

Control Number: 46245



Item Number: 524

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APPLICATION OF DOUBLE § BEFORE THE STATE OFFICE
DIAMOND UTILITY COMPANY, INC. § OF
FOR WATER AND SEWER § ADMINISTRATIVE HEARINGS
RATE/TARIFF CHANGE §

**THE CLIFFS UTILITY COMMITTEE'S FIRST
REQUEST FOR INFORMATION TO DOUBLE DIAMOND UTILITY COMPANY, INC.**

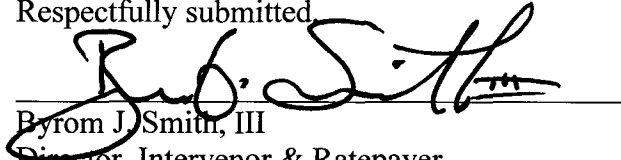
To: Double Diamond Utility Company, Inc., by and through its attorney of record, John Carlton, The Carlton Law Firm, P.L.L.C., 2705 Bee Cave Road, Suite 200, Austin, Texas, 78746

Pursuant to 16 Tex. Admin. Code Ann. § 22.144 (TAC), The Cliffs Utility Committee ("TCUC") requests that Double Diamond Utility Company, Inc. provide the following information and answer the following question(s) under oath. The question(s) shall be answered in sufficient detail to fully present all of the relevant facts, within the time limit provided by the Presiding Officer or within 20 days, if the Presiding Officer has not provided a time limit. Please copy the question immediately above the answer to each question. These question(s) are continuing in nature, and if there is a relevant change in circumstances, submit an amended answer, under oath, as a supplement to your original answer. State the name of the witness in this cause who will sponsor the answer to the question and can vouch for the truth of the answer.

Responses should be provided to: Byrom J. Smith, III, 200 Oyster Bay, Graford, Texas 76449.

Dated: October 21, 2016

Respectfully submitted,



Byrom J. Smith, III
Director, Intervenor & Ratepayer
The Cliffs Utility Committee
200 Oyster Bay
Graford, Texas 76449
(940) 779-4325
juds@adventsupply.com

REPRESENTATIVE FOR
THE CLIFFS UTILITY COMMITTEE

CERTIFICATE OF SERVICE

I certify that a copy of this First Request for Information was served on all parties of record in this proceeding on October 21, 2016, by hand-delivery, facsimile, electronic mail, and/or First Class Mail.

A handwritten signature in black ink, appearing to read "Byrom J. Smith, III", is written over a horizontal line. The signature is cursive and includes a small mark at the end.

Byrom J. Smith, III

**SOAH DOCKET NO. 473-17-0119.WS
PUC DOCKET NO. 46245**

**TCUC'S FIRST REQUEST FOR INFORMATION TO
DOUBLE DIAMOND UTILITY COMPANY, INC.
TCUC NO. 1-1 THROUGH NO. 1-31**

DEFINITIONS

- A. "Double Diamond," "the Company," or "you" refers to Double Diamond Utility Company, Inc. and any person acting or purporting to act on their behalf, including, without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.

- B. The terms "document" or "documents" are used in their broadest sense to include, by way of illustration and not limitation, all written or graphic matter of every kind and description; whether printed, stored, produced, or reproduced by any process, whether visually, magnetically, mechanically, electronically, or by hand, whether final or draft or deleted, original or reproduction, whether or not claimed to be privileged or otherwise excludable from discovery, and whether or not in your actual or constructive possession, custody, or control. The terms include, but are not limited to, writings, correspondence, telegrams, memoranda, studies, reports, surveys, statistical compilations, diagrams, schematic and other drawings, engineering plans and drawings, maps, studies, notes, calendars, tapes, computer disks, data on computer drives, existing and deleted e-mail, electronic recordings, tape recordings, cards, records, contracts, agreements, easements, invoices, licenses, diaries, journals, accounts, ledgers, pamphlets, books, publications, microfilm, microfiche, photographs, video recordings, and any other data compilations from which information can be obtained and translated, by you if necessary, into reasonably usable form. "Document" or "documents" shall also include every copy of a document where the copy contains any commentary or notation of any kind that does not appear on the original or any other copy.

INSTRUCTIONS

- A. Pursuant to 16 TAC § 22.144(c)(2), TCUC requests that answers to the requests for information be made under oath. Each answer should identify the person responsible for preparing that answer (other than the purely clerical aspects of its preparation) and the name of the witness in this proceeding who will sponsor the answer and who can vouch for its accuracy.

