Control Number: 50944

Item Number: 551

Addendum StartPage: 0

SOAH DOCKET NO. 473-20-4709.WS
PUC DOCKET NO. 50944 2020 OCT 27 PM 12:13

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

MONARCH UTILITIES I L.P.'S RESPONSE TO COMMISSION STAFF'S SEVENTH REQUEST FOR INFORMATION

To: Public Utility Commission of Texas (Commission), by and through its attorney of record, Rashmin J. Asher, Legal Division, 1701 N. Congress Avenue, P.O. Box 13326, Austin, Texas 78701.

Monarch Utilities I L.P. (Monarch) files its Responses to Public Utility Commission Staff's Seventh Request for Information (RFI) to Monarch received on October 12, 2020. This response is timely filed. Pursuant to 16 Tex. Admin. Code (TAC) § 22.144(c)(2)(F), Monarch agrees and stipulates that all parties may treat the responses as if the answers were filed under oath.

If a responsive document exceeds 99 pages, the response will indicate that the attachment is voluminous. Voluminous documents will be provided electronically, and pursuant to 16 TAC § 22.144(h)(2), the document will be made available for inspection at the offices of Monarch's attorneys, Lloyd Gosselink Rochelle and Townsend, P.C., located at 816 Congress Avenue, Suite 1900, Austin, Texas 78701. Please call Hanna Campbell at (512) 322-5871 during regular business hours, to make an appointment to review the documents.

Pursuant to 16 TAC § 22.144(h)(4), an index of the voluminous documents is provided, below.

I. VOLUMINOUS INDEX

A. Attachments to Monarch's Response to Staff's Seventh RFI

No.	Date	Title or Description	Preparer or Sponsor	Page Range	No. of Pages

7-4	10/27/2020	Attachment Staff 7-4 - Summary of Current and Proposed Depreciation Expense	Prepared by: Dane Watson Sponsored by: Dane Watson	1-308	308

Respectfully submitted,

LLOYD GOSSELINK ROCHELLE & TOWNSEND, P.C.
816 Congress Avenue, Suite 1900
Austin, Texas 78701
(512) 322-5800
(512) 472-0532 (Fax)

/s/ William A. Faulk, III

LAMBETH TOWNSEND
ltownsend@lglawfirm.com
State Bar No. 20167500

WILLIAM A. FAULK, III
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State Bar No. 24075674

JAMIE L. MAULDIN
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State Bar No. 24065694

REID BARNES
rbarnes@lglawfirm.com
State Bar No. 24101487

ATTORNEYS FOR MONARCH UTILITIES I L.P.

CERTIFICATE OF SERVICE

I hereby certify that notice of the filing of this document was provided to all parties of record via electronic mail on October 27, 2020, in accordance with the Order Suspending Rules, issued in Project No. 50664.

/s/ William A. Faulk, III

WILLIAM A. FAULK, III

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

MONARCH'S RESPONSE TO
COMMISSION STAFF'S SEVENTH RFI

For Question Nos. Staff 7-1 and 7-2, please refer to the Gross Plant in Service in the amount of $369,269, as claimed to be supported by trended Replacement Cost New Less Depreciation (RCNLD) studies and as referred to in the testimonies of Brian Bahr, Jeffrey McIntyre and George Freitag.

Staff 7-1 Please provide the basis for the estimated original cost of each individual trended asset.

RESPONSE: The original costs of assets for two acquired small water systems were determined and recorded based on trended Replacement Cost New Less Depreciation (RCNLD) analyses.

The asset costs for Romark Utility Company (Oak Terrace Estates) were developed in 2015 and the system was acquired in 2016. Please see the RCNLD worksheet Attachment Staff 7-1 Oak Terrace Estates. Actual costs for one asset were obtained from the owner, and the estimated original costs for the assets were developed using representative replacement costs based on the professional judgement of Monarch's engineering, operations, and construction staff from experience with similar recent projects.

The asset costs for Dal-High were developed in 2018 and the system was acquired in 2019. Please see the RCNLD worksheet Attachment Staff 7-1 Dal-High. The estimated original costs for the assets were developed using representative replacement costs based on the professional judgement of Monarch's engineering, operations, and construction staff from experience with similar recent projects.

Prepared by: George Freitag, Monarch Utilities I L.P.
Sponsored by: George Freitag, Monarch Utilities I L.P.

