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PETITION OF ARIZA GOSLING OWNER LLC APPEALING THE WATER RATES ESTABLISHED BY NORTHAMPTON MUNICIPAL UTILITY DISTRICT	**§**	**BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS**

NORTHAMPTON MUNICIPAL UTILITY DISTRICT'S OBJECTIONS AND MOTION TO STRIKE ARIZA GOSLING OWNER LLC'S DIRECT TESTIMONY

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Northampton Municipal Utility District (the "District") objects to certain portions of the pre-filed direct testimony of Jay Joyce and Brian Driesse on behalf of Ariza Gosling Owner LLC ("Petitioner"). The deadline for filing objections and motions to strike related to Petitioner's pre-filed direct case testimony was July 5, 2024. However, the Public Utility Commission of Texas ("Commission") was not open for business that day. Therefore, these objections are timely filed the first working day after July 5, 2024.[1]

I. LEGAL STANDARDS

The District objects to portions of Mr. Joyce's and Mr. Driesse's direct testimony because it (1) is not relevant; (2) is inappropriate hearsay; or (3) constitutes unqualified expert or legal opinion.

Under 16 TAC § 22.221, the Texas Rules of Evidence apply to administrative hearings referred to the State Office of Administrative Hearings ("SOAH") by the Commission.[2] Texas Rule of Evidence 401 articulates the standard for relevant evidence, which is whether the evidence

[1] 16 Texas Administrative Code ("TAC") § 22.4.

[2] Note, though, that "[w]hen necessary to ascertain facts not reasonably susceptible of proof under the Texas Rules of Civil Evidence, evidence not admissible under those rules may be admitted, except where precluded by statute, if it is of a type commonly relied upon by reasonably prudent persons in the conduct of their affairs." 16 TAC § 22.221(a).

has any tendency to make a fact more or less probable than it would be without the evidence and the fact is of consequence in determining the action. "Irrelevant evidence is not admissible."[3]

The Rules of Evidence define "hearsay" as a statement that:(1) the declarant does not make while testifying at the current trial or hearing; and (2) a party offers in evidence to prove the truth of the matter asserted in the statement.[4] Hearsay is inadmissible unless an exception applies under the Texas Rules of Evidence.[5]

The Rules of Evidence also preclude a witness from offering testimony on subjects that require specialized knowledge, skill, experience, training, or education unless the witness is qualified to testify on the subject.[6] A lay witness may only testify to facts based on their own perceptions or opinions rationally based on their perceptions if the opinion is "helpful to clearly understanding the witness's testimony or to determining a fact in issue."[7] A lay witness may not offer testimony that is speculation or hearsay or based on insufficient evidence.[8] Moreover, a lay witness is not qualified to offer an opinion on the interpretation of statutes.[9]

An expert witness also may not testify on issues that are outside the scope of his or her expertise. Texas Rule of Evidence 702 limits the scope of expertise to "the expert's scientific, technical, or other specialized knowledge . . . ." For instance, Mr. Joyce holds himself out as an expert on ratemaking, but he is not an expert with regards to the applicability of Texas Water Code

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[3] Tex. R. Evid. 402; *see also Gammill v. Jack Williams Chevrolet, Inc.*, 972 S.W.2d 713, 726 (Tex. 1998).

[4] Tex. R. Evid. 801.

[5] Tex. R. Evid. 802.

[6] Tex. R. Evid. 702.

[7] Tex. R. Evid. 701; *see also Health Care Serv. Corp. v. E. Tex. Med. Ctr.*, 495 S.W.3d 333, 339 (Tex. App.—Tyler 2016, no pet.).

[8] *Health Care Serv. Corp.*, 495 S.W.3d at 339.

[9] Tex. R. Evid. 702.

("TWC") Chapters 13 and 49 to this proceeding, which requires a background and expertise in statutory interpretation.

II. MOTION TO STRIKE DIRECT TESTIMONY OF JAY JOYCE

The District objects to the following portions of testimony submitted by Mr. Joyce because the testimony constitutes unqualified legal opinion, is irrelevant to the issues to be decided in this proceeding, or raises issues that were precluded from review in this proceeding under the Preliminary Order.

