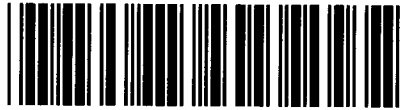


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<p>APPLICATIONS OF DOUBLE DIAMOND UTILITIES CO. FOR A WATER AND SEWER RATE/TARIFF CHANGE (37752-R AND 37753-R)</p>	<p>§ § § § § § § §</p>	<p>PUBLIC UTILITY COMMISSION OF TEXAS</p>
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**COMMISSION STAFF'S STATUS UPDATE
AND REQUEST FOR ADDITIONAL TIME**

COMES NOW, Staff (Staff) of the Public Utility Commission of Texas (PUC) and files this Staff's Status Update and would show the following:

I. BACKGROUND

On October 13, 2013, Double Diamond Utilities Company (Double Diamond) filed with the Texas Commission on Environmental Quality (TCEQ) a request 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. Because at least ten percent of the affected ratepayers protested to the proposed rate in accordance to 30 TEX. ADMIN. CODE 291.27(c)¹, 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).

On September 1, 2014, the Commission began the economic regulation of water and sewer utilities and this case was transferred to the Commission. On September 24, 2014, the Commission's Advising and Docket Management Division (CADM) issued an order of referral to SOAH requesting the assignment of an Administrative Law Judge (ALJ) to conduct a hearing

¹ Currenty P.U.C. SUBST. RULE 24-27(c)

and issue a proposal for decision. On September 26, 2014, Double Diamond filed a notice of settlement and petition for withdrawal of protests and motion for remand. Double Diamond's motion revealed that 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.

In its last status update, Staff said it would file another status update by December 17, 2014. Therefore, this response is timely filed.


II. STATUS UPDATE AND REQUEST FOR ADDITIONAL TIME

Staff files this Status Report to request additional time to further develop its recommendation. Staff has conferred with all the parties, and they continue to work diligently together to obtain needed information Staff will require in order to finalize its recommendation. On February, 2015, 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,

Margaret Uhlig Pemberton
Division Director
Legal Division

Karen S. Hubbard
Managing Attorney
Legal Division



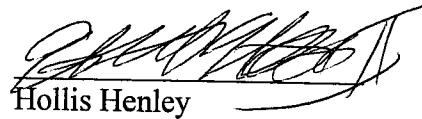
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**SOAH DOCKET NO. 473-15-0372
PUC DOCKET NO. 42919**

CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on this the 17th day of December, 2014 in accordance with P.U.C. Procedural Rule 22.74.


Hollis Henley