. This includes \$32,773 in legal fees from Shea
13 & Associates PLLC and \$97,722 in consulting fees from GDS Associates and Water
14 Engineers, Inc. These fees are reasonable and necessary based on the factors set out in
15 my direct testimony and the direct testimony of Tammy Shea in this docket.

16 **VIII. CONCLUSION**

17 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

18 A. Yes, it does.

RESPONSES TO NINTH RFIS

Staff 9-1 What is the connection size of the master meter at the trailer park?

Response: Timbercrest has two meters that it utilizes to measure water quantity to the mobile home park. There is a 3-inch meter on one well and a 4-inch meter on a second well. These meters measure the water pumped from the ground to the storage tanks that flow through to the mobile home park. Work paper “WP Water Pumping” provides the water produced during the test year by each well.

Prepared by: Chuck Loy
Sponsored by: Chuck Loy

COMPARISON OF TIMBERCREST AND STAFF PROPOSED RATES

Line No.	Meter Size (a)	Meter Equivalents (b)	Timbercrest Current (c)	Timbercrest As Filed (d)	Timbercrest Rebuttal (e)	Staff Proxy 12" Master Meter (f)	Staff 3" & 4" Master Meter (g)
WATER							
<u>METERED (Commercial)</u>							
1	5/8"	1.00	\$18.75	\$41.27	\$28.26	\$33.86	\$71.13
2	1"	2.50	\$26.25	\$103.16	\$70.65	\$84.65	\$177.83
3	1 1/2"	5.00	\$63.75	\$206.33	\$141.29	\$169.30	\$355.65
4	2"	8.00	\$83.75	\$330.13	\$226.07	\$270.88	\$569.04
5	3"	15.00	n/a	\$618.99	\$423.88	\$507.90	\$1,066.95
6	4"	25.00	n/a	\$1,031.64	\$706.47	\$846.50	\$1,778.25
7	6"	50.00	n/a	\$2,063.29	\$1,412.94	\$1,693.00	\$3,556.50
8	8"	80.00	n/a	\$3,301.26	\$2,260.70	\$2,708.80	\$5,690.40
9	10"	115.00	n/a	\$4,745.57	\$3,249.76	\$3,893.90	\$8,179.95
10	12"	215.00	n/a	\$8,872.14	\$6,075.64	\$7,279.90	\$15,292.95
11	Volumetric		\$1.25	\$0.05	\$0.29	\$0.33	\$0.33
<u>NON-METERED (Residential)</u>			\$18.75	\$31.91	\$26.36	\$0.00	\$0.00
12	Volumetric		\$1.25	\$0.00	\$0.00	\$0.00	\$0.00
<u>Revenue Requirement s As Proposed by Staff</u>							
13	Metered (Commercial)		n/a	\$59,694	\$44,837	\$53,467	\$106,689 *
14	Non-Metered (Residential)		n/a	\$121,543	\$105,987	\$97,499	\$44,278 *
	Total			\$181,237	\$150,824	\$150,966	\$150,966
SEWER							
<u>METERED (Commercial)</u>							
15	5/8"	1.00	\$15.00	\$41.27	\$37.30	\$45.81	\$99.61
16	1"	2.50	\$26.25	\$103.16	\$93.26	\$114.53	\$249.03
17	1 1/2"	5.00	\$63.75	\$206.33	\$186.51	\$229.05	\$498.05
18	2"	8.00	\$83.75	\$330.13	\$298.42	\$366.48	\$796.88
19	3"	15.00	n/a	\$618.99	\$559.54	\$687.15	\$1,494.15
20	4"	25.00	n/a	\$1,031.64	\$932.56	\$1,145.25	\$2,490.25
21	6"	50.00	n/a	\$2,063.29	\$1,865.13	\$2,290.50	\$4,980.50
22	8"	80.00	n/a	\$3,301.26	\$2,984.20	\$3,664.80	\$7,968.80
23	10"	115.00	n/a	\$4,745.57	\$4,289.79	\$5,268.15	\$11,455.15
24	12"	215.00	n/a	\$8,872.14	\$8,020.04	\$9,849.15	\$21,416.15
25	Volumetric		\$2.50	\$0.94	\$0.41	\$0.00	\$0.00
<u>NON-METERED (Residential)</u>			\$15.00	\$31.91	\$30.81	\$45.81	\$99.61
26	Volumetric		\$1.65	\$0.00	\$0.00	\$0.00	\$0.00
<u>Revenue Requirement s As Proposed by Staff</u>							
27	Metered (Commercial)		n/a	\$71,256	\$54,213	\$178,109	\$178,103
27	Non-Metered (Residential)		n/a	\$134,992	\$123,869	\$0	\$0
				\$206,248	\$178,082	\$178,109	\$178,103
* Under Staff's proposed master meter rate design the Residential amounts are metered. The amounts were calculated for comparative purposes as discussed in Mr. Loy's Rebuttal Testimony.							