Applicable Pages	Objections
Page 6, line 12 through Page 8, line 9. (Discussion of Chapters 49 and 13 of the TWC)	• Unqualified legal opinion
Page 6, line 12 through page 7, line 20. (Discussion of TWC § 49.2122)	• Relevance • Unqualified legal opinion • Raises issues precluded by the Preliminary Order, Issues not to be Addressed.
Page 24, line 12 through the two charts on the bottom of page 25 (Rate Design)	• Relevance • Raises issues precluded by the Preliminary Order, Issues not to be Addressed.
Attachment JJJ-4 (Rate Design)	• Relevance • Raises issues precluded by the Preliminary Order, Issues not to be Addressed.

A. Mr. Joyce's testimony regarding the applicability of TWC § 49.2122 should be struck because the Commission already ruled that TWC § 49.2122 is applicable and should not be addressed.

Mr. Joyce's testimony related to the applicability of TWC § 49.2122 is not relevant to any issue being considered in this proceeding because the Commission already ruled that "Section 49.2122(a)(4) explicitly permits a municipal utility district to consider ad valorem tax revenues received by a customer class relative to the cost of service *in establishing different rates among*

customer classes."[10] Therefore, the District moves to strike Page 6, line 12 through Page 7, line 20; Page 24, line 12 through the two charts on the bottom of page 25; and Attachment JJJ-4.

As explained in Mr. Wallace's direct testimony, pursuant to TWC § 49.2122, the District's February 6 Rate Order created a tax-exempt multi-family residential customer class that charged different rates to multi-family residential customers depending on whether that customer contributes ad valorem taxes to the District.[11] Charging different rates to customers based on whether they contribute tax revenue to the District was necessary to ensure that tax-exempt customers pay for the costs they cause the District to incur to serve those customers, either through utility rates or *ad valorem* taxes.[12] It is also a common rate structure used by districts to recover their costs.[13] The Preliminary Order confirms that this rate structure is permitted under the TWC. Mr. Joyce disagrees.

Despite lacking a legal license or any experience in proceedings that address TWC § 49.2122, Mr. Joyce directly challenges the Commission's interpretation that a district can set rates based on the *ad valorem* tax contributions of its customers. He proposes that the Commission must eliminate and replace the District's existing customer class structure and set rates based on meter size, without any consideration of whether a customer already pays the District for some utility costs through ad valorem tax contributions.[14] Therefore, Mr. Joyce argues, the District's tax-exempt multi-family customers must pay the exact same utility rates as tax-contributing

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[10] Preliminary Order at 8 (emphasis added) (Jan. 18, 2024). The Preliminary Order further held that, "[t]he Commission's discussion and conclusions in this order regarding issues that are not to be addressed should be considered dispositive of those matters."

[11] Direct Testimony of John R. Wallace ("Wallace Direct") at 31:3-33:4, Exhibit JRW-12 (Jun. 7, 2024).

[12] *Id.*

[13] *Id.* at 13:4-13.

[14] Direct Testimony of Jay Joyce ("Joyce Direct") at 25:11-12 (charts at bottom of page) (Jun. 28, 2024).

customers.[15] Because Petitioner no longer contributes taxes to the District, Mr. Joyce's position allows Petitioner an approximately $175,000 annual reduction to its cost of service.

The Commission's determination that a district may consider tax revenues in setting rates precludes Petitioner's fundamental argument that tax-exempt multi-family customers must be charged the same utility rates as tax-contributing multi-family customers. The SOAH Administrative Law Judges ("ALJs") should reaffirm the Commission's interpretation of the applicability of TWC § 49.2122 by striking the portions of Mr. Joyce's testimony that address this issue. Granting the District's motion to strike would allow the parties to avoid unnecessary expenditures of time and resources on issues the Commission has specified are not to be addressed and therefore do not affect the outcome of this proceeding.

B. Mr. Joyce's opinions regarding the statutory standards governing this proceeding are unqualified legal opinions on a pure question of law.

The District moves to strike Section III of Mr. Joyce's testimony, Page 6, line 12 through Page 8, line 9, because it is legal opinion on a pure question of law that Mr. Joyce is not qualified to make.

