



Control Number: 46245



Item Number: 552

Addendum StartPage: 0

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

RECEIVED
2017 MAY 24 PM 1:47
UTILITY COMMISSION
FILING CLERK

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

§
§
§
§


BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS

**DOUBLE DIAMOND UTILITY COMPANY, INC.'S OBJECTIONS TO
WHITE BLUFF RATEPAYERS GROUP'S SECOND REQUEST FOR INFORMATION
TO DOUBLE DIAMOND UTILITY COMPANY, INC.**

COMES NOW, Double Diamond Utility Company, Inc. ("DDU") and files its Objections to White Bluff Ratepayers Group's ("White Bluff") Second Request for Information.

White Bluff's Second Request for Information was filed on May 5, 2017. White Bluff agreed to extending the objection deadline to May 24, 2017. These objections are timely filed.

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.

552

CERTIFICATE OF SERVICE

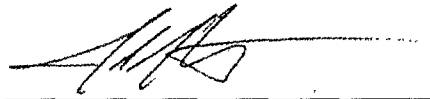
I hereby certify that I have served or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or Certified Mail Return Receipt Requested to all parties on this the 24th day of May, 2017.



John Carlton

CERTIFICATE OF CONFERENCE

I hereby certify that I contacted counsel for White Bluff so that we could negotiate diligently and in good faith prior to the filing of DDU's Objections to White Bluff's Second Request for Information.



John Carlton

OBJECTIONS TO WBRG'S SECOND REQUEST FOR INFORMATION

WBRG NO. 2-2 Please provide financial statements for all companies owned, operated, or affiliated with Double Diamond in the White Bluff system during the test year.

OBJECTION: DDU objects to this request as irrelevant and overly burdensome. Financial statements for companies other than the utility are not relevant to the application.

WBRG NO. 2-5 Please provide the name, location, and PWS number of all water or wastewater utilities owned by or affiliated with Double Diamond Delaware, Inc. in any state of the United States.

OBJECTION: DDU objects to this request as irrelevant and overbroad. The requested information is not relevant to the establishment of rates for the White Bluff utility systems. Notwithstanding this objection, DDU will provide a response to the request.

WBRG NO. 2-21 Please provide tax returns, including all workpapers and supporting schedules, for Double Diamond, Inc., and Double Diamond Utilities, Inc, for every year since 1996.

OBJECTION: DDU objects to this request as irrelevant and overbroad, in that the request is partially related to financial records that pre-date the test year used to establish the rates and the records of those prior years are irrelevant for this proceeding. Further, the requested tax returns, workpapers and supporting schedules, are immaterial to this proceeding. *See Hall v Lawlis*, 907 S.W.2d 493 (Tex. 1995). In addition, the information related to DDU's financial condition is available from other sources and some of that information has already been produced, which renders production of the requested tax returns, workpapers and supporting schedules duplicative. *See In Re Williams*, 328 S.W.3d 103 (Tex.App.—Corpus Christi 2010, orig. proceeding) and *Sears, Roebuck & Co. v Ramirez*, 824 S.W.2d 558 (Tex. 1992).

WBRG NO. 2-22 For each tax return, please identify and outline the exact costs that are included as “Cost of Goods Sold” as claimed on tax returns, by subdivision and expenditure. Please specify exactly what the expenditure was for, including an itemization of all purchases included in the cost of goods sold for Double Diamond, Inc., Double Diamond-Delaware, Inc., and Double Diamond Utilities, Inc.

OBJECTION: DDU objects to this request as irrelevant and overly burdensome. The treatment of costs included as “Costs of Goods Sold” on tax returns is irrelevant to the determination of rates for the White Bluff utility systems. Furthermore, DDU objects to this request as irrelevant and overbroad, in that the request is partially related to financial records that pre-date the test year used to establish the rates, and the records of those prior years are irrelevant for this proceeding. Further, the requested tax returns, including information in those returns, are immaterial to this proceeding. *See Hall v Lawlis*, 907 S.W.2d 493 (Tex. 1995). In addition, the information related to DDU’s financial condition is available from other sources and some of that information has already been produced, which renders production of the requested tax returns, and this requested information compilation from the returns, duplicative. *See In Re Williams*, 328 S.W.3d 103 (Tex.App.—Corpus Christi 2010, orig. proceeding) and *Sears, Roebuck & Co. v Ramirez*, 824 S.W.2d 558 (Tex. 1992).