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PUC DOCKET NO. 50721

**APPLICATION OF CRYSTAL CLEAR
WATER, INC. FOR AUTHORITY TO
CHANGE RATES**

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**PUBLIC UTILITY COMMISSION

OF TEXAS**

**CRYSTAL CLEAR WATER INC.'S MOTION TO ADMIT EVIDENCE AND DISMISS
INTERVENOR**

COMES NOW, Crystal Clear Water, Inc. (Crystal Clear), by and through its undersigned attorneys and hereby files its Motion to Admit Evidence and Dismiss Intervenor.

I. MOTION TO ADMIT EVIDENCE AND DISMISS INTERVENOR

On September 3, 2021, Crystal Clear, Staff of the Public Utility Commission (Commission Staff), and intervenors (Intervenors) filed a Joint Motion to Admit Evidence and Remand to the Public Utility Commission, including an agreement by the Intervenors of the Whispering Ridge water system to appoint Bryan Bronstad as their representative. Crystal Clear has subsequently learned that Bryan Bronstad is no longer a customer of Crystal Clear. Crystal Clear requests that the Administrative Law Judge (ALJ) admit the Affidavit of Robert Payne, President of Crystal Clear, stating that Bryan Bronstad is no longer a customer of Crystal Clear, attached hereto as **Exhibit A**. Accordingly, Crystal Clear respectfully requests that the Administrative Law Judge dismiss Bryan Bronstad as a party to this Docket.

Crystal Clear, Commission Staff, Office of Public Utility Counsel, and the Intervenors have reached an agreement regarding rate case expenses. Crystal Clear previously filed evidence of its rate case expenses on November 12, 2021, September 12, 2022, November 22, 2022, and January 20, 2023. Crystal Clear respectfully requests that the ALJ admit the Affidavit of David J. Klein, attorney for Crystal Clear, supporting the reasonableness of the agreed-upon rate-case expenses, attached hereto as **Exhibit B** and submitted in part confidentially.

Lastly, Commission Staff requested that Crystal Clear remove a provision in its lease with RP AG, LLC that would allow the lessor to terminate the lease at any time with 30 days' written notice. In a show of good faith, Crystal Clear has amended its lease with RP AG, LLC to reflect such terms. Crystal Clear respectfully requests that the ALJ admit the Amended and Restated Lease, attached hereto as **Exhibit C**.

II. CONCLUSION AND PRAYER

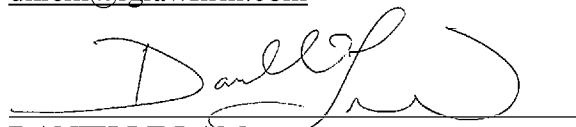
For these reasons, Crystal Clear respectfully requests that the Administrative Law Judge admit Exhibits A, B, and C of this Motion into evidence, dismiss Bryan Bronstad as a party to this Docket, and grant all other and further relief to which Crystal Clear may be entitled.

Respectfully Submitted,

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

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Austin, Texas 78701
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**ATTORNEYS FOR CRYSTAL CLEAR
WATER, INC.**

CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail or U.S. First Class mail on March 1, 2023, in accordance with the Order Suspending Rules, issued in Project No. 50664.


Danielle Lam

Exhibit A

Affidavit of Robert Payne Regarding Bryan Bronstad

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APPLICATION OF CRYSTAL CLEAR
WATER, INC. FOR AUTHORITY TO
CHANGE RATES

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PUBLIC UTILITY COMMISSION

OF TEXAS

AFFIDAVIT OF ROBERT PAYNE

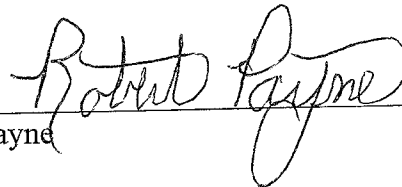
On this day, appeared before me, the undersigned notary public, Robert Payne, President of Crystal Clear Water, Inc. (Crystal Clear), a Texas for-profit corporation, and after I administered an oath to him, upon his oath, he said:

“My name is Robert Payne. I am the President of Crystal Clear Water Inc. I am more than twenty-one (21) years of age and capable of making this affidavit. I have personal knowledge of the facts stated herein, which are true and correct.