Mr. Joyce is not an attorney and does not claim to have any specialized knowledge or training in statutory interpretation regarding the law at issue in this proceeding. Nevertheless, he inappropriately opines on pure questions of law regarding the applicability of TWC §§ 49.2122 and 13.043. First, despite admitting he has never worked on a case involving TWC § 49.2122, he makes the unfounded claim that "Chapter 49 simply provides a mechanism for ratepayers to seek expedient relief if a district arbitrarily places them in a separate class."[16] Second, he broadly asserts without support that TWC Chapter 49 does not authorize a District to charge rates for utility

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[15] *Id.*

[16] *Id.* at 6:17-19, 7:7-9.

services.[17] Third, he argues that TWC § 49.2122 does not apply to this proceeding because "this appeal was not filed under chapter 49"—as if the petitioner to a rate appeal could circumvent applicable law simply by ignoring it in its pleadings.[18] Fourth, he offers technical statutory interpretation on which provisions of the TWC should prevail in the event of a conflict.[19] Finally, he argues that alternative rate-setting standards he interprets under TWC § 13.043 and 16 TAC § 24.101 directly apply to the District. Mr. Joyce ignores that 16 TAC § 24.101 expressly states that "to the extent of a conflict between this subsection and TWC § 49.2122, TWC § 49.2122 prevails."[20] He also ignores that TWC § 13.181 through § 13.191—the provisions in Chapter 13 related to calculating the cost of service for investor-owned utilities on which Mr. Joyce's analysis appears to be based—expressly does not apply to districts.[21] Accordingly, Mr. Joyce's interpretations of the statute are not credible.

Mr. Joyce's argument is also illogical on its face. For instance, he argues without support that TWC § 49.2122 only applies to the creation of customer classes, not to the rates charged to the customer classes.[22] However, the only reason a district would create different customer classes is to charge those classes different rates. Likewise, the logical reason a customer would appeal the creation of a customer class is if the new classification had an impact on the rates they were charged. Mr. Joyce's interpretation of TWC § 49.2122 would render this subsection completely ineffectual.

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[17] *Id.* at 6:22-7:6.

[18] *Id.* at 7:10.

[19] Joyce Direct at 7:11-16.

[20] *Id.* at 7:21-8:41.

[21] TWC § 13.181 (". . . this subchapter shall apply only to a utility and shall not be applied to municipalities, counties, districts or water supply or sewer service corporations.").

[22] Joyce Direct at 6:17-21, 7:17-20.

Mr. Joyce's interpretation of Chapter 49 and Chapter 13 clearly falls well outside his knowledge and expertise. Because Section III of Mr. Joyce's testimony is pure legal analysis and unqualified legal opinion, it should be struck.

III. MOTION TO STRIKE DIRECT TESTIMONY OF BRIAN DRIESSE

The District objects to the following portions of testimony filed by Mr. Driesse on the grounds that the testimony constitutes unqualified legal opinion, is irrelevant to the issues to be decided in this proceeding, or is precluded from this proceeding under the Preliminary Order.

APPLICABLE PAGES	OBJECTIONS
Page 11, line 12 "Since adoption …" through Page 12, line 5 ending in "… Rate order" Page 13, line 11 through Page 17, line 8; Page 18, line 4 through Page 18, line 13.	• Unqualified expert opinion • Hearsay
Page 7, line 18 through page 10, line 7	• Not relevant
Page 9, line 14 starting at "The extreme" through Page 10, line 7	• Unqualified legal opinion
Page 13, line 6 though Page 17, line 8	• Unqualified legal opinion

A. Mr. Driesse inappropriately offers unsupported opinion testimony and relies on hearsay to argue that "Ariza Gosling has endured severe economic hardship due to the increased water utility rate."[23]

Mr. Driesse opines in his direct testimony that the Petitioner has experienced severe economic hardship. However, he offers no facts to support this conclusion. For instance, Mr. Driesse points to the ALJ's statements in the Interim Rate Order that "it is a reasonable presumption [Petitioner's] low-income tenants could leave if they are billed for water and sewer at the rates implemented by the Feb. 6th Rate Order."[24] This statement is hearsay to the extent it was intended as the proof of the matter asserted. But regardless, the February 6 rate order was

[23] Direct Testimony of Brian Driesse ("Driesse Direct") at 11:12-13 (Jun. 28, 2024).

[24] *Id.* at 11:17-19.

issued 18 months ago. If Petitioner has experienced severe economic hardship on account of the District's actions, it should present factual evidence. It cannot rely on hearsay from orders as if the "presumption" was a fact or that the "presumption" caused undue economic hardship.

