

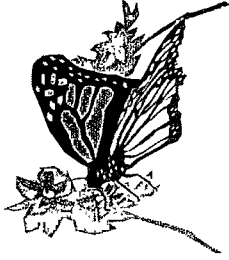


Control Number: 51370



Item Number: 11

Addendum StartPage: 0



Munson Point Property Owners Association
P.O. Box 1238
Denison, TX. 75021



December 29, 2020

PUC

This letter is to file an amended Rate Change Application to ensure that pass thru charges are not included in the base rate.

**William A. Retz
Rear Admiral USN (ret)
President, MPPOA
484 343 4040**



CLASS C RATE/TARIFF CHANGE APPLICATION

UTILITY NAME: Munson Point Property Owner's Association

CCN No. 13016

ADDRESS OF UTILITY: P.O. Box 1238
P.O. Box, Street and suite number, if applicable

Denson, TX 75020
City and Zip Code

PHONE NUMBER: 484-343-4040
area code

NAME OF PERSON TO CONTACT REGARDING THIS FILING:

NAME: William A. Retz

PHONE: 484 343-4040

EMAIL ADDRESS: retzwa@gmail.com

PUCT CLASS SIZE: C D (Mark One Box)
Connection Count: 500-2299 0-499

FOR TEST YEAR ENDING: December 31, 2019 (Enter Month/ Date/Year)

AMOUNT INCREASE (DECREASE): -\$1,765.54
in dollars (From Schedule VII-1, Column B, Line 5 or
Schedule VII-2, Column C, Line 29 or
Schedule VII-3, Column C, Line 51)

PERCENT INCREASE (DECREASE): -15.79%
percent above (below) current revenue requirement (From Schedule VII-1, Column B, Line 6 or
Schedule VII-2, Column C, Line 30 or
Schedule VII-3, Column C, Line 52)

DESCRIBE OWNERSHIP OF COMPANY:
Property Home Owners Association

PUBLIC UTILITY COMMISSION OF TEXAS (PUCT) DOCKET NUMBER OF LAST MAJOR RATE FIL unknown
(If the last major rate filing was at the Texas Commission on Environmental Quality (TCEQ), provide a copy of the final order.)

RATE CASE OR DOCKET NUMBER OF LAST MINOR TARIFF RATE CHANGE** NA

IF ANY UTILITY ASSETS WERE TRANSFERRED IN A SALE, TRANSFER, MERGER APPLICATION NA
(STM), PROVIDE THE DOCKET NO.(S) OR TCEQ APPLICATION NUMBER(S): _____

*(e.g. Class B, C or D Rate Change application or TCEQ Rate/Tariff change application)

** (e.g. pass-through rate change or temporary water rate provision)

Class C RATE/TARIFF CHANGE APPLICATION

This application can only be used by Class C and Class D utilities. Class C utilities have connections counts from 500 to 2,299. Class D utilities have connections counts from 0 to 499.

The application contains schedules for the calculation of rates for one type of utility service (water or sewer). While the instructions that follow relate to only one set of schedules, they apply to each type of utility service that you are providing. Remember that, if applicable, costs should be directly assigned to water and sewer functions. In the event that direct assignment is not possible, allocate expenses between water and sewer as accurately as possible, using cost-causation principles. Complete a set of rate/tariff change application schedules for each type of utility service provided. For instance, if the utility provides water and sewer service, but is only requesting a change for water service, the utility will also need to complete a set of rate/tariff change application schedules for sewer service.

These schedules are organized in a manner whereby the user can work through each section in the following order:

- 1st Record historical test year data on Schedule I-1, Column D.
Enter your test year end on the table of contents.**
- 2nd Provide historical revenue information on Schedule 1-2.**
- 3rd Record historical operating expenses and make known and measurable adjustments.
(Section II)**
- 4th Calculate return for rate making purposes (Section III).**
- 5th Calculate adjusted taxes other than income (Section IV).**
- 6th Calculate federal income taxes (Section V).**
- 8th Determine revenue requirements (Schedule I).**
- 9th Design proposed rates (Section VI).**
- 10th Calculate the increase (decrease) in revenue for the notice.**

These schedules are intended to assist the utility in calculation of its new rates. The process consists of a number of relatively complex steps. Utilities are required to provide all the information necessary to support amounts included in the schedules and to cross-reference all information. Specifically, the utility must provide the general ledger, invoices and receipts from third party vendors supporting the test year expenses. If the applicant does not use a schedule, it should be marked "N/A", and an explanation provided.

CLASS C RATE/TARIFF CHANGE APPLICATION ATTACHMENTS REQUIRED FOR SUFFICIENCY

The utility must submit the following with the rate application as each applies to the specific utility and affiliates:

1. Payroll allocation – detail on how the split (between water and sewer, or between affiliates) was calculated and supporting documentation.
2. Customer Complaint policy and records.
3. Federal forms 1096 and 1099 supporting any contract labor requested in the cost of service or capitalized.
4. Federal forms W-2 and W-3 supporting any wages claimed in the cost of service or capitalized to plant in service.
5. Income statement and balance sheet (per books) for the test year for Texas utility operations. If the utility provides both water and sewer service, then the information provided should include information for both water and sewer service, separately stated and totaled, regardless if the application is for only a water rate change or only a sewer rate change or for both.
6. If you have any developer agreements please provide as such.
7. All required schedules and supporting workpapers for a rate change. Mark any schedules that are not applicable to the utility with "N/A"
8. If the utility's tariff includes a pass-through clause or a surcharge, please provide a reconciliation of revenues collected for the pass-through clause or surcharge, and expenses paid related to the pass-through clause or surcharge for the test year.
9. If the utility's cost of service includes any affiliated transactions (affiliates as defined in TWC § 13.002 (2)), the utility must list them separately and provide evidence that meets the affiliate transaction requirements in TWC § 13.185(e) and (f). Provide a schedule that includes direct assignment costs, allocated costs and any other changes between affiliates with a summary by
10. Native files for any schedules where only summaries were provided or areas where the applicant used their own created files.
11. Proposed notice forms located at puc.texas.gov.
12. An affidavit attesting to the correctness of the application included in the application form.

The federal forms above should be filed confidentially to protect sensitive information.

Affiliates and Affiliated transactions: In order to be considered for inclusion in the cost of service as a reasonable and necessary cost in accordance with Texas Water Code § 13.185(e), payment to affiliated interests for costs of any services, or any property, right or thing, or for interest expense must be supported by documentation showing that the price to the utility is no higher than prices charged by the supplying affiliate to its other affiliates or divisions for the same item or items, or to unaffiliated persons or corporations.

If the applicant is affiliated with another entity, provide the most recent annual income statement, statement of cash flow, and balance sheet for the affiliated entity(ies).

UTILITY NAME: Munson Point Property Owner's Association.
 GENERAL RATE/TARIFF CHANGE APPLICATION
 SCHEDULES

Complete all of the following schedules for your Class C or D utility (if the schedule does not apply, include it marked "N/A")

TABLE OF CONTENTS (Page 1 of 2)