RESPONSES TO ELEVENTH RFIS

Staff 11-1 Please indicate whether the individual trailer park lots have a water meter installed.

Response: No, the mobile home park was built in or about 1994 and there has been no request to submeter or individually meter the mobile home rental community. Pursuant to Tex. Util. Code § 13.502(b), a mobile home rental community before 2003 is not required to be submetered or individually metered. This provision states:

(b) Except as provided by Subsections (c) and (d), a manager of a condominium or the owner of an apartment house, manufactured home rental community, or multiple use facility, on which construction begins after January 1, 2003, shall provide for the measurement of the quantity of water, if any, consumed by the occupants of each unit through the installation of: (1) submeters, owned by the property owner or manager, for each dwelling unit or rental unit; or (2) individual meters, owned by the retail public utility, for each dwelling unit or rental unit.

Prepared by: Chuck Loy
Sponsored by: Chuck Loy

Staff 11-2 Please indicate whether the individual apartment units or apartment complex are submetered.

Response: No, the owner of the apartment complex has not installed meters. Pursuant to Tex. Util. Code § 13.502(b) and (d), it is the responsibility of the owner or the manager of the apartment complex to install meters or arrange for the installation of meters. The public utility is not required to install meters, unless the owner of the apartment complex requests it and it is feasible. No request has been made.

(b) Except as provided by Subsections (c) and (d), a ***manager of a condominium or the owner*** of an apartment house, manufactured home rental community, or multiple use facility, on which construction begins after January 1, 2003, shall provide for the measurement of the quantity of water, if any, consumed by the occupants of each unit through the installation of: (1) submeters, owned by the property owner or manager, for each dwelling unit or rental unit; or (2) individual meters, owned by the retail public utility, for each dwelling unit or rental unit.

(d) ***On request by the property owner or manager***, a retail public utility shall install individual meters owned by the utility in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction begins after January 1, 2003, unless the retail public utility determines that installation of meters is not feasible. If the retail public utility determines that installation of meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. A retail public utility may charge reasonable costs to install individual meters.

Prepared by: Chuck Loy
Sponsored by: Chuck Loy

DOCKET NO. 50197
SOAH DOCKET NO. 473-21-2237

APPLICATION OF TIMBERCREST	§	PUBLIC UTILITY COMMISSION
PARTNERS LLC FOR AUTHORITY	§	
TO CHANGE RATES	§	OF TEXAS

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

AFFIDAVIT OF TAMMY SHEA

Before me, the undersigned authority, on this date personally appeared Tammy Shea known to me to be the person whose name is subscribed below, and being by me first duly sworn, stated upon oath as follows:

