



Filing Receipt

Received - 2021-12-01 04:12:25 PM

Control Number - 52440

ItemNumber - 14

APPLICATION OF CRYSTAL SPRINGS § PUBLIC UTILITY COMMISSION
WATER COMPANY, INC. TO AMEND §
ITS CERTIFICATES OF CONVENIENCE § OF TEXAS
AND NECESSITY IN MONTGOMERY §
COUNTY §

CRYSTAL SPRINGS WATER COMPANY INC.'S
RESPONSES TO COMMISSION STAFF'S
FIRST REQUEST FOR INFORMATION
QUESTION NO. STAFF 1-1

Applicant, Crystal Springs Water Company, Inc. submits the following Responses to Commission Staff's First Request for Information.

Responses to Commission Staff's First Request for Information

Staff 1-1 Please provide the following:

1. The balance sheet pages from Crystal Springs' 2020 water and wastewater annual report filed with the Public Utility Commission of Texas.
2. Financial statements and funding agreements demonstrating that Crystal Springs has funds to pay for the capital improvement amounts in the 5-year projected balance sheet and the ability to make any required debt payments for any agreements executed pursuant to making the capital improvements.

Response 1-1 Please find the following:

1. Attachment A: Balance sheet pages from Crystal Springs' 2020 water and wastewater annual report filed with the Public Utility Commission of Texas.
2. Attachment B. A letter from Prosperity Bank indicating a long-standing relationship with Crystal Springs Water Company, Inc. during which time Prosperity Bank has provided funding for several water and wastewater projects and an admission by Prosperity Bank that Crystal Springs Water Company, Inc. has promptly and completely made debt payments for such.

Respectfully submitted,

WaterEngineers, Inc.
17230 Huffmeister Road, Suite A
Cypress, Texas 77429
Telephone: (281) 373-0500
Fax (281) 373-1113

By: Shelley Young
Shelley Young, P.E.
Engineer for Crystal Springs Water Company, Inc.

VERIFICATION

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I hereby verify that the foregoing Responses to Commission Staff's First Request for Information No. Staff 1-1 are true and correct.

By: Shelley Young
Shelley Young, P.E.
WaterEngineers., Inc.

SUBSCRIBED AND SWORN TO BEFORE ME this 1st day of December, 2021.

Dana Blair
Notary Public, State of Texas

[SEAL]



Dana Blair
Printed Name

My Commission Expires: 3/23/2024

CERTIFICATE OF SERVICE

I hereby certify that on December 1, 2021, the foregoing document and attachments were filed with all parties of record in this proceeding via electronic submission through the PUC Filer.



Shelley Young, P.E.

ATTACHMENT A

Name of Utility:

Crystal Spring Water Company

Year End:

March 31, 2021

2. BALANCE SHEETS (Does not reflect sewer systems' assets less depreciation)

<u>ASSETS</u>		End of Year	mm/dd/yyyy	End of Prior Year	mm/dd/yyyy
UTILITY PLANT					
101 Utility Plant in Service		\$22,042,719		\$	20,551,162
103 Property held for Future Use					
105 Construction Work In Progress					
114, 115 Net Utility Plant Acquisition Adjustment					
TOTAL UTILITY PLANT		\$22,042,719		\$	20,551,162
108 Less: Accumulated Depreciation		\$4,124,606		\$	4,101,400
110 Less: Accumulated Amortization					
NET UTILITY PLANT		17,916,064		\$	16,314,412
CURRENT ASSETS					
131-135 Cash		715,928		\$	690,736
141-143 Accounts Receivable		210,730		\$	202,813
144 Notes Receivable					
144-145 Accounts Receivable-Affiliates/Common Ownership					
151 Plant Materials and Supplies					
162 Prepayments		50,000		\$	50,000
171-174 Other Current Assets		69,864		\$	75,304
TOTAL CURRENT ASSETS		\$	1,046,522	\$	1,018,853
OTHER ASSETS and DEFERRED CHARGES					
181 Deferred Debt Expense					
182-186 Deferred Charges/Debits					
190 Accum. Deferred Income Taxes					
TOTAL OTHER ASSETS and DEFERRED CHARGES					
TOTAL ASSETS		\$	18,962,586	\$	17,333,265
LIABILITIES & EQUITY					
STOCKHOLDERS' EQUITY					
201 Common Stock		\$	2,975,000	\$	2,975,000
211 Other paid in capital		\$	9,670,090	\$	8,269,508
215 Retained Earnings		\$	512,477	\$	512,477
TOTAL STOCKHOLDERS' EQUITY		\$	13,157,567	\$	11,756,985
LONG-TERM DEBT					
224 Long-term debt, excluding current portion		\$	3,995,212	\$	4,080,191
CURRENT LIABILITIES					
Current Portion of Long-term Debt		\$	51,544	\$	45,749
231 Accounts Payable		\$	286,920	\$	191,814
232 Notes Payable (short-term debt)		\$	110,115	\$	202,175
233, 234 Payables to Affiliates/Common Ownership					
236 Accrued Taxes					
237 Accrued Interest					
241.0 Other Current Liabilities		\$	62,019	\$	43,992
TOTAL CURRENT LIABILITIES		\$	210,598	\$	483,730
OTHER LIABILITIES and DEFERRED CREDITS					
252 Advances for Construction		\$	512,789	\$	366,939
253 Other Deferred Credits		\$	786,420	\$	645,420
255 Deferred Investment Tax Credits					
271-272 Net Contributions in Aid of Construction					
281-283 Accumulated Deferred Inc. Taxes					
TOTAL OTHER LIABILITIES and DEFERRED CREDITS		\$	1,299,209	\$	1,246,200
TOTAL LIABILITIES & EQUITY		\$	18,962,586	\$	17,333,265

Add National Association of Regulatory Utility Commissioners (NARUC) accounts as needed, and if not shown above.

ATTACHMENT B



PROSPERITY BANK®

Friday, November 12, 2021

Crystal Springs Water Company Co. Inc.
23449 Highway 59 North
Porter, TX 77365

RE: Banking relationship with Crystal Springs Water Co.

To Whom it may Concern:

Crystal Springs Water Company Inc. has been an excellent customer for over 13 years. The bank has approved many loans to the company over the years, and they have always paid as agreed. Furthermore, the company has historically been very profitable based on its filed tax returns. The company has plans for several more water and sewer plants and we are excited about the financing opportunities. In addition to the financing the individual water/sewer plants, the company does have a Revolving Line of Credit in place, to cover the entire construction cost related to the water plant located in the planned White Rock subdivision. If you have any questions please call me at 281-465-5308.

Sincerely,

Travis Freeman
Regional President