FOR TEST YEAR ENDED: 12/31/2019

		<u>Attachment Schedule</u>	<u>Items Checked</u>
SECTION I	<u>REVENUES AND REVENUE REQUIREMENT</u>		
	Revenue Requirement Summary	<u>I-1</u>	<input type="checkbox"/>
	Historical Revenue Summary	<u>I-2</u>	<input type="checkbox"/>
	Utility Revenue Summary - Income Statement	<u>I-2(a)</u>	<input type="checkbox"/>
	Application Reconciled to Income Statement	<u>I-2(b)</u>	<input type="checkbox"/>
	<u>Include the appropriate schedules:</u>		
	Connection Count	<u>I-3</u>	<input type="checkbox"/>
	Metered Active Connections by Meter Size	<u>I-3(a)</u>	<input type="checkbox"/>
	Unmetered Active (Flat Rate) Customers	<u>I-3(b)</u>	<input type="checkbox"/>
SECTION II	<u>OPERATIONS AND EXPENSES</u>		
	Production	<u>II-1</u>	<input type="checkbox"/>
	Water & Sewer Production (metered rates)	<u>II-1(a)</u>	<input type="checkbox"/>
	Water Production (with unmetered rates)	<u>II-1(b)</u>	<input type="checkbox"/>
	Other Revenues & Expenses passed through	<u>II-2</u>	<input type="checkbox"/>
	Operating Expenses	<u>II-3</u>	<input type="checkbox"/>
	Large Items	<u>II-4</u>	<input type="checkbox"/>
	Known & Measurable Changes	<u>II-5</u>	<input type="checkbox"/>
	Allocation of Payroll Expenses	<u>II-6</u>	<input type="checkbox"/>
	Employee Pensions/Benefits	<u>II-7</u>	<input type="checkbox"/>
	Rate Case Expense	<u>II-8</u>	<input type="checkbox"/>
SECTION III	<u>RETURN AND RATE BASE/PLANT & EQUIPMENT INFORMATION</u>		
	Requested Return	<u>III-1</u>	<input type="checkbox"/>
	Rate Base Summary	<u>III-2</u>	<input type="checkbox"/>
	Utility Plant - Original Cost & Depreciation	<u>III-3</u>	<input type="checkbox"/>
	Utility Plant reconciled to previous filing	<u>III-3(a)</u>	<input type="checkbox"/>
	Accumulated Depreciation	<u>III-3(b)</u>	<input type="checkbox"/>
	Construction Work in Progress	<u>III-4</u>	<input type="checkbox"/>
	Developer Construction work in progress	<u>III-4(a)</u>	<input type="checkbox"/>
	Materials and Supplies Inventory	<u>III-4(b)</u>	<input type="checkbox"/>
	Working Cash Allowance Calculations	<u>III-5</u>	<input type="checkbox"/>
	Long Term Debt/ Notes Payable – Water and Sewer	<u>III-6</u>	<input type="checkbox"/>
	Contributions in Aid of Construction and Advances	<u>III-7</u>	<input type="checkbox"/>
	Advances for Construction	<u>III-7(a)</u>	<input type="checkbox"/>
	Contributions in Aid of Construction	<u>III-7(b)</u>	<input type="checkbox"/>

UTILITY NAME: unson Point Property Owner's Associatio
 GENERAL RATE/TARIFF CHANGE APPLICATION SCHEDULES

Complete all of the following schedules for your Class C or D utility (if the schedule does not apply, include it marked "N/A")

TABLE OF CONTENTS (Page 2 of 2)

FOR TEST YEAR ENDED: 12/31/2019

	<u>Attachment Schedule</u>	<u>Items Checked</u>
SECTION IV <u>TAXES OTHER THAN INCOME</u>	IV	
Property Taxes	IV-1(a)	<input type="checkbox"/>
Payroll Taxes	IV-1(b)	<input type="checkbox"/>
Other Taxes	IV-1(c)	<input type="checkbox"/>
Revenue Related Taxes	VI-2	<input type="checkbox"/>
SECTION V <u>FEDERAL INCOME TAXES (FIT)</u>		
Income Taxes at Present Rates-effective rate	V	<input type="checkbox"/>
SECTION VI <u>RATE DESIGN</u>		
Fixed & Variable Revenue Requirement Allocation	VI-1	<input type="checkbox"/>
Flat Rate	VI-2	<input type="checkbox"/>
Rate Calculation for Single Tier Gallonage Charge for All Usage	VI-3	<input type="checkbox"/>
Multi-Tiered Rate Calculation	VI-4	<input type="checkbox"/>
Surcharge Calculation	VI-5	<input type="checkbox"/>
Flat Rate Surcharge Calculation	VI-5(a)	<input type="checkbox"/>
Meter Equivalent Surcharge Calculation	VI-5(b)	<input type="checkbox"/>
SECTION VII <u>RATES & REVENUE GENERATED FOR NOTICE</u>		
Revenue Generated for Flat Rate	VII-1	<input type="checkbox"/>
Revenue Generated for Single Tier Gallonage Charge for All Usage	VII-2	<input type="checkbox"/>
Revenue Generated for Multi-Tier Gallonage Charges	VII-3	<input type="checkbox"/>
Surcharge Revenue Calculation	VII-4	<input type="checkbox"/>
Revenue Generated for Flat Rate Surcharge	VII-4(a)	<input type="checkbox"/>
Revenue Generated for Meter Equivalent Surcharge	VII-4(b)	<input type="checkbox"/>
SECTION VIII <u>OATH</u>	VIII	<input type="checkbox"/>

INSTRUCTIONS REVENUE REQUIREMENT

UTILITY NAME: Munson Point Property Owner's Association.

SCHEDULES - CLASS C RATE/TARIFF CHANGE

SECTION I - REVENUE REQUIREMENTS AND REVENUES

The purpose of Section I is to summarize the revenue requirement and provide revenues and meter information for the test year.

Complete this section using the instructions on each schedule.

Instructions for Section I - Revenue Requirement and Revenues

This schedule will complete the utility's summarization of revenue requirement after all schedules except the rate design are completed.

1. Follow the instructions within the spreadsheet and complete the historical test year column (D) first using financial records. Historical data should be consistent with the applicant's annual reports and financial statements. Provide explanations
2. Complete Schedules II-2, 1-2, 1-3(a) and I-3(b).
3. Complete the remaining schedules in Sections II through V using the instructions provided in the instruction worksheets for the section or schedule and in the spreadsheets themselves.
4. Complete Schedule I-1.
5. Complete Section VI Rate Design.

Insert and reference additional workpapers as necessary. For example, you may wish to add schedules that apply to unique situations in your utility.

The schedules are based on the National Association of Regulatory Utility Commissioner (NARUC) chart of accounts and include sub-accounts as necessary for detail needed to determine reasonable and necessary expenditures.

UTILITY NAME <u>Munson Point Property Owner's Association</u> SCHEDULES - CLASS C RATE/TARIFF CHANGE I-1 REVENUE REQUIREMENT SUMMARY PUCT Docket No. _____ Test Year End: <u>12/31/2019</u>

A	B		C	D	E	F=D+E	G
Line	Water	Sewer	Account Name	Historical Test Year	K & M Changes	Adjusted Test Year	Reference / Instructions
1	610	710	Purchased water/sewer treatment	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 1
2		711	Sludge Removal Expense	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 2
3	615 1	715 1	Power Expense-wells, booster pumps	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 3
4	618	718	Chemicals and other volume related expenses	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 4
5	601.1	701.1	Employee labor	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 5
6	620	720	Materials	\$ 1,000	\$ -	\$ 1,000	Schedule II-3, Columns C-E, Line 6
7	631-636	731-736	Contract work	\$ 9,782	\$ -	\$ 9,782	Schedule II-3, Columns C-E, Line 7
8	650	750	Transportation expenses	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 8
9	664	764	Other plant maintenance	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 9
10	601 2	702 2	Office salaries	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 10
11	603	703	Management salaries	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 11
12	604	704	Employee pensions & benefits	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 12
13	615 8	715 8	Purchased power- G&A	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 13
14	670	770	Bad debt expense	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 14
15	676	776	Office services & rentals	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 15
16	677	777	Office supplies & expenses	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 16
17	656-659	756-759	Insurance	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 17
18	667	767	Regulatory expense (other)	\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 18
19	675	775	Miscellaneous expenses	\$ 400	\$ -	\$ 400	Schedule II-3, Columns C-E, Line 19
20				\$ -	\$ -	\$ -	Schedule II-3, Columns C-E, Line 20
21			Total operating Expenses	\$ 11,182	\$ -	\$ 11,182	Add Lines 1-20
22	403		Depreciation	\$ -		\$ -	Schedule III-3, Column F, Line 32
23	408		Taxes Other than Income		\$ -	\$ -	Schedule IV-2, Column F, Line 8
24	409/10		Income Tax Expense		\$ -	\$ -	Schedule V, Column C, Line 6
25			TOTAL EXPENSES	\$ 11,182	\$ -	\$ 11,182	Add Lines 21-24
26			TOTAL HISTORIC REVENUE	\$ 57,368			Schedule I-2, Line 6
27			HISTORICAL TEST YEAR RETURN	\$ 46,186			Line 26 less Line 25
28			REQUESTED RETURN			-	Schedule III-1, Line 3
29			TOTAL REVENUE REQUIREMENT			\$ 11,182	Line 25 plus Line 28
30			LESS OTHER REVENUES			\$ -	Schedule II-2(b), Column D, Line 8
31			Revenue for Rate Design		(to VI, line 1)	\$ 11,182	Line 29 less Line 30 (if line 30 is negative, add the two lines)
32	666	766	Regulatory (rate case) expense			-	Schedule II-8, Column D, Line 19

INSTRUCTIONS - OPERATIONS AND MAINTENANCE

UTILITY NAME: Munson Point Property Owner's Association.

