

P.U.C. DOCKET NO. _____ *

**NOTICE OF PROPOSED RATE CHANGE
PURSUANT TO TEX. WATER CODE § 13.1871**

Double Diamond Utility Company, Inc., White Bluff 12087 (water) 20705 (sewer)

Company Name

CCN Number(s)

has filed a rate change application with the Public Utility Commission of Texas (Commission or PUC) The application may be reviewed online at interchange.puc.texas.gov You may also inspect a copy of the rate change application at your utility's office at the address below or at the Commission's office (1701 N Congress Ave, Austin, TX 78701). The proposed rates will apply to service received after the effective date provided below, unless modified or suspended by the Commission. If the Commission receives a sufficient number of protests, separately or in a combined protest letter, from at least ⁶⁴ [number of] ratepayers (10 percent of the utility's customers over whose rates the Commission has original jurisdiction) or from any affected municipality before the 91st day after the proposed effective date, the matter will be set for hearing. **See Protest Form on the next page for instructions on how to protest.**

EFFECTIVE DATE OF PROPOSED INCREASE: 10/1/2016

(must be at least 35 days after notice is provided to customers and 35 days after application is filed)

(Proposed rates requested by the utility are not final. The Commission may modify the rates and order a refund or credit against future bills all sums collected during the pendency of the rate proceeding in excess of the rate finally ordered plus interest.)

Reason(s) for proposed Rate Change:

Current rates not providing adequate recovery of revenue requirements.

BILLING COMPARISON

Water

Existing	5,000 gallons:	\$	<u>40.16</u>	/mo	Proposed	5,000 gallons:	\$	<u>58.30</u>	/mo
Existing	10,000 gallons:	\$	<u>51.11</u>	/mo	Proposed	10,000 gallons:	\$	<u>74.30</u>	/mo
Existing	30,000 gallons:	\$	<u>128.76</u>	/mo	Proposed	30,000 gallons:	\$	<u>188.05</u>	/mo

Sewer

Existing	5,000 gallons:	\$	<u>57.00</u>	/mo	Proposed	5,000 gallons:		<u>79.50</u>	/mo
Existing	10,000 gallons:	\$	<u>97.00</u>	/mo	Proposed	10,000 gallons:	\$	<u>134.50</u>	/mo

White Bluff

Subdivision(s) or System(s) Affected by Rate Change

<u>5495 Bellline Road, Suite 200</u>	<u>Dallas</u>	<u>Texas</u>	<u>75254</u>
Company Address	City	State	Zip

(214) 706-9801

Company Phone Number

366,024.00

Annual Revenue Increase

8/10/2016

Date Notice Delivered

10/24/2008

Date of Last Rate Change

Between 1st and 5th each of month

Date Meters Typically Read

* Prior to providing notice, the utility shall file a request for the assignment of a docket number for the application.

P.U.C. DOCKET NO. _____

RATEPAYER PROTEST

If you wish to PROTEST the proposed rate change, you must submit this form and 10 copies to:

**Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326**

Unless protests are received from at least 10% of ratepayers or from any affected municipality, or the Commission Staff requests a hearing, no hearing will be held and the rates will be effective as proposed.

CUSTOMER INFORMATION (to be completed by customers submitting protests)

First Name: _____ Last Name: _____

Phone Number: _____ Fax Number: _____

Address, City, State: _____

Location where service is received: _____

(if different from the mailing address)

Please fill out the following:

I wish to PROTEST the following proposed rate action/s:

Water Rate Change Sewer Rate Change Both Water and Sewer Rate Change

Other (please specify below)

Signature of Protestant:

_____ Date: _____

**Si desea informacion en Espanol, puede llamar al
1-888-782-8477**

**Hearing- and speech-impaired individuals with text telephones may contact the PUC's Customer Assistance
Hotline at
512-936-7136**

NOTICE OF PROPOSED RATE CHANGE – WATER

CURRENT RATES			PROPOSED RATES		
Monthly base rate including _____ @ gallons			Monthly base rate including _____ @ gallons		
Meter Size:			Meter Size:		
RESIDENTIAL			RESIDENTIAL		
5/8" or 3/4"	\$	31.01	5/8" or 3/4"	\$	45.00
1"	\$	77.51	1"	\$	112.50
1 1/2"	\$	155.03	1 1/2"	\$	225.00
2"	\$	248.04	2"	\$	360.00
3"	\$		3"	\$	
Other: \$			Other: Rate Case Exp Surcharge-TBD \$		
GALLONAGE CHARGE:			GALLONAGE CHARGE:		
TIER	VOLUME	CHARGE per 1000 gals.	TIER	VOLUME	CHARGE per 1000 gals.
Tier 1	0 to 3,000 gals.	\$ 1.59 /1000 gals.	Tier 1	0 to 3,000 gals.	\$ 2.30 /1000 gals.
Tier 2	3,001 to 10,000 gals.	\$ 2.19 /1000 gals.	Tier 2	3,001 to 10,000 gals.	\$ 3.20 /1000 gals.
Tier 3	10,001 to 15,000 gals.	\$ 3.02 /1000 gals.	Tier 3	10,001 to 15,000 gals.	\$ 4.45 /1000 gals.
Tier 4	15,001 to 20,000 gals.	\$ 4.17 /1000 gals.	Tier 4	15,001 to 20,000 gals.	\$ 6.10 /1000 gals.
Tier 5	20,001 to _____ gals.	\$ 4.17 /1000 gals.	Tier 5	20,001 to _____ gals.	\$ 6.10 /1000 gals.
MISCELLANEOUS FEES			MISCELLANEOUS FEES		
Tap Fee	\$	675.00	Tap Fee	\$	675.00
Reconnect fee: Non-payment	\$	25.00	Reconnect fee: Non-payment (Maximum - \$25.00)	\$	25.00
Customer's Request	\$	25.00	Customer's Request	\$	25.00
Transfer Fee	\$	25.00	Transfer Fee	\$	25.00
Late Charge	\$		Late charge: (Indicate either \$5.00 or 10%)	\$	
Returned Check Charge	\$	30.00	Returned Check Charge	\$	30.00
Deposit	\$	0.00	Deposit (Maximum \$50.00)	\$	0.00
Meter test fee	\$	25.00	Meter test fee (Maximum - \$25.00)	\$	25.00

Regulatory Assessment of 1% is added to base rate and gallonage charges. Additional fees and meter sizes may be shown on a separate page.

If applicable, list any bill payment assistance programs to low income Ratepayers.

Additional Fees/Clarification to Above Fees:

Tap Fee - Large Meter is Actual Cost (unchanged)
 Meter Relocation Fee is Actual Relocation Cost, Not to Exceed Tap Fee (unchanged)
 Late Charge is 10% of the bill (unchanged)
 Commercial & Non-residential Deposit is 1/6th of estimated annual bill (unchanged)
 Governmental Testing Inspection and Costs Surcharge (unchanged)
 Line Extension and Construction Charges (unchanged)
 Rate Case Expense Surcharge - TBD (NEW)

NOTICE OF PROPOSED RATE CHANGE –SEWER

CURRENT RATES	PROPOSED RATES
Monthly base rate including _____ 3,000 gallons Meter Size: RESIDENTIAL	Monthly base rate including _____ 3,000 gallons Meter Size: RESIDENTIAL
5/8" or 3/4" \$ 41.00	5/8" or 3/4" \$ 57.50
1" \$ 102.50	1" \$ 145.00
1 1/2" \$ 205.00	1 1/2" \$ 295.00
2" \$ 328.00	2" \$ 465.00
3" \$	3" \$
Other: \$	Other: Rate Case Exp Surcharge-TBD \$
GALLONAGE OR FIXED CHARGE:	GALLONAGE OR FIXED CHARGE:
\$ _____ 8.00 <input type="checkbox"/> per month; OR <input checked="" type="checkbox"/> for each additional 1,000 gallons over the minimum. Gallorage charges are determined based on average consumption for winter period which includes the following months: December, January, February	\$ _____ 11.00 <input type="checkbox"/> per month; OR <input checked="" type="checkbox"/> for each additional 1,000 gallons over the minimum. Gallorage charges are determined based on average consumption for winter period which includes the following months: December, January, February
MISCELLANEOUS FEES	MISCELLANEOUS FEES
Tap Fee \$ 3,100.00	Tap Fee \$ 3,100.00
Reconnect fee: Non-payment \$ 25.00	Reconnect fee: Non-payment (Maximum - \$25.00) \$ 25.00
Customer's Request \$ 40.00	Customer's Request \$ 40.00
Transfer Fee \$ 40.00	Transfer Fee \$ 40.00
Late Charge \$	Late charge: (Indicate either \$5.00 or 10%) \$
Returned Check Charge \$ 20.00	Returned Check Charge \$ 20.00
Deposit \$ 0.00	Deposit (Maximum \$50.00) \$ 0.00
Meter test fee \$	Meter test fee \$ (Maximum - \$25.00)

Regulatory Assessment of 1% is added to base rate and gallonage charges. Additional fees and meter sizes may be shown on a separate page.