1. Crystal Clear is a retail water service provider in Bosque County, Texas.
2. I am personally familiar with Crystal Clear’s customer billing records as its President.
3. Bryan Bronstad is no longer a customer of Crystal Clear and the date of his last water bill was May 2022.”

FURTHER AFFIANT SAYETH NOT.

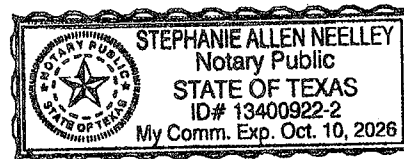
Robert Payne



STATE OF TEXAS

COUNTY OF BOSQUE

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Sworn to and subscribed before me the undersigned authority on this the 22 day
of February, 2023.

[Seal]

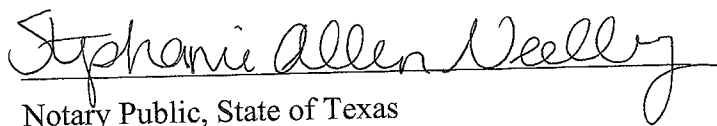

Notary Public, State of Texas

Exhibit B

Affidavit of David J. Klein

DOCKET NO. 50721

APPLICATION OF CRYSTAL CLEAR	§	PUBLIC UTILITY COMMISSION
WATER, INC. FOR AUTHORITY TO	§	OF TEXAS
CHANGE RATES	§	

AFFIDAVIT OF DAVID KLEIN

STATE OF TEXAS	§
	§
COUNTY OF TRAVIS	§

BEFORE ME, the undersigned authority, on this day personally appeared David Klein, who being by me first duly sworn, upon oath says:

" 1. My name is David Klein. I am over the age of 18 years, and I am competent to make this Affidavit; and, the facts stated herein are true and correct.

2. I am an attorney at Lloyd Gosselink Rochelle & Townsend, P.C. (Lloyd Gosselink).

3. My business address is 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

4. I was and am engaged by Crystal Clear Water, Inc. (Crystal Clear) for Crystal Clear's application for authority to change rates, which is Public Utility Commission (Commission) Docket No. 50721.

5. Pursuant to an agreement in principle between Crystal Clear, Commission Staff, Office of Public Utility Council, and intervening ratepayers (collectively, the Parties), Crystal Clear agreed to a cap on rate case expenses. The parties agreed to a rate case expense surcharge of \$8.50 per connection over a 23-month period, which would total \$44,695.00 based upon the 230 connections in the test year. The Parties will memorialize this agreement in a written settlement agreement and a file a copy with the Commission.

6. As shown in the attached summary of expenses and invoices, the rate case expenses incurred by Crystal Clear exceed the amount agreed to by the parties.

7. To provide the Parties with verification of actual rate case expenses, Crystal Clear provided proof in the following documents filed with the Commission:

- a. Crystal Clear Water Inc.'s Response to the October 21, 2021 Commission Counsel Memorandum and Motion to Admit Evidence filed on November 12, 2021 (Item Nos. 208 and 209);

- b. Crystal Clear Water Inc.'s Supplemental Response to Order Remanding to Docket Management, Motion to Admit Additional Evidence, and Motion for Extension of Time filed on September 12, 2022 (Item Nos. 241 and 242);
- c. Crystal Clear Water Inc.'s Motion to Admit Additional Evidence filed on November 22, 2022 (Item Nos. 253 and 254);
- d. Crystal Clear Water Inc.'s Motion to Admit Additional Evidence filed on January 20, 2023 (Item Nos. 258 and 259);

8. I am familiar with the work performed by Lloyd Gosselink and the technical consultants on behalf of Crystal Clear in connection with Docket No. 50721 concerning the Application of Crystal Clear Water, Inc. for Authority to Change Rates.