SCHEDULES - CLASS C RATE/TARIFF CHANGE

SECTION II - OPERATIONS AND MAINTENANCE

Complete all schedules per instructions found in the column headers and reference column.

While working through Schedules II-3 and II-6 through II-8 transfer test year amounts to column F of Schedule I-1.

Insert and reference additional workpapers as necessary. For example, the applicant may use additional schedules that address unique aspects of the utility.

Schedule II-5 Known & Measurable Changes

A utility is allowed to recover reasonable and necessary expenses incurred during the test year. Certain expenses may have increased or decreased during the year, so the 12 months of test year expenses would be different from the amount you would have paid for the new level of expenses for the whole 12-month period. Additionally, the utility may know that a certain expense will be changing in the near future. If you know the amount the expense will be changing, then you can adjust your test year expenses to include the change. Known and measurable changes in expenses should be recorded if they occur, but it is possible that none have occurred. If the applicant has no known and measurable changes, simply put N/A on the appropriate schedule.

Some examples of generally allowable changes with documentation/support are:

- Electric rates went up or down during the test year.
- You hired a new employee during the test year or gave your employees a raise.
- You received notice that your chemical expenses will be going up by a specified amount.
- You received a written notice from your landlord that your office rent will increase by a specified amount.
- Your property tax is decreasing because the legislature passed a law that limits property taxes.

Some examples of increases that would generally not be allowed are:

- You are thinking about hiring an extra employee.
- You have heard that your rent might be increased in a couple of months.
- Projected inflation.

UTILITY NAME: Munson Point Property Owner's Association.
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
II-1 - PRODUCTION
 FOR TEST YEAR ENDED: 12/31/2019

**II-1(a): WATER & SEWER PRODUCTION:
 (COMPANIES WITH METERED RATE CUSTOMERS)**

Line No.	(1,000 Gallons)	A	B	C= A+B	D
		Test Year	K & M Changes	Adjusted Test Year	Reference
1	Total water pumped	0	0	0	PUCT Annual Report
2	Total water purchased	6,368,240		6,368,240	PUCT Annual Report
3	Total water produced	6,368,240	0	6,368,240	Line 1 + Line 2
4	Total water sold	1,976,886		1,976,886	PUCT Annual Report
5	Total accounted for non-revenue water*	0	0	0	
6	Total unaccounted for water**	4,391,354	0	4,391,354	Lines 3 less 4 less 5
7	Percentage	68.96%		68.96%	Line 6 divided by Line 3

****Between September and December 2019, there was a significant undetected leak in the water system lines. This leak amounted to a line loss of 3,719,351 gals or 82%,92%,67% and 42% for the months of Sep through Dec respectively.**

* Describe the tracking technique for calculating line 5 and provide the records reflecting the calculation

Provide all calculations and explanations for any differences between the applicant's annual report and the items requested on this schedule

Known and measurable calculations and explanations:

**II-1(b) WATER PRODUCTION
 (COMPANIES WITH UNMETERED (FLAT) RATE CUSTOMERS)**

Line No.	Description	A	B	C=A+B	D
		Test Year	K & M Change	Adjusted Test Year	Reference
1	Water Purchased (1,000 gallons)				PUCT report Sch D-1
2	Water Pumped (1,000 gallons)				PUCT report Sch D-1
3	Total production (1,000 gallons)				Line 1 + Line 2

Known and measurable calculations and explanations:

UTILITY NAME: Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
II-3 OPERATING EXPENSES
 FOR TEST YEAR ENDED 12/31/2019

INSTRUCTIONS: This page is required to support Schedule I-1 Rev Requirement. Complete the columns A and B with historical financial data for the last two record periods and column C with the actual financial data for the test year. Indicate the kinds of expenses included in this account by identifying all large* items in Schedule II-4 Large Items Identified. The known and measurable (K&M) change column represents the total change in expenses anticipated for the year after the test year. Identify all K&M expenses anticipated in Schedule II-5 Known & Measurable Revenues or Expenses Justifications. The K&M amount represents only the increase or decrease in line item expense from the test year.

If the actual for the Test Year is higher than previous years, explain the increase
 * A large item is more than 10% of the test year account balance and more than \$1,000

	NARUC Acct No		NARUC Account Description	A	B	C	D	E
				2 Years before Test Year 2017	1 Year before Test Year 2018	Test Year 2019	K & M Change (K&M) Positive or (negative)	Adjusted Test Year (Column C plus Column D)
	Water	Sewer		Do not have this information				
1	610	710	Purchased Water / Sewer Treatment		22,359			\$ -
2		711	Sludge Removal Expense					\$ -
3	615.1	715.1	Purchased Power-wells, booster pumps			\$ -		\$ -
4	618	718	Chemicals and other volume related expenses					\$ -
5	601.1	701.1	Employee Labor (non-administrative)				\$ -	\$ -
6	620	720	Materials and Supplies		\$ 684.00	\$ 1,000.00		\$ 1,000.00
7	631-636	731-736	Contract Work		\$ 9,126.00	\$ 9,782.00		\$ 9,782.00
8	650	750	Transportation Expenses					\$ -
9	664	764	Other Plant Maintenance					\$ -
10	601.2	702.2	Office Salaries				\$ -	\$ -
11	603	703	Management Salaries					\$ -
12	604	704	Employee Pensions & Benefits					\$ -
13	615.8	715.8	Purchased Power - G&A					\$ -
14	670	770	Bad Debt Expense					\$ -
15	676	776	Office Services & Rentals					\$ -
16	677	777	Office Supplies & Expenses					\$ -
17	656-659	756-759	Insurance					\$ -
18	667	767	Regulatory Expense (Other)					\$ -
19	675	775	Miscellaneous Expenses		\$ 400.00	\$ 400.00		\$ 400.00
20								\$ -
21	TOTAL				\$ 32,569.00	\$ 11,182.00	\$ -	\$ 11,182.00

UTILITY NAME: <u>Munson Point Property Owner's Association</u> SCHEDULES - CLASS C RATE/TARIFF CHANGE II-2 OTHER REVENUES & EXPENSES PASSED THROUGH FOR TEST YEAR ENDED: 12/31/2019
--

II-2(a) PURCHASED WATER OR OTHER PASS THROUGH EXPENSES*

Line No.	A	B	C	D	E
	Purchased from:	Units purchased (in 1000 gal _____) (e.g. 1,000 gal, AC - FT)	Price Per Unit	Total Calculated Cost (B x C)	Actual Cost paid per financial records
1.	City of Denison, Texas	6,368	\$4.00	\$25,472.96	48742.51
2.					
3.					
4.	Total**	6,368	\$4.00	\$25,472.96	48742.51

* Examples include Ground Water Conservation or subsidence district fees
 ** Totals of purchased water only must agree with Schedule II-1(a), Column A, Line 2, or provide a reconciliation.

II-2(b) OTHER REVENUES COLLECTED FROM CUSTOMERS

Line No.	A	B	C	D
	Item passed thru or type of other revenue	Test year historical revenues collected		Test year revenues netted against COS
1.	Tap Fees**	0		0
2.	Late Fees	0		0
3.	Meter Test Fees	0		0
4.	Reconnect Fees	0		0
5.	Purchased Water Fees***	0		0
6.	Groundwater Conservation District Fees***	0		0
7.	Other (attach detail)***	0		0
8.	Total Other Revenues	0		0

(to Sch I-2, line 5)

(to Sch I-1, line 30)

* Do not include expenses passed-through to customers, but record these in Schedule II-2(a). Include only revenues associated with expenses included in the cost of service.
 ** Tap fees should be reported on Sch. III-7(b) for Developer CIAC and Sch. III-3 for Customer CIAC

UTILITY NAME: <u>Munson Point Property Owner's Association.</u> SCHEDULES - CLASS C RATE/TARIFF CHANGE II-4 LARGE ITEMS FOR TEST YEAR ENDED: _____ 12/31/2019

INSTRUCTIONS: Describe all large items listed in Schedule II-3 Operating Expenses in the test year column, the amount of the large item, and the justification for the large item. For each large item, provide documentation from the vendor, contractor, etc. that supports the cost.
 * A large item is more than 10% of the test year account balance and more than \$1,000

#	NARUC Account Number	Description of Expense	Amount of Large Item	Justification	Schedule Reference	Supporting documentation attachment number
1.		None				
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						
16.						
17.						
18.						
19.						
20.						