If applicable, list any bill payment assistance programs to low income Ratepayers.

Additional Fees/Clarification to Above Fees:
 Tap Fee - Large Connection is Actual Cost (unchanged)
 Late Charge is 10% of the bill (unchanged)
 Commercial & Non-residential Deposit is 1/6th of estimated annual bill (unchanged)
 Governmental Testing Inspection and Costs Surcharge (unchanged)
 Line Extension and Construction Charges (unchanged)
 There is no meter test fee on the sewer tariff
 Rate Case Expense Surcharge - TBD (NEW)

Total



PUBLIC UTILITY COMMISSION OF TEXAS

CLASS B RATE/TARIFF CHANGE APPLICATION

Required Schedules for rate/tariff changes

UTILITY NAME: Double Diamond Utility Company, Inc WHITE BLUFF (Total)
CCN No 12087, 20705

ADDRESS OF UTILITY: 5495 Belt Line Road, Suite 200
Street, P.O. Box and/or suite number
Dallas 75254
City and Zip Code

PHONE NUMBER: (214) 706-9801
area code

NAME OF PERSON TO CONTACT REGARDING THIS FILING.

NAME Randy Gracy

PHONE: (214) 706-9801

EMAIL ADDRESS rgracy@ddresorts.com

PUC CLASS SIZE B C (circle one)

INCREASE (DECREASE) \$ 366,666 (From Sch. I-1, Line 33,
dollar amount

42% (From Sch. I-1, Line 34,
percent above (below) current revenue requirement

DESCRIBE OWNERSHIP OF COMPANY

S-Corporation

DATE OF LAST GENERAL RATE CASE FILING 10/24/2008 Water, 2/26/2009 Sewer

DATE OF LAST NON-GENERAL RATE CHANGE* N/A

* (e.g. pass through rate change or temporary water rate provision)

CLASS B RATE/TARIFF CHANGE APPLICATION

Required Schedules for rate/tariff changes

****Please read the "Class B Investor-Owned Utilities water and/or sewer Instructions for Rate/Tariff Change Application" completing these schedules.****

These schedules are organized in a manner whereby the user can work through each section to:

- 1st Record historical test year data on Schedule I-1, Column D.
Enter your test year end on the table of contents.**
- 2nd Provide historical revenue information on Schedule 1-2.**
- 3rd Calculate operating expenses and make adjustments (Section II).**
- 4th Calculate return for rate making purposes (Section III).**
- 5th Calculate adjusted taxes other than income (Section IV).**
- 6th Calculate federal income taxes (Section V).**
- 8th Determine revenue requirements (Schedule I).**
- 9th Design proposed rates (Section VI).**

These schedules are intended to assist the utility in calculation of its new rates. The process consists of a number of relatively complex steps. Utilities are required to provide all the information necessary to support amounts included in the schedules and to cross-reference all information.

If the applicant does not use a schedule, it should be noted as "N/A", and an explanation provided.

UTILITY NAME. Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 GENERAL WATER RATE/TARIFF CHANGE APPLICATION
 SCHEDULES

**Complete all of the following schedules for your Class A or B utility
 (if the schedule does not apply, include it marked "N/A")**

TABLE OF CONTENTS (Page 1 of 2)

FOR TEST YEAR ENDED: 12/31/2015
 DATE SUBMITTED TO PUC: July 2016

	Attachment Schedule	Items Checked
SECTION I <u>REVENUES AND REVENUE REQUIREMENT</u>		
Revenue Requirement Summary	I-1	<input checked="" type="checkbox"/>
Historical Revenue Summary	I-2	<input checked="" type="checkbox"/>
 <u>Include the appropriate schedules:</u>		
Metered Active Connections by Meter Size	I-3	<input checked="" type="checkbox"/>
Unmetered Active (Flat Rate) Customers	I-4	<input checked="" type="checkbox"/>
 SECTION II <u>OPERATIONS AND EXPENSES</u>		
Water Production (no unmetered rates)	II-1(a)	<input checked="" type="checkbox"/>
Water Production (with unmetered rates)	II-1(b)	<input checked="" type="checkbox"/>
Other Revenues & Expenses passed through	II-3	<input checked="" type="checkbox"/>
Purchased Power	II-4	<input checked="" type="checkbox"/>
Other Volume Related Expenses	II-5	<input checked="" type="checkbox"/>
Payroll Cost Allocation	II-6	<input checked="" type="checkbox"/>
Materials	II-7	<input checked="" type="checkbox"/>
Contract Work	II-8	<input checked="" type="checkbox"/>
Transportation Expenses	II-9	<input checked="" type="checkbox"/>
Other Plant Maintenance	II-10	<input checked="" type="checkbox"/>
Employee Pensions/Benefits	II-11	<input checked="" type="checkbox"/>
Bad Debts/uncollectables	II-12	<input checked="" type="checkbox"/>
Office Services and Rentals	II-13	<input checked="" type="checkbox"/>
Office Supplies and Expense	II-14	<input checked="" type="checkbox"/>
Professional Services	II-15	<input checked="" type="checkbox"/>
Insurance	II-16	<input checked="" type="checkbox"/>
Rate Case Expense	II-17	<input checked="" type="checkbox"/>
Regulatory Commission Expense	II-18	<input checked="" type="checkbox"/>
Miscellaneous Expense	II-19	<input checked="" type="checkbox"/>

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 GENERAL WATER RATE/TARIFF CHANGE APPLICATION
 SCHEDULES
 TABLE OF CONTENTS (Page 2 of 2)

**Complete all of the following schedules for your Class A or B utility
 (if the schedule does not apply, include it marked "N/A")**

	Attachment Schedule	Items Checked
SECTION III <u>RETURN AND RATE BASE</u>		
Requested Return	III-1	<input checked="" type="checkbox"/>
Rate Base	III-2	<input checked="" type="checkbox"/>
Utility Plant	III-3	<input checked="" type="checkbox"/>
Utility Plant reconciled to previous filing	III-3(a)	<input checked="" type="checkbox"/>
Developer Construction work in progress	III-4(a)	<input checked="" type="checkbox"/>
Materials and Supplies Inventory	III-4(b)	<input checked="" type="checkbox"/>
Working Cash	III-5	<input checked="" type="checkbox"/>
Notes Payable	III-6	<input checked="" type="checkbox"/>
Accumulated Depreciation	III-7	<input checked="" type="checkbox"/>
Advances for Construction	III-8(a)	<input checked="" type="checkbox"/>
Contributions in Aid of Construction	III-8(b)	<input checked="" type="checkbox"/>
Deferred Income Taxes	III-9(a)	<input checked="" type="checkbox"/>
Deferred Investment Tax Credits	III-9(b)	<input checked="" type="checkbox"/>
Deferred Assets	III-10(a)	<input checked="" type="checkbox"/>
SECTION IV <u>TAXES OTHER THAN INCOME</u>		
Property, Payroll and Other Taxes	IV(a)	<input checked="" type="checkbox"/>
Revenue Related Taxes	IV(b)	<input checked="" type="checkbox"/>
SECTION V <u>FEDERAL INCOME TAXES (FIT)</u>		
Income Taxes at Present Rates-effective rate	V	<input checked="" type="checkbox"/>
SECTION VI <u>RATE DESIGN</u>		
Rate Design Worksheet	VI	<input checked="" type="checkbox"/>

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
SCHEDULES - CLASS B RATE/TARIFF CHANGE
SECTION I - REVENUE REQUIREMENTS AND REVENUES

The purpose of Section I is to summarize the revenue requirement and provide revenues and meter information for the test year.