9. This portion of my Affidavit addresses the expenses for Docket No. 50721 that were incurred by Crystal Clear. I have reviewed the billings of Lloyd Gosselink submitted to Crystal Clear for legal services performed in Docket No. 50721. I affirm that those billings accurately reflect the time spent and expenditures incurred by Lloyd Gosselink on Crystal Clear's behalf. Those billings were accurately calculated before they were tendered, and there was no double billing. None of the charges billed to CCWI have been recovered through reimbursement for other expenses. The fees and expenses were necessary and for the legal representation of CCWI. The legal work included advising CCWI on rates; meetings and communications with Commission Staff, protestants, and/or Office of Public Utility Counsel; preparation of pleadings and other filings; review and preparation of evidentiary exhibits; and preparation of settlement documents. All of the rate case expenses are summarized in the attached Exhibit A. The previously filed invoices and receipts for legal and technical consultant work bring Crystal Clear's total rate case expenses to \$103,879.04 as of December 31, 2022, as shown in Exhibit A. Any billings not attributed to this Docket No. 50721 have been deducted, as also shown in Exhibit A. As stated in Crystal Clear's Motion to Admit Additional Evidence filed on January 20, 2023, I believe that an additional \$5,000.00 in rate case expenses after December 31, 2022, are reasonable and necessary for work relating to negotiating an updated settlement agreement, preparing an updated settlement agreement and Proposed Order (Updated Settlement Documents), collecting signatures for the Updated Settlement Documents, and preparing, filing, and serving a Joint Motion to Admit Evidence which will include the Updated Settlement Documents, and defending the updated settlement agreement.

10. For all the matters addressed in this Affidavit, Lloyd Gosselink has not charged for luxury items, including first-class airfare, limousine service, entertainment, or alcoholic beverages. No meals were charged and no individual billed for more than 12 hours per day.

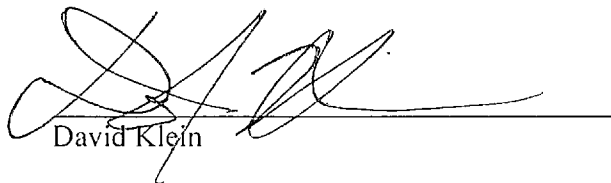
11. For the period of March 16, 2021 through December 31, 2022, the expenses for Lloyd Gosselink are \$88,966.54. The hourly rates for attorneys of \$220–\$295 and for paralegals of \$130–\$160, upon which the billings are based, are the same or lower hourly rates charged other clients for comparable services during the same time frame. Our firm's hourly rates are at the lower end of the range compared to the rates charged by other lawyers with similar experience providing similar services. To minimize expenses, I used associates and paralegals where possible because of their lower billing rates. In assigning the tasks to attorneys, I ensured that the attorneys did not duplicate the work of one another. The hours spent to perform the tasks assigned to Lloyd Gosselink were necessary to complete those tasks in a professional manner and on a timely basis. All of the work performed by Lloyd Gosselink to date was accomplished primarily by two lawyers. My many years of experience participating in utility rate cases aid in our efforts to keep rate case expenses reasonable.

12. Crystal Clear also incurred other rate case expenses in the advocacy/defense of the Application. Raftelis Financial Consultants, Inc. assisted Crystal Clear with reviewing and defending the Application, for a total amount of \$14,912.50. Invoices and receipts for these expenses were previously filed by Crystal Clear.

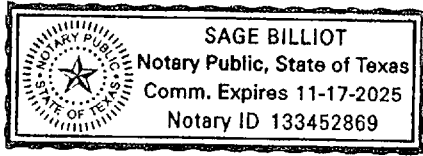
13. The agreed amount requested for legal expenses for rate case expenses - \$8.50 per connection over a 23-month period, which would total \$44,695.00 based upon the 230 connections in the test year - is reasonable given the complexity of this case."