UTILITY NAME: <u>Munson Point Property Owner's Association</u> SCHEDULES - CLASS C RATE/TARIFF CHANGE II-5 KNOWN & MEASURABLE REVENUES OR EXPENSES JUSTIFICATION FOR TEST YEAR ENDED 12/31/2019
--

INSTRUCTIONS: Describe all known and measurable changes in revenues and expenses, the amount of the change, and the justification for the change. For each change, provide documentation from the vendor, contractor, etc that supports the increase or decrease in costs. Adequate supporting documentation consists of a rate change notice, a new contract etc which must be submitted with the application. Reference the source documentation to this schedule

	NARUC Account Number	Description of Expense	Amount of Large Item	Justification	Schedule Reference	Supporting documentation attachment number
1.	none					
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						
16.						
17.						
18.						
19.						
20.						

UTILITY NAME Munson Point Property Owner's Association.

SCHEDULES - CLASS C RATE/TARIFF CHANGE

II-6 ALLOCATION OF PAYROLL EXPENSES

FOR TEST YEAR ENDED: 12/31/2019

SOME SALARIES MUST BE CAPITALIZED IN THIS REPORT IF EMPLOYEES INSTALL PLANT IN SERVICE
II-6(a) PAYROLL COSTS

Line No	Employee Name	A Test Year Payroll	B Capitalized Payroll	C Expensed Payroll	D 1st 7000 or new limit (FUTA max)	E 7,001 to 9000 or new limit (SUTA max)	F 9,001 to 118500 or new limit (or FICA max)	G over 118500 or new limit	H Total Payroll
1.	None								
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Column A, Line 9 multiply by 100 for percentage		Percentage Capitalized						

II-6(b) ALLOCATION OF PAYROLL TO EXPENSE:

Line 'Total Payroll Expenses' should equal the total from 'Expensed Payroll' (Column C, Line 9) above

Line No.	Acct. No.		Account Name	Test Year Expense	
	Water	Sewer			
1.	601 1	701.1	Employee labor		Should equal Schedule II-3, Column C, Line 5.
2.	601 2	702.2	Office salaries		Should equal Schedule II-3, Column C, Line 10
3.	603	703	Management salaries		Should equal Schedule II-3, Column C, Line 11
4.			3)	\$ -	Should equal Schedule II-6(a), Column C, Line 9

*Attach a brief summary of the utility's capitalization policy and explain any changes in capitalization rates of more the 5% per year.

** Attach an explanation and calculation for K&M salary changes from test year.

UTILITY NAME: _____ Munson Point Property Owner's Association. _____
 SCHEDULES - CLASS C RATE/TARIFF CHANGE

II-7 EMPLOYEE PENSIONS AND BENEFITS

FOR THE TEST YEAR ENDED. 12/31/2019

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
13.	604	Employee pensions and benefits

Employee pensions and benefits NONE

List the amount spent on Employee's pensions and benefits for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all items by category. For example, Pensions includes such items as ESOPs and IRAs. The "Other" column includes such items as dental, vision, life insurance, etc. Also include the number of employees covered and charged to account 674 and indicate the cost per employee. As applicable, provide information on any qualified pensions offered to employees and documentation, such as actuarial studies, discussing net pension costs as well as current funding status of the utility's projected benefit obligation. If the Test Year amount is higher than previous years, indicate the reason for the anticipated change:

List types of Pensions & Benefits:

Year	\$ Total Amount	\$ Pensions	\$ Health	\$ Other	\$ Amount Capitalized*
_____	_____	_____	_____	_____	_____

Cost per Employee:

Year	\$ Total Amount	\$ Pensions	\$ Health	\$ Other	\$ Amount Capitalized*
_____	_____	_____	_____	_____	_____

Number of Employees covered:

Cost per Employee:

List types of Pensions & Benefits:

Year	\$ Total Amount	\$ Pensions	\$ Health	\$ Other	\$ Amount Capitalized*
_____	_____	_____	_____	_____	_____

Number of Employees covered:

Cost per Employee:

*(use % on Schedule I-6(a), line 10)

INSTRUCTIONS SECTION III RATE BASE

UTILITY NAME: Munson Point Property Owner's Association.
SCHEDULES - CLASS C RATE/TARIFF CHANGE
SECTION III RATE BASE INSTRUCTIONS

Section III provides working tables to allow the calculation of rate base and return on rate base.

Round all cents to the nearest whole dollar. Round all percentages to two decimal places.

Fill out the schedules as listed below.

- 1** Complete Schedules III-3 through III-7 as they apply to your company. These tables will be used to fill out Schedule III-2.
- 2** Transfer resulting year end balances (See "References" column) to Schedule III-2.
- 3** Complete Schedule III-1

INSTRUCTIONS SCHEDULE III-1 RETURN

UTILITY NAME: Munson Point Property Owner's Association.

SCHEDULES - CLASS C RATE/TARIFF CHANGE

SCHEDULE III-1 RATE OF RETURN INSTRUCTIONS

Round all cents to the nearest whole dollar. Round all percentages to two decimal places.

Fill in the schedule using your financial information.

Determining an appropriate ROE percentage

As part of the cost that the utility passes on to its customers, a utility's ROE must be authorized by the PUCT. Other factors may be considered in establishing a ROE including, but not limited to company-specific business and financial risk factors. Return percentages should be calculated at a combined level and then applied to the rate-base amounts for water and sewer to produce the return dollars that the utility is requesting to include in the water and sewer costs of service.

Please see link below for examples of recent requests, testimonies, and Commission decisions.

http://www.puc.texas.gov/industry/water/reports/rates/ROR_Report.pdf

Note: If the utility is requesting a *hypothetical* capital structure for the determination of overall rate of return, enter the requested capital-structure percentages for equity and debt in lines 4 and 5 of Column C.

UTILITY NAME <u>Munson Point Property Owner's Association</u> SCHEDULES - CLASS C RATE/TARIFF CHANGE III-I REQUESTED RETURN FOR THE TEST YEAR ENDED 12/31/2019

RETURN ON RATE BASE:

Line No	Description	Amount
1	Test year end rate base (from Schedule III-2, Line 14)	-
2	Requested ROR (Column F, Line 7 below)	0.00%
3	Return on rate base (Line 1 x Line 2)	-

To Sch I-1, Col F, Line 28

Rate of Return:

For col A line 5, actual equity should equal the amount the owner has contributed to the business to finance invested capital. However, if your actual debt percentage or equity percentage is greater than 60%, then use a 50/50% claimed capital structure.

Line No.	Description	Actual Amount	Actual Percentage	Claimed Percentage	Rate	Reference	Weighted Average Rate
			Amount from previous column divided by Line 6, Column C	Proposed Capital Structure Percentage			F = C x D
4	Long Term Debt and Advances from associated companies from III-6, Col E, Line 9	0	0.00%		0.00%	From Sch. III-6, Col II, Line 9	0%
5	Equity (Balance sheet plus adjustments)		100.00%	50.00%	12.00%	Applicant testimony/ROE*	0.00%
6	Total Capitalization Col A line 4 plus Col A line 5						
7	Overall Rate of Return					Line 4 + Line 5	0.00%

* Please explain the applicant's requested return on Equity on Column D line 5. Include all calculations.