Instructions for Section I - Revenue Requirement and Revenues

Carefully complete the label for each workpaper. Your application docket number should be included on each page.

Schedule I-1 is a **SUMMARY**. Complete column D, historical test year information first using financial records, then work through the remainder of the sections and schedules other than the rate design, Schedule VI, to calculate the utility's changes to its historical test year in Column E. Column G provides the workpaper source for amounts in Columns E & F.

Schedule I-2 reports historical revenues collected and Schedules I-3 and I-4 report connection information. Use historical financial data and data from recent annual reports (PUC Rpt.) to complete the schedules.

Please complete Schedule II-3 prior to I-2.

Insert and reference additional workpapers as necessary. For example, you may wish to add schedules that apply to unique situations in your utility.

The schedules are based on NARUC chart of accounts and include sub-accounts as necessary for detail needed to determine reasonable and necessary expenditures.

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)						
SCHEDULES - CLASS B RATE/TARIFF CHANGE						
I-1 REVENUE REQUIREMENT SUMMARY						
PUC Docket No.		Test Year End:		12/31/2015		
A	B	C	D	E	F=D+E	G
			Historical Test Year	K & M Changes	Adjusted Test Year	
Line No	Acct. No.	Account Name				Reference/ Instructions
		Volume related expenses:				
1	610	Purchased water	-	-	-	Schedule II-3
2	615	Power Expense-production only	85,323	-	85,323	Schedule II-4
3	618	Other volume related expenses	10,698	-	10,698	Schedule II-5
4		Total volume related exp.	96,021	-	96,021	Add Lines 1-3
		Non-volume related expenses:				
5	601-1	Employee labor	151,074	20,886	171,960	Schedule II-6, Line 10
6	620	Materials	5,494	-	5,494	Schedule II-7
7	631-636	Contract work	6,220	-	6,220	Schedule II-8
8	650	Transportation expenses	25,108	-	25,108	Schedule II-9
9	664	Other plant maintenance	142,010	-	142,010	Schedule II-10
10		Total non-volume related exp	329,906	20,886	350,792	Add Lines 5-9
		Admin. & general expenses:				
11	601-2	Office salaries	-	-	-	Schedule II-6, line 2
12	601-3	Mgmt. salaries	-	-	-	Schedule II-6, line 3
13	604	Employee pensions & benefits	-	-	-	Schedule II-11
14	615	Purchased power-Office only	-	-	-	Schedule II-4
15	670	Bad debt expense	-	-	-	Schedule II-12
16	676	Office services & rentals	-	-	-	Schedule II-13
17	677	Office supplies & expenses	16,438	-	16,438	Schedule II-14
18	678	Professional services	3,937	-	3,937	Schedule II-15
19	684	Insurance	18,234	-	18,234	Schedule II-16
20	666	Regulatory (rate case) expense	-	-	-	Schedule II-17
21	667	Regulatory expense (other)	31,525	-	31,525	Schedule II-18
22	675	Miscellaneous expenses	55,685	-	55,685	Schedule II-19
23		Total admin. & general expense	125,819	-	125,819	Add Lines 11-22
24		Total operating Expenses	551,746	20,886	572,632	Lines 4 + 10 + 23
25	403	Depreciation	148,621	13,759	162,380	Sch III-3, Col E, Line 50
26	408	Taxes Other than Income	132,290	(9,719)	122,571	Sch IV(b), Line 8
27	409/10	Income Tax Expense	-	75,410	75,410	Schedule V, Line 7
28		TOTAL EXPENSES	832,657	100,335	932,992	
29		TOTAL HISTORIC REVENUE	863,484			Sch I-2, Line 6
30		HISTORICAL TEST YEAR RETURN	30,827			Line 30 less Line 29
31		REQUESTED RETURN			297,158	Schedule III-1, Line 3
32		TOTAL REVENUE REQUIREMENT			1,230,150	Line 30 plus Line 34
33		REQUESTED ANNUAL REVENUE INCREASE		(to notice)	366,666	Line 32 less Line 29
34		PERCENTAGE INCREASE			42%	Line 36 divided by Line 33
35		LESS OTHER REVENUES			(9,736)	Sch. II-3(b), Col. D, Line 8
36		Revenue for Rate Design		(to VI, line 1)	1,220,414	Line 33 minus Line 35

UTILITY NAME: <u>Double Diamond Utility Company, Inc. WHITE BLUFF (Total)</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE FOR TEST YEAR ENDED: <u>12/31/2015</u> I-2 HISTORICAL REVENUE SUMMARY				
Line No.	NARUC A/C	Description	Historical Test Year	
1.	461	Metered connections base rate revenue	\$ 843,670	From financial records
2	461	Metered connection gallonage rate revenue	n/a	From financial records
3	460	Unmetered (Flat rate) revenue	\$ -	From financial records
4.	Total Metered & Flat Rate Revenue		\$ 843,670	
5	Plus: Total Other Revenues		\$ 19,814	From II-3, Column B, line 7
6	Total Historic Test Year Revenues per income statement and Annual Report*		\$ 863,484	Line 4 plus line 5

(to I-1, Column D, line 29)

*Provide all calculations and explanations for any differences between the applicant's annual report and this schedule.

* If the utility provides other than residential retail service (wholesale, industrial, etc), provide a work paper with the detail of this account by NARUC sub account number

Note: Annual Report is reported on a consolidated basis for four systems while the schedule above reflects one system only, therefore, they cannot be reconciled.

UTILITY NAME: Double Diamond Utility Company, Inc WHITE BLUFF (Total) SCHEDULES - CLASS B RATE/TARIFF CHANGE I-3 METERED ACTIVE CONNECTIONS BY METER SIZE FOR TEST YEAR ENDED: 12/31/2015							
A	B	C	D	E	F	G	H
		Number of Connections					
Line No.	Meter Size	End of Prior Year	Test Year Additions	End of Test Year	Average	Meter Ratios	Meter Equivalencies End of TY
		PUC report Sch 9		(C+D)	(C + E) /2		(E x G)
1.	5/8" x 3/4"	NOT APPLICABLE					
2.	3/4"						
3.	1"						
4.	1 1/2"						
5.	2"						
6.							
7.							
8.							
9.	Total						
10.	Average						

UTILITY NAME Double Diamond Utility Company, Inc. WHITE BLUFF (Total) SCHEDULES - CLASS B RATE/TARIFF CHANGE I-4 UNMETERED (FLAT RATE) ACTIVE CONNECTIONS FOR TEST YEAR ENDED. 12/31/2015

A	B	C	D	E	F
		Number of Active Connections			
Line No.	Flat Rate Unit	End of Prior Year	Test Year Additions	End of Year	Average
		PUC report Sch 9		(C + D)	(C + E) / 2
1.	NONE				
2.					
3.					
4.					
5.	Total				

UTILITY NAME: Double Diamond Utility Company, Inc.
SCHEDULES - CLASS B RATE/TARIFF CHANGE
SECTION II - OPERATIONS AND MAINTENANCE

The purpose of Section II is to report expense information and allow for for the known and measurable changes to operating expenses to determine the revenue requirement in Schedule I-1

Instructions for Section II

Compile financial and source information to determine known and measurable changes to the test year expenses. Provide copies of source documents, such as increased utility bill notices, to verify the applicant's proposed known and measurable changes. Show calculations and explanations for all known and measurable changes on all schedules, where applicable. Attach extra workpapers if needed.

Working through Schedules II-4 through II-19, complete each and transfer test year amounts to column G of Schedule I-1. Depreciation expense, other taxes, FIT and return will be determined using later schedules. Wait until those schedules are complete, and then transfer the amounts to Schedule I-1.

Insert and reference additional workpapers as necessary. For example, the applicant may use additional schedules that address unique aspects of the utility.

