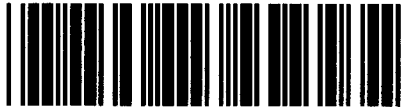




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House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014

The parties to this motion now desire to withdraw certain testimony and pleadings that have been filed in this proceeding and stipulate to certain rates for The Retreat subdivision and the White Bluff subdivision.

**II.
WITHDRAWAL OF TESTIMONY**

A. WBSR hereby withdraws all of its testimony filed in this docket, including the testimony filed by Nelissa Heddin on March 29, 2010.

B. To the extent any documents filed by TRHG can be construed to be testimony in this docket, TRHG hereby withdraws that testimony in its entirety.

C. DDU hereby withdraws the following testimony:

1. the following portions of the prefiled testimony of Randy Gracy

a. page 2, lines 14 and 15

b. page 12, line 14 through page 15, line 14; and

2. the following portions of the prefiled testimony of Chris Ekrut.

a. page 5, lines 16 and 17 beginning with the second sentence

b. page 6, lines 10 and 11 beginning with the second sentence

c. page 8, line 1 through page 16, line 20

d. page 17, line 7 at the sentence beginning with "However,..."

through line 10.

In addition, it is the intention of DDU to withdraw any testimony regarding the consolidation of the rates for the water systems serving The Retreat and White Bluff subdivisions. Copies of Mr. Gracy's and Mr. Ekrut's revised testimony showing the withdrawn testimony as blacklined text are attached as Exhibit "A".

III. WITHDRAWAL OF PLEADINGS

A. TRHG hereby withdraws any and all objections to any prefiled testimony filed in this proceeding.

B. WBSR hereby withdraws any and all objections to prefiled testimony filed in this docket.

IV. AGREEMENTS

The Parties hereby stipulate and agree to the following:

A. The rate schedule attached as Exhibit "B" for The Retreat subdivision that became effective on June 30, 2010. DDU has also agreed not to file an application to increase rates for The Retreat subdivision before January 1, 2012, and not seek to recover any rate case expenses in this docket from TRHG. TRHG has agreed that DDU will not be required to make any refunds for amounts collected prior to the implementation of agreed rates.

B. The rate schedule attached as Exhibit "C" for the White Bluff subdivision that became effective on June 1, 2010. DDU has also agreed not to file an application to increase rates for the White Bluff subdivision before January 1, 2012 and not seek to recover any rate case expenses in this docket from WBSR. WBSR has agreed that DDU will not be required to make any refunds for amounts collected prior to the implementation of agreed rates.

In addition, DDU hereby amends its request for rate approval for the White Bluff and The Retreat subdivisions to be consistent with the rates and charges shown on the rate schedules attached as Exhibits "B" and "C".

The Parties further request that the Final Order in this proceeding be issued consistent with the terms of the settlement agreements for the White Bluff and The Retreat subdivisions.

**V.
PRAYER**

The Parties respectfully request that the Administrative Law Judge grant this Joint Motion to Withdraw Testimony and Stipulate Agreed Rates for the White Bluff and The Retreat subdivisions in this docket and issue an order consistent with this Motion and the terms of the settlement agreements restated above.

Respectfully submitted,

DOUBLE DIAMOND UTILITIES CO.


JOHN J. CARLTON

State Bar No. 03817600

ARMBRUST & BROWN, L.L.P.

100 Congress Avenue, Suite 1300

Austin, Texas 78701-2744

(512) 435-2300 – Telephone

(512) 436-2360 – Telecopy

THE RETREAT HOMEOWNERS GROUP



Jack D. McCartney, Chairman

6300 Annanhill Street

Cleburne, Texas 76033-8501

(817) 645-4392 - Telephone

WHITE BLUFF SUBDIVISION RATEPAYERS



Shari Heino
State Bar No. 90001866
327 Congress Avenue, Ste. 300
Austin, Texas 78701
(512) 404-7800 - Telephone
(512) 703-2785 - Facsimile

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was delivered via facsimile, via first class mail, via electronic mail or by hand delivery on the 14 day of October, 2010 to the following:

Richard Wilfong
Administrative Law Judge
300 West 15th Street, Suite 502
Austin, Texas 78701

Shari Heino
Mathews & Freeland, L.L.P.
327 Congress Avenue, Suite 300
Austin, Texas 78701

Philip Day
Representative for the Cliffs Utility
Committee
90 Glen Abbey Drive S
Graford, Texas 76449

Jack D. McCartney and
John T. Bell
Representatives for the Retreat Homeowners
Group
6300 Annahill Street
Cleburne, Texas 76033-8957

Eli Martinez (MC-103)
Office of Public Interest Council
Texas Commission on Environmental
Quality
P. O. Box 13087
Austin, Texas 78711-3087

Stephanie Skogen (MC-173)
Staff Attorney
Texas Commission on Environmental
Quality
P. O. Box 13087
Austin, Texas 78711-3087

LaDonna Castañuela (MC-105)
Chief Clerk
Texas Commission on Environmental
Quality
P. O. Box 13087
Austin, Texas 78711-3087



JOHN J. CARLTON

EXHIBIT "A"

(ATTACHED)