COMMENTS: The POA does not have ownership of equipment and no rate base

← Total Col F Line 7 to Line 2 above

UTILITY NAME: Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
III-2 RATE BASE SUMMARY
 FOR THE TEST YEAR ENDED 12/31/2019

If more than one public water system (PWS) or Wastewater System enter the total of all of the systems here

Line No	A Description	B Amount	C Reference (From)
Additions:			
1	Utility plant (Original Cost)	N/A	Schedule III-3, Column D, Line 32
2	Construction work in progress	0	Schedule III-4(a), Column C, Line 5
3	Materials and supplies	0	Schedule III-4(b), Column B, Line 3
4	Prepayments	0	Schedule III-4(b), Column C, Line 3
5	Working cash (capital)	\$ -	Schedule III-5, Line 2, Corresponding Column for Class C or D, Water or Sewer
6	Other Additions		Provide documentation to support
7	TOTAL ADDITIONS (Add Lines 1 through 6)	\$ -	
Deductions:			
8	Reserve for depreciation (Accumulated)		Schedule III-3, Column G, Line 32
9	Advances for construction	0	Schedule III-7(a), Column F, Line 6
10	Developer Contributions in aid of construction	0	Schedule III-7(b), Column G, Line 6
12	Other Deductions		Add schedule
13	TOTAL DEDUCTIONS (Add Lines 8 through 12)	\$ -	
14	RATE BASE (Line 7 less Line 13)	\$ -	

INSTRUCTIONS SCHEDULE III-3 PLANT IN SERVICE

UTILITY NAME: Munson Point Property Owner's Association.

SCHEDULES - CLASS C RATE/TARIFF CHANGE

SCHEDULE III-3 PLANT IN SERVICE INSTRUCTIONS

Round all cents to the nearest whole dollar. Round all percentages to two decimal places.

A list of all used and useful assets must be submitted for each rate/tariff change.

Provide a Schedule III-3 for each public water system or wastewater system and a summary Schedule III-3 for the applicant including all utility plant in service. If more room is needed, you may add lines or make a separate table. The PUCT will accept your own schedules as long as it has the same information as Schedule III-3. Schedule III-3(a) (required) reconciles the utility's current plant balances to the previous case filed. The instructions are for listing only one item, and you should repeat the instructions for each item added to the table. The instructions can be used to set up your own table as long as it contains the same columns.

The information developed in this table will be used in other tables throughout the application. The instructions that follow this table will tell you where to enter the information. The utility can include plant and equipment paid for by developer contributions in the depreciation schedule, but the utility cannot include plant and equipment paid for by customer contributions. Furthermore, when calculating the return on net invested capital, developer and customer contributions must be removed. This schedule may be used to capitalize regulatory assets. A group asset depreciation study may be submitted instead of Schedule III-3, for any utility that had group asset depreciation approved in its preceding rate case. Utilities electing group asset depreciation for the first time, must provide both the group asset depreciation study and Schedule III-3 in their rate filing package.

Column [A] – NARUC Account No./Item Description

Each asset should be listed individually in order to claim straight line depreciation. The description of each individual asset listed under its NARUC account in Column A must include the following in the description and identify its location by the public water system or subdivision for water assets and the wastewater system or subdivision for sewer, as applicable:

Water NARUC Accounts

- 303 Land
- 304 Structures: material type, function of each structure.
- 305 Storage Tanks: material type, capacity in gallons.
- 306 Intake Structures: quantity of pumps, horsepower per pump, capacity per pump in gallons per minute (gpm), wet well capacity in gallons.
- 307 Wells: design or rated capacity in gallons per minute (gpm).
- 310 Power Generation: size of generator in kW.
- 311 Well/Booster Pump: horsepower and capacity in gpm.
- 320 Water Treatment Equipment: type of treatment, design capacity in gallons per day (GPD).
- 331 Transmission/Distribution: material type, size of main in inches and length in feet.
- 333 Services: material type, size in inches and length in feet.
- 334 Meters and Meter Installations
- 335 Hydrants
- 340 Office Equipment
- 341 Vehicles
- 343 Shop Tools
- 344 Lab Equipment
- 345 Power Operated Equipment
- 348 Fencing & Other Tangible Plant

INSTRUCTIONS SCHEDULE III-3 PLANT IN SERVICE

UTILITY NAME: Munson Point Property Owner's Association.
SCHEDULES - CLASS C RATE/TARIFF CHANGE
SCHEDULE III-3 PLANT IN SERVICE INSTRUCTIONS

Column [A] – NARUC Account No./Item Description (Continued)

Sewer NARUC Accounts

- 353 Land
- 354 Structures: building function.
- 355 Power Generation: size of generator in kW.
- 360 Force Mains: material type, size (pipe diameter) of main in inches and length in feet.
- 361 Gravity Mains: material type, size (pipe diameter) of main in inches and length in feet.
- 362 Filtration Equipment: type.
- 363 Services to Customers
- 364 Flow Meters: size in inches.
- 370 Manholes: type and quantity
- 371 Lift Station facility: quantity of pumps, horsepower per pump, capacity per pump in gallons per minute (gpm), wet well capacity in gallons.
- 375 Transmission/Distribution Mains
- 380 Treatment facility: type of treatment, design capacity in gallons per day (GPD).
- 381 Plant Sewers
- 382 Outfall Sewer Lines
- 390 Office Equipment
- 391 Vehicles
- 393 Shop Tools
- 394 Lab Equipment
- 395 Power Operated Equipment
- 396 Communication Equipment
- 397 Misc. Equipment
- 398 Fencing & Other Tangible Plant

Column [B] – Date of Installation (MM/DD/YYYY)

The date of installation is the date the asset was installed or constructed and operated in the provision of water or sewer service.

Column [C] – Service Life (Years)

Column [D.1] – Original Cost when installed (\$)

This is the amount that was paid for when the asset was installed. The original cost must be supported by invoices or receipts and must match the amount that was booked in the utility's general ledger when the asset was installed.

Column [D.2] – Customer Contributions in Aid of Construction (CIAC)(\$)

Column [D] – Adjusted Original Cost Net of Customer CIAC (\$)

This amount is calculated by subtracting the dollar amount of CIAC (Column D.2) from the asset's original cost (Column D.1)

Column [E] – Economic Life (Number of Days)

INSTRUCTIONS SCHEDULE III-3 PLANT IN SERVICE

UTILITY NAME: Munson Point Property Owner's Association.

SCHEDULES - CLASS C RATE/TARIFF CHANGE

SCHEDULE III-3 PLANT IN SERVICE INSTRUCTIONS

Calculate the total number of days the asset has been in service since the date the asset was installed or constructed and operated in the provision of water or sewer service.

Column [F] – Annual Depreciation Expense (\$)

This amount is calculated by dividing the Original Cost when installed (Column D.1) by the asset's Service Life (Column C)

Column [G] – Accumulated Depreciation (\$)

This amount is calculated by multiplying the Annual Depreciation (Column F) by the Economic Life (Column E) and dividing the result by 365.25 days.

Column [H] – Net Book Value or Net Plant (\$)

This is the amount of the item remaining that has not been depreciated and is calculated by subtracting the Accumulated Depreciation (Column G) from the Adjusted Original Cost net of Customer CIAC (Column D).

UTILITY NAME Munson Point Property Owner's Association

FOR THE TEST YEAR ENDED 12/31/2019

PWS ID or WQ Discharge Permit Number _____

SCHEDULES - CLASS C RATE/TARIFF CHANGE

NOT APPLICABLE - Does not own water plant or distribution

(Provide a schedule for each PWS or Wastewater system)

III-3 UTILITY PLANT - ORIGINAL COST & DEPRECIATION

Add schedules as needed, provide a summary also

Line No.	[A.1]		[A.2] Plant Name	[B] Date of Installation (MM/DD/YYYY)	[C] Service Life (Yrs)	[D.1] Original Cost When Installed (\$)	[D.2] Customer CIAC Amount* (\$)	[D] Adjusted Original Cost (\$) [D]= [D.1] - [D.2]	[E.1] Economic Life (Total Days In Service) [Test Year End Date] - [Date of Installation]	[E.2] Remaining Service Life (Yrs) [Service Life] - [Economic Life/365.25]	[F] Annual Depreciation (\$) [F] = [D]/[C]	[G] Accumulated Depreciation (Reserve) (\$) =[F]*[E.1]/365.25	[H] Net Book Value (\$) [H] = [D]-[G]	[I] Developer Contributions in Aid of Construction (DCIAC) (\$)
	Water	Sewer												
1.	303	353												
2	304	354												
3.	310	355												
6	340	390												
7.	341	391												
8	343	393												
9	344	394												
11	348	398												
12.	305													
13	306													
14.	307													
15.	311													
16.	311													
17	311													
18.	311													
19.	320	380												
20	334													
21.	335													
22	360													
23.	361													
24	362													
25.	364													
26	370													
27	371													
28.	381													
29	382													
30.	396													
32														