UTILITY NAME: <u>Double Diamond Utility Company, Inc. WHITE BLUFF (Total)</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-1(a) AND II-1(b) - HISTORICAL OF WATER PRODUCTION FOR TEST YEAR ENDED: 12/31/2015
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**SCHEDULE II-1(a): WATER PRODUCTION:
(COMPANIES WITH METERED RATE CUSTOMERS)**

Line No	Water Production (1,000 Gallons)	A	B	C= A+B	D
		Test Year	K & M Changes	Adjusted Test Year	Reference
1	Total water pumped	NOT APPLICABLE			PUC Annual Report
2	Total water purchased				PUC Annual Report
3	Total water produced				Line 1 + line 2
4	Total water sold				PUC Annual Report
5	Total accounted for non-revenue water*				Lines 3 less 4 less 5
6	Total unaccounted for water				Line 6 divided by Line 3
7	Percentage				

* Describe the tracking technique for calculating line 5 and provide the records reflecting the calculation.

Known and measurable calculations and explanations.

**SCHEDULE II-1(b) WATER PRODUCTION
(COMPANIES WITH UNMETERED (FLAT) RATE CUSTOMERS)**

Line No	Description	A	B	C=A+B	D
		Test Year	K & M Change	Adjusted Test Year	Reference
1	Water Purchased (1,000 gallons)	NOT APPLICABLE			PUC report Sch D-1
2	Water Pumped (1,000 gallons)				PUC report Sch D-1
3	Total production (1,000 gallons)				Lines 13 + 14

Known and measurable calculations and explanations.

UTILITY NAME. Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-3 OTHER REVENUES & EXPENSES PASSED THROUGH
 FOR TEST YEAR ENDED: 12/31/2015

II-3(a) Purchased Water or Other Pass Through Expenses

Line No.	A	B	C	D	D
	Purchased from:	Units purchased (in _____)	Price Per Unt	Total Calculated Cost (B x C)	Actual Cost paid per financial records
	Not Applicable	(e.g. 1,000 gal, AC - FT)			
1					
2					
3					
4	Total *				

* Must agree with Schedule II-1(a), Line 2, column A, or provide a reconciliation.

II-3(b) Other revenues collected from customers

Line No.	A	B	C	D
	Item passed thru or type of other revenue	Test year historical revenues collected		Test year revenues netted against
1.	Tap Fees*	10,078		-0.*
2	Late Fees	5,041		
3.	Meter Test Fees	-		
4	Reconnect Fees	3,530		
5.	Purchased Water Fees	-		
6	Groundwater Conservation District Fees	-		
7.	Other (attach detail**)	1,165		
8.	Total Other Revenues	19,814		

(to Sch I-2, line 5)

(to Sch I-1, line 35)

* Tap fees should be reported on Sch III-8-CIAC, Line 1

** If the utility provides other than residential retail service (wholesale, industrial, etc), provide a work paper with the detail of this account by NARUC sub account number

UTILITY NAME Double Diamond Utility Company, Inc WHITE BLUFF (Total)
 II-4 SCHEDULES - CLASS B RATE/TARIFF CHANGE
PURCHASED POWER
 FOR TEST YEAR ENDED 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.

References below refer to Schedule I-1.

Line No.	Account No.	Account Name
2.	615.1	Purchased Power (electric) -production

II-4(a) Volume related expenses (Electric used for production of water/sewer)

List the amount spent on purchased power (electricity) for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

* A large item is more than 10% of the test year account balance and more than \$1,000.

	Year	Amount
	<u>TME 12/31/13</u>	\$ <u>85,923</u>
	<u>TME 12/31/14</u>	\$ <u>103,761</u>
a. Test Year	<u>TME 12/31/15</u>	\$ <u>85,323</u>
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line 2)
c. Adjusted Test year (a.+b.)		\$ <u>85,323</u> (to I-1, Column F, Line 2)

Explanation and calculations of known and measurable change: N/A

II-4(b) Office related expenses (Electric used for production of water/sewer)

Line No.	Account No.	Account Name
14	615.2	Purchased Power (electric) Expense for office

Volume related expenses

List the amount spent on purchased power (electricity) for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

	Year	Amount
	<u>TME 12/31/13</u>	\$ <u>-</u>
	<u>TME 12/31/14</u>	\$ <u>-</u>
a. Test Year	<u>TME 12/31/15</u>	\$ <u>-</u>
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line14)
c. Adjusted Test year (a.+b.)		\$ <u>-</u> (to I-1, Column F, Line 14)

Explanation and calculations of known and measurable change: N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-5 OTHER RELATED VOLUME EXPENSES
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.

Line No.	Account No.	Account Name
3.	618	Other volume related expenses

Other volume related expenses

List the amount spent on other volume related expenses for the last two record periods and actual for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

* A large item is more than 10% of the test year account balance and more than \$1,000.

	Year	Amount
	TME 12/31/13	\$ 18,737
	TME 12/31/14	\$ 14,850
a. Test Year	TME 12/31/15	\$ 10,698
b. K & M Change		\$ - (to I-1, Column E, Line 3)
c. Adjusted Test year (a.+b.)		\$ 10,698 (to I-1, Column F, Line 3)

Explanation and calculations of known and measurable change: N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)

If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

Not Applicable

Large Items:

Description	Amount	Date in service
Not Applicable	\$ -	N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
 II-6 ALLOCATION OF PAYROLL EXPENSES
 FOR THE TEST YEAR ENDED: 12/31/2015

SOME SALARIES MUST BE CAPITALIZED IN THIS REPORT IF EMPLOYEES INSTALL PLANT IN SER II-6(a) PAYROLL COSTS:

Line No	Employee Name	A Test Year Payroll	B Capitalized Payroll	C Expensed Payroll	D 1st 7000 or new limit (FUTA max)	E 7,001 to 9000 or new limit (SUTA max)	F 9,001 to 118500 or new limit (or FICA max)	G over 118500 or new limit	H Total Payroll
1	Jody Bledsoe	26,000	-	26,000	7,000	2,000	17,000	-	26,000
2	Clovis C Wilhelm	21,840	-	21,840	7,000	2,000	12,840	-	21,840
3	Jerry Whitworth	20,800	-	20,800	7,000	2,000	11,800	-	20,800
4	Dwayne Cota	21,840	-	21,840	7,000	2,000	12,840	-	21,840
5	Todd Dilworth	44,100	-	44,100	7,000	2,000	35,100	-	44,100
6	Jordan Dilworth	-	-	-	-	-	-	-	-
7	Buck W Nunley	14,500	-	14,500	7,000	2,000	5,500	-	14,500
8	Danny Keeton	22,880	-	22,880	7,000	2,000	13,880	-	22,880
9	Total	171,960	-	171,960	49,000	14,000	108,960	-	171,960
10								0.63	

Line 9, column F divided by line 9, column E =

II-6(b) ALLOCATION OF PAYROLL TO EXPENSE:

Line 'Total Payroll Expenses' should equal the total from 'Expensed Payroll' (Column C, Line 9) above

Line No	Acct No	Test Yr Expense
1	601-1	171,960
2	601-2	-
3	601-3	-
4		171,960

*Attach a brief summary of the utility's capitalization policy and explain any changes in capitalization rates of more the 5% per year

** Attach an explanation and calculation for K&M salary changes from test year

Capitalization Policy Employees do not perform construction activities, therefore, 0.00% of labor is capitalized

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-7 MATERIALS
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
6.	620	Materials

II-7(a) Materials

List the amount spent on materials for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items in the list below. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	<u>TME 12/31/13</u>	\$ <u>6,881</u>
	<u>TME 12/31/14</u>	\$ <u>5,714</u>
a. Test Year	<u>TME 12/31/15</u>	\$ <u>5,494</u>
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line 6)
c. Adjusted Test year (a.+b.)		\$ <u>5,494</u> (to I-1, Column F, Line 6)

* A large item is more than 10% of the test year account balance and more than \$1,000.00

Expensed materials may not be included in rate base in materials and supplies inventories

Explanation and calculations of known and measurable change: N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-8 CONTRACT WORK
 FOR THE TEST YEAR ENDED. 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.

References below refer to Schedule I-1.

Line No.	Account No.	Account Name
7.	631, 635, 636	Contract work (non-capitalized engineering, testing, other)

II-7(a) Contract work

List the amount spent on contract work for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase. The increase in the Test Year is due to normal cost fluctuations.