1. "My name is Tammy Shea I am over 18 years of age, of sound mind, and fully competent to make this affidavit. Each statement of fact herein is true and of my own personal knowledge.
2. I am a partner in the Houston, Texas law firm of Shea Associates PLLP ("Shea"), and have practiced law in since 1998. I have twenty four years experience practicing public utility law. I have held positions at Wickliff & Hall, Epstein Becker Green, and Cozen O'Connor. My practice encompasses a wide range of administrative and commercial law, including the representation of water, gas and electric utilities. I have extensive experience representing and defending clients before the Commission, Railroad Commission, TCEQ, and state and federal courts.
3. I am counsel of record for Timbercrest Partners LLC ("Timbercrest" or the "Company") Inc. in PUC Docket No. 50197, *Application of Timbercrest Partners LLC for Authority to Change Rates*. The purpose of my affidavit is to provide support for the additional rate case expenses incurred to date and not included within the direct testimony filed on September 27, 2022.
4. In Docket No. 50197, Shea & Associates PLLC and GDS Associates, Inc. were engaged to assist with the presentation and prosecution of the Company's Statement of Intent to Change Rates. To date, the services performed in this docket include the preparation of the rate filing package, discussions/mediations to address requests by Commission Staff ("Staff") to assist in their review of the proposed rates of the Timbercrest water and sewer systems, consultation and analysis by expert witnesses, reviewing and coordinating responses to discovery, attention to prehearing matters, filing of testimony and review of rebuttal testimony, drafting RFI requests, drafting rebuttal testimony, and drafting of various pleadings throughout the proceeding.

5. Depending on the course and resolution of Docket No. 50197, the firm and consultants expect to continue to assist Timbercrest Partners LLC with responding to discovery, which to date comprises of eleven sets of discovery received from Staff, and other prehearing matters. In addition, the firm and consultants assist Timbercrest Partners LLC with the further review of Staff testimony, the further preparation of rebuttal testimony, preparation of RFI requests, the Company's preparation for and participation in a hearing on the merits, post-hearing briefing and pleadings, as well as other activities. The rate case expense estimate prepared by Timbercrest Partners LLC reflects the estimated cost of these legal services, as well as the costs expected to be incurred by the professional consultants and is reasonable and necessary.
6. I have reviewed the additional billings of Shea submitted to Timbercrest Partners LLC for legal services performed in Docket Nos. 50197 from July 21, 2022 through October 21, 2022, and I affirm that those billings of **\$9242.66** accurately reflect the time spent and expenditures incurred by Shea and Associates PLLC on Timbercrest Partners LLC's behalf and are reasonable and necessary. I have also consulted with GDS Associates, Inc. ("GDS") and reviewed the invoices submitted from July 1, 2022 through September 30, 2022. Based on my review of the invoices, knowledge of the work done in this proceeding, and discussions with GDS, it is my opinion that the additional invoices of GDS Associates, Inc. of **\$17,261.25** also accurately reflect the time spent on Timbercrest's behalf and are reasonable and necessary.
7. The rate charged by each attorney and professional of Shea and Associates PLLC and GDS Associates, Inc. in Docket Nos. 50197 reflect the standard hourly billing rates or in this case discounted legal rates, charged by the attorney or professional for other matters, is comparable to the hourly rate charged by other attorneys and professionals for similar services provided to other Texas utilities and is the standard or discounted hourly billing rate charged by the attorneys and professionals of Shea and GDS for services to non-regulated entities.
8. The charges and rates of Shea and GDS are reasonable and consistent with those billed by others for similar work, and the rates charged by the attorneys and professionals that worked on these matters are comparable to rates charged by other professionals with the same level of expertise and experience and commensurate with the complexity of the issues in the proceedings. The calculation of the charges is correct and there was no duplication of services and no double billing of charges.
9. The hours spent to perform the tasks assigned to Shea and GDS working on Docket No. 50197 were reasonable and necessary to complete the required tasks in a professional manner on a timely basis. The nature of work was appropriate for the attorneys and professionals of Shea and GDS given their legal, professional, and expert training and their experience in administrative utility law and prior cases involving similar issues.
10. The amount of expenses and fees charged by Shea and GDS in Docket No. 50197 are commensurate to the size and complexity of the issues addressed. In particular, the nature of the utility operation within the mobile home park which provides water and sewer service to unmetered residential customers and the need for a new water rate for a larger, multi metered commercial customer has contributed the complexity of this case. There was also substantial delay in this proceeding through causes not attributable to Timbercrest. These delays included COVID-19 as well as numerous Staff changes, which required time and expense for Timbercrest to re-educate additional staff members and attorneys through the various changes. For example, there have been five sets of attorneys for Staff, two mediations on of which only turned out to be a technical

conference and the other unilaterally cancelled by Staff. Further, this case has been on file almost three years.

