

Control Number: 42919



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<b>APPLICATIONS OF DOUBLE DIAMOND UTILITIES CO. FOR A WATER AND SEWER RATE/TARIFF CHANGE (37752-R AND 37753-R)</b>	§ § § § § § § § § §	<b>PUBLIC UTILITY COMMISSION OF TEXAS</b>
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**COMMISSION STAFF'S MOTION FOR RECONSIDERATION  
OF SOAH ORDER NO. 2**

TO THE HONARBALBE JUDGE BENNETT:

COMES NOW, Staff (Staff) of the Public Utility Commission of Texas (PUC) and files this Staff's Motion for Reconsideration of SOAH Order No. 2.

**I. BACKGROUND**

On October 13, 2013, Double Diamond Utilities Company (Double Diamond) filed with the Texas Commission on Environmental Quality (TCEQ) to increase its water and sewer rates and change its water and sewer tariffs. The rate increase had an effective date of January 1, 2014. It was assigned TCEQ Docket No. 2014-0619-UCR. The deadline for customer protests was April 1, 2014. Out of Double Diamond's 86 customers, 39 customers filed protests to Double Diamond's rates within the protest period. As at least ten percent of the affected ratepayers protested to the proposed rate in accordance to 30 TEX. ADMIN. CODE 291.27(c)<sup>1</sup>, on May 22, 2014, TCEQ staff transferred this case to its Chief Clerk's office to be referred to the State Office of Administrative Hearings (SOAH). In June 2014, all but five of the customers who initially protested Double Diamond's rates withdrew their protests and settled with the utility. Therefore, Double Diamond's proposed rates were no longer protested by at least ten percent of its affected ratepayers. On September 1, 2014, the Commission began the economic regulation of water and sewer utilities and this case was transferred to the Commission. The

<sup>1</sup> Currenty P.U.C. SUBST. RULE 24-27(c)

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SOAH Administrative Law Judge (ALJ) issued Order No. 1 Regarding Preliminary Hearing/Prehearing Conference on October 1, 2014. On October 2, 2014 Double Diamond filed its Joint Motion to Abate and Remand and on October 6, 2014, the ALJ filed Order No. 2 remanding the case to the commission..

## **II. REQUEST FOR RECONSIDERATION**

Staff is in agreement with Double Diamond's motion requesting the SOAH ALJ to issue an order abating this proceeding but not the motion for remand. The process to be followed by P.U.C. Staff in settled water rate cases at SOAH is to allow time for Staff to review the settlement agreement between the ratepayers and Double Diamond; provide SOAH with an affidavit from PUC's Water Utilities Division analyzing the settlement, stating whether it approves the settlement, and providing reasoning behind its decision; and file with SOAH a Motion to Admit Evidence and Remand along with a Joint Proposed Order, or in the alternative a status update and/or a request for a hearing.

## **III. PRAYER**

Staff requests the ALJ reconsider SOAH Order No. 2 and not remand to the commission but abate the proceeding until November 17, 2014, at which time Staff will file an affidavit or memorandum analyzing the settlement, a Joint Proposed Order and a Motion to Admit Evidence and Remand or a status update and/or request for a hearing.

Respectfully Submitted,

Joseph P. Younger  
Division Director  
Legal Division

Karen S. Hubbard  
Managing Attorney  
Legal Division

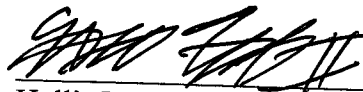


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**PUC DOCKET NO. 42919**  
**SOAH DOCKET NO. 473-15-0372**

**CERTIFICATE OF SERVICE**

I certify that a copy of this document will be served on all parties of record on this the 6<sup>th</sup> day of October, 2014 in accordance with P.U.C. Procedural Rule 22.74.



Hollis Henley