	Year	Amount
	TME 12/31/13	\$ 5,299
	TME 12/31/14	\$ 5,385
a. Test Year	TME 12/31/15	\$ 6,220
b. K & M Change	-	\$ - (to I-1, Column E, Line 7)
c. Adjusted Test year (a.+b.)	6,220	\$ 6,220 (to I-1, Column F, Line 7)

* A large item is more than 10% of the test year account balance more than \$1,000.

Explanation and calculations of known and measurable change: N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)

If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

The increase in the Test Year is due to normal cost fluctuations.

II-8(b) Large Items:

Description	Amount	Date in service
Not Applicable	\$ -	N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
 II-9 TRANSPORTATION
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
8.	650	Transportation expense

II-9(a) Transportation expense

List the type of vehicles used by the utility and allocate the percent used for business purposes. For example, is there one vehicle used solely for the utility, or is it used for non-business activities too? Is there a vehicle involved that is part of the Company's Plant in Service and thus is already depreciated?

Vehicle expenses reported using a cost per unit (say 34 cents per mile) have the depreciation factor included. A vehicle which is part of the Plant in Service should show only actual operating and maintenance expenses (oil, gas, repairs, maintenance) excluding insurance. The purpose of this supplemental page is to ensure that vehicle expense will be recorded properly and that vehicle depreciation is not listed twice or totally omitted.

	Year	Amount
	<u>TME 12/31/13</u>	\$ <u>37,574</u>
	<u>TME 12/31/14</u>	\$ <u>27,915</u>
a. Test Year	<u>TME 12/31/15</u>	\$ <u>25,108</u>
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line 8)
c. Adjusted Test year (a.+b.)		\$ <u>25,108</u> (to I-1, Column F, Line 8)

Explanation and calculations of known and measurable change: N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)

If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

Not Applicable

II-9(b) Large Items*:

Description	Amount	Date in service
Not Applicable	\$ -	N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-10 OTHER PLANT MAINTENANCE
 FOR THE TEST YEAR ENDED 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
9.	664	Other plant maintenance

II-10(a) Other plant maintenance

List the amount spent on other plant maintenance for the last two record periods and estimated for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	<u>TME 12/31/13</u>	\$ <u>112,667</u>
	<u>TME 12/31/14</u>	\$ <u>150,640</u>
a. Test Year	<u>TME 12/31/15</u>	\$ <u>142,010</u>
b. K & M Change		\$ <u> -</u> (to I-1, Column E, Line 9)
c. Adjusted Test year (a.+b.)		\$ <u>142,010</u> (to I-1, Column F, Line 9)

* A large item is more than 10% of the test year account balance more than \$1,000.

Explanation and calculations of known and measurable change: N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)

If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

Not Applicable

II-10(b) Large Items:

Description	Amount	Date in service
Not Applicable	\$ -	N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
 II-11 EMPLOYEE PENSIONS AND BENEFITS
 FOR THE TEST YEAR ENDED: 12/31/2015

**This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1.**

Line No.	Account No.	Account Name
13.	604	Employee pensions and benefits

Employee pensions and benefits

List the amount spent on Employee's pensions and benefits for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all items by category. For example, Pensions includes such items as ESOPs and IRAs. The "Other" column includes such items as dental, vision, life insurance, etc. Also include the number of employees covered and charged to account 674 and indicate the cost per employee. As applicable, provide information on any qualified pensions offered to employees and documentation, such as actuarial studies, discussing net pension costs as well as current funding status of the utility's projected benefit obligation. If the Test Year amount is higher than previous years, indicate the reason for the anticipated change:

List types of Pensions & Benefits:

<u>TME 12/31/15</u>	\$	-	\$	-	\$	-	\$	-	\$	-
Year		Total Amount		Pensions		Health		Other		Amount Capitalized*

Cost per Employee:

<u>TME 12/31/15</u>	\$	-	\$	-	\$	-	\$	-	\$	-
Year		Total Amount		Pensions		Health		Other		Amount Capitalized*

Number of Employees covered:

<u>Cost per Employee:</u>	-
---------------------------	---

List types of Pensions & Benefits:

<u>TME 12/31/15</u>	\$	-	\$	-	\$	-	\$	-	\$	-
Year		Total Amount		Pensions		Health		Other		Amount Capitalized*

Number of Employees covered:

<u>Cost per Employee:</u>	-
---------------------------	---

*(use % on Sch 11-6(a), line 10)

UTILITY NAME. Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-12 BAD DEBTS
 FOR THE TEST YEAR ENDED. 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
15.	670	Bad Debts

II-12 Bad debts/Uncollectibles

List the recorded amount the company was unable to collect for the last two years, and estimate the uncollectible amount for the Test Year. If the the Test Year is higher than previous years, indicate the reason for the anticipated increase.

	<u>Year</u>	<u>Amount</u>
	<u>TME 12/31/13</u>	\$ <u> -</u>
	<u>TME 12/31/14</u>	\$ <u> -</u>
a. Test Year	<u>TME 12/31/15</u>	\$ <u> -</u>
b. K & M Change		\$ <u> -</u> (to I-1, Column E, Line 15)
c. Adjusted Test year (a. + b.)		\$ <u> -</u> (to I-1, Column F, Line 15)

Explanation and calculations of known and measurable change: N/A

II-12(b) Large Items*:

Description	Amount	Date in service
None		

*** A large item is more than 10% of the test year account balance and more than**

UTILITY NAME: Double Diamond Utility Company, Inc WHITE BLUFF (Total)
SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-13 OFFICE SERVICES AND RENTALS
FOR THE TEST YEAR ENDED. 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
16.	678	Office services & rentals

II-13(a) Office services and rentals

List the amount spent on office services and rentals for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	<u>TME 12/31/13</u>	\$ <u>-</u>
	<u>TME 12/31/14</u>	\$ <u>-</u>
a. Test Year	<u>TME 12/31/15</u>	\$ <u>-</u>
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line 16)
c. Adjusted Test year (a. + b.)		\$ <u>-</u> (to I-1, Column F, Line 16)

Explanation and calculations of known and measurable change: N/A

*** A large item is more than 10% of the test year account balance and more than \$1,000.**

II-13(b) Large Items:

Description	Amount	Date in service
None		

UTILITY NAME: <u>Double Diamond Utility Company, Inc. WHITE BLUFF (Total)</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-14 OFFICE SUPPLIES FOR THE TEST YEAR ENDED: 12/31/2015
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This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
17.	681	Office supplies & expenses

II-14(a) Office supplies & expenses

List the amount spent on office supplies and expenses for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	<u>TME 12/31/13</u>	\$ <u>16,431</u>
	<u>TME 12/31/14</u>	\$ <u>18,603</u>
a. Test Year	<u>TME 12/31/15</u>	\$ <u>16,438</u>
b. K & M Change		\$ <u> </u> (to I-1, Column E, Line 17)
c. Adjusted Test year (a.+b.)		\$ <u>16,438</u> (to I-1, Column F, Line 17)

Explanation and calculations of known and measurable change: N/A

* A large item is more than 10% of the test year account balance and more than \$1,000.

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)

If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

Not Applicable

II-14(b) Large Items:

Description	Amount	Date in service
Not Applicable	\$ -	N/A

UTILITY NAME: <u>Double Diamond Utility Company, Inc. WHITE BLUFF (Total)</u> SCHEDULES - CLASS B RATE/TARIFF CHANGE II-15 PROFESSIONAL SERVICES FOR THE TEST YEAR ENDED: <u>12/31/2015</u>
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This page is supplemental information. It is required to complete Schedule I-1. References below refer to Schedule I-1.

Line No.	Account No.	Account Name
18.	682	Professional services

II-15(a) Professional services

List the amount spent on professional services for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items*. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	TME 12/31/13	\$ 7,855
	TME 12/31/14	\$ -
a. Test Year	TME 12/31/15	\$ 3,937
b. K & M Change		\$ - (to I-1, Column E, Line 18)
c. Adjusted Test year (a.+b.)		\$ 3,937 (to I-1, Column F, Line 18)

Explanation and calculations of known and measurable change: N/A

* A large item is more than 10% of the test year account balance and more than \$1,000.

