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Received - 2022-10-19 02:55:43 PM

Control Number - 50788

ItemNumber - 221

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

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

**COMMISSION STAFF’S FIFTH REQUEST FOR INFORMATION TO
WINDERMERE OAKS WATER SUPPLY CORPORATION
QUESTION NOS. STAFF 5-1 THROUGH 5-14**

Pursuant to 16 Texas Administrative Code (TAC) § 22.144 of the Commission’s Procedural Rules, the Staff (Staff) of the Public Utility Commission of Texas (Commission) requests that Windermere Oaks Water Supply Corporation, by and through its representative of record, provide the following information and answer the following questions under oath. The questions shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within 20 days if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

Provide responses to the Requests for Information by filing with the Commission solely through the Interchange on the Commission’s website and provide notice, by email, to all other parties that the pleading or document has been filed with the Commission, unless otherwise ordered by the presiding officer pursuant to the Second Order Suspending Rules in Project No. 50664.

Dated: October 19, 2022

Respectfully submitted,

**PUBLIC UTILITY COMMISSION OF TEXAS
LEGAL DIVISION**

Keith Rogas
Division Director

Sneha Patel
Managing Attorney

/s/ Merritt Lander
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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 on October 19, 2022 in accordance with the Second Order Suspending Rules, issued in Project No. 50664.

/s/ Merritt Lander
Merritt Lander

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DEFINITIONS

- 1) "WOWSC" or "you" refers to that Windermere Oaks Water Supply Corporation and any person acting or purporting to act on its behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.

- 2) "Document" includes any written, recorded, or graphic matter, however produced or reproduced, including but not limited to correspondence, telegrams, contracts, agreements, notes in any form, memoranda, diaries, voice recording tapes, microfilms, pictures, computer media, work papers, calendars, minutes of meetings or other writings or graphic matter, including copies containing marginal notes or variations of any of the foregoing, now or previously in your possession. In the event any documents requested by this Request for Information have been transferred beyond your control, describe the circumstances under which the document was destroyed or transferred and provide an exact citation to the subject document. In the event that documents containing the exact information do not exist, but documents do exist which contain portions of the required information or which contain substantially similar information, then the definition of "documents" shall include the documents which do exist, and these documents will be provided.

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INSTRUCTIONS

- 1) Pursuant to 16 TAC § 22.144(c)(2), Staff requests that answers to the requests for information be made under oath.
- 2) Please copy the question immediately above the answer to each question. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.
- 3) These questions are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer.
- 4) Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.
- 5) The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
- 6) If any document is withheld under any claim of privilege, please furnish a list identifying each document for which a privilege is claimed, together with the following information: date, sender, recipients or copies, subject matter of the document, and the basis upon which such privilege is claimed.
- 7) Pursuant to 16 TAC § 22.144(h)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.
- 8) Staff requests that each item of information be made available as it is completed, rather than upon completion of all information requested.