UTILITY NAME Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
III-3(b) ACCUMULATED DEPRECIATION FROM PRIOR RATE CASE
 FOR THE TEST YEAR ENDED. 12/31/2019

ACCUMULATED DEPRECIATION: NA

Line No.	Description	Dollar Amount
1.	Ending-Prior Rate Case (Docket No. _____)	
2	Ending balance per Sch III-3, Column G, Line 32	0.00
	Describe accounting adjustments made between the prior rate case and the current rate case:	
	None	

Must match previous rate case

SCHEDULE III-3(a) UTILITY PLANT IN SERVICE - RECONCILIATION

UTILITY NAME: Munson Point Property Owner's Association.
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
III-3(a) UTILITY PLANT IN SERVICE-RECONCILIATION TO PRIOR CASE
 FOR TEST YEAR ENDED: 12/31/2019

ORIGINAL COST DATA		N/A	
A	B	C	D
Line No.	Description	Amount	Amount
1.	Beginning Gross Plant balance - (from previous rate case)	Must match previous rate case	
2.	Plant additions after previous rate case		
3.			
28.			
29.			
30.	Total additions (add lines 3 through 10, Col C)		\$ -
31	Test year plant retirements after previous rate case:		
32.			
39			
40			
41	Total retirements (add line 12 through 19, Col C)		\$ -
42	Ending balance (line 1 + line 11 - line 20)	Equals III-3, Column D, line 32.	\$ -

Please provide a full explanation of any adjustments to accounts from the prior period.

UTILITY NAME: <u>Iunson Point Property Owner's Associator</u> SCHEDULES - <u>CLASS C RATE/TARIFF CHANGE</u> III-4 AVERAGE CONSTRUCTION WORK IN PROGRESS, MATERIALS & SUPPLIES INVENTORY & PREPAYMENTS FOR THE TEST YEAR ENDED: _____ <u>12/31/2019</u> _____	
---	--

Complete if the utility maintains these accounts. **Do not include this amount in your rate base unless the utility provides testimony meeting the requirements of PUCT Subst. Rule § 24.41(c)(4).**

NONE

III-4(a) AVERAGE CONSTRUCTION WORK IN PROGRESS

A	B	C
Line No.	Description	Test Year Amount
1.	Beginning balance	0
2.	Test year costs added	0
3.	Test year construction costs completed	0
4.	Ending balance	0
5.	Average balance - test year (line 1 plus line 4, divided by 2)	0

Typically zero, to Schedule III-2, Line 2

III-4(b) MATERIALS & SUPPLIES / PREPAID EXPENSES

Include the un-expensed or capitalized portion of materials and supplies on your balance sheet. Prepayments include amounts, such as annual insurance, that the utility has prepaid, such as a discount. Prepayments must be reasonable.

	A	B	C
		Materials & Supplies inventory	Prepaid Expenses
1.	Sum of 12 test year month end balances		
2.	One month prior to the test year, month end balance		
3.	13 Month Average balance (line 6 plus line 7, divided by 13)		

To III-2, Line 3.

To III-2, Line 4.

UTILITY NAME <u>Munson Point Property Owner's Association</u>
SCHEDULES FOR CLASS C RATE/TARIFF CHANGE
III-5 WORKING CASH ALLOWANCE CALCULATIONS
FOR THE TEST YEAR ENDED <u>12/31/2019</u>

For Class C Utilities, one-twelfth of O&M expense (excluding amounts charged to O&M expense for materials, supplies, expenses recovered through a pass-through provision or through charges other than minimum monthly charge and gallorage charges, and prepayments) will be considered a reasonable allowance for cash working capital For purposes of working capital calculations, O&M expense does not include depreciation, other taxes, or federal income taxes.

1. No working cash allowance is permitted when a utility bills its customers in advance and provides service to flat rate customers only. Sewer connections count for the purposes of this schedule.
2. A utility which has all metered customers and bills monthly must divide its annual Operating and Maintenance (O&M) expenses (excluding all taxes and depreciation) by 12 if it is a Class C utility, or by 8 if it is a Class D utility filing a Class C package to calculate working cash allowance An example follows:

	Class C	Class D
1 Annual Expenses	\$70,000	\$70,000
2. Taxes and depreciation	(10,000)	(10,000)
3 Net Expenses (Line 1 - Line 2)	60,000	60,000
4. Working Cash (Line 3 / line 5)	\$5,000	\$7,500
5. Divisor	12	8

A Line No	B Description	Class C		Class D	
		Water	Sewer	Water	Sewer
1	Annual O & M Expenses			11182	
2	Working Cash (Line 1 / Line 3)			1397.75	
3	Divisor	12	12	8	8

From Sch I-1, line 21

To Sch III-2, line 5

INSTRUCTIONS SCHEDULE III-6 DEBT

UTILITY NAME: ison Point Property Owner's Associat

SCHEDULES - CLASS C RATE/TARIFF CHANGE

SCHEDULE III-6 NOTES PAYABLE (LONG TERM DEBT) & EQUITY INFORMATION INSTRUCTIONS

Enter the water and sewer combined debt and equity information in both water and sewer tables. The calculated rate of return should be the same for water and sewer, and should be based on combined water and sewer information. The utility's debt and equity for return purposes relate to water and sewer system assets only and should not include short term debt unless it is used to finance system assets. Do not include personal debt.

Where a utility is part of an affiliated interest or organization, the commission may consider and apply a hypothetical capital structure for the utility.

For each loan enter the following information:

Column [A] - Name of lender/bank.

Column [B] - Date of issue - enter the date that you actually took out the loan.

Column [C] - Date of maturity - enter the date that the loan will be paid off.

Column [D] - Original amount of loan - enter how much you originally borrowed.

Column [E] - Balance due at the end of the test year, even though the application may be filed at a date later than the end of the test year.

Column [F] - Interest Rate - enter the interest rate that your bank/lender is charging you for each of the loans

Column [G] - Weighted Issuances - outstanding or Unpaid Balance-End of Test Year of issuance divided by total Outstanding or Unpaid Balance-End of Test Year

Column [H] - Weighted Average - weighted issuances multiplied by the Interest rate.

If a utility company's debt has been allocated from an affiliated entity, the allocation factors and the methodology used to allocate the debt must be provided.

UTILITY NAME <u>Munson Point Property Owner's Association</u> SCHEDULES - CLASS C RATE/TARIFF CHANGE III-6 LONG TERM DEBT/ NOTES PAYABLE – WATER AND SEWER FOR THE YEAR ENDED. 12/31/2019
--

List the following information concerning debt and equity of the utility and attach copies of notes payable used. Round all percentages to two (2) decimal places. If debt from affiliated interests is allocated to the utility, provide workpapers demonstrating and justifying the allocation.

	A Long Term Debt Name of Bank/Lender	B Date of Issue	C Date of Maturity	D Original Amount of Loan	E Outstanding or Unpaid Balance-End of Test Year	F Interest Rate	G Weighted Issuances [G=Column E/Total Column E]	H Weighted Average [H=Column G x Column F]
1	None							
2								
3								
4								
5								
6								
7								
8								
9	Total							

Column H To Sch
III-1, Column D,
Line 4

List short term debt, if any

INSTRUCTIONS SCHEDULE III-7 CONTRIBUTIONS IN AID OF CONSTRUCTION AND
ADVANCES

UTILITY NAME: ison Point Property Owner's Associat
SCHEDULES - CLASS C RATE/TARIFF CHANGE

SCHEDULE III-7 CONTRIBUTIONS IN AID OF CONSTRUCTION AND ADVANCES INSTRUCTIONS

Schedule III-7(a)

If any of the items included in utility plant and equipment were 100% financed with customer contributions, assessments, surcharges, extension fees, etc., the utility may not include depreciation or return on those items in the revenue requirement, and the utility should not include them in **Table III-7(a) or (b)**. However, if those customer contributions did **not** cover the entire cost of the asset, the utility may include the excess amount that the utility paid for. Please list below all items that were funded either all or in part by customer contributions and indicate the amount that the customers contributed for each item.