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)

If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

Not Applicable

II-15(b) Large Items:

Description	Amount	Date in service
Not Applicable	\$ -	N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
 II-16 INSURANCE
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
19.	684	Insurance

Insurance

List the amount spent on insurance for the last two record periods and estimate for the Test Year. Indicate the kinds of expenses included in this account by identifying all large items*. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	<u>Year</u>	<u>Amount</u>	
	<u>TME 12/31/13</u>	\$ <u>19,268</u>	
	<u>TME 12/31/14</u>	\$ <u>19,176</u>	
a. Test Year	<u>TME 12/31/15</u>	\$ <u>18,234</u>	
b. K & M Change		\$ <u> </u>	(to I-1, Column E, Line 19)
c. Adjusted Test year (a.+b.)		\$ <u>18,234</u>	(to I-1, Column F, Line 19)

Types of insurance:

	\$	<i>See Insurance Section in Attached Workpapers</i>			
<u>Year</u>		<u>Total amount</u>	<u>Period Covered</u>	<u>Type</u>	<u>Company</u>
<u>Year</u>	\$	<i>See Insurance Section in Attached Workpapers</i>			
<u>Year</u>		<u>Total amount</u>	<u>Period Covered</u>	<u>Type</u>	<u>Company</u>
<u>Year</u>	\$	<i>See Insurance Section in Attached Workpapers</i>			
<u>Year</u>		<u>Total amount</u>	<u>Period Covered</u>	<u>Type</u>	<u>Company</u>

Explanation and calculations of known and measurable change: N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)

If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

Not Applicable

Large Items:

Description	Amount	Date in service
Not Applicable	\$ -	N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-17 REGULATORY EXPENSE
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
20.	666	Regulatory (Rate Case) Expense

II-17(a) Regulatory commission expense

List the amount spent on rate case expense for the last two years and for the Test Year. Typically, the commission separates rate case expense from the revenue requirement and allows recovery through a surcharge. The known and measurable adjustment would decrease this expense to zero in this case. In any event, if the applicant does not file every year, the expense must be amortized over the time between filings and only one year's worth should be charged to customers. Record Commission filing fees or fees to consultants, attorneys, etc. in formal and informal rate cases, complaints, or other dealings with the Commission, which are not reported under Professional Services. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount	
	<u>TME 12/31/13</u>	\$ <u>-</u>	
	<u>TME 12/31/14</u>	\$ <u>-</u>	
a. Test Year	<u>TME 12/31/15</u>	\$ <u>-</u>	
b. K & M Change		\$ <u>-</u>	(to I-1, Column E, Line 20 - see instructions above)
c. Adjusted Test year (a. + b.)		\$ <u>-</u>	(to I-1, Column F, Line 20 - see instructions above)

Explanation and calculations of known and measurable change: N/A

* A large item is more than 10% of the test year account balance and more than \$1,000 .

II-17(b) Large Items:

Description	Amount	Date in service
Not applicable		

UTILITY NAME. Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
II-18 REGULATORY EXPENSE
 FOR THE TEST YEAR ENDED 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1.

Line No.	Account No.	Account Name
21.	667	Regulatory commission expense

II-18(a) Regulatory commission expense

List the amount spent on regulatory commission expense for the two record periods and for the Test Year. Include TCEQ inspection fees or permit fees, and other regulatory expense. Do not include the regulatory assessment; this is a pass through expense. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	Year	Amount
	<u>TME 12/31/13</u>	\$ <u>14,012</u>
	<u>TME 12/31/14</u>	\$ <u>5,529</u>
a. Test Year	<u>TME 12/31/15</u>	\$ <u>31,525</u>
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line 21 - see instructions above)
c. Adjusted Test year (a.+b.)		\$ <u>31,525</u> (to I-1, Column F, Line 21 - see instructions above)

Explanation and calculations of known and measurable change: N/A

* A large item is more than 10% of the test year account balance and more than \$1,000.

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)

If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

Not Applicable

II-18 (b) Large Items:

Description	Amount	Date in service
Not Applicable	\$ -	N/A

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
 II-19 MISCELLANEOUS EXPENSE
 FOR THE TEST YEAR ENDED: 12/31/2015

This page is supplemental information. It is required to complete Schedule I-1.
 References below refer to Schedule I-1.

<u>Line No.</u>	<u>Account No.</u>	<u>Account Name</u>
22.	675	Miscellaneous

II-19 (a) Miscellaneous expense

List the amount spent on general miscellaneous for the last two record periods and for the Test Year. Indicate the kinds of expenses included in this account by identifying all large* items. If the Test Year is higher than previous years, indicate the reason for the anticipated increase:

	<u>Year</u>	<u>Amount</u>
	<u>TME 12/31/13</u>	\$ <u>40,270</u>
	<u>TME 12/31/14</u>	\$ <u>55,647</u>
a. Test Year	<u>TME 12/31/15</u>	\$ <u>55,685</u>
b. K & M Change		\$ <u>-</u> (to I-1, Column E, Line 22 - see instructions above)
c. Adjusted Test year (a.+b.)		\$ <u>55,685</u> (to I-1, Column F, Line 22 - see instructions above)

Explanation and calculations of known and measurable change: N/A

*** A large item is more than 10% of the test year account balance.**

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)

If the actual for the Test Year is higher than previous years, indicate the reason for the increase:

Not Applicable

II-19 (b) Large Items:

<u>Description</u>	<u>Amount</u>	<u>Date in service</u>
Not Applicable	\$ -	N/A

UTILITY NAME: _____

SCHEDULES - CLASS B RATE/TARIFF CHANGE

SECTION III RATE BASE INSTRUCTIONS

Section III provides working tables to allow the calculation of rate base and return on rate base.

Instructions for Section III

- 1 Complete Schedules III-3 through III-9 as they apply to your company.**
- 2 Transfer resulting year end balances (last line of each table) to Schedule III-2.**
- 3 Complete Schedule III-1**

UTILITY NAME: Double Diamond Utility Company, Inc WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-2 RATE BASE SUMMARY
 FOR THE TEST YEAR ENDED, _____ 12/31/2015

Line No	Description	Amount	Reference
1	Additions:		(From)
2	Utility plant (Original Cost)	6,245,596	Schedule III-3, Line 50, Col D
3.	Construction work in progress	-	Schedule III-4, Line 5
4.	Materials and supplies	-	Schedule III-4, Line 8
5.	Working cash (capital)	47,719	Schedule III-5, Line 2
6.	Prepayments	-	Schedule III-4, line 8
7	Other Additions	-	Add schedule
8	TOTAL ADDITIONS (Add Lines 2 through 6)	6,293,316	
	Deductions:		
9.	Reserve for depreciation (Accumulated)	2,755,991	Schedule III-3, Col F, Line 50
10	Advances for construction	-	Schedule III-8(a), Col F, Line 6
11	Developer Contributions in aid of construction	10,078	Schedule III-8(b), Col G, Line 6
12.	Accumulated deferred income taxes	-	Schedule III-9(a), Line 3
13	Accumulated deferred investment tax credits	-	Schedule III-9(b), Line 3
14.	Other Deductions	-	Add schedule
15.	TOTAL DEDUCTIONS (Add lines 9 through 14)	2,766,069	
16.	RATE BASE (Line 8, less Line 15)	3,527,246	

