

Control Number: 50944



Item Number: 431

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SOAH DOCKET NO. 473-20-4709.WS
PUC DOCKET NO. 50944

APPLICATION OF MONARCH § BEFORE THE STATE OFFICE
UTILITIES I, L.P. FOR AUTHORITY § OF
TO CHANGE RATES § ADMINISTRATIVE HEARINGS

OFFICE OF PUBLIC UTILITY COUNSEL'S
SECOND REQUEST FOR INFORMATION TO
MONARCH UTILITIES I, L.P.

Pursuant to 16 Texas Administrative Code (“TAC”) § 22.144, the Office of Public Utility Counsel (“OPUC”) submits this Second Request for Information to Monarch Utilities I, L.P. (“Monarch”). OPUC requests that Monarch provide answers to the request for information under oath as required by 16 TAC § 22.144(c)(2)(F) within the timeframe specified in the procedural schedule in this proceeding. OPUC further requests that Monarch provide an answer to the questions and sub-questions in the order listed below with sufficient detailed information to provide a complete and accurate answer to each question and sub-question.

Definitions

1. “Monarch,” the “Company,” “Applicant,” “You,” and “Your” refer to Monarch I, L.P. and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
2. “SWWC” and “SouthWest” refer to SouthWest Water Company.
3. “Document” and “documents” include any written, recorded, filmed, or graphic matter, whether produced, reproduced, or on paper, cards, tape, film, electronic facsimile, computer storage device, or any other media, including, but not limited to, electronic mail (e-mail), memoranda, notes, analyses, minutes, records, photographs, correspondence, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, contracts, agreements, books, pamphlets, periodicals, appointment calendars, records and recordings of oral conversations, work papers, observations, commercial

practice manuals, reports, summaries of interviews, reports of consultants, appraisals, forecasts, tape recordings, or any form of recording that is capable of being transcribed into written form.

Instructions

1. The Definitions, Instructions, and Claim of Privilege sections set forth in this request for information apply to these questions.
2. In providing an answer to each question, please furnish all of the information that is in your possession, custody, or control, as defined by Texas Rules of Civil Procedure (Tex. R. Civ. Proc.) 192.7(b), including information in the possession, custody, or control of your affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
3. Please answer each question based upon your knowledge, information, or belief, and state whether each answer is based upon your knowledge, information, or belief.
4. If you have possession, custody, or control, as defined by Tex. R. Civ. Proc. 192.7(b), of an original requested document, please produce the original requested document or a complete copy of the original requested document and all copies that are different in any way from the original requested document, whether by interlineation, receipt stamp, or notation.
5. If you do not have possession, custody, or control of an original requested document, please produce copies of the document, however made, in your possession, custody, or control. If any requested document is not in your possession, custody, or control, please explain why the document is not in your possession, custody, or control and provide the current location and custodian of the requested document or any copy, summary, or other form of the requested document thereof.
6. If there is any confusion about a question, please contact the undersigned counsel for clarification.
7. In providing your response to a question, please start each response on a separate page and type, at the top of the page, the question that is being answered by the response.
8. As part of the response to each question, please state, at the bottom of the answer to the question, the name and job position of each person(s) who participated in any way, other

than by providing clerical assistance, in the preparation of the answer to the question. If the question has sub-parts, please identify each person(s) by name and job position that participated in any way, other than by providing clerical assistance, in the preparation of the answer for each sub-part of the question.

9. Please state the name of the witness in this docket who will sponsor the answer to the question and/or sub-part of the question and who will swear to the truthfulness of the answer to the question and/or sub-part of the question.
10. Please provide individual responses to questions as each response becomes available, rather than waiting to provide all of the responses to the questions at the same time.
11. These questions are continuing in nature. If there is a change in circumstances or facts or if you receive or generate additional information that changes your answer to a question between the time of your original response and the time of the hearing, then you should submit, under oath, a supplemental response to your earlier answer to the question.
12. If you consider any question to be unduly burdensome, or if the response would require the production of a voluminous amount of material, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue. Furthermore, if you object to any question on the grounds that the question seeks confidential information, or on any other grounds, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue.
13. If the response to any question is voluminous, please make available all of the voluminous material at a designated location in Austin. Please provide a detailed index for the voluminous material with your response to the question to enable efficient review of the material. The index should include information sufficient to locate each individual document by page, file, and box number, date of each document, title of each document, description of each document if no document title exists, name of the preparer of each document, and length of each document.
14. If the requested information is included in previously furnished exhibits, workpapers, or responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references to the previously furnished information.

15. If a question requests the production of copyrighted material, you may provide a list of such material, including the title, publisher, author, edition, and page references relied on or otherwise relevant to the question.

