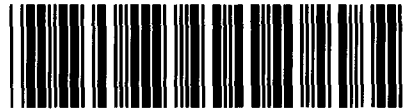




Control Number: 46245



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


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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 §

**DOUBLE DIAMOND UTILITY COMPANY, INC.'S**  
**RESPONSES TO WHITE BLUFF RATEPAYERS GROUP'S**  
**FIFTH REQUEST FOR INFORMATION**  
**WBRG NO. 5-1 THROUGH 5-12**

COMES NOW, Double Diamond Utility Company, Inc. ("DDU") and files its Responses to White Bluff Ratepayers Group's Fifth Request for Information – WBRG No. 5-1, 5-2, 5-3, 5-4, 5-5, 5-6, 5-7, 5-8, 5-9, 5-10, and 5-12. DDU agrees and stipulates that all parties may treat these responses as if they were filed under oath.


Respectfully submitted,

By:   
John J. Carlton  
The Carlton Law Firm P.L.L.C.  
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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 24<sup>th</sup> day of October, 2017

  
John Carlton

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**WBRG'S FIFTH REQUEST FOR INFORMATION TO  
DOUBLE DIAMOND UTILITY COMPANY, INC.  
WBRG NO. 5-1 THROUGH 5-12**

**WBRG 5-1:** Please provide complete federal income tax returns, including all supporting work papers filed in relation to Double Diamond, or any parent or other affiliate of Double Diamond that included revenues and expenses associated with Double Diamond, for the years 1991 to present.

**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).

**RESPONSE:** Subject to the foregoing objection, responsive documents were previously produced in response to WBRG 4-5 as DDU16 – 017500-DDU16 – 017594 and designated as CONFIDENTIAL under the terms of the Protective Order on file in this proceeding.

**WBRG 5-2:** Admit or Deny. Double Diamond, or an affiliated entity, previously provided water utility service to the Oakwood Subdivision in Henderson County, Texas. If you deny, please explain why Double Diamond, Inc., included the utility serving Oakwood Subdivision in the rate case it filed on or about July 10, 1995 with the TNRCC.

**OBJECTION:** DDU objects to this request as irrelevant. The requested information is not relevant to the establishment of rates for the White Bluff utility systems.

**RESPONSE:** Subject to the foregoing objection, Admit.

Prepared by: Christie Rotramel

Sponsored by: Randy Gracy

**WBRG 5-3:** Admit or Deny. The annotation “Wtr Sys-OW (Interco)” on page DDU16-015439 refers to the Oakwood Subdivision. If you deny, please explain what the annotation refers to.

**RESPONSE:** Admit.

Prepared by: Christie Rotramel

Sponsored by: Randy Gracy

**WBRG 5-4:** Admit or Deny. Double Diamond has the water CCN covering the Oakwood Subdivision.

**OBJECTION:** DDU objects to this request as irrelevant. The requested information is not relevant to the establishment of rates for the White Bluff utility systems.

**RESPONSE:** Subject to the foregoing objection, Deny.

**Prepared by:** Christie Rotramel

**Sponsored by:** Randy Gracy

**WBRG 5-5:** Admit or Deny. Double Diamond, or an affiliated entity, conveyed control of the water utility system serving the Oakwood Subdivision to another entity without obtaining approval from the Public Utility Commission or predecessor agency under Texas Water Code §13.301 or other applicable statutory provision. If you deny this request, but admitted WBRG 5-2, please describe how approval was obtained and provide copies of all documents related to the approval.

**OBJECTION:** DDU objects to this request as irrelevant. The requested information is not relevant to the establishment of rates for the White Bluff utility systems.

**RESPONSE:** Subject to the foregoing objection, Deny. Approval was obtained by filing the required documents with the regulatory agency. After a diligent search, no responsive documents were located.

**Prepared by:** Christie Rotramel

**Sponsored by:** Randy Gracy

**WBRG 5-6:** Admit or Deny. Double Diamond, or an affiliated entity, previously provided water utility service to the Canyon Creek Subdivision in Hood County, Texas. If you deny, please explain why Double Diamond, Inc., included the utility serving Canyon Creek Subdivision in the rate case it filed on or about July 10, 1995 with the TNRCC.

**OBJECTION:** DDU objects to this request as irrelevant. The requested information is not relevant to the establishment of rates for the White Bluff utility systems.

**RESPONSE:** Subject to the foregoing objection, Admit.

**Prepared by:** Christie Rotramel

**Sponsored by:** Randy Gracy

**WBRG 5-7:** Admit or Deny. Double Diamond, or an affiliated entity, conveyed control of the water utility system serving the Canyon Creek Subdivision without obtaining approval from the Public Utility Commission or predecessor agency under Texas Water Code §13.301 or other applicable statutory provision. If you deny this request, but admitted WBRG 5-6, please describe how approval was obtained and provide copies of all documents related to the approval.

**OBJECTION:** DDU objects to this request as irrelevant. The requested information is not relevant to the establishment of rates for the White Bluff utility systems.

**RESPONSE:** Subject to the foregoing objection, Deny. Approval was obtained by filing the required documents with the regulatory agency. After a diligent search, no responsive documents were located.

**Prepared by:** Christie Rotramel

**Sponsored by:** Randy Gracy

**WBRG 5-8:** Admit or Deny. Double Diamond, Inc., sold, transferred, or conveyed the sewer system providing service to the White Bluff subdivision to Double Diamond Utility Company, Inc., without obtaining approval from the Public Utility Commission or predecessor agency under Texas Water Code §13.301 or other applicable statutory provision. If your answer is anything other than an unqualified admit, please explain the basis of your response and provide all documentation supporting your position.

**OBJECTION:** DDU objects to this request as irrelevant. The requested information is not relevant to the establishment of rates for the White Bluff utility systems.

**RESPONSE:** Subject to the foregoing objection, Deny. Approval was obtained by filing the required documents with the regulatory agency. After a diligent search, no responsive documents were located.

**Prepared by:** Christie Rotramel

**Sponsored by:** Randy Gracy

**WBRG 5-10:** Who owns a controlling interest in Double Diamond Utilities Company, Inc.? When was this controlling interest acquired?

**OBJECTION:** DDU objects to this request as it is duplicative of other discovery already given in this case.

**RESPONSE:** See DDU's response to WBRG 1-25 and the responsive documents produced as DDU16 - 011622-DDU16 – 011623, the information contained therein has been the same since the creation of the entity.

**Prepared by:** Christie Rotramel

**Sponsored by:** Randy Gracy

**WBRG 5-12:** Please breakout the amount shown as "Water/wastewater systems" on page DDU003584 of Double Diamond's financial statements for the year ending 2015 – \$4,870,225 – by subdivision.

**RESPONSE:**

White Bluff	9090	\$2,943,967.69
	9091	\$853,575.98
The Retreat	6090	\$430,974.25
	6091	\$259,974.85
The Cliffs	8090	\$906,542.82
	8091	\$69,765.03
Rock Creek		<u>-\$594,579.62</u>
		\$4,870,221.00

**Prepared by:** Christie Rotramel

**Sponsored by:** Randy Gracy