- B. In producing documents pursuant to this request for information, please indicate the specific request(s) to which the document is being produced.

- C. These requests are continuing in nature, and should there be a change in circumstances which would modify or change an answer supplied by you, such changed answer shall be submitted as a supplement to your original answer within five working days of acquiring the information, pursuant to 16 TAC § 22.144(i).

- D. Please answer each request and sub-request in the order in which they are listed and in sufficient detail to provide a complete and accurate answer to the request.
- E. TCUC requests that each item of information be made available as it is completed, rather than upon compilation of all information requested.
- H. Pursuant to Tex. R. Civ. P. 196.4, TCUC specifically requests that any electronic or magnetic data (which is included in the definition of “document”) that is responsive to a request herein be produced in a format that is compatible with Microsoft and be produced with your response to these requests.
- I. The terms “and” and “or” shall be construed both disjunctively and conjunctively as necessary to make the request inclusive rather than exclusive.
- J. “Each” shall be construed to include the word “every” and “every” shall be construed to include the word “each.”
- K. “Any” shall be construed to include “all” and “all” shall be construed to include “any.”
- L. The term “concerning,” or one of its inflections, includes the following meanings: relating to; referring to; pertaining to; regarding; discussing; mentioning; containing; reflecting; evidencing; describing; showing; identifying; providing; disproving; consisting of; supporting; contradicting; in any way legally, logically or factually connected with the matter to which the term refers; or having a tendency to prove or disprove the matter to which the term refers.
- M. The term “including,” or one of its inflections, means and refers to “including but not limited to.”
- N. “Relating to,” “regarding,” “concerning” and similar terms mean addressing, analyzing, referring, discussing, mentioning in any way, explaining, supporting, describing, forming the basis for, or being logically or causally connected in any way with the subject of these discovery requests.
- O. “Explain the basis” means provide all information on or describe every fact, statistic, inference, estimate, consideration, conclusion, study, and analysis known to Double Diamond that was relied upon in support of the expressed contention, proposition, conclusion or statement.
- P. Words used in the plural shall also be taken to mean and include the singular. Words used in the singular shall also be taken to mean and include the plural.
- Q. The present tense shall be construed to include the past tense, and the past tense shall be construed to include the present tense.
- R. Pursuant to 16 TAC § 22.144(g)(4), if the response to any request is voluminous, please provide a detailed index of the voluminous material.

- S. If the information requested is included in previously furnished exhibits, workpapers, responses to other discovery inquiries or otherwise, in hard copy or electronic format, please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references.
- T. If a data response is available in Excel format, provide the Excel version of the data response.
- U. If any document is withheld under any claim of privilege, please furnish a privilege log identifying each document for which a privilege is claimed, together with the following information: date and title of the document, the preparer or custodian of the information, to whom the document was sent and from whom it was received, subject matter of the document, and an explanation of the basis upon which the privilege is claimed.
- V. Words and phrases used in this request that also are used in the PUC Chapter 24 Rules shall have the same meaning as given to those words and phrases in those rules.

**TCUC'S FIRST REQUEST FOR INFORMATION TO
DOUBLE DIAMOND UTILITY COMPANY, INC.
IDENTIFIED AS TCUC NO. 1-1 THROUGH NO. 1-31**