Dal High Water System
CCN 12830 7/31/2018
PWS 1070159 45 connections 7/31/2018

Water Plant	Comments					Install date	UNIT COST NEW TODAY	HW 6/30/16	HW Install	REPLACEMENT COST	Trended or Actual Orig Cost	Age (yrs)	Life	Total Life - Mos	Expired Life - Mos	Remaining Life - Mos	Annual Depreciation	Accumulated Depreciation	NBV
Building -Pump House	Wood	OK	1	SF	T	1/1/1986	$ 25,000 00	534	229	$ 25,000 00	$ 10,720.97	32 60	50	50	32.58	17.42	$ 214 42	$ 6,985 29	$ 3,735.68
Storage Tank 1	Fiberglass	10,000	1	Ea.	T	3/1/2002	$ 40,000 00	774	275	$ 40,000 00	$ 14,211.89	16 43	50	50	16.42	33.58	$ 284.24	$ 4,666.09	$ 9,545.80
Pressure Tank No 1	Steel	450	1	Ea	T	7/1/2006	$ 3,000 00	774	375	$ 3,000 00	$ 1,453 49	12 09	50	50	12.08	37.92	$ 29 07	$ 351 22	$ 1,102.26
Pressure Tank No. 2	Steel	450	1	Ea	T	7/1/2006	$ 3,000 00	774	375	$ 3,000 00	$ 1,453.49	12 09	50	50	12.08	37.92	$ 29 07	$ 351 22	$ 1,102.26
Booster pump No 1		5 hp	1	Ea	T	7/1/2006	$ 5,000 00	1013	619	$ 5,000 00	$ 3,055.28	12 09	15	15	12.08	2.92	$ 203 69	$ 2,460 95	$ 594.33
Booster pump No 2		5 hp	1	Ea	T	7/1/2006	$ 5,000 00	1013	619	$ 5,000 00	$ 3,055.28	12 09	15	15	12.08	2.92	$ 203 69	$ 2,460 95	$ 594.33
Tank guage, electrical, misc			1	ea	A	2/28/2008					$ 630.54	10 43	15	15	10.42	4.58	$ 42 04	$ 438 03	$ 192.51
Chlorinator/tank	Hypo		1	Ea	T	1/1/2014	$ 3,000 00	797	733	$ 3,000 00	$ 2,759.10	4 58	15	15	4.58	10.42	$ 183 94	$ 842 02	$ 1,917.08
Air Compressor		1/2 hp	1	Ea	T	7/1/2006	$ 2,000 00	1013	619	$ 2,000 00	$ 1,222.11	12 09	20	20	12.08	7.92	$ 61 11	$ 738 29	$ 483.83
Fencing	Chain Link		120	LF	T	1/1/2000	$ 25 00	534	311	$ 3,000 00	$ 1,747.19	18 59	35	35	18.58	16.42	$ 49 92	$ 927 46	$ 819.73
Electrical	230 volt/3-phase		1	Ea	T	7/1/1986	$ 15,000 00	1013	619	$ 15,000 00	$ 9,165.84	32 10	50	50	32.08	17.92	$ 183 32	$ 5,881 20	$ 3,284.65
Well No.1	need casing extension	4"	1	Eaa	T	7/1/1971	$ 45,000 00	436	86	$ 45,000 00	$ 8,876.15	47 12	46	46	46 00	-	$ 192 96	$ 8,876 15	$ -
Well Pump		7 5 HP	1	Ea.	T	7/1/2006	$ 15,000 00	1013	619	$ 15,000 00	$ 9,165.84	12.09	15	15	12 08	2.92	$ 611.06	$ 7,382 86	$ 1,782.98
2" Well Meter			1	Ea.	A	2/28/2008					$ 1,500.00	10 43	15	15	10.42	4.58	$ 100 00	$ 1,042 03	$ 457.97
Yard Piping			1	Ea.	T	7/1/1971	$ 5,000 00	797	85	$ 5,000 00	$ 533.25	47.12	85	85	47.08	37.92	$ 6 27	$ 295.38	$ 237.87
Land & land rights	complete lot		0 262	ac	T	7/1/1971	$ 8,560 00	100	100	$ 8,560 00	$ 8,560.00			0	-	-			$ 8,560.00
Distribution System 2" PVC			4,000	LF	T	1/1/1986	$ 12 00	335	144	$ 48,000.00	$ 20,632.84	32 60	85	85	32.58	52.42	$ 242.74	$ 7,907 88	$ 12,724.95
Transmission Line 3" PVC			4000	LF	T	1/1/1986	$ 9 15	335	100	$ 36,600 00	$ 10,925.37	32 60	85	85	32.58	52.42	$ 128 53	$ 4,187.33	$ 6,738.04
Distribution System 2" Valves			4	Ea	T	1/1/1986	$ 150 00	645	246	$ 600 00	$ 228.84	32 60	20	20	20.00	-	$ 11 44	$ 228 84	$ -
Distribution System 3" Valves			0	Ea	T			335	100	$ -	$ -	118 66	20	20	20.00	-	$ -	$ -	$ -
Distribution System Flush Valves			2	Ea	T		$ 450 00	335	140	$ 900 00	$ 376.12	118 66	20	20	20.00	-	$ 18 81	$ 376 12	$ -
Services			45	Ea	T	1/1/1986	$ 200 00	493	230	$ 9,000 00	$ 4,198.78	32 60	20	20	20.00	-	$ 209 94	$ 4,198.78	$ -
Meter Installations			45	Ea	T	1/1/2005	$ 300	578	207	$ 13,500	$ 4,835	13 59	20	20	13.58	6.42	$ 241 74	$ 3,282 09	$ 1,552.69
										$ 286,160	119,307.15						$ 3,248	63,880.19	55,426.96

