



## Filing Receipt

**Received - 2022-01-25 02:54:08 PM**  
**Control Number - 50788**  
**ItemNumber - 173**

**SOAH DOCKET NO. 473-20-4071.WS  
PUC DOCKET NO. 50788**

<b>RATEPAYERS APPEAL OF THE BEFORE THE STATE OFFICE DECISION BY WINDERMERE OAKS WATER SUPPLY CORPORATION TO CHANGE WATER AND SEWER RATES</b>	<b>§ § § § §</b>	<b>BEFORE THE STATE OFFICE  OF  ADMINISTRATIVE HEARINGS</b>
--	----------------------------------	---

**RATEPAYERS' RESPONSE TO WOWSC'S MOTION TO ADMIT EVIDENCE**

TO THE HONORABLE CHRISTIAAN SIANO AND DANIEL WISEMAN,  
ADMINISTRATIVE LAW JUDGES:

THE REPRESENTATIVES OF THE RATEPAYERS OF WINDERMERE OAKS  
WATER SUPPLY CORPORATION ("Ratepayers") file this their Response to the WOWSC's  
Motion to Admit Evidence and would show as follows.

1. An attorney who has breached her duties to the tribunal is not entitled to receive a fee.
2. Work performed in violation of professional duties is neither reasonable nor necessary.
3. As more fully discussed in Ratepayers' Reply Brief, the contents of which are incorporated herein by reference, the lawyers at Lloyd Gosselink were involved in the design of the 2020 rates. They knew that the rates were not generated by TRWA and were not designed using the "cash needs" approach or any other accepted methodology. They knew the 2020 rates were not developed to recoup the TRWA revenue requirement or any other calculated revenue requirement. They falsely portrayed otherwise in filings and other materials prepared for this proceeding.

4. Considerable resources were wasted to obtain and analyze information that was in fact inconsequential. Discovery efforts, which focused on what was represented rather than what occurred, were misdirected and ultimately were rendered meaningless. Confusion, ambiguity and unnecessary complexity were injected into the proceeding. The process has not recovered from it yet.

5. Evidence of the tasks performed and the amount of fees invoiced is not relevant when no fee is earned or due. The same is true where legal fees are neither reasonable nor necessary as a matter of law.

6. The bulk of Grant Rabon's testimony is unreliable. Rabon has no basis on which to render an opinion concerning the allowance of any expenses for outside legal costs. He has no idea what outside legal costs the Board claims are allowable, much less any opinion as to whether they are. He has never reviewed the TRWA analysis by which the 2020 rates were allegedly generated; he has no idea what outside legal costs are included or are allowable for purposes of its revenue requirement. He received no information and performed no investigation or examination concerning any of the outside litigation matters or the costs associated therewith, and thus has no basis upon which to render an opinion whether any of them would be allowable. Rabon's opinion that the outside legal costs are prudently incurred in the ordinary course of business is not based on any determination that the outside legal costs are costs of service; he does not have the opinion that they are. His opinion that the outside legal costs are prudently incurred in the ordinary course of business is based not on what he knows about the costs or the matters to which they pertain, but on the fact that he doesn't know anything about them at all. His opinion that a utility "has a duty to defend itself" has no foundation and is a legal opinion Rabon is not qualified to give.

7. Grant Rabon's involvement contributed little or nothing to the appeal proceeding. His fees for that work are not reasonable or necessary. Evidence of the details of Rabon's fees is not relevant.

Respectfully Submitted,

THE LAW OFFICE OF KATHRYN E. ALLEN,  
PLLC  
114 W. 7th St., Suite 1100  
Austin, Texas 78701  
(512) 495-1400 telephone  
(512) 499-0094 fax

/s/ Kathryn E. Allen  
Kathryn E. Allen  
State Bar ID No. 01043100  
*kallen@keallenlaw.com*

Attorneys for Ratepayers