Claim of Privilege

If any document is withheld under any claim of privilege, please provide a list that identifies each document for which a privilege is being claimed, including the date, sender, recipient(s) of the privileged document, recipient(s) of copies of the privileged document, subject matter of the privileged document, and the basis upon which a privilege is being claimed by the Company.

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- 2-1. Please reference the Rate Filing Package, Schedule II-E-2. Please explain and provide workpapers supporting the functionalization of the following normalization adjustments solely to water service:

Line No	Account	Adjustment
8	408.11 – Ad Valorem Taxes	\$ 6,263
11	408.10 – TCEQ Assessments	400

- 2-2. Please reference the Rate Filing Package, Schedule II-E-2. Please explain and provide workpapers supporting the functionalization of the following known and measurable adjustments solely to water service:

Line No.	Account	Adjustment
8	408.11 – Ad Valorem Taxes	\$ 116,636
11	408.10 – TCEQ Assessment	42,127
12	408.13 – State Gross Receipt	16,834
15	409 – Texas Margins Tax	6,472

- 2-3. Please reference the Rate Filing Package, Schedules II-B and II-B (W). Please reconcile the differences between the water rate base value of \$89,944,493 shown on Schedule II-B and the water rate base value of \$91,210,894 shown on Schedule II-B (W). For any identified errors, please indicate their impact, if any, on the requested water revenue requirement.
- 2-4. Please reference the Rate Filing Package, Schedules II-B and II-B (S). Please reconcile the differences between the sewer rate base value of \$15,237,833 shown on Schedule II-B and the sewer rate base value of \$15,220,630 as shown on Schedule II-B (S). For any identified errors, please indicate their impact, if any, on the requested sewer revenue requirement.
- 2-5. Please reference the Rate Filing Package, Schedule II-E-3.5, Line 4, Columns (h) and (i). Please provide source documentation which supports and explains the hard-coded values embedded in the water depreciation deferred credit amount of (\$595,736) and embedded in the sewer depreciation deferred credit amount of \$5,009.
- 2-6. Please reference the Rate Filing Package, Schedule II-E-3. Please provide supporting documentation that explains and identifies the Meals & Entertainment expense of 1,099 at Line 17. Please confirm that it is Monarch's intent that the revenue requirement charged to ratepayers include income tax on these items.

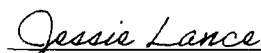
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- 2-7. Please reference WP/II-D-4 (SH):
- a. Lines 1 through 8. Please provide all invoices supporting the legal expenses identified and explain how these services will be recurring.
 - b. Line 21. Please explain the Conference Services provided by Charles Profilet Jr. and how these services will be recurring.
 - c. Line 36. Please explain the Mobile Device Expense for Charles Profilet Jr. and why this expense will be recurring.
 - d. Lines 61 through 67. Please provide all invoices supporting the professional fees identified and explain how these services will be recurring.
- 2-8. Please reference WP/II-D-4 (W):
- a. Lines 1 through 6. Please provide all invoices supporting the legal expenses identified and explain how these services will be recurring.
 - b. Lines 51 through 55. Please provide all invoices supporting the professional fees identified and explain how these services will be recurring.
 - c. Lines 64 through 71. Please provide all invoices supporting the legal expenses identified and explain how these services will be recurring.
 - d. Line 87. Please explain the Conference Services provide by Charles Profilet Jr. and how these services will be recurring.
 - e. Line 105. Please explain the Mobile Device Expense for Charles Profilet Jr. and why this expense will be recurring.
 - f. Lines 126 through 132. Please provide all invoices supporting the professional fees identified and explain how these services will be recurring.
- 2-9. Please reference WP/II-D-4 (S):
- a. Line 7. Please provide the invoices supporting the Network Data Circuit services provided by Allen Plummer and Associates, Inc.
 - b. Lines 17 through 22. Please provide all invoices supporting the legal expenses identified and explain how these services will be recurring.
 - c. Line 40. Please explain the Conference Services provided by Charles Profilet Jr. and how these services will be recurring.
 - d. Line 58. Please explain the Mobile Device Expense for Charles Profilet Jr. and why this expense will be recurring.
 - e. Lines 79 through 85. Please provide all invoices supporting the professional fees identified and explain how these services will be recurring.

Dated: September 11, 2020

Respectfully submitted,

Lori Cobos
Chief Executive & Public Counsel
State Bar No. 24042276



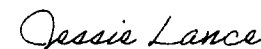
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CERTIFICATE OF SERVICE

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I hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 11th day of September 2020, by facsimile, electronic mail, and/or first class, U.S. Mail.



Jessie Lance