FURTHER AFFIANT SAYETH NOT.

SIGNED this 1st day of March, 2023.


David Klein

SWORN TO AND SUBSCRIBED BEFORE ME the undersigned authority on this 15
day of March, 2023.



Sage Billiot
Notary Public, State of Texas

EXHIBIT A

Summary of Rate Case Expenses

Exhibit C

Amended and Restated Lease
Executed February 24, 2023

AMENDED AND RESTATED LEASE AGREEMENT

This Amended Restated Lease Agreement ("*Lease*") is entered by and between RP AG, LLC, of 122 S Avenue D, Clifton, Texas 76634 ("*Lessor*") and Crystal Clear Water, Inc., of 122 S Avenue D, Clifton, Texas 76634 ("*Lessee*") (collectively, the "*Parties*"), on the 24th day of FEBRUARY, 2023.

RECITALS

WHEREAS, Lessor owns commercial property at 122 S Avenue D, Clifton, Texas, 76634 that includes approximately 650 square feet of office space and 3,240 square feet of warehouse space (the "*Property*");

WHEREAS, Lessor has been renting a portion of the Property to Lessee on a month-to-month basis at \$500.00 per month based only upon Lessee's use of the office space;

WHEREAS, the Parties entered into a written agreement regarding Lessee's rental of the office space and warehouse on the Property ("*Original Lease*") on August 25, 2022 (the "*Effective Date*");

WHEREAS, the parties amended the Original Lease on November 21, 2022, regarding the term of the lease; and

WHEREAS, the Parties desire to amend the Original Lease, as amended, regarding the term of the lease.

NOW THEREFORE, in consideration of the mutual promises and agreements set forth herein and for good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by Lessor and Lessee, the Parties mutually agree as follows:

LEASE

1. **Description of the Leased Premises:** Lessor agrees to lease to Lessee the Property at 122 S Avenue D, Clifton, Texas.
2. **Use of the Leased Premises:** Lessee shall be a co-occupant with Lessor and shall use the Leased Premises to conduct the business of Crystal Clear Water, Inc.
3. **Term of Lease:** This Lease shall commence on the Effective Date and shall continue in effect for a period of one (1) year. This Lease shall automatically renew on each anniversary of the Effective Date for an additional one (1) year term, unless Lessor or Lessee provides 30 day's prior written notice of nonrenewal to the other Party.
4. **Rent:** Upon the Effective Date until September 1, 2022, Lessee shall pay to Lessor Five Hundred Dollars (\$500.00) per month for use of the Property ("*Initial Rent*"). Beginning September 1, 2022, Lessee shall pay Lessor One Dollar and Twenty Cents (\$1.20) per square foot

of the Property that Lessee uses. As of the Effective Date, Lessee uses approximately 469 square feet of office space and 1,200 square feet of the warehouse space within the Property. Therefore, Lessee shall pay Lessor Two Thousand and Two Dollars and Eighty Cents (\$2,002.80) for its use of 1,669 square feet of the Property ("*Rent*"). Lessor may recalculate Lessee's use of the Property from time to time and may increase the Rent by sending written notice to Lessee.

5. Expenses: Lessee shall reimburse Lessor for its share of office expenses, including, but not limited to, electricity, water, and sewer. Garbage disposal, gas, internet, and phone.

6. Amended and Restated Lease: This Lease contains all of the agreements between the Parties. Upon execution of this Lease, this Lease shall replace any and all prior agreements between the Parties, both oral and written, with regard to this subject matter.

Signature page follows immediately.

LESSOR:

RP AG, LLC

By: Robert Payne
Robert Payne, President

LESSEE:

Crystal Clear Water, Inc.

By: Robert Payne
Robert Payne, President