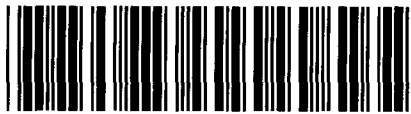




Control Number: 46245



Item Number: 550

Addendum StartPage: 0

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

RECEIVED
2017 MAY 11 PM 2:24


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

BEFORE THE STATE OFFICE OF PUBLIC UTILITY COMMISSION,
OF FILING CLERK
ADMINISTRATIVE HEARINGS

**DOUBLE DIAMOND UTILITY COMPANY, INC.'S AMENDED AND
FIRST SUPPLEMENTAL RESPONSE TO WHITE BLUFF RATEPAYERS GROUP'S
FIRST REQUEST FOR INFORMATION**

COMES NOW, Double Diamond Utility Company, Inc. ("DDU") and files its Amended and First Supplemental Response to White Bluff Ratepayers Group's First Request for Information – WBRG No. 1-1, 1-4, 1-11, 1-13 through 1-15, 1-17 through 1-21, 1-25, 1-27, 1-29, 1-30, 1-32, 1-33 and 1-35.

Respectfully submitted,


By: 

John J. Carlton
The Carlton Law Firm P.L.L.C.
2705 Bee Cave Road, Suite 200
Austin, Texas 78746
(512) 614-0901
Fax (512) 900-2855
State Bar No. 03817600

ATTORNEY FOR DOUBLE DIAMOND
UTILITY COMPANY, INC.

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 11th day of May, 2017



John Carlton

550 1

**DOUBLE DIAMOND UTILITY COMPANY, INC.'S AMENDED AND
FIRST SUPPLEMENTAL RESPONSE TO WHITE BLUFF RATEPAYERS GROUP'S
FIRST REQUEST FOR INFORMATION**

WBRG NO. 1-1 Please provide all "confidential" documents filed with the Commission in this matter.

RESPONSE: Responsive and non-privileged documents have been produced in accordance with the PUC procedures for Confidential Filings and the Protective Order issued in this case. See Confidential documents, bates DDU000179, DDU001956, and DDU003571 – DDU003592.

WBRG 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) (WHITE BLUFF (Total)) for the years ending 12/31/13 (\$112,667) and 12/31/14 (\$150,640).

RESPONSE: Responsive documents will be produced. See bates DDU003593 – DDU004676.

Prepared by Christie Rotramel.

Sponsored by Tim Grout.

WBRG NO. 1-11 Please provide receipts, invoices, and general ledger for all expenses listed as "Property Taxes paid in the test year" on line 1 of Schedule IV(a) (WHITE BLUFF (Total)) in the amount of \$103,683.

RESPONSE: Responsive documents will be produced. See bates DDU004677 – DDU004702.

Prepared by Christie Rotramel.

Sponsored by Tim Grout.

2

WBRG NO. 1-13, Schedule III-3(a) (WHITE BLUFF (Total)) lists Beginning Gross Plant Balance from previous rate case (line 1) in the amount of \$5,628,749 for the total White Bluff utility plant (water and wastewater). Schedule III-3(a) (CLIFFS (Total)) lists Beginning Gross Plant Balance from previous rate case in the amount of \$5,516,654 for the Cliffs. This results in a total gross plant beginning balance of \$11,145,403 for the two systems. The application does not reference the prior rate case, or the date of the plant balances. No date is provided for these amounts, but given that the application shows additions since 12/31/2007, we assume that is the starting date. The application submitted by Double Diamond on October 24, 2008, with a test year ending 12/31/2007 (SOAH Docket No. 582-09-4288), identified total water and wastewater utility assets had an adjusted original cost of \$5,928,259 for the Cliffs, White Bluff, and the Retreat water and wastewater systems – three total systems. (Attachment A - Attachment 5, Page 2 from 2008 Application). Please explain why the Gross Plant balance claimed in the 2016 application as the “Beginning Balance” greatly exceeds the amount claimed in the previous rate case.

RESPONSE: The Gross Plant Balance claimed in the corrected 2016 application as the “Beginning Balance” is \$0, which is less than the amount claimed in the previous rate case.

Prepared and sponsored by Jay Joyce.

WBRG NO. 1-14 In Schedule III-8(b) (WHITE BLUFF (Total)), the application claims total Developer Contributions in Aid of construction for water and sewer for White Bluff and the Cliffs in the amount of \$19,217. By comparison, the 2008 Application claimed Developer Contributions in Aid of Construction for Water Assets only of \$2,375,102 (Attachment B – Attachment 6 from 2008 Application). Please explain the reason for this variance.

RESPONSE: The corrected Schedules III-8(b) show Developer Contributions in Aid of Construction of \$2,292,067. See bates DDU16-011270 and DDU16-011281. The difference between the \$2,375,102 of developer contributions at 12/31/2007 and the \$2,292,067 in developer contributions at 12/31/2015 is probably due to the retirement of some of the listed assets from 2007 to 2015.

Prepared and sponsored by Jay Joyce.

