



Control Number: 42860



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SOAH DOCKET NO. 473-14-5140
PUC DOCKET NO. 42860

2015 OCT 26 PM 4:18
PUBLIC UTILITY COMMISSION
FILING CLERK

APPLICATION OF DOUGLAS §
UTILITY COMPANY TO CHANGE §
WATER AND SEWER RATE/TARIFF §
IN HARRIS COUNTY, TEXAS §

STATE OFFICE OF ADMINISTRATIVE
HEARINGS

**COMMISSION STAFF'S RESPONSE TO DOUGLAS UTILITY COMPANY'S
RESPONSE TO STAFF'S RECOMMENDATION**

COMES NOW the Staff (Staff) of the Public Utility Commission of Texas (Commission), representing the public interest, and files this Response to Douglas Utility Company's (DUC) Response to Staff's Recommendation. In support thereof, Staff shows the following:

I. BACKGROUND

At the pre-hearing conference on September 1, 2015, DUC stated its intention to withdraw its rate application. DUC subsequently filed its written notice to withdraw on September 2, 2015. On September 22, 2015, SOAH Order No. 14 was issued, setting a procedural schedule for determining refunds and surcharges. DUC filed a per-account reconciliation of all over and under-billings on September 30, 2015. On October 14, 2015, Staff filed its Response to SOAH Order No. 14, recommending DUC provide additional information before Staff can make a recommendation. On October 21, 2015, DUC filed its Response to Staff's Recommendation. Therefore, this pleading is timely filed.

II. STAFF RESPONSE TO DUC'S RESPONSE TO STAFF'S RECOMMENDATION

Staff is perplexed by DUC'S October 21, 2015 Response to Staff's recommendation. First, Staff has and continues to be available to discuss the appropriate reconciliation of the accounts in this docket. Further, Staff had several email correspondences with JJ Smith, Mr. Zeppa's legal assistant regarding the broken links and error messages found in the Excel spreadsheets prior to Staff filing its Recommendation. Therefore, any assertion that Staff is not communicating with DUC is false. Additionally, SOAH Order No. 14 specifically required DUC

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to include "accrued compound interest monthly at the Commission-approved interest rate for overbilling,"¹ which DUC failed to include.

Staff is open and willing to participate in a technical conference with DUC, Fountainview, and Equality to further the refund reconciliations. However, Staff recommends that attorneys be permitted to attend the conference. Staff notes that any technical conference should not serve as the only communication in which parties should work together to resolve this matter. Further, a technical conference should not modify any obligations to responding to discovery in a timely fashion.

Ordinarily, parties would set up a technical conference amongst themselves, without the need for judicial intervention. Staff recommends that parties be ordered to confer and schedule a technical conference amongst themselves. In the event that parties are not able to reach an agreement on a technical conference by November 5, 2015, then each party should file its own proposal for holding, or not holding, a technical conference.

III. CONCLUSION

Staff requests entry of an order consistent with the above recommendations.

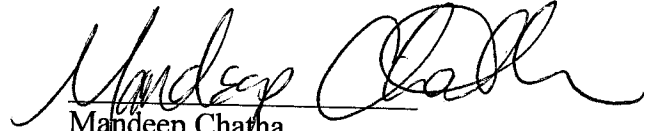
¹ SOAH Order No. 14 at 2.

Dated: October 26, 2015

Respectfully Submitted,

Margaret Uhlig Pemberton
Division Director
Legal Division

Stephen Mack
Managing Attorney
Legal Division

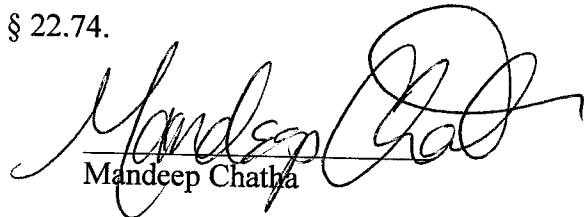


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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this October 26, 2015 in accordance with 16 TAC § 22.74.



Mandeep Chattha