Replacement C Trended
Orig Cost

Romark Utility Company
Oak Terrace Estates Water System
PWS 1870(115 connections

7/14/2016

NOTE	Asset #	Description for Load to SAP	Classification	Water Plant	Comments	Install date	REPLACEMENT COST	HW 6/30/15	HW Install	Trended Orig Cost	Age (yrs)	Life	Ann Dep	Accum	NBV
	1001	Building -Pump House Wood	304 2	Building -Pump House	Wood	6/30/1968	15,000 00	528	69	1,960 23	48 07	50 00	39 20	1,884 61	75 62
	1002	Storage Tank 1 Bolted Steel 43,900	330.4	Storage Tank 1	Bolted Steel	6/30/1968	80,000.00	742	49	5,283 02	48 07	50 00	105 66	5,079 22	203 79
	1003	Pressure Tank No 1 Steel 5000	330 4	Pressure Tank No 1	Steel	6/30/1968	25,000 00	742	49	1,650 94	48 07	50.00	33.02	1,587 26	63 69
	1004	Rehab Tank Rehab PT and GST	330 4	Rehab Tank	GST	1/1/2014	38,835 65			38,835 65	2 53	50 00	776 71	1,968 38	36,867 27
	1005	Booster pump No 1 Berkley 5 hp	311 2	Booster pump No 1	Berkley	6/30/2012	3,500 00	931	785	2,951.13	4 04	15 00	196 74	795 05	2,156 08
	1006	Booster pump No 2 Meyers 5 hp	311 2	Booster pump No 2	Meyers	6/30/2013	3,500 00	931	844	3,172 93	3 04	15 00	211 53	643 28	2,529 65
	1007	Chlorinator Olympic Gas	320 3	Chlorinator	Olympic Gas	6/30/2013	2,500 00	774	716	2,312 66	3.04	15 00	154.18	468 87	1,843 79
	1008	Air Compressor 1/2 hp	345 5	Air Compressor		6/30/2000	1,000 00	931	530	569 28	16 05	20 00	28 46	456 83	112 45
fully depr	1009	Fencing Chain Link 120 LF	303 5	Fencing	Chain Link	6/30/1968	3,000.00	513	69	403 51	48 07	35 00		-	
	1010	Electrical 230 volt/3-phase	304 5	Electrical	230 volt/3-phase	6/30/1968	8,000 00	931	81	696 03	48.07	50 00	13 92	669.18	26.85
land	1011	Well Site partial lot	303 2	Well Site	partial lot		1,000 00	100	100	1,000 00					1,000 00
	1012	Well No 2 approx 40 gpm 4" 175 ft	307 2	Well No 2	approx 40 gpm	7/14/1977	78,750.00	434	144	26,129 03	39 03	46 00	568 02	22,168.44	3,960.59
	1013	Well Pump Grunfos	311 2	Well Pump	Grunfos	4/22/2002	2,500 00	931	533	1,431 26	14 24	15 00	95 42	1,358.58	72 67
	1014	Fencing Chain Link 6' 40 LF	303 5	Fencing	Chain Link	4/22/2002	1,200 00	528	330	750 00	14 24	35 00	21 43	305.11	444 89
	1015	Electrical 230 volt / 1 phase	304 5	Electrical	phase	7/14/1977	8,000 00	931	184	1,581 10	39 03	50 00	31 62	1,234 12	346 97
	1016	Yard Piping	311 2	Yard Piping		6/30/1968	5,000 00	725	85	586 21	48 07	85 00	6 90	331 53	254 68
land	1017	Land & land rights complete lot	303 5	Land & land rights	complete lot	6/30/1968	5,000 00	100	100	5,000 00	48 07				5,000 00
	1018	Distribution System 2" PVC 4662 LF	331 4	Distribution System 2" PVC		6/30/1968	46,620 00	338	100	13,792 90	48 07	85 00	162 27	7,800 49	5,992 41
	1019	Distribution System 3" PVC 9041 LF	331 4	Distribution System 3" PVC		6/30/1968	108,492 00	338	100	32,098 22	48 07	85 00	377 63	18,152 96	13,945 27
	1020	Distribution System 2" PVC 11525 LF	331 4	Distribution System 2" PVC		6/30/1971	115,250.00	338	100	34,097 63	45 07	85 00	401 15	18,080 26	16,017 37
	1021	Distribution System 3" PVC 3614 LF	331 4	Distribution System 3" PVC		6/30/1971	43,368 00	338	100	12,830 77	45 07	85 00	150 95	6,803 51	6,027 26
	1022	Distribution System 3" PVC 12600 LF	331 4	Distribution System 3" PVC		6/30/1985	151,200 00	338	146	65,311 24	31 06	85.00	768 37	23,865 71	41,445 54
fully depr	1023	Distribution System 2" Valves 22 Ea.	331 4	Distribution System 2" Valves		6/30/1971	4,400 00	335	100	1,313 43	45 07	20 00		-	
fully depr	1024	Distribution System 3" Valves 6 Ea	331 4	Distribution System 3" Valves		6/30/1968	1,800 00	335	100	537 31	48 07	20 00		-	
fully depr	1025	Distribution System 3" Valves 9 Ea	331 4	Distribution System 3" Valves		6/30/1971	2,700 00	335	100	805 97	45 07	20 00		-	
fully depr	1026	Distribution System 3" Valves 11 Ea	331 4	Distribution System 3" Valves		6/30/1985	3,300 00	335	140	1,379 10	31 06	20 00		-	
fully depr	1027	Distribution System Flush Valves 10 Ea	331 4	Distribution System Flush Valves		6/30/1971	700 00	335	100	208 96	45 07	20 00		-	
fully depr	1028	Distribution System Flush Valves 10 Ea.	331 4	Distribution System Flush Valves		6/30/1985	700 00	335	140	292 54	31 06	20 00		-	
										256,981 05					

