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APPLICATION OF DOUBLE §
DIAMOND UTILITY COMPANY, INC. §
FOR WATER AND SEWER §
RATE/TARIFF CHANGE §

BEFORE THE STATE OFFICE
ADMINISTRATIVE HEARINGS

**DOUBLE DIAMOND UTILITY COMPANY, INC.'S
LIST OF ISSUES**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

Double Diamond Utility Company, Inc. ("DDU") files this List of Issues. This list is not exhaustive, and DDU reserves the right to address additional issues raised by other parties not set forth below.

**I.
BACKGROUND**

On August 1, 2016, DDU filed an application for a rate/tariff change ("Application"). The Application was referred to the State Office of Administrative Hearings on September 8, 2016, which required DDU to file this List of Issues by September 16, 2016. This List of Issues is timely filed.

**II.
LIST OF ISSUES**

DDU proposes the following list of issues in this docket if a hearing on the merits is necessary.

1. Who will be granted party status in this docket?
2. Are the rate and tariff changes requested by DDU just and reasonable according to the standards set forth in TEX. WATER CODE, Chapter 13 and P.U.C. SUBST. R., Ch.24?
3. If not, what are the just and reasonable rates for DDU that are sufficient, equitable, and consistent in application to each customer class and that are not unreasonably preferential, prejudicial, or discriminatory as required by Tex. Water Code Ann. § 13.182 (TWC)?
4. Does the proposed revenue requirement give DDU a reasonable opportunity to earn a reasonable return on its invested capital used and useful in providing service to the public

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in excess of its reasonable and necessary operating expenses while preserving the financial integrity of the utility? TWC § 13.183(a) and 16 Tex. Admin. Code § 24.32(a) (TAC).

5. If not, what revenue requirement will give DDU a reasonable opportunity to earn a reasonable return on its invested capital used and useful in providing service to the public in excess of its reasonable and necessary operating expenses while preserving the financial integrity of the utility? TWC § 13.183(a) and 16 Tex. Admin. Code § 24.32(a) (TAC).
6. What revenue requirement components should be considered and what level of cost should be included for each component in order to determine DDU's retail water rates?
7. Is DDU's rate design just and reasonable?
8. What are the reasonable rate case expenses incurred by DDU in this proceeding?
9. How should DDU recover its reasonable rate case expenses from its ratepayers?
10. Are any surcharges appropriate? If so, what total amount of surcharge revenue should DDU collect? And over what time period should DDU collect the surcharge revenue?

III.

LIST OF ISSUES THAT SHOULD NOT BE ADDRESSED

DDU reserves the right to submit additional issues that should not be addressed at a later time.

IV

THRESHOLD LEGAL/POLICY ISSUES THAT SHOULD BE BRIEFED FOR PRELIMINARY ORDER


There are no threshold legal/policy issues that should be briefed for the Preliminary Order.

V.

CONCLUSION

DDU requests that an Order be issued consistent with the issues set forth above.

Respectfully submitted,

By: 
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CERTIFICATE OF SERVICE

I hereby certify that I have served or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or Certified Mail Return Receipt Requested to all parties on this the 16th day of September, 2016.


John Carlton