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- STAFF 5-1** Please reference Attachment MN-6 of the Rebuttal Testimony of Mike Nelson. Please explain why the total gallonage for the first tier (0 – 2000 gallons) is less than the total gallonage for the next tier (2001 – 4000 gallons) for every month in the test year.
- STAFF 5-2** Please reference Attachment MN-6 of the Rebuttal Testimony of Mike Nelson (native excel file). Please explain why the revenue calculation for the first tier (0 – 2000 gallons) is different than the revenue calculation for each of the five remaining tiers.
- STAFF 5-3** Please reference page 5 of the Rebuttal Testimony of Mike Nelson. Mr. Nelson states the following: “WOWSC’s 2019 water gallonage revenue is estimated at \$73,811 and wastewater gallonage is estimated at \$33,195 for a total of \$107,006 which is \$49,000 short of Staff’s gallonage revenue of \$155,944.” To date, Staff has not expressly proposed a combined water and wastewater volumetric (or gallonage) revenue requirement, but please explain how a purported Staff recommended revenue requirement of \$155,944 for volumetric water and wastewater service would be “short”, or less than, the 2019 volumetric water and wastewater test year revenue amount of \$107,006 identified in Mr. Nelson’s rebuttal testimony.
- STAFF 5-4** Please reference Attachment MN-2 of the Direct Testimony of Mike Nelson and page 5 of the Rebuttal Testimony of Mike Nelson. Is it Mr. Nelson’s contention that the revenue requirement of \$576,192 identified in Attachment MN-2 pertains only to costs associated with the minimum charges for water and wastewater connections?
- STAFF 5-5** If the answer to Staff 5-4 above is yes, why has Mr. Nelson brought up the discussion of revenues associated with water and wastewater volumetric service if the revenue requirement of \$576,192 pertains only to costs associated with the minimum charges for water and wastewater?
- STAFF 5-6** Reference Attachment SJM-3 of the Direct Testimony of Stephen Mendoza. If the answer to Staff 5-4 above is no, are the water and wastewater base rates (minimum charges) proposed by Mr. Mendoza sufficient to recover the portion of Staff’s recommended revenue requirement ($\$149,347 + \$99,564 = \$248,911$) that are attributable to the costs associated with the minimum charges for water and wastewater? Please explain.

- STAFF 5-7** Please reference page 5 of the Rebuttal Testimony of Mike Nelson. Is it Mr. Nelson's contention that Mr. Mendoza's recommended water and wastewater base rates (minimum charges) are insufficient to Staff's recommended revenue requirement because Mr. Mendoza's recommended minimum charges for water and wastewater do not account for costs associated with water and wastewater volumetric service?
- STAFF 5-8** Please reference the Rebuttal Testimony of Joe Gimenez. On page 5, Mr. Gimenez states that "Mr. Mendoza's recommended monthly base rates of \$45.92 for water and \$33.87 for wastewater would fall short of recovering Staff's recommended total revenue requirement of \$404,855..." Is it the contention of Mr. Gimenez that the costs associated with water and wastewater volumetric service are included in the revenue requirement of \$576,192 identified in the TRWA Rate Analysis (Attachment MN-2 of the Direct Testimony of Mike Nelson)?
- STAFF 5-9** If the answer to Staff 5-8 is yes, please identify the costs associated with water and wastewater volumetric service that are included in the requested revenue requirement of \$576,192. Please identify these volumetric cost amounts separately for water and wastewater.
- STAFF 5-10** Are the water and wastewater volumetric rates being disputed by Rate Payers?
- STAFF 5-11** Is WOWSC proposing any change to the water and wastewater volumetric rates in this proceeding?
- STAFF 5-12** Please reference Windermere Response to Staff RFI 4-6 and Attachment MN-6 of the Rebuttal Testimony of Mike Nelson. Please reconcile the difference in the total water gallonage of 12,930,930 gallons identified in the response to Staff RFI 4-6, and the total water gallonage of 10,185,590 gallons identified in Attachment MN-6.
- STAFF 5-13** Please reference the Rebuttal Testimony of Grant Rabon. On page 5, Mr. Rabon states that "Mr. Mendoza erroneously assumed that any costs identified as variable in the Texas Rural Water Association (TRWA) rate analysis would be recovered via the volumetric rates ... Only a small portion of WOWSC's overall rate revenue is generated by the volumetric charges, amounting to much less than the approximately 38.5% of the revenue requirement assumed by Mr. Mendoza in his calculation." Is it Mr. Rabon's contention that the revenue requirement amount of \$576,163 identified in the TRWA rate analysis pertains only to revenues generated from the minimum monthly charges for water and wastewater? Please explain.
- STAFF 5-14** If the answer to Staff 5-13 above is yes, please identify the costs associated with water and wastewater volumetric service that are included in the requested revenue requirement of \$576,192. Please identify these volumetric cost amounts separately for water and wastewater.