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

MONARCH'S RESPONSE TO
COMMISSION STAFF'S SEVENTH RFI

For Question Nos. Staff 7-1 and 7-2, please refer to the Gross Plant in Service in the amount of $369,269, as claimed to be supported by trended Replacement Cost New Less Depreciation (RCNLD) studies and as referred to in the testimonies of Brian Bahr, Jeffrey McIntyre and George Freitag.

Staff 7-2 Please provide the entire studies including all calculations (Handy Whitman index version or other reference), all factors, and the basis in the form of invoices or bids for the current cost of each asset.

RESPONSE: Please see Monarch's response to RFI Staff 7-1, as well as Attachments Staff 7-2 Water Line Unit Costs Romark and Staff 7-2 Oak Terrace Tank Invoices.

Prepared by: George Freitag, Monarch Utilities I L.P.
Sponsored by: George Freitag, Monarch Utilities I L.P.

TANDEM TANK & TOWER
P O BOX 10
MOSCOW, TEXAS 75960

936-398-0500 FAX 936-398-0700 936-635-6264 CELL

INVOICE

September 6 2013

Mr. Robert Smith
Romark Utility Company
108 S Washington
Livingston, TX 77351

Invoice # 1309061

2nd Payment due on contract dated July 29, 2013	$ 13,710.00
Welding on pressure tank 28 Hrs @ $ 65.00	1,820.00
Materials cost	232.00
Total due	$ 15,762.00

Thank You.

TANDEM TANK & TOWER
P O BOX 10
MOSCOW, TEXAS 75960
936-398-0700 OFFICE **1-800-636-8880** **936-398-0500 FAX**

EMERGENCY REPAIR AND PAINTING CONTRACT

This contract entered into by and between ROBERT SMITH as Tank Owner and Tandem Tank & Tower hereinafter known as The Company.

INSPECTION:
It is agreed that a comprehensive inspection has been made of the 44,000 GALLON GROUND STORAGE TANK AND 5,000 GALLON PRESSURE TANK located in LIVINGSTON, TX. The repairs, sandblasting, painting and coating outlined in the following paragraphs are agreed upon as being necessary and essential to meet standards set forth in Water Quality Act, etc.

REPAIRS:
It is agreed that The Company will furnish all labor, equipment and material to do the following sandblasting, repairs, painting and coating upon said tank for the price hereinafter stated:

1. Furnish any additional welding that might be necessary for $65.00 per hour.
2. Set up by-pass system to keep customers in service during repairs.

SANDBLASTING:
The company will sandblast all interior surfaces of the pressure tank to a NEAR-WHITE (SSPC-SP10) standard as described in Volume No. 1 of the Steel Structures Painting Manual and sweep blast interior of ground storage tank, taking all rust areas to bare metal.