UTILITY NAME Deble Diamond Utility Company, Inc. WHITE BLUFF (Total)										Schedule III-3	
SCHEDULES - CLASS B RATE/TARIFF CHANGE										(Provide a schedule for each PWS system)	
III-3 UTILITY PLANT IN SERVICE (NET BOOK VALUE) CALCULATION										Add schedule as needed, provide a summary also.	
12/31/2015											
Line No.	[A] Item	[B] Date of Installation	[C] Service Life (yrs) *	[D.1] Original Cost when installed \$	[D.2] Customer CIAC amount	[D.1] - [D.2]	Depreciation			[F] Accumulated (Reserve)	[G] - [D]-[F] Net Book Value (\$)
							Years in Service	Months	Days		
1 303 Land and land rights 2 307 Wells Well Pump: 3 311 5 hp or less 4 311 Greater than 5 hp Booster Pump: 5 311 5 hp or less 6 311 Greater than 5 hp 7 320 Chlorinators Structures 8 304 Wood 9 304 Masonry 10 305 Storage Tanks 11 311 Pressure Tanks 12 331 Distribution System (mains and lines) 13 334 Meters and Service (lips not covered by fees) 14 340 Office Equipment 15 341 Vehicles 16 343 Shop Tools 17 345 Heavy Equipment 18 348 Fencing 19 Other: (Please list) 20 Engineering & Surveys 21 Improvements 50 22 Miscellaneous Assets (Negligible NBV) 23 Improvements 20 24 Sewer Plant - 50 25 Sewer Interceptor & Collection System 30 Total											
				195,470			195,470				195,470
			50	242,923			242,923			32,860	210,063
			5								
			10	86,047			86,047			20,105	65,943
			5								
			10	116,572			116,572			57,334	59,237
			10								
			15								
			30								
			50	266,152			266,152			81,566	184,586
			50	37,404			37,404			7,48	26,674
			50	1,787,872			1,787,872			357,577	918,804
			20	141,304			141,304			7,065	89,274
			10								
			5	29,953			29,953			5,991	26,933
			15								
			10	18,152			18,152			15,068	3,084
			20	14,136			14,136			707	3,887
			5	71,066			71,066			71,066	
			50	5,157			5,157			1,686	3,471
			Various	207,596			207,596			3,332	19,013
			20	778,462			778,462			32,958	248,395
			50	436,113			436,113			8,722	341,883
			50	1,811,219			1,811,219			36,224	1,092,887
				6,245,596			6,245,596			162,380	2,755,991

10 Sch III-2, line 2
10 Sch III-2, line 9

Add detailed worksheets if necessary to support this Schedule

* Any amount paid for an item that was not incurred by the utility, such as by a customer, is deducted from the original cost. The adjusted original cost amount here, Column D-2, labeled "Adjusted Original Cost for Customer CIAC". Column D-2 will then be depreciated and the net book value will be calculated (Column G). For an item with the entire amount of its original cost paid for by customer(s), Columns D-2, E, F and G would be zero. See Schedule III-8 for developer CIAC.

UTILITY NAME. Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-3(a) UTILITY PLANT IN SERVICE-RECONCILIATION TO PRIOR CASE
FOR TEST YEAR ENDED. 12/31/2015

ORIGINAL COST DATA

A	B	C	D
Line No.	Description	Amount	Amount
1.	Beginning Gross Plant balance - (from previous rate case)	Must match previous rate case	\$ 5,628,749
2.	Plant additions after previous rate case		
3.	2008 Additions	\$ 136,982	
4.	2009 Additions	\$ 129,128	
5.	2010 Additions	\$ 60,017	
6.	2011 Additions	\$ 74,721	
7.	2012 Additions	\$ 100,937	
8.	2013 Additions	\$ 1,204	
9.	2014 Additions	\$ 25,625	
10.	2015 Additions	\$ 88,234	
11.	Total additions (add lines 3 through 10, Col C)		\$ 616,847
12.	Test year plant retirements after previous rate case.		
13.		\$ -	
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.	Total retirements (add line 13 through 20, Col C)		\$ -
22.	Ending balance (line 1 + line 11 - line 21)	Equals as III-3, Column D, line 50	\$ 6,245,596

Please provide a full explanation of any adjustments to accounts from the prior period.

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
**III-4 AVERAGE CONSTRUCTION WORK IN PROGRESS,
 MATERIALS AND SUPPLIES INVENTORY & PREPAYMENTS**
 FOR THE TEST YEAR ENDED: 12/31/2015

*****DO NOT include construction work in progress in rate base, unless the utility meets the requirements of PUC Subst. Rule 24.31C(4).**

III-4 AVERAGE CONSTRUCTION WORK IN PROGRESS:

A	B	C
Line No.	Description	Test Year Amount
1.	Beginning balance	0
2.	Test year costs added	0
3.	Test year construction costs completed	0
4.	Ending balance	0
5.	Average balance - test year (line 1 plus line 4, divided by 2)	0

Typically zero, to Schedule III-2, Line 3

		Materials & Supplies inventory	Prepaid Expenses
6.	Sum of 12 test year month end balances	-	-
7.	One month prior to the test year, month end balance	-	-
8.	13 Month Average balance (line 6 plus line 7, divided by 13)	-	-

To III-2, Line 4. To III-2, Line 6.

PUC Subst. Rule 24.31C(4)

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES FOR CLASS B RATE/TARIFF CHANGE
III-5 WORKING CASH ALLOWANCE CALCULATIONS
 FOR THE TEST YEAR ENDED 12/31/2015

1 No working cash allowance is permitted when a utility bills its customers in advance and provides service to flat rate customers only. Sewer connections count for the purposes of this schedule.

2 A utility which has all metered customers and bills monthly shall divide its annual Operating and Maintenance (O&M) expenses (excluding all taxes and depreciation) by 12 if it is a Class B utility, or by 8 if it is a Class C utility filing a Class B package to calculate working cash allowance. An example follows:

	Class B	Class C
1 Annual Expenses	\$70,000	\$70,000
2 Taxes and depreciation	(10,000)	(10,000)
3. Net Expenses (Line 1 - Line 2)	60,000	60,000
4. Working Cash (Line 3 / line 5)	\$5,000	\$7,500
5. Divisor	12	8

A Line No	B Description	Water		Sewer	
		Class B		Class C	
1	Annual O & M Expenses	294,813	277,819	N/A	N/A
2	Working Cash (Line 3 / Line 5)	24,568	23,152	N/A	N/A
3	Divisor	12	12	8	8

From Sch I-1, line 25

To Sch III-2, line 5

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-7 ACCUMULATED DEPRECIATION FROM PRIOR RATE CASE
 FOR THE TEST YEAR ENDED 12/31/2015

ACCUMULATED DEPRECIATION:

Line No.	Description	Dollar Amount
1.	Ending-Prior Rate Case (Docket No. _____)	\$ 1,455,064
2	Ending balance per Sch III-3, Column F, Line 50	\$ 2,755,991
	Describe accounting adjustments made between the prior rate case and the current rate case:	
	Depreciation accruals	

Must match previous rate case

UTILITY NAME: Double Diamond Utility Company, Inc WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
III-8 ADVANCES FOR CONSTRUCTION AND
CONTRIBUTIONS IN AID OF CONSTRUCTION
 FOR THE TEST YEAR ENDED: 12/31/2015

III-8(a) ADVANCES FOR CONSTRUCTION

	A	B	C	D	E	F	G	
Line No.	Item	Date of Installation	Total Cost	Amount of Advance	Repayments made to developer	(F)=(D)-(E) Rate base Value (to Sch III-2)	Amount to be refunded in the future*	
1.	Not Applicable							
2.								
3.								
4.								
5.								
6.	Total							

*If any advances or CIAC from developers or customers are refundable, please provide the potential date of refunding, if known.

III-8(b) DEVELOPER CONTRIBUTIONS IN AID OF CONSTRUCTION*:

	A	B	C	D	E	F	G
Line No	Item	Date of Installation or Contribution	Total Cost	Amount of Developer Contribution	Annual amortization	Accumulated Amortization	(G)=(D) - (F) Rate Base Value (to Sch III-2)
1.	Tap Fees	Various	10,078	0	0	0	10,078
2.							
3.							
4.							
5.							
6.	Total		10,078	0	0	0	10,078

*Customer CIAC is entered directly on III-3

UTILITY NAME. Double Diamond Utility Company, Inc WHITE BLUFF (Total) SCHEDULES - CLASS B RATE/TARIFF CHANGE III-9 DEFERRED INCOME TAXES AND DEFERRED INVESTMENT TAX CREDITS FOR THE TEST YEAR ENDED: 12/31/2015

To the extent that new line items have been included within the calculation of ADIT since the last rate filing, provide a complete description of the underlying issues that give rise to the new category of ADIT.