11. I have reviewed and am familiar with the Commission's requirements for recovery of rate case expenses set forth in 16 Tex. Admin. Code § 24.44. Based on my experience in cases of similar size as well as the novelty and complexity of issues particular to this case, all of the fees and expenses charged by Shea and GDS to Timbercrest Partners LLC in Docket No. 50197 are reasonable, necessary, and appropriately reimbursable.
12. No single attorney or professional billed in excess of 12 hours in a single day.
13. No attorney or professional has billed for charges that result from hotel or lodging.
14. No portion of Shea's fees or expenses is or will be from the use of a non-commercial aircraft or first-class air travel commercial aircraft or first-class air travel.
15. No portion of Shea's or GDS's fees or expenses are or will be for luxury items, such as limousine service, sporting events, alcoholic beverages, gourmet coffee, bottled water, hotel movies, satellite radio, or other entertainment.
16. No portion of Shea's or GDS's fees or expenses are in excess of \$25 per person per meal.
17. In sum, the fees and expenses incurred on behalf of Timbercrest are reasonable and necessary to properly prosecute this action before the Commission.

Tammy Shea

Tammy Shea

SWORN AND SUBSCRIBED before me on this 24 day of October 2022.



State Of
Virginia

County Of
Henrico

LaRonda Shanik Toler
Notary Public in and for the State of ~~Texas~~ ^{Virginia}

Notarized online using audio-video communication



1850 Parkway Place
Suite 800
Marietta, Georgia 30067

INVOICE

770-425-8100
Fax: 866-611-3791
Fed. EIN: 58-1659843

HARMONY COMMUNITIES
838 WEST HASTINGS STREET
SUITE 300
VANCOUVER, BC V6C 0A6
SHARON SASK

INVOICE NO : 0210994
DATE : Oct 10, 2022
CLIENT CODE : 0085013
PROJECT NO : 0001

DETERMINE COMMERCIAL RATE FOR NEW CUSTOMER

		Hours	Rate	Amount
8/29/22	Charles E. Loy Seventh Data Request	3.00	290.00	870.00
8/31/22	Charles E. Loy Seventh Data Request	3.00	290.00	870.00
8/31/22	Nicholas R. Weaver Filing of RFI response at PUC;	1.00	250.00	250.00
9/1/22	Charles E. Loy Seventh Data Request	2.00	290.00	580.00
9/7/22	Charles E. Loy Work on Staff 8th	4.00	290.00	1,160.00
9/8/22	Charles E. Loy Work on Staff 8th	2.00	290.00	580.00
9/9/22	Charles E. Loy Work on Staff 8th	2.00	290.00	580.00
9/15/22	Charles E. Loy Work on 8th	2.00	290.00	580.00
9/16/22	Charles E. Loy Work on 8th	3.00	290.00	870.00
9/19/22	Charles E. Loy Direct Testimony	1.00	290.00	290.00
9/20/22	Charles E. Loy Direct Testimony	1.00	290.00	290.00
9/21/22	Charles E. Loy Direct Testimony	6.00	290.00	1,740.00
9/22/22	Camie Flowers Attention to draft testimony	1.00	175.00	175.00
9/22/22	Charles E. Loy Direct Testimony	6.00	290.00	1,740.00
9/23/22	Charles E. Loy	4.00	290.00	1,160.00





1850 Parkway Place
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838 WEST HASTINGS STREET
SUITE 300
VANCOUVER, BC V6C 0A6
SHARON SASK

INVOICE NO : 0210994
DATE : Oct 10, 2022
CLIENT CODE : 0085013
PROJECT NO : 0001

		Hours	Rate	Amount
9/26/22	Direct Testimony Charles E. Loy	1.00	290.00	290.00
9/27/22	Finalize Direct Testimony Charles E. Loy	1.00	290.00	290.00
	Finalize Direct Testimony			
TOTAL FEES:				12,315.00

TOTAL AMOUNT DUE:

12,315.00

PAYMENT DUE WITHIN 30 DAYS OF RECEIPT
PLEASE MAKE CHECKS PAYABLE TO GDS ASSOCIATES, INC.





