



Filing Receipt

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

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| RATEPAYERS APPEAL OF THE | § | |
| DECISION BY WINDERMERE OAKS | § | BEFORE THE |
| WATER SUPPLY CORPORATION TO | § | PUBLIC UTILITY COMMISSION |
| CHANGE WATER AND SEWER RATES | § | OF TEXAS |

**WINDERMERE OAKS WATER SUPPLY CORPORATION’S RESPONSE
TO RATEPAYERS’ MOTION TO REOPEN THE RECORD AND ADMIT
EVIDENCE OF WINDERMERE’S POST-HEARING RECEIPT OF \$678,812.05
IN CASH FROM ALLIED WORLD SPECIALTY INSURANCE**

Windermere Oaks Water Supply Corporation (WOWSC, or the Corporation) timely files this Response to Ratepayers’ Motion to Reopen the Record and Admit Evidence of Windermere’s Post-Hearing Receipt of \$678,812.05 in cash from Allied World Specialty Insurance (Ratepayers’ Motion) and respectfully shows as follows:

I. PROCEDURAL HISTORY

Ratepayers filed Ratepayers’ Motion on September 26, 2023, after the 3:00 p.m. filing deadline. Public Utility Commission of Texas (Commission) rule provides those responsive pleadings “shall be filed by a party within five working days after receipt of the pleading to which the response is made.”¹ Therefore, this Response is timely filed.

II. DISCUSSION

WOWSC does not object to Ratepayers’ Motion and only files this Response to clarify the record related to the Corporation’s legal debt. The Corporation received from Allied World Specialty Insurance (Allied) a \$678,812.05 settlement payment related to certain legal fees.² Specifically, the settlement payment related to the Corporation’s and its directors’ legal fees incurred in the *Double F Hangar* Lawsuit, and the Corporation’s legal fees incurred in the Allied insurance settlement proceeding. WOWSC subsequently applied the Allied settlement payment to outstanding debt owed to the Shidlofsky Law Firm, Enoch Keever, and Lloyd Gosselink’s *Double F Hangar* litigation and general counsel fees. All of these debts are satisfied.

¹ 16 Tex. Admin. Code (TAC) § 22.78(a).

² Ratepayers’ Motion to Reopen the Record and Admit Evidence of Windermere’s Post-Hearing Receipt of \$678,812.05 in Cash from Allied World Specialty Insurance at Exhibit 2. (Ratepayers’ Motion). Ratepayers state throughout Ratepayers’ Motion that the insurance payment was “\$687,812.05.” Ratepayers’ Motion at 2, 4-8, 10. WOWSC assumes this misstatement was unintentional.

However, WOWSC still owes Lloyd Gosselink legal fees related to defending this rate appeal. As of August 31, 2023, WOWSC has incurred approximately \$669,927.72 in rate case expenses for Docket No. 50788. It has paid \$145,785.20 toward these expenses. Therefore, it still owes Lloyd Gosselink approximately \$524,142.52 in rate case expenses related to this docket. The Corporation will continue to incur legal fees as Docket No. 50788 proceeds.

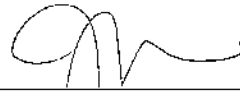
III. CONCLUSION

WOWSC is unopposed to Ratepayers' Motion and files this Response to clarify the record regarding Allied's insurance payment and the Corporation's outstanding legal debt. WOWSC, however, requests all relief to which it may be entitled.

Respectfully submitted,

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

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**ATTORNEYS FOR WINDERMERE OAKS
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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 September 29, 2023, in accordance with the Order Suspending Rules, issued in Project No. 50664.



JAMIE L. MAULDIN