Column [A] - List all of the items of plant and equipment that were funded all or in part by Customer Contributions (e.g., meters paid for by tap fee, line extension paid for by customer).

Column [B] - List the date each specific item was placed in service.

Column [C] - Enter the total cost of each item (regardless of how much was paid for by customers contributions or the utility).

Column [D] - Enter the amount of each item that was paid for with customer contributions. In most cases, this will be the same as the number in Column [C]. However, it is possible that the item may cost more or less than the customer contribution amount.

Column [E] - Subtract the amount in Column [D] from the amount in Column [C] and enter the result here. If the amount in this column is greater than zero for any specific item, enter those items into the appropriate category in **Table III-2**.

Schedule III-7(b)

List any items of plant or equipment that you listed in **Schedule III-3** that were paid for all or in part by developer contributions. If only paid for in part by developer contributions, enter only the part that was funded by developer contributions. Enter the total Net Book Value from this table in **Schedule III-2**. If you have none, be sure to enter "N/A" on any line in the table.

Customer CIAC is entered directly into **Schedule III-3**.

UTILITY NAME. Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
VII-1 Revenue Generated for Flat Rate
 FOR THE TEST YEAR ENDED 12/31/2019

NA-NONE

	A	B	C	D	E
Line No.		Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
1	Rate for a Flat Rate Unit			Column C, Line 1 = Schedule VI-2, Column C, Line 4	Column B & C
2	No. of Meters			Schedule I-3(b), Column E, Line 5	
3	Total Revenue Generated			Line 1 multiplied by Line 2	
4	Revenue Requirement in Application			Schedule I-1, Column F, Line 31	
5	Over / (Under) Recovery			Line 3 minus Line 4	Column B
6	Percentage of (Under) Recovery			Line 5 divided by Line 4 multiplied by 100 for percentage If entering in excel do not multiply by 100, enter number as a decimal	Column B

UTILITY N. Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
 VII-2 Revenue Generated for Single Tier Gallonage Charge for All Usage
 FOR THE T 12/31/2019

Line No.	A	B	C	D	E	F
Line No.	RATES	Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	Minimum Monthly Charge					
1	5/8"	1 0	\$20.00	\$44.37	Column D, Line 1 = Schedule VI-3, Column C, Line 4	Column C & D
2	3/4"	1 5	\$20.00	\$66.56	Column D, Line 2 = Column D, Line 1 multiplied by Column B, Line 2	Column C & D
3	1"	2 5	\$30.00	\$110.93	Column D, Line 3 = Column D, Line 1 multiplied by Column B, Line 3	Column C & D
4	1 1/2"	5 0	\$50.00	\$221.87	Column D, Line 4 = Column D, Line 1 multiplied by Column B, Line 4	Column C & D
5	2"	8 0	\$100.00	\$354.98	Column D, Line 5 = Column D, Line 1 multiplied by Column B, Line 5	Column C & D
6	3"	15 0	\$100.00	\$665.60	Column D, Line 6 = Column D, Line 1 multiplied by Column B, Line 6	Column C & D
7	Other				Must be provided by Utility, if applicable	Column C & D
	Volumetric Charge per tier					
8	All Usage		\$4.00	\$0.00	Column D, Line 8 = Schedule VI-3, Column C, Line 7	Column C & D
	No of Meters					
9	5/8"		21	21	Schedule I-3(a), Column E, Line 1	
10	3/4"		0	0	Schedule I-3(a), Column E, Line 2	
11	1"		0	0	Schedule I-3(a), Column E, Line 3	
12	1 1/2"		0	0	Schedule I-3(a), Column E, Line 4	
13	2"		0	0	Schedule I-3(a), Column E, Line 5	
14	3"		0	0	Schedule I-3(a), Column E, Line 6	
15	Other		0	0	Schedule I-3(a), Column E, Line 7	
16	Total		21	21	Add Lines 9-15	
	Gallons Billed					
17	All Usage		1,976,886	1,976,886	Schedule II-1(a), Column C, Line 4	
	REVENUE					
	Minimum Monthly Charge					
18	5/8"		\$5,040	\$11,182	Line 1 multiplied by Line 9 multiplied by 12	
19	3/4"		\$0	\$0	Line 2 multiplied by Line 10 multiplied by 12	
20	1"		\$0	\$0	Line 3 multiplied by Line 11 multiplied by 12	
21	1 1/2"		\$0	\$0	Line 4 multiplied by Line 12 multiplied by 12	
22	2"		\$0	\$0	Line 5 multiplied by Line 13 multiplied by 12	
23	3"		\$0	\$0	Line 6 multiplied by Line 14 multiplied by 12	
24	Other		\$0	\$0	Line 7 multiplied by Line 15 multiplied by 12	
25	Total revenue generated by minimum monthly charges		\$5,040	\$11,182	Add Lines 18-24	
	Volumetric Revenue					
26	Total revenue generated by Volumetric Usage		\$7,908	\$0	Line 8 multiplied by (Line 17/1000)	
27	Total Revenue Generated		\$12,948	\$11,182	Line 25 plus Line 26	
28	Revenue Requirement in Application		\$11,182	\$11,182	Schedule I-1, Column F, Line 31	
29	Over / (Under) Recovery		(\$1,766)	\$0	Line 27 minus Line 28	Column C
30	Percentage of (Under) Recovery		-16%	0%	Line 29 divided by Line 28 multiplied by 100 for percentage If entering in excel do not multiply by 100, enter number as a decimal	Column C

UTILITY N. Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
VII-3 Revenue Generated for Multi-Tier Gallonage Charges
 FOR THE T 12/31/2019

NA-NONE

Line No.	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	RATES					
	Minimum Monthly Charge					
1	5/8"	1.0			Column D, Line 1 = Schedule VI-4, Column C, Line 4	Column C & D
2	3/4"	1.5			Column D, Line 2 = Column D, Line 1 multiplied by Column B, Line 2	Column C & D
3	1"	2.5			Column D, Line 3 = Column D, Line 1 multiplied by Column B, Line 3	Column C & D
4	1 1/2"	5.0			Column D, Line 4 = Column D, Line 1 multiplied by Column B, Line 4	Column C & D
5	2"	8.0			Column D, Line 5 = Column D, Line 1 multiplied by Column B, Line 5	Column C & D
6	3"	15.0			Column D, Line 6 = Column D, Line 1 multiplied by Column B, Line 6	Column C & D
7	Other				Must be provided by Utility, if applicable	Column C & D
	Volumetric Charge per tier					
	<i>Example: 0-3,000</i>					
	<i>3,001-5,000 +</i>					
8					Column D, Line 8 = Schedule VI-4, Column C, Line 6	Column C & D
9					Column D, Line 9 = Schedule VI-4, Column C, Line 7	Column C & D
10					Column D, Line 10 = Schedule VI-4, Column C, Line 8	Column C & D
11					Column D, Line 11 = Schedule VI-4, Column C, Line 9	Column C & D
12					Column D, Line 12 = Schedule VI-4, Column C, Line 10	Column C & D
13					Column D, Line 13 = Schedule VI-4, Column C, Line 11	Column C & D
14					Column D, Line 14 = Schedule VI-4, Column C, Line 12	Column C & D
15					Column D, Line 15 = Schedule VI-4, Column C, Line 13	Column C & D
	No. of Meters					
16	5/8"				Schedule I-3(a), Column E, Line 1	
17	3/4"				Schedule I-3(a), Column E, Line 2	

UTILITY N, Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
VII-3 Revenue Generated for Multi-Tier Gallonage Charges
 FOR THE T 12/31/2019