INTERIOR COATING:
After sandblasting the tank The Company will apply TWO coat of S/W MACROPOXY6846 EPOXY NSF 61 APPROVED @ a minimum of Ten (10) mils DFT, which meets standards set by AWWA, TCEQ and State Board of Health.

EXTERIOR PAINTING:
The Company will blast the exterior of the pressure tank by Commercial Blast (SSPC-SP6), prime with epoxy and apply a finish coat of Sherwin-Williams Sher-Cryl @ a minimum of Seven (7) mils DFT. The ground storage tank will be pressure washed and spot blasted and spot primed, then apply a finish coat of Sherwin-Williams Sher-Cryl.

GUARANTEE:
The Company unconditionally guarantees all workmanship and materials used in the performance of the interior repairs and coating for a period of 6 YEARS and exterior repairs and painting for a period of 6 YEARS. The Company agrees to make prompt adjustments to repairs, coating and/or painting when notified by the Tank Owner. This service will be performed without charge.

ADDENDUMS:

_____

_____

_____

TERMS OF PAYMENT:
The total price of all work is $ 22,850.00. Payable 30% when work begins, 60% upon application of final coat of paint and 10% when placed back in service. (This price does not include sales tax. Complete Texas Sales Tax Exemption Certificate or add applicable tax.) Make checks payable to Tandem Tank & Tower.

The Company will carry Workmen's Compensation and Contractor's Public Liability Insurance, reserves the right to install outlets in the tank for ventilation and safety purposes and will remove all trash from the job site.

OWNER
ROBERT SMITH

BY_____

Dated this_____ Day of _____, 2013____

TANDEM TANK & TOWER

BY_____

Dated this 26th Day of JULY _____, 2013.

21,850
+65 hr Welding + Materials
Pressure Tank Blast & Coat interior and exterior
add 16"x18" manway to P. T.

GST -
Spot Blast & Coat interior
Spot Blast, Pressure Wash and overcoat EXT

32,400
+65 hr Welding & materials
Pressure Tank - Same as above
GST - Completely Blast int & EXT -
2 coat Epoxy Interior
2 coat DTM Primer & Sherwyl Top Coat

+1,000 on either to Bring in temp Tank & Hook up Pressure Relief Valve to Keep System in Water

936/635-6264
Americ

TANDEM TANK & TOWER
P O BOX 10
MOSCOW, TEXAS 75960

936-398-0500 FAX 936-398-0700 936-635-6264 CELL

INVOICE

January 16, 2014

Mr. Robert Smith
Romark Utility Company
108 S. Washington
Livingston, TX 77351

Invoice # 1401161

Final Payment due on contract dated July 29, 2013	$ 2,285.00
Extra work	
Labor to spread rock and plumb ground tank And pressure tank	1,600.00
Materials cost (including) Rock, tar paper, pvc supplies, pop off valve	650.00
Total due	$ 4,535.00

Thank You.

TANDEM TANK & TOWER
P O BOX 10
MOSCOW, TEXAS 75960

936-398-0700 OFFICE **1-800-636-8880** **936-398-0500 FAX**

#11968 – 6855 30
13710 60
2285 10

EMERGENCY REPAIR AND PAINTING CONTRACT

This contract entered into by and between ROBERT SMITH as Tank Owner and Tandem Tank & Tower hereinafter known as The Company.

INSPECTION:
It is agreed that a comprehensive inspection has been made of the 44,000 GALLON GROUND STORAGE TANK AND 5,000 GALLON PRESSURE TANK located in LIVINGSTON, TX. The repairs, sandblasting, painting and coating outlined in the following paragraphs are agreed upon as being necessary and essential to meet standards set forth in Water Quality Act, etc.

REPAIRS:
It is agreed that The Company will furnish all labor, equipment and material to do the following sandblasting, repairs, painting and coating upon said tank for the price hereinafter stated:

1. Furnish any additional welding that might be necessary for $65.00 per hour.
2. Set up by-pass system to keep customers in service during repairs.

SANDBLASTING:
The company will sandblast all interior surfaces of the pressure tank to a NEAR-WHITE (SSPC-SP10) standard as described in Volume No. 1 of the Steel Structures Painting Manual and sweep blast interior of ground storage tank, taking all rust areas to bare metal.

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After sandblasting the tank The Company will apply TWO coat of S/W MACROPOXY6846 EPOXY NSF 61 APPROVED @ a minimum of Ten (10) mils DFT, which meets standards set by AWWA, TCEQ and State Board of Health.

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GUARANTEE:
The Company unconditionally guarantees all workmanship and materials used in the performance of the interior repairs and coating for a period of 6 YEARS and exterior repairs and painting for a period of 6 YEARS. The Company agrees to make prompt adjustments to repairs, coating and/or painting when notified by the Tank Owner. This service will be performed without charge.