Petitioner also cannot rely on Mr. Driesse's unqualified opinion that the severe economic hardship to Petitioner is evidenced by the fact that Petitioner's rates are higher than they were before. The fact that Petitioner's utility rates increased is not sufficient to establish that it has experienced anything approaching a severe economic hardship, particularly in light of evidence introduced by the District that the Petitioner's rates increased at the same time that it stopped paying to the District *ad valorem* taxes approximately equaling the increase in utility rates. Without adequate facts to support a statement, the statement is mere speculative opinion, which Mr. Driesse is not qualified to make. Therefore, the following sections of Mr. Driesse's testimony should be struck: Page 11, line 12 through Page 12, line 5; Page 13, line 11 through Page 17, line 8; and Page 18, line 4 through Page 18, line 13.

B. Testimony regarding any alleged economic hardship to Petitioner is not relevant to whether the District properly created the tax-exempt multi-family customer class and rates.

The District moves to strike Page 7, line 18 through page 10, line 7 of Mr. Driesse's testimony that addresses the financial impact of the rate change on Petitioner. As a factual matter, the District disputes the alleged economic hardship discussed by Mr. Driesse throughout his testimony because it requires the ALJs to ignore the fact that Petitioner stopped paying for half of its utility costs when it stopped contributing property tax revenue to the District. Regardless of the merits, however, Mr. Driesse's claim of economic hardship is irrelevant to whether the District's rates are proper. While the Petitioner's presumed economic hardship may have been relevant to the setting of interim rates, it is not relevant to the District's cost of service or the resulting just and reasonable rates. In fact, Mr. Driesse does not rely on a single ratemaking

principle or argument related to the District's cost of service in Section V of his testimony. That section of testimony is irrelevant to the merits phase of this proceeding and must be struck.

C. Mr. Driesse's testimony that the adoption of a new rate class and rates for tax-exempt customers demonstrates the District is being retributive towards Petitioner is unqualified opinion not based on any facts and should be struck.

Mr. Driesse opines, without any supporting factual evidence, that the District "targeted" Petitioner by reclassing it to the new tax-exempt rate class after the District was made aware that the subject property has become tax-exempt. As explained in District witness Mr. Wallace's direct testimony, the District could not have been acting retributively against Petitioner at the time the new tax-exempt class was established because the District was not aware of Petitioner's tax-exempt status at the time it created the new tax-exempt class.[25]

To date, Petitioner has not asserted *any* fact in this proceeding to support its claim that the District acted retributively against it. The only support Mr. Driesse provides for this opinion is that, during the interim rate hearing, counsel for the District questioned whether he agreed that being reclassed to the tax-exempt rate class was a direct result of Petitioner electing to become tax-exempt,[26] which required the District to move Petitioner to the tax-exempt rate class. Mr. Driesse's inferences from the District's counsel's question do not in any way evidence the intentions of the District to classify Petitioner to the new tax-exempt customer class. In fact, counsel's question addressed a critical issue in this case: that the Petitioner's class and rate changed *because* Petitioner qualified for a different rate class after it decided to become tax-exempt, as required under the new class and rates previously adopted by the District's Board of Directors.

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[25] Wallace Direct at 33:5-8, 35:19-36:6.

[26] Driesse Direct at 9:14-10:2.

Petitioner has been allowed to complain throughout this proceeding, without evidence, that the District acted retributively against it by reclassing it to the tax-exempt class and rate. Now that Petitioner must present actual evidence of the alleged retribution, it provides none. The lack of any evidence of retribution or improper rate-setting by the District is why the District sought to have this case dismissed from the outset. At the same time, Petitioner has objected to allowing into evidence relevant facts presented by the District's general counsel that clearly demonstrate the basis for the rate change:

- the District sets rates to recover its cost to serve multi-family property through utility charges and *ad valorem* taxes assessed based on the value of multi-family property;[27]
- the District has a duty to its customers to ensure that it recovers its reasonable and necessary costs from all customers so that no customer class must absorb costs to serve another class;[28]
- the property was previously charged utility rates that included an offset for the value of the taxes recovered from the property;[29]
- Petitioner never informed the District before it elected to become tax-exempt; therefore, the District established new tax-exempt rates January 2023 *before* it was aware that Petitioner was tax-exempt;[30]
- the new tax-exempt rates were specifically designed to remove the offset that taxable customers appreciate in rates based on the value of the tax revenues they contribute;[31]
- the new rates were necessary to ensure that customers who do not contribute tax revenues pay for their cost of service previously captured through ad valorem taxes;[32]

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[27] Wallace Direct at 9:15-10:5, 12:10-20.

[28] *Id.* at 34:12-14, 40:7-19, 8:9-13.

[29] *Id.* at 30:16-31:2.