III-9(a) ACCUMULATED DEFERRED INCOME TAXES:

Line No.	Description	Test Year Amount
1.	Beginning balance	-
2.	Test year amount	-
3.	Ending balance	-

III-9(b) ACCUMULATED DEFERRED INVESTMENT TAX CREDITS

Line No	Description	Test Year Amount
1.	Beginning balance	-
2.	Test year amortization	-
3.	Ending balance	-

UTILITY NAME	Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
SCHEDULES - CLASS B RATE/TARIFF CHANGE	
III-10 OTHER DEFERRED ASSETS	
FOR THE TEST YEAR ENDED:	12/31/2015

III-10(a) : Other Deferred Assets

Line No.	Description	Test Year Amount
1.	None	-
2.		-
3.		-

III-10(b) ACCUMULATED AMORTIZATION ON OTHER DEFERRED ASSETS

Line No.	Description	Test Year Amount	Total Accum Amort End of test year
1.	None	-	-
2.		-	-
3.		-	-

UTILITY NAME: _____

SCHEDULES - CLASS B RATE/TARIFF CHANGE

Section IV is used to report taxes other than income for proposed revenues.

Instructions for Section IV

Follow the instructions included with individual schedules under the heading reference.

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)	
SCHEDULES - CLASS B RATE/TARIFF CHANGE	
IV(a) ESTIMATE OF TAXES OTHER THAN INCOME	
FOR THE TEST YEAR ENDED:	12/31/2015

PROPERTY TAXES:

A	B	C	D	E
Line No.	Description	Amount	Amount	Reference
1	Property taxes paid in in test year		103,683	per property tax bills
2	Utility plant added in test year	88,234		Schedule III-3(a), Line 11
3	Utility plant retirements in test year	-		Schedule III-3(a), Line 21
4	Net additions	88,234		Line 2 minus line 3
5	Net Property tax rate			gross plant balance from III-3
6	Test year property tax on additions		777	Line 4 times Line 5
7	Adjusted Test year property tax expense		104,460	Line 1 + Line 6
8	Known and measurable change		777	Line 7 minus Line 1

PAYROLL TAXES (BASED ON ADJUSTED TEST YEAR NUMBERS):

A	B	C	D	E	F	G
Line No.	Tax Type	Wage Level	Tax Rate	Taxable Wages	Reference	Tax
					SCHEDULE II-6	(D x E)
9	FICA	ALL	6.20%	171,960	Column D+E+F Line 9	10,662
10	Medicare	ALL	1.45%	171,960	Column H Line 9	2,493
11	Added Medicare (Affordable Care Act)	ALL	0.00%	171,960		-
12	Federal unemployment	wages to \$7000	0.60%	49,000	Column D Line 9	294
13	State unemployment	wages to \$9000	1.50%	63,000	Column D+E Line 9	945
14	Total (add Lines 11 through 14)					14,394
15	Less Capitalized	Use % on Sch II-6(a), line 11	0%			-
16	Test year Payroll Tax Expense	Line 13 less 14				24,890
17	Known and measurable change					(10,496)

OTHER TAXES:

A	I	J	K	L
Line No.	Description	Test year	K & M Change	Adjusted Test Year
18	Other taxes & licenses	3,717	-	3,717
19				
20				
21	Total Other Taxes (Line 18 + Line 19 + Line 20)	3,717	-	3,717
22	Total this page - taxes other than income (Line 7) + (Col G, Line 16) + (Col L, Line 21)			122,571
23	(Line 8 plus line 17, Column G plus line 21, Column K)			(9,719)

TRUE

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total) SCHEDULES - CLASS B RATE/TARIFF CHANGE IV(b) REVENUE RELATED TAXES AND EXPENSES FOR THE TEST YEAR ENDED: 12/31/2015						
A		B	C	D	E	F=B+C+D+E
Line		Texas Margins Tax	City Franchise Taxes	Bad Debt Expense	Other Revenue Related	Totals
1	Test year expense	-	-	-	-	-
2	Test year effective rate (test year tax expense/historic test year revenues-Sch I-1)	-	-	-	-	-
3	Gross up factor (1.0 divided by (1.0 minus Line 2) (example below))	-	-	-	-	-
4	Change in revenue requirement (Sch I-1, line 33)					-
5	Adjusted revenue requirement (Line 3 x Line 4)					-
6	Adjusted expense (Line 3 times Line 4)					-
7	Add Schedule IV(a), Line 20					-
8	Total taxes other than FIT (to Sch I-1, Col F, Line 26)					0

Example. Test Year Franchise tax \$ 100
 Test Year revenues \$ 2,000
 Percentage (100/2000) 0.050
 Gross up factor (1/(1-0.05)) 1.052631579

SCHEDULES - CLASS B RATE/TARIFF CHANGE

Section V calculated federal income tax at present rates.

Instructions for Section V

Complete SCHEDULE V per instructions found in the reference column.

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total)
 SCHEDULES - CLASS B RATE/TARIFF CHANGE
V SCHEDULE OF EFFECTIVE FEDERAL TAX RATE
 FOR THE TEST YEAR ENDED: 12/31/2015

A	B	C	D
Line		Amount	Reference
1	Requested Return	297,158	Schedule III-1, Line 3 or II-1, line 34
2	Less: Synchronized Interest	118,167	Sch. III-1, Col. G, Line 5 x Sch. III-2, Line 16)
3	Requested taxable return	178,991	Line 1 minus Line 2
4	Income taxes at proposed rates	53,057	Line 17 below
5	Effective tax rate	30%	Line 4 divided by Line 3
6	Total gross up factor	1.42	1.0 divided by (1.0 minus line 5)
7	Grossed up federal income tax	75,410	Line 4 times line 6

To Sch I-1, Line 27

FEDERAL INCOME TAX CALCULATION:

Line No.	Tax Rate	Taxable Income (Portion of Taxable Income in Level)	Tax Rate	Tax (C x D)
12	1st 50,000 of taxable income	50,000	15%	7,500
13	Next 25,000 of taxable income	25,000	25%	6,250
14	Next 25,000 of taxable income	25,000	34%	8,500
15	Next 235,000 of taxable income	235,000	39%	30,807
16	Over 335,000 of taxable income		34%	-
17	Total before gross up		To Line 4	53,057

UTILITY NAME: _____
VI RATE DESIGN INSTRUCTIONS
SCHEDULES - CLASS B RATE/TARIFF CHANGE

Section VI is used for rate design.

Instructions for Section VI:

Sheet VI-1 designs rates based on the requested revenue requirement. Complete the schedule using the referenced lines from other schedules. The schedule is for a simple base (customer charge) rate and one gallonage rate per each 1,000 gallons. If a different rate structure is requested, all calculations supporting the proposed rates must be included. Rates and resulting revenues for each class of customer and each rate tier included in the proposed tariff must be specified. If a different fixed/variable expense split is proposed, attached explanations of why the split is appropriate, and include any calculations not included on Schedule VI.

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Total) SCHEDULES - CLASS B RATE/TARIFF CHANGE Schedule VI-1 RATE DESIGN FOR THE TEST YEAR ENDED 12/31/2015			
Line No.	A	B	C
		Reference	
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			%
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			
26.			

Not Applicable

If the utility is setting a tiered rate, calculations for all tiers must be provided with total collections for all tiers compared to the revenue requirement requested.

Water



PUBLIC UTILITY COMMISSION OF TEXAS

CLASS B RATE/TARIFF CHANGE APPLICATION

Required Schedules for rate/tariff changes

UTILITY NAME: Double Diamond Utility Company, Inc. WHITE BLUFF (Water)
CCN No 12087

ADDRESS OF UTILITY: 5495 Belt Line Road, Suite 200
Street, P.O. Box and/or suite number
Dallas 75254
City and Zip Code

PHONE NUMBER: (214) 706-9801
area code

NAME OF PERSON TO CONTACT REGARDING THIS FILING:

NAME: Randy Gracy

PHONE (214) 706-9801

EMAIL ADDRESS: rgracy@ddresorts.com

PUC CLASS SIZE B C (circle one)

INCREASE (DECREASE) \$ 174,408 (From Sch. I-1, Line 33)
dollar amount

37% (From Sch. I-1, Line 34)
percent above (below) current revenue requirement

DESCRIBE OWNERSHIP OF COMPANY

S-Corporation

DATE OF LAST GENERAL RATE CASE FILING 10/24/2008

DATE OF LAST NON-GENERAL RATE CHANGE* N/A

* (e.g. pass through rate change or temporary water rate provision)