ADDENDUMS:

_____

_____

_____

TERMS OF PAYMENT:
The total price of all work is $ 22,850.00. Payable 30% when work begins, 60% upon application of final coat of paint and 10% when placed back in service. (This price does not include sales tax. Complete Texas Sales Tax Exemption Certificate or add applicable tax.) Make checks payable to Tandem Tank & Tower.

The Company will carry Workmen's Compensation and Contractor's Public Liability Insurance, reserves the right to install outlets in the tank for ventilation and safety purposes and will remove all trash from the job site.

OWNER
ROBERT SMITH

BY_____

Dated this_____ Day of _____, 2013____

TANDEM TANK & TOWER

BY_____

Dated this 26th Day of JULY _____, 2013.

Romark (Oak Terrace Estates) Trend Study
Estimated Water Line Replacement Costs

Reference: Blue Book Guide to Construction Costs Vol. XLVII

2 inch PVC Water Line	4.82	foot	4.82
2 inch elbows and fittings	11.60	each, one per 200 feet	0.06
Trenching	2.41	foot	2.41
Backfill and cleanup	2.00	foot	2.00
			9.29
		15% eng and contingencies	1.39
			10.68
		OK to use	**10.00**

3 inch PVC Water Line	7.33	foot	7.33
3 inch elbows and fittings	22.25	each, one per 200 feet	0.11
Trenching	2.41	foot	2.41
Backfill and cleanup	2.00	foot	2.00
			11.85
		15% eng and contingencies	1.78
			13.63
		OK to use	**12.00**

THE BLUE BOOK Building & Construction NETWORK®

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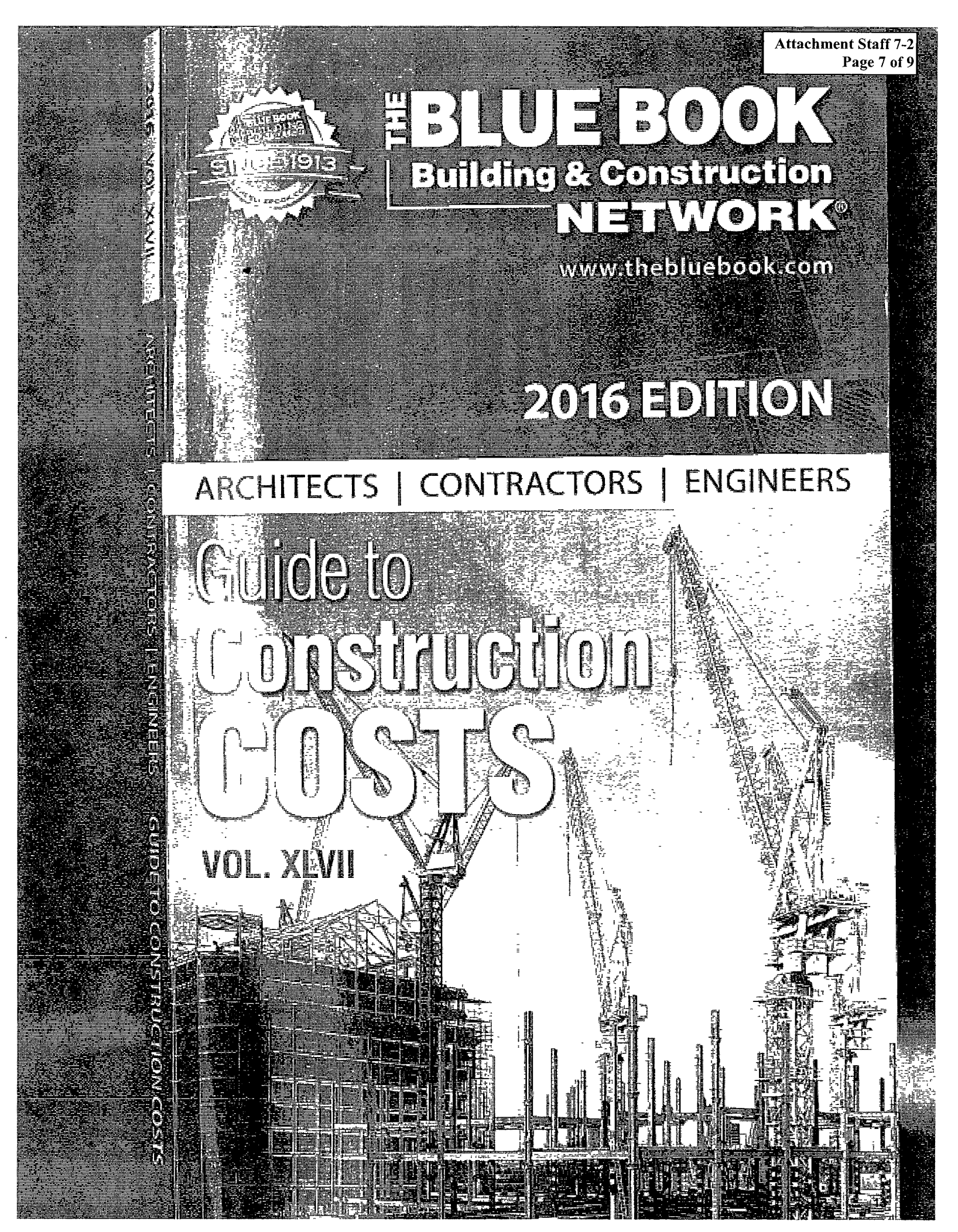
2016 EDITION