1850 Parkway Place
Suite 800
Marietta, Georgia 30067

INVOICE

770-425-8100
Fax: 866-611-3791
Fed. EIN: 58-1659843

HARMONY COMMUNITIES
838 WEST HASTINGS STREET
SUITE 300
VANCOUVER, BC V6C 0A6
SHARON SASK

INVOICE NO : 0210120
DATE : Sep 07, 2022
CLIENT CODE : 0085013
PROJECT NO : 0001

DETERMINE COMMERCIAL RATE FOR NEW CUSTOMER

		Hours	Rate	Amount
8/1/22	Charles E. Loy Review Staff 6 make notes/research	0.50	290.00	145.00
8/2/22	Charles E. Loy Review Staff 6/discussion with Tammy	0.50	290.00	145.00
8/4/22	Camie Flowers Attention to draft responses to staff 6th RFI	0.25	175.00	43.75
8/4/22	Charles E. Loy Work on Staff 6 Responses	4.00	290.00	1,160.00
8/9/22	Charles E. Loy Update data request responses	0.50	290.00	145.00
8/10/22	Charles E. Loy Update data request responses	0.50	290.00	145.00
8/16/22	Charles E. Loy Review/research Staff 7th	1.00	290.00	290.00
8/25/22	Camie Flowers Review C. Loy email, attention to draft responses to Staff 7th RFI	1.00	175.00	175.00
8/26/22	Camie Flowers Finalize draft responses to Staff 7th RFI	0.50	175.00	87.50
8/26/22	Charles E. Loy Work on Staff 7 data request	4.50	290.00	1,305.00
TOTAL FEES:				3,641.25

TOTAL AMOUNT DUE:

3,641.25

PAYMENT DUE WITHIN 30 DAYS OF RECEIPT
PLEASE MAKE CHECKS PAYABLE TO GDS ASSOCIATES, INC.



1850 Parkway Place
Suite 800
Marietta, Georgia 30067

INVOICE

770-425-8100
Fax: 866-611-3791
Fed. EIN: 58-1659843

HARMONY COMMUNITIES
838 WEST HASTINGS STREET
SUITE 300
VANCOUVER, BC V6C 0A6
SHARON SASK

INVOICE NO : 0209091
DATE : Aug 08, 2022
CLIENT CODE : 0085013
PROJECT NO : 0001

DETERMINE COMMERCIAL RATE FOR
NEW CUSTOMER

		Hours	Rate	Amount
7/18/22	Charles E. Loy	1.00	290.00	290.00
	Meeting to discuss upcoming Mediation			
7/20/22	Charles E. Loy	3.50	290.00	1,015.00
	Prepare for mediation, review filing and data requests, participate in mediation			
TOTAL FEES:				<u>1,305.00</u>

TOTAL AMOUNT DUE:

1,305.00

PAYMENT DUE WITHIN 30 DAYS OF RECEIPT
PLEASE MAKE CHECKS PAYABLE TO GDS ASSOCIATES, INC.



Shea & Associates, PLLC
400 N. Sam Houston Pkwy E. Suite 413
Houston, TX 77060
United States
713.410.0856

Shea & Associates, PLLC

Sharon Sask
838 West Hastings Street, Suite 800
Vancouver, V6C 0A6
Canada

Balance \$2,271.50
Invoice # 00053
Invoice Date September 7, 2022
Payment Terms Net 15
Due Date September 22, 2022

Application for Rate Change

Time Entries

Date	EE	Activity	Description	Rate	Hours	Line Total
07/20/2022	TS	Communications with client/counsel	Multiple Discussions with Staff over two week period regarding schedule	\$385.00	1.0	\$385.00
07/20/2022	TS	Pleadings	Prepare proposed procedural schedule; prepare motion to unabate	\$385.00	1.7	\$654.50
08/15/2022	TS	Hearings	Prepare for hearing/mediation	\$385.00	1.0	\$385.00
08/31/2022	TS	Communications with client/counsel	Brief review of RFI responses; discussions with Steve Cochell about assisting with same	\$385.00	1.0	\$385.00
09/07/2022	TS	Discovery	Revise 7th RFI answers and affidavit; file same	\$385.00	1.2	\$462.00
Totals:					5.9	\$2,271.50