- TCUC NO. 1-1** Please provide all "confidential" documents filed with the Commission in this matter.
- TCUC NO. 1-2** Please provide basis for known and measurable changes to "Employee Labor" as listed on line 5, Schedule I-1 (THE CLIFFS (Total)) in the amount of \$ 61,871.00.
- TCUC NO. 1-3** Please provide receipts, invoices, and general ledger for all expenses included in "Other Plant Maintenance" as listed on line 9, Schedule I-1 (THE CLIFFS (Total)) in the amount of \$123,059.00.
- TCUC NO. 1-4** Please provide receipts, invoices, and general ledger for all expenses included in "Other Plant Maintenance" as listed in Schedule II-10(a) (THE CLIFFS (Total)) for the years ending 12/31/13 (\$61,358) and 12/31/14 (\$109,897).
- TCUC NO. 1-5** Please provide receipts, invoices, and general ledger for all expenses included in "Miscellaneous Expenses" as listed on line 22, Schedule I-1 (THE CLIFFS (Total)) in the amount of \$41,113.
- TCUC NO. 1-6** Please provide receipts, invoices, and general ledger for all expenses included in "Miscellaneous Expenses" as listed on Schedule II-19 (THE CLIFFS (Total)) for the years ending 12/31/13 (\$1,256) and 12/31/14 (\$42,497).
- TCUC NO. 1-7** For all employees listed on Schedule II-6 (THE CLIFFS (Total)): Please indicate whether the employee is working solely at the The Cliffs subdivision or if the employee works at other systems owned by Double Diamond.
- TCUC NO. 1-8** For any employee whose time is split between The Cliffs and another system owned by Double Diamond, please provide the basis for allocation of the expenses for that employee between the systems.
- TCUC NO. 1-9** Please provide receipts, invoices, and general ledger for all expenses listed in "Professional Services" as listed on line 18 of Schedule I-1 (THE CLIFFS (Total)) in the amount of \$24,259.
- TCUC NO. 1-10** Please provide receipts, invoices and general ledger for all expenses listed in "Regulatory Expense" as listed on line 21 of Schedule I-1 (THE CLIFFS (Total)) in the amount of \$25,212. Please also provide the basis for the increase in this expense from the previous year

- TCUC NO. 1-11** Please provide the basis of allocation of all expenses listed on Schedule I-1 (THE CLIFFS (Total)) between the water and the wastewater utility and allocation of expenses between systems (White Bluffs, Retreat, and the Cliffs).
- TCUC NO. 1-12** Please provide a full listing of all assets claimed by Double Diamond on line 2 of Schedule III-2 (THE CLIFFS (Total)) in the amount of \$5,834,728.
- TCUC NO. 1-13** Please provide invoices for all assets identified in response to TCUC NO. 1-12.
- TCUC NO. 1-14** Please provide proof of payment (e.g Cancelled checks) relating to the assets identified in response to TCUC NO. 1-12.
- TCUC NO. 1-15** For each assets identified in response to TCUC NO. 1-12, please detail whether the asset was purchased, or constructed by Double Diamond or by the developer of the subdivision.
- TCUC NO. 1-16** Please provide annual income statements for Double Diamond for 2013, 2014, and 2015.
- TCUC NO. 1-17** Please provide annual income statements for Double Diamond, Inc., for 2013, 2014, and 2015.
- TCUC NO. 1-18** Please provide end of year balance sheets for Double Diamond, Inc., for 2013, 2014, and 2015.
- TCUC NO. 1-19** Please provide end of year balance sheets for Double Diamond, Inc. for 2013, 2014, and 2015.
- TCUC NO. 1-20** Please provide an organizational chart for Double Diamond indicating Double Diamond employees and management.
- TCUC NO. 1-21** Please provide a listing of all Affiliates of Double Diamond.
- TCUC NO. 1-22** Please provide a corporate organizational chart for Double Diamond, Inc., showing all corporations owned in whole or in part by Double Diamond, Inc.
- TCUC NO. 1-23** Please provide operating reports and ground water pumpage reports indicating the amount of water pumped monthly for 2013, 2014, and 2015 from Possum Kingdom Lake servicing the The Cliffs system.
- TCUC NO. 1-24** Please provide all reports, or studies relating to measures taken or to be taken by Double Diamond to reduce the amount of "Total unaccounted for water" shown on Schedule II-1(a) (THE CLIFFS (Total)).

- TCUC NO. 1-25** Please identify all customer accounts on the The Cliffs system where the customer is Double Diamond or an affiliate of Double Diamond.
- TCUC NO. 1-26** For all customer accounts identified in response to TCUC NO. 1-25, please provide all bills sent to and all payments made by the customers during calendar years 2013, 2014, and 2015.
- TCUC NO. 1-27** Please provide a listing of all customer complaints pertaining to service, leaks, water quality, and maintenance requests received from Double Diamond for 2013, 2014, and 2015 relating to the The Cliffs system.
- TCUC NO. 1-28** Please provide work orders and/or other forms of documentation showing the date and manner in which the complaints listed in response to TCUC NO. 1-27 were responded to.
- TCUC NO. 1-29** Please provide General Ledgers for Double Diamond for 2013, 2014, and 2015.
- TCUC NO. 1-30** Please provide future capital improvement plans, master plans and financial plans developed by Double Diamond as it identifies future infrastructure and planning needs for the utility.
- TCUC NO. 1-31** Please provide a listing of all accounts served by DDU on the The Cliffs System, please include the property address and meter size for each account.