[30] *Id.* at 33:5-8, 35:19-36:6.

[31] *Id.* at 31:5-15, 39:13-40:2, Exhibit JRW-12.

[32] Wallace Direct at 39:13-40:2, Exhibit JRW-12.

- the new rates were necessary to ensure that the District can recover approximately $175,000 in costs it incurred to serve tax-exempt multi-family customers that was previously captured in tax rates; and [33]

- Petitioner did not even attend the board meeting at which the new rate was adopted by the Board of Directors at a duly noticed board meeting at which Petitioner would have had the opportunity to challenge the rates.[34]

These facts speak directly to the reasonableness of the District's decision to establish a tax-exempt class and rates. On the other hand, Petitioner has not asserted *any* facts that demonstrate the District acted retributively against Petitioner, and it should not be permitted to continue lodging these unsupported attacks on the District. Mr. Driesse's unsupported and unqualified opinions about the District's rate-setting actions should be struck.

Finally, it is important to note that Mr. Driesse is not a lawyer, much less one with experience setting utility rates, and is not qualified to testify as to whether rates are "prejudicial and discriminatory" or "preferential." Opining on these legal terms requires a witness to have sufficient knowledge or experience in matters related to municipal utility district rate-setting practices, who can speak to the differences between rate classes and rate structures and the calculation of utility rates and tax rates. Mr. Driesse does not have those qualifications. Therefore, Page 9, line 14 starting at "The extreme" through Page 10, line 7 should also be struck.

D. Mr. Driesse is not qualified to opine as to whether the District's legal actions demonstrate the District is being retributive.

Mr. Driesse complains extensively in his testimony of the burdens of this litigation and opines that the District's litigation strategy evidences the District is acting retributively against Petitioner. Mr. Driesse's testimony at Page 13, line 6 through Page 17, line 8 constitutes inappropriate and unqualified opinion testimony and should be struck.

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[33] *Id.* at 31:22-32:2, Exhibit JRW-12.

[34] *Id.* at 33:9-13.

As noted before, Mr. Driesse is not a lawyer. He is not qualified to speak to the reasonableness of legal actions or strategy taken by the District to defend its taxing and rate-setting authority in this proceeding. For instance, Petitioner has complained extensively throughout this proceeding that the District adopted and then withdrew a rate order in May 2023. That order would have increased tax-exempt customers' rates above the appealed rates. However, the District withdrew the rate order to avoid litigation of that order, not to drive up litigation costs. The District has in fact argued throughout this proceeding that the second rate order was of no consequence to the issues being decided and, thus, should not cause Petitioner to incur any legal costs to address. The Commission stated in the Preliminary Order that the second amended rate order was not at issue in this proceeding. Mr. Driesse's opinion that the withdrawal of the second rate order was an attempt by the District to burden the Petitioner with legal fees is unqualified and without merit. Mr. Driesse has not provided *any* evidence to support his opinion that the District's decision to withdraw the rate order was retributive against Petitioner. His opinion based on dubious circumstantial evidence should be struck.

Mr. Driesse also asserts that the District has burdened his company with numerous legal filings seeking to dismiss this case. In fact, those motions were necessary to respond to the multiple amended petitions filed by Petitioner. Mr. Driesse, however, claims that the decision by the District's lawyers to file motions to dismiss, and the legal arguments made therein, are "entirely unreasonable." Again, Mr. Driesse is not a lawyer and is not qualified to speak to the reasonableness of a party's legal strategy. Mr. Driesse is not qualified to attest to whether a TWC § 13.043(j) rate appeal must evaluate the District's actions under TWC § 49.2122 in setting classes and rates, as required under 16 TAC § 24.101, or whether Petitioner adequately plead these threshold facts and legal arguments in its petition .

He also cannot attest to whether this specific litigation has been "protracted" because that would require his having sufficient legal experience to judge when litigation is unreasonable. Petitioner has asked the Commission to adopt an exceedingly novel interpretation of the TWC that would protect Petitioner's tax benefits it anticipated receiving under the Local Government Code related to public facilities corporations to the detriment of the District. Mr. Driesse is not qualified to opine on whether litigation of complicated legal issues is unreasonable or "protracted." Mr. Driesse also ignores the fact that Petitioner was the primary driver of these costs. Petitioner objected to numerous discovery requests seeking information regarding the facts that led the District to set new tax-exempt rates, including conversations between the District and Petitioner before the transaction took place that directly affected how, when and why the tax-exempt rates were applied to the Petitioner. It also objected to extensive portions of the District's direct testimony regarding how, why and when the District set the new tax-exempt class and rates. Petitioner also required a six-week delay in the procedural schedule, which the other parties agreed to accommodate. Petitioner has contributed significantly to delays in this proceeding, which has required the District to absorb significant legal costs to discover and present evidence that speaks directly to the reasonableness of the District's decision to set the tax-exempt class and rates. Mr. Driesse is not qualified to offer opinion testimony on the state of litigation without any factual support. His testimony that this litigation is "protracted," that the District's litigation strategy is unreasonable, or that Petitioner is entitled to more expedited litigation should be struck.