Time Entry Sub-Total:	\$2,271.50
Sub-Total:	\$2,271.50
Total:	\$2,271.50
Amount Paid:	\$0.00
Balance Due:	\$2,271.50

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Shea & Associates, PLLC

Sharon Sask
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Vancouver, V6C 0A6
Canada

Balance \$7,969.50
Invoice # 00063
Invoice Date October 24, 2022
Payment Terms Net 15
Due Date November 08, 2022

Application for Rate Change

Time Entries

Date	EE	Activity	Description	Rate	Hours	Line Total
09/08/2022	TS	Discovery	Prepare supplemental response to RFI 7-4 and 7-6; prepare rate case expense affidavit	\$385.00	1.0	\$385.00
09/09/2022	TS	Pleadings	Discussion with Staff regarding procedural schedule; review same for filing	\$385.00	0.5	\$192.50
09/09/2022	TS	Discovery	Supplement RFI 7-1	\$385.00	0.8	\$308.00
09/15/2022	TS	Correspondence	Research statute; review orders; prepare letter to Staff	\$385.00	1.8	\$693.00
09/15/2022	TS	Discovery	Conference call with Chuck Loy; discussion with Sharon Sask; revise and edit 8th RFIs	\$385.00	1.2	\$462.00
09/15/2022	TS	Communications with client/counsel	Discussion with Sharon Sask regarding case status	\$385.00	0.2	\$77.00
09/16/2022	TS	Correspondence	Research 265 day rule; prepare detailed correspondence to Staff on same	\$385.00	1.6	\$616.00
09/19/2022	TS	Discovery	Finalize and file responses to 8th RFIs	\$385.00	1.0	\$385.00
09/22/2022	TS	Document Preparation	Prepare motion to have rates deemed approved; discussion with Sharon Sask on same; research waiver under Texas law for same	\$385.00	2.0	\$770.00
09/23/2022	TS	Pleadings	Prepare rate case expense testimony	\$385.00	2.5	\$962.50
09/26/2022	TS	testimony	Review revise and edit Chuck Loy testimony and erratas	\$385.00	1.4	\$539.00
09/29/2022	TS	Pleadings	Review response to motion for approval of rates	\$385.00	0.4	\$154.00
10/06/2022	TS	Orders	Review order on approval of rates	\$385.00	0.5	\$192.50
10/14/2022	TS	Communications with client/counsel	Discussions with Sharon Sask--re apartment ownership and built date of mobile home park for 11th RFIs	\$385.00	0.3	\$115.50
10/17/2022	TS	Communications with client/counsel	Review Staff testimony in detail; prepare for and participate in telephone conference on Staff's proposal; discussions with Chuck Loy regarding rates	\$385.00	3.2	\$1,232.00

10/17/2022	TS	trial preparation	Discussions with Staff regarding the exchange of exhibits, etc. in response to Order No. 6; review Staff's proposal of same	\$385.00	0.5	\$192.50
10/19/2022	TS	Communications with client/counsel	Numerous follow up with Staff the week of 10/17 to discuss resolution	\$385.00	0.4	\$154.00
10/24/2022	TS	Discovery	Prepare responses to 9th,10th and 11th RFIs; research statute on same	\$385.00	1.4	\$539.00

Totals: **20.7** **\$7,969.50**

Time Entry Sub-Total:	\$7,969.50
Sub-Total:	\$7,969.50
Total:	\$7,969.50
Amount Paid:	\$0.00
Balance Due:	\$7,969.50

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Balance \$2,271.50
Invoice # 00053
Invoice Date September 7, 2022
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Application for Rate Change