ARCHITECTS | CONTRACTORS | ENGINEERS

Guide to Construction COSTS

VOL. XLVII



2016 VOL. XLVII
ARCHITECTS | CONTRACTORS | ENGINEERS GUIDE TO CONSTRUCTION COSTS

DIVISION # 02 SITE CONSTRUCTION

		UNIT	LABOR	MAT.	TOTAL
02456.80	**WOOD AND TIMBER PILES Cont'd**				
0120	35' long	L.F.	10.75	17.50	28.25
0125	40' long	"	9.36	17.50	26.86
02460.50	**PRESTRESSED PILING**				
0980	Prestressed concrete piling, less than 60' long				
1000	10" sq.	L.F.	6.24	20.75	26.99
1002	12" sq.	"	6.51	29.00	35.51
1480	Straight cylinder, less than 60' long				
1500	12" dia.	L.F.	6.81	27.00	33.81
1540	14" dia.	"	6.97	36.50	43.47
02510.10	**WELLS**				
0980	Domestic water, drilled and cased				
1000	4" dia.	L.F.	75.00	27.75	103
1020	6" dia.	"	83.00	30.50	114
02510.40	**DUCTILE IRON PIPE**				
0990	Ductile iron pipe, cement lined, slip-on joints				
1000	4"	L.F.	6.97	17.50	24.47
1010	6"	"	7.38	21.25	28.63
1020	8"	"	7.84	27.75	35.59
1190	Mechanical joint pipe				
1200	4"	L.F.	9.65	19.75	29.40
1210	6"	"	10.50	23.50	34.00
1220	8"	"	11.50	31.00	42.50
1480	Fittings, mechanical joint				
1500	90 degree elbow				
1520	4"	EA.	30.25	230	260
1540	6"	"	35.00	300	335
1560	8"	"	45.50	430	476
1700	45 degree elbow				
1720	4"	EA.	30.25	200	230
1740	6"	"	35.00	270	305
1760	8"	"	45.50	380	426
02510.60	**PLASTIC PIPE**				
0110	PVC, class 150 pipe				
0120	4" dia.	L.F.	6.27	5.31	11.58
0130	6" dia.	"	6.78	10.00	16.78
0140	8" dia.	"	7.17	16.00	23.17
0165	Schedule 40 pipe				
0170	1-1/2" dia.	L.F.	2.67	1.34	4.01
0180	2" dia.	"	2.83	1.99	4.82
0185	2-1/2" dia.	"	3.02	3.01	6.03
0190	3" dia.	"	3.24	4.09	7.33
0200	4" dia.	"	3.78	5.78	9.56
0210	6" dia.	"	4.54	11.00	15.54
0240	90 degree elbows				
0250	1"	EA.	7.56	1.12	8.68
0260	1-1/2"	"	7.56	2.14	9.70
0270	2"	"	8.25	3.35	11.60
0280	2-1/2"	"	9.08	10.25	19.33
0290	3"	"	10.00	12.25	22.25
0300	4"	"	11.25	19.75	31.00
0310	6"	"	15.25	62.00	77.25