NA-NONE

Line No.	A	B Meter Ratios	C Existing Rates	D Proposed Rates	E Reference (unless otherwise noted reference is for both Column C & D)	F Items to Notice
18	1"				Schedule I-3(a), Column E, Line 3	
19	1 1/2"				Schedule I-3(a), Column E, Line 4	
20.	2"				Schedule I-3(a), Column E, Line 5	
21.	3"				Schedule I-3(a), Column E, Line 6	
22.	Other				Schedule I-3(a), Column E, Line 7	
23.	Total				Add Lines 16-22	
	Gallons Billed					
24					Column A, C & D - Must be provided by the Utility	
25					Column A, C & D - Must be provided by the Utility	
26					Column A, C & D - Must be provided by the Utility	
27.					Column A, C & D - Must be provided by the Utility	
28					Column A, C & D - Must be provided by the Utility	
29					Column A, C & D - Must be provided by the Utility	
30.					Column A, C & D - Must be provided by the Utility	
31					Column A, C & D - Must be provided by the Utility	
	REVENUE					
	Minimum Monthly Charge					
32.	5/8"				Line 1 multiplied by Line 16 multiplied by 12	
33	3/4"				Line 2 multiplied by Line 17 multiplied by 12	
34.	1"				Line 3 multiplied by Line 18 multiplied by 12	
35.	1 1/2"				Line 4 multiplied by Line 19 multiplied by 12	

UTILITY N, Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
VII-3 Revenue Generated for Multi-Tier Gallonage Charges
 FOR THE T 12/31/2019

NA-NONE

Line No.	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
36	2"				Line 5 multiplied by Line 20 multiplied by 12	
37	3"				Line 6 multiplied by Line 21 multiplied by 12	
38	Other				Line 7 multiplied by Line 22 multiplied by 12	
39	Total revenue generated by minimum monthly chargess				Add Lines 30-38	
	Volumetric Revenue					
40					Line 8 multiplied by (Line 24/1000)	
41					Line 9 multiplied by (Line 25/1000)	
42					Line 10 multiplied by (Line 26/1000)	
43					Line 11 multiplied by (Line 27/1000)	
44					Line 12 multiplied by (Line 28/1000)	
45					Line 13 multiplied by (Line 29/1000)	
46					Line 14 multiplied by (Line 30/1000)	
47					Line 15 multiplied by (Line 31/1000)	
48	Total revenue generated by Volumetric Usage				Add Lines 40-47	
49	Total Revenue Generated				Line 39 plus Line 48	
50	Revenue Requirement in Application				Schedule I-1, Column F, Line 31	
51	Over / (Under) Recovery				Line 49 less Line 50	Column C
52	Percentage of (Under) Recovery				Line 51 divided by Line 50 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal.	Column C

UTILITY N, Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
VII-3 Revenue Generated for Multi-Tier Gallonage Charges
 FOR THE T 12/31/2019

NA-NONE

	A	B	C	D	E	F
Line No.		Meter Ratios	Existing Rates	Proposed Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice

UTILITY NAME. _____ Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
VII-4 Surcharge Revenue Calculation
 FOR THE TEST YEAR _____ 12/31/2019

NA-NONE

VII-4(a): REVENUE GENERATED FOR FLAT RATE SURCHARGE

Line No.	A	B	C	D
Line No.		Proposed Surcharge Rate	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
1.	Surcharge Rate	\$0.00	Column B, Line 1 = Schedule VI-5(a), Column C, Line 4	Column B
2.	No. of Meters	21	Schedule I-3(a), Column E, Line 9 or Schedule I-3(b), Column E, Line 5	
3.	Total Surcharge Revenue Generated	\$0	Line 1 multiplied by Line 2	
4.	Rate Case Expense or Other Surcharged Expense	0	Schedule II-8, Column D, Line 19	
5.	Over / (Under) Recovery	\$0	Line 3 minus Line 4	Column B
6.	Percentage of (Under) Recovery	0	Line 5 divided by Line 4 multiplied by 100 for percentage. If entering in excel do not multiply by 100, enter number as a decimal	Column B

VII-4(b): REVENUE GENERATED FOR METER EQUIVALENTS SURCHARGE

Line No.	A	B	C	D	E
Line No.		Meter Ratios	Proposed Surcharge Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
	Surcharge Rate				
1.	5/8"	1.0	\$0.00	Column C, Line 1 = Schedule VI-5(b), Column C, Line 4	Column C
2.	3/4"	1.5	\$0.00	Column C, Line 2 = Column C, Line 1 multiplied by Column B, Line 2	Column C
3.	1"	2.5	\$0.00	Column C, Line 3 = Column C, Line 1 multiplied by Column B, Line 3	Column C
4.	1 1/2"	5.0	\$0.00	Column C, Line 4 = Column C, Line 1 multiplied by Column B, Line 4	Column C
5.	2"	8.0	\$0.00	Column C, Line 5 = Column C, Line 1 multiplied by Column B, Line 5	Column C
6.	3"	15.0	\$0.00	Column C, Line 6 = Column C, Line 1 multiplied by Column B, Line 6	Column C
7.	Other			Must be provided by Utility, if applicable	Column C
	No. of Meters				
8.	5/8"		0	Schedule I-3(a), Column E, Line 1	
9.	3/4"		0	Schedule I-3(a), Column E, Line 2	
10.	1"		0	Schedule I-3(a), Column E, Line 3	

UTILITY NAME: _____ Munson Point Property Owner's Association
 SCHEDULES - CLASS C RATE/TARIFF CHANGE
VII-4 Surcharge Revenue Calculation
 FOR THE TEST YEAR _____ 12/31/2019

NA-NONE

11	1 1/2"		0	Schedule I-3(a), Column E, Line 4	
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SCHEDULE VII-4(b): REVENUE GENERATED FOR METER EQUIVALENTS SURCHARGE

Line No.	A	B	C	D	E
	No. of Meters	Meter Ratios	Proposed Surcharge Rates	Reference (unless otherwise noted reference is for both Column C & D)	Items to Notice
12.	2"		0	Schedule I-3(a), Column E, Line 5	
13	3"		0	Schedule I-3(a), Column E, Line 6	
14	Other		0	Schedule I-3(a), Column E, Line 7	
15.	Total		0	Add Lines 8-14	
SURCHARGE RATE REVENUE					
16.	5/8"		\$0	Line 1 multiplied by Line 8 multiplied by 12	
17	3/4"		\$0	Line 2 multiplied by Line 9 multiplied by 12	
18	1"		\$0	Line 3 multiplied by Line 10 multiplied by 12	
19	1 1/2"		\$0	Line 4 multiplied by Line 11 multiplied by 12	
20	2"		\$0	Line 5 multiplied by Line 12 multiplied by 12	
21	3"		\$0	Line 6 multiplied by Line 13 multiplied by 12	
22	Other		\$0	Line 7 multiplied by Line 14 multiplied by 12	
23.	Total revenue generated by surcharge rate		\$0	Add Lines 16-22	
24.	Revenue Requirement in Application		\$11,182	Schedule I-I, Column F, Line 31	
25.	Over / (Under) Recovery		(\$11,182)	Line 23 minus Line 24	Column C
26.	Percentage of (Under) Recovery		-100%	Line 25 divided by Line 24 multiplied by 100 for percentage If entering in excel do not multiply by 100, enter number as a decimal	Column C

CLASS C RATE/TARIFF CHANGE

UTILITY NAME: Munson Point Property Owner's Association

CCN No.: 13016

DOCKET NUMBER: UNKNOWN

VERIFICATION OF ACCURACY

OATH

STATE OF TEXAS

COUNTY OF Grayson

William A. Retz makes an oath and says that he/she is President
(Name of Affiant) (Official Title of Affiant)

of Munson Point Property Owner's Association
(Exact Legal Title or Name of the Respondent)

The signed officer has reviewed the application.

Based on the officer's knowledge, the rate application does not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading

Based on such officer's knowledge, the financial statements, operations and other financial information included in the rate application fairly present in all material respects the financial condition and results of operations of the preparers as of, and for, the periods presented in the rate application

He/she swears that all other statements contained in the said rate application are true, and that the said rate application is a correct and complete statement of the business and the above-named respondent during the test year time frame of

January 1, 2019 to December 31, 2019

and including any additional time frames aside from the aforementioned test year resulting from rate case requests for information

William A Retz _____
Printed Name Signature

Subscribed and sworn to and before me, a _____ in and for the State and County

above-named, this _____ day of _____, 20____, to certify which
witness

my hand and seal of office.

(Signature of Affiant)

My commission expires _____
(Notary Public In And For The State Of Texas)

Print or Type Name of Notary