



## Filing Receipt

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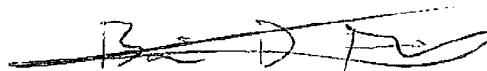
**APPLICATION OF MONARCH UTILITIES I L.P. AND CS WATER CORPORATION FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN BOSQUE COUNTY**      §      PUBLIC UTILITY COMMISSION  
   §      OF TEXAS  
   §

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

To: Public Utility Commission of Texas (Commission), by and through its attorney of record, Margaux Fox, 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 First Request for Information (RFI) to Monarch received on October 11, 2022. 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.

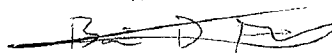
Respectfully submitted,



Director, Rates & Regulatory  
Monarch Utilities I L.P.  
(512) 219-2261  
bbahr@swwc.com

**CERTIFICATE OF SERVICE**

I hereby certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record via electronic mail on November 1, 2022, in accordance with the Order Suspending Rules, issued in Project No. 50664.



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BRIAN D. BAHR

**PUC DOCKET NO. 54171**

**MONARCH'S RESPONSE TO  
COMMISSION STAFF'S FIRST RFI**

**Staff 1-1** File a table summarizing the 5-year projected net incomes, planned capital expenditures, and purchase prices (if applicable) for all dockets filed since the ending date of your financial statements until the filing date of this docket, including docket numbers 53215,53472,53920, and 54171.

**RESPONSE:** Please see Confidential Attachment A for the requested information.

Prepared by: Brian Bahr

**Staff 1-2** If the costs and losses demonstrated by the aforementioned table exceed Monarch's available cash as shown on the balance sheet, provide loan approval documentation demonstrating available funds exceeding those costs and losses.

**RESPONSE:** To satisfy its cash needs, Monarch has historically relied on (1) cash flow from continuing operations, and (2) cash flow from financing activities (including third party financing and/or internal short term liquidity facilities), which is achieved **through Monarch's participation in its parent company's cash management practice**. Specifically, in 2021, cash from continuing operations was [REDACTED], and Monarch received [REDACTED] in short term liquidity advances from its parent.<sup>[1]</sup> Monarch expects its annual cash flow from continuing operations to be adequate to finance its projected capital needs for the developments and acquisitions pending approval from the Commission in Docket Nos. 53215, 53472, 53920, and 54171, but to the extent additional cash is necessary, Monarch would rely on short term liquidity advances from its parent per its routine cash management practices.

**In addition to Monarch's ongoing operations and participation in its parent company's cash management practice, Monarch anticipates issuing approximately [REDACTED] in new third-party debt in the near future.** No loan documentation is available at this time as terms for the debt have not yet been negotiated, but said debt is expected to be in place by Q1 2023 and would provide more-than-adequate cash to address the capital requirements of the projects contemplated in Dockets 53215, 53472, 53920, and 54171.

Prepared by: Brian Bahr

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<sup>[1]</sup> See Statement of Cash Flows in 2021 financial statements of Monarch Utilities I L.P. provided with the Application as confidential Attachment 7 – Transferee Financial Statements.