02510.60 Pl
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		UNIT	LABOR	MAT.	TOTAL
02315.60	**TRENCHING Cont'd.**				
1600	2 cy capacity				
1640	Medium soil	C.Y.	2.87		2.87
1680	Loose rock	"	3.21		3.21
1690	Blasted rock	"	3.41		3.41
3000	Hand excavation				
3100	Bulk, wheeled 100'				
3120	Normal soil	C.Y.	50.00		50.00
3140	Sand or gravel	"	45.50		45.50
3160	Medium clay	"	65.00		65.00
3180	Heavy clay	"	91.00		91.00
3200	Loose rock	"	110		110
3300	Trenches, up to 2' deep				
3320	Normal soil	C.Y.	57.00		57.00
3340	Sand or gravel	"	50.00		50.00
3360	Medium clay	"	76.00		76.00
3380	Heavy clay	"	110		110
3390	Loose rock	"	150		150
3400	Trenches, to 6' deep				
3420	Normal soil	C.Y.	65.00		65.00
3440	Sand or gravel	"	57.00		57.00
3460	Medium clay	"	91.00		91.00
3480	Heavy clay	"	150		150
3500	Loose rock	"	230		230
3590	Backfill trenches				
3600	With compaction				
3620	By hand	C.Y.	37.75		37.75
3640	By 60 hp tracked dozer	"	2.41		2.41
02315.70	**UTILITY EXCAVATION**				
2080	Trencher, sandy clay, 8" wide trench				
2100	18" deep	L.F.	2.14		2.14
2200	24" deep	"	2.41		2.41
2300	36" deep	"	2.75		2.75
6080	Trench backfill, 95% compaction				
7000	Tamp by hand	C.Y.	28.25		28.25
7050	Vibratory compaction	"	22.75		22.75
7060	With borrow, place & compact	"	22.75		43.25
02315.80	**HAULING MATERIAL**				
0090	Haul material by 10 cy dump truck, round trip distance				
0100	1 mile	C.Y.	5.36		5.36
0110	2 mile	"	6.43		6.43
0120	5 mile	"	8.77		8.77
0130	10 mile	"	9.65		9.65
0140	20 mile	"	10.75		10.75
0150	30 mile	"	12.75		12.75
2000	Site grading, c&f, 200' haul, 75 hp dozer	"	3.86		3.86
6000	Spread topsoil by equipment on site	"	4.28		4.28
6980	Site grading (cut and fill to 6") less than 1 acre				
7000	75 hp dozer	C.Y.	6.43		6.43
7600	1.5 cy backhoe/loader	"	9.65		9.65
0010	Blasting mats, up to 1500 c.y.	"	100	3.02	103
0020	Buried explosives, up to 1500 c.y.	"	31.75	3.02	34.77

02340.05
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PUC DOCKET NO. 50944

MONARCH'S RESPONSE TO
COMMISSION STAFF'S SEVENTH RFI

For Question Nos. Staff 7-3 and 7-5, please refer to Dane Watson's Depreciation Rate Study at Attachment DAW-2, page 11 of 349.

Staff 7-3 It is stated that proposed accrual amounts were determined by dividing the gross plant for each asset by the proposed component life. Please confirm that "gross plant" is equivalent to the original cost of each plant.

RESPONSE: Confirmed. Gross plant is equivalent to the original cost of each plant asset.

Prepared by: Dane A. Watson, Alliance Consulting Group
Sponsored by: Dane A. Watson, Alliance Consulting Group

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MONARCH'S RESPONSE TO
COMMISSION STAFF'S SEVENTH RFI

For Question Nos. Staff 7-3 and 7-5, please refer to Dane Watson's Depreciation Rate Study at Attachment DAW-2, page 11 of 349.

Staff 7-4 It is stated that the annual accrual amounts for each asset were computed and validated to ensure no item was over-accrued in the annual computation. Please explain how over-accrual was prevented in the computation of the new annual accrual amount and provide an example of the computation and validation.

RESPONSE: The calculations specifically set the accrual to zero for any asset that was fully accrued at December 31, 2019. In reviewing the validation calculations for responding to this question, it was determined that the process did not recognize some assets that became overaccrued during 2020. Columns were added to the detailed tab of the calculation spreadsheet (being provided as ***voluminous*** Attachment Staff 7-4) to explicitly show the validation and correct the accrual as necessary. An additional column was added to compare net book value for each asset at the end of the accounting period with the plant amount. In the detail tab, Column X provides the ending reserve at the end of 2020, by computing Column N - Column T. The Net book value at the end of 2020 is computed by adding Column M and Column X. Column T was modified to ensure no asset was overaccrued. The revision reduces Monarch's requested depreciation expense by roughly $33,000. See the blue highlighted cells provided in Column W that show values that changed from Monarch's filing.

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MONARCH'S RESPONSE TO
COMMISSION STAFF'S SEVENTH RFI

For Question Nos. Staff 7-3 and 7-5, please refer to Dane Watson's Depreciation Rate Study at Attachment DAW-2, page 11 of 349.

Staff 7-5 Please admit that, for an asset that has already been depreciated at the original service life, using the original cost instead of the net plant balance of an asset at the time the service life is changed may result in over-recovery of the annual depreciation expense (annual accrual) and return.

RESPONSE: Deny. Under the item-based depreciation system used by Monarch, the net book value is computed for each period and depreciation stops when an asset is fully depreciated even if the asset is still in service. Note Appendix B of Exhibit DAW-2 contains assets that are shown with no depreciation accrual amount that are still in service.

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CD ATTACHED

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