Time Entries

Date	EE	Activity	Description	Rate	Hours	Line Total
07/20/2022	TS	Communications with client/counsel	Multiple Discussions with Staff over two week period regarding schedule	\$385.00	1.0	\$385.00
07/20/2022	TS	Pleadings	Prepare proposed procedural schedule; prepare motion to unabate	\$385.00	1.7	\$654.50
08/15/2022	TS	Hearings	Prepare for hearing/mediation	\$385.00	1.0	\$385.00
08/31/2022	TS	Communications with client/counsel	Brief review of RFI responses; discussions with Steve Cochell about assisting with same	\$385.00	1.0	\$385.00
09/07/2022	TS	Discovery	Revise 7th RFI answers and affidavit; file same	\$385.00	1.2	\$462.00

Totals: **5.9** **\$2,271.50**

Time Entry Sub-Total:	\$2,271.50
Sub-Total:	\$2,271.50
Total:	\$2,271.50
Amount Paid:	\$0.00
Balance Due:	\$2,271.50

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713.410.0856

Shea & Associates, PLLC

Sharon Sask
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Vancouver, V6C 0A6
Canada

Balance \$7,969.50
Invoice # 00063
Invoice Date October 24, 2022
Payment Terms Net 15
Due Date November 08, 2022

Application for Rate Change

Time Entries

Date	EE	Activity	Description	Rate	Hours	Line Total
09/08/2022	TS	Discovery	Prepare supplemental response to RFI 7-4 and 7-6; prepare rate case expense affidavit	\$385.00	1.0	\$385.00
09/09/2022	TS	Pleadings	Discussion with Staff regarding procedural schedule; review same for filing	\$385.00	0.5	\$192.50
09/09/2022	TS	Discovery	Supplement RFI 7-1	\$385.00	0.8	\$308.00
09/15/2022	TS	Correspondence	Research statute; review orders; prepare letter to Staff	\$385.00	1.8	\$693.00
09/15/2022	TS	Discovery	Conference call with Chuck Loy; discussion with Sharon Sask; revise and edit 8th RFIs	\$385.00	1.2	\$462.00
09/15/2022	TS	Communications with client/counsel	Discussion with Sharon Sask regarding case status	\$385.00	0.2	\$77.00
09/16/2022	TS	Correspondence	Research 265 day rule; prepare detailed correspondence to Staff on same	\$385.00	1.6	\$616.00
09/19/2022	TS	Discovery	Finalize and file responses to 8th RFIs	\$385.00	1.0	\$385.00
09/22/2022	TS	Document Preparation	Prepare motion to have rates deemed approved; discussion with Sharon Sask on same; research waiver under Texas law for same	\$385.00	2.0	\$770.00
09/23/2022	TS	Pleadings	Prepare rate case expense testimony	\$385.00	2.5	\$962.50
09/26/2022	TS	testimony	Review revise and edit Chuck Loy testimony and erratas	\$385.00	1.4	\$539.00
09/29/2022	TS	Pleadings	Review response to motion for approval of rates	\$385.00	0.4	\$154.00
10/06/2022	TS	Orders	Review order on approval of rates	\$385.00	0.5	\$192.50
10/14/2022	TS	Communications with client/counsel	Discussions with Sharon Sask--re apartment ownership and built date of mobile home park for 11th RFIs	\$385.00	0.3	\$115.50
10/17/2022	TS	Communications with client/counsel	Review Staff testimony in detail; prepare for and participate in telephone conference on Staff's proposal; discussions with Chuck Loy regarding rates	\$385.00	3.2	\$1,232.00

10/17/2022	TS	trial preparation	Discussions with Staff regarding the exchange of exhibits, etc. in response to Order No. 6; review Staff's proposal of same	\$385.00	0.5	\$192.50
10/19/2022	TS	Communications with client/counsel	Numerous follow up with Staff the week of 10/17 to discuss resolution	\$385.00	0.4	\$154.00
10/24/2022	TS	Discovery	Prepare responses to 9th,10th and 11th RFIs; research statute on same	\$385.00	1.4	\$539.00

Totals: **20.7** **\$7,969.50**

Time Entry Sub-Total:	\$7,969.50
Sub-Total:	\$7,969.50
Total:	\$7,969.50
Amount Paid:	\$0.00
Balance Due:	\$7,969.50