WBRG NO. 1-15 In the 2008 Application, Double Diamond divided original cost between the developer and the utility at a ration [sic] of 80%-developer, 20%-utility for certain items of rate base. Attachment C is an Exhibit from SOAH Docket No. 582-09-4288 showing the rate base items relating to White Bluff water assets. Please explain the basis for the 80%-20% split between developer and utility and provide documentation that corresponding entries were made in the financial records of both the developer and the utility.

RESPONSE: The basis for the 80/20 separation is discussed in Mr. Randy Gracy's prefiled testimony in the referenced docket. No documentation exists that corresponding entries were made in the financial records of the developer and the utility.

Prepared and sponsored by Jay Joyce.

WBRG NO. 1-17 Please provide a full listing of all assets claimed by Double Diamond on line 2 of Schedule III-2 (WHITE BLUFF (Total)) in the amount of \$6,245,596.

RESPONSE: The corrected amount is \$6,639,292 in total original cost assets, which is the sum of the corrected water assets of \$3,791,956 shown on line 2 of Corrected Schedule III-2 of WHITE BLUFF (Water) and the sewer assets of \$2,847,336 on line 2 of Corrected Schedule III-2 of WHITE BLUFF (Sewer). The corrected listings of the water and sewer assets may be found in the Errata Work Papers. See bates DDU16-011266, DDU16-011277, and DDU16-011331 – DDU16-011339 filed in support of the application.

Prepared and sponsored by Jay Joyce.

WBRG NO. 1-18 Please provide invoices for all assets identified in response to WBRG NO. 1-17.

RESPONSE: Responsive documents have been produced. See bates DDU008999 – DDU009123, DDU16-009264 – DDU16-010453, DDU16-010994 – DDU16-011030 filed in support of the application.

Prepared and sponsored by Victoria Harkins.

WBRG NO. 1-19

Please provide proof of payment (e.g Cancelled checks) relating to the assets identified in response to WBRG No. 1-17.

RESPONSE: Cancelled checks are not available. See invoices produced in response to WBRG 1-18.

Prepared by Christie Rotramel and Victoria Harkins.

Sponsored by Tim Grout.

WBRG NO. 1-20

Please provide annual income statements for Double Diamond for 2013, 2014, and 2015.

RESPONSE: Responsive documents will be produced. See bates DDU004703 – DDU004718.

Prepared by Christie Rotramel.

Sponsored by Tim Grout.

WBRG NO. 1-21

Please provide annual income statements for Double Diamond, Inc., for 2013, 2014, and 2015.

RESPONSE: Responsive documents were previously produced as Confidential Documents pursuant to the terms of the Protective Order. See bates DDU004719 – DDU004734.

Prepared by Christie Rotramel.

Sponsored by Tim Grout.

h

WBRG NO. 1-25 Please provide a listing of all Affiliates of Double Diamond.

RESPONSE: Responsive documents will be produced within the White Bluff development. See bates DDU16-011622 – DDU16-011623.

Prepared by Christie Rotramel.

Sponsored by Randy Gracy.

WBRG NO. 1-27 Please provide operating reports and ground water pumpage reports indicating the amount of water pumped monthly for 2013, 2014, and 2015 for the wells servicing the White Bluff system.

RESPONSE: See Response to WBRG NO. 1-1 at pages DDU001960 for the requested information for 2015. Responsive documents for 2013 and 2014 will be produced. See bates DDU004735 – DDU004778.

Prepared and sponsored by Jay Joyce.

WBRG NO. 1-29 Please identify all customer accounts on the White Bluff system where the customer is Double Diamond or an affiliate of Double Diamond.

RESPONSE: Responsive documents will be produced. See bates DDU16-013193

Prepared by Christie Rotramel.

Sponsored by Randy Gracy.

WBRG NO. 1-30 For all customer accounts identified in response to WBRG NO. 1-29, please provide all bills sent to and all payments made by the customers during calendar years 2013, 2014, and 2015.

RESPONSE: Responsive documents will be produced. See bates DDU16-011624 – DDU16-013152.

Prepared by Christie Rotramel.

Sponsored by Randy Gracy.

WBRG NO. 1-32 Please provide work orders and/or other forms of documentation showing the date and manner in which the complaints listed in response to WBRG NO. 1-31 were responded to.

RESPONSE: Responsive documents will be produced. See bates DDU004779 – DDU005638

Prepared by Christie Rotramel.

Sponsored by Tim Grout and Randy Gracy.

WBRG NO. 1-33 Please provide General Ledgers for Double Diamond for 2013, 2014, and 2015.

RESPONSE: Responsive documents will be produced. See bates DDU005639 – DDU006509.

Prepared by Christie Rotramel.

Sponsored by Tim Grout.

WBRG NO. 1-35 Please provide a listing of all accounts served by DDU on the White Bluff System, please include the property address and meter size for each account.

RESPONSE: Responsive documents will be produced. See bates DDU16-013153 – DDU16-013192.

Prepared by Christie Rotramel.

Sponsored by Tim Grout and Randy Gracy.

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

Application of Double Diamond
Utility Company, Inc. for Water
and Sewer Tariff/Rate Change

memorex

Bates DDU003593 - DDU004718
DDU004735 - DDU006509
DDU16:011622 - DDU16-013193
Amended & 1st Supp Response to
WBRG's 1st RFI