Similarly, Mr. Driesse is also not qualified to attest to what is a reasonable amount of discovery in this proceeding.[35] As noted before, this proceeding introduces complicated questions of fact and law related to a tax-avoidance strategy that, intentionally or not, allows the Petitioner

[35] Driesse Direct at 16:9-17:8.

to avoid paying half of its cost of service. The modest amount of discovery issued by the District in this proceeding[36] was necessary to unpack the facts demonstrating when Petitioner became tax-exempt, whether it notified the District in advance so the District could address the rate impacts with Petitioner at that time, how the appealed rates were established and why, and whether the District was reasonable in setting rates for customers that do not pay for utility service through *ad valorem* taxes—all issues necessary to address the contested issues in this case. Mr. Driesse is not qualified to testify to the reasonableness of discovery issued related to these issues.

Mr. Driesse is also not qualified to testify to what is a reasonable amount of legal expenditures for the District to incur in this rate appeal given the complicated factual and legal issues involved. If anything, Petitioner's arguments throughout this proceeding demonstrate a gross misunderstanding of how districts recover their costs under Chapter 49 of the TWC. Mr. Driesse has not provided *any* factual evidence that the District's legal expenditures are unreasonable. Therefore, these assertions are unqualified opinion and should be struck.

E. Mr. Driesse is not qualified to opine on the relevance of discovery requests.

Mr. Driesse claims the District has sent multiple requests for information ("RFIs") he asserts are not relevant or necessary to this proceeding. Specifically, Mr. Driesse claims the District's fourth set of RFIs inappropriately sought "to investigate the business dealings of Ariza Gosling and the prior owner of the Property," which he claims has "nothing to do with whether the Feb. 6th Rate Order (reinstated by the June 19th Rate Order) adopted just and reasonable rates."[37]

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[36] The District has submitted four sets of RFIs totaling 36 individual requests.

[37] Driesse Direct at 16:11-12, 16:21-22.

Mr. Driesse is not a lawyer and, thus, cannot opine on whether discovery is relevant. In fact, the relevance of discovery should be addressed through objections to discovery and not through testimony. But, regardless, there is nothing "irrelevant" about the discovery he complains about. The District's fourth set of RFIs seeks information regarding the people involved in the transaction that led to this proceeding, which was necessary for the District to confirm its prior communications with Petitioner related to the subject property (RFI 4-1); information regarding the value of Petitioner's claimed tax exemption, which was necessary to demonstrate that "higher" utility rates generally equated to the difference in tax revenue reasonably anticipated to be received from the tax-exempt class (4-2 through 4-4); information regarding whether Petitioner informed the District in advance of its plans to change its tax status, which was necessary to determine what information the District knew at the time it created the tax-exempt rate (4-5 through 4-9); and information Petitioner knew at the time it became tax-exempt, which also speaks to the reasonableness of the District relying on prior communications with the Petitioner in advance of setting new rates (4-10 through 4-12). This information is critical to resolve the primary contested issue in this case: whether the District's appealed rate is reasonable—which requires understanding the events leading up to the District's decision to establish a new tax-exempt class and rates.

IV. CONCLUSION

The District objects to the portions of Mr. Joyce's and Mr. Driesse's testimony set forth above and requests that the testimony be stricken accordingly. The District also requests such other relief to which it has shown itself to be entitled.

Respectfully submitted,

/s/Evan D. Johnson

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ATTORNEYS FOR NORTHAMPTON MUNICIPAL UTILITY DISTRICT

CERTIFICATE OF SERVICE

I hereby certify that on this 8th day of July 2024, notice of the filing of this document was provided to all parties of record via electronic mail in accordance with the Second Order Suspending Rules filed in Project No. 50664.

/s/Evan D. Johnson
Evan D. Johnson