



Control Number: 46245



Item Number: 676

Addendum StartPage: 0

Public Utility Commission of Texas

2018 MAY 21 PM 1:15
FILED

Memorandum

TO: Stephen Journeay, Commission Counsel

FROM: Heidi Graham, Water Utility Regulation Division

DATE: May 21, 2018

RE: Commission Request for Number Runs Based on May 10, 2018 Open Meeting Discussion Regarding Proposal for Decision in Docket No. 46245, Application of Double Diamond Utility Company, Inc. for a Rate/Tariff Change.

Number Running Workpapers

The attached workpapers are filed by Commission Staff in response to the Commission’s request for number runs in a memo filed on May 11, 2018. Staff’s number run reflects the recommendations of the State Office of Administrative Hearings’ Administrative Law Judges (ALJ) in the proposal for decision filed on February 13, 2018, as amended by the ALJs’ correction letter dated May 2, 2018, and the Commission’s decisions included in the memo. The workpapers are being provided in their native Microsoft Excel format.

676

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - White Bluff Subdivision - Total - Water & Sewer
TEST YEAR END 31-Dec-15

Schedule I
Revenue Requirement

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
REVENUE REQUIREMENT	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Operations and Maintenance	\$ 551,745	\$ 20,887	\$ 572,632	\$ (176,140)	\$ 396,492
Depreciation and Amortization Expense	\$ 148,621	\$ 46,156	\$ 194,777	\$ (39,994)	\$ 154,783
Taxes Other Than Income	\$ 132,290	\$ (10,013)	\$ 122,277	\$ (5,419)	\$ 116,858
Federal Income Taxes	\$ -	\$ 45,732	\$ 45,732	\$ (45,732)	\$ -
Return on Invested Capital	\$ 30,827	\$ 184,382	\$ 215,209	\$ (214,893)	\$ 316
TOTAL	\$ 863,483	\$ 287,144	\$ 1,150,628	\$ (482,178)	\$ 668,450
Other Revenues - Taps, Recon, late fee, Etc.	\$ -	\$ -	\$ (9,737)	\$ (3,600)	\$ (13,337)
Revenue Requirement Used to Set Rates	\$ 863,483	\$ -	\$ 1,140,891	\$ (485,778)	\$ 655,113

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - White Bluff Subdivision - Water
TEST YEAR END 31-Dec-15

Schedule I
Revenue Requirement

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
REVENUE REQUIREMENT	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Operations and Maintenance	\$ 294,397	\$ 415	\$ 294,812	\$ (40,976)	\$ 253,836
Depreciation and Amortization Expense	\$ 78,805	\$ 31,272	\$ 110,077	\$ (34,750)	\$ 75,327
Taxes Other Than Income	\$ 70,146	\$ (5,975)	\$ 64,171	\$ (374)	\$ 63,797
Federal Income Taxes	\$ -	\$ 18,378	\$ 18,378	\$ (18,378)	\$ -
Return on Invested Capital	\$ 30,106	\$ 56,379	\$ 86,485	\$ (86,485)	\$ -
TOTAL	\$ 473,454	\$ 100,469	\$ 573,924	\$ (180,964)	\$ 392,960
Other Revenues - Taps, Recon, late fee, Etc.			\$ (5,163)	\$ (3,600)	\$ (8,763)
Revenue Requirement Used to Set Rates	\$ 473,454	\$ -	\$ 568,761	\$ (184,564)	\$ 384,197

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - White Bluff Subdivision - Sewer
TEST YEAR END 31-Dec-15

Schedule I
Revenue Requirement

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
REVENUE REQUIREMENT					
Operations and Maintenance	\$ 257,348	\$ 20,472	\$ 277,820	\$ (135,164)	\$ 142,656
Depreciation and Amortization Expense	\$ 69,816	\$ 14,884	\$ 84,700	\$ (5,243)	\$ 79,457
Taxes Other Than Income	\$ 62,144	\$ (4,038)	\$ 58,106	\$ (5,045)	\$ 53,061
Federal Income Taxes	\$ -	\$ 27,354	\$ 27,354	\$ (27,354)	\$ -
Return on Invested Capital	\$ 721	\$ 128,003	\$ 128,724	\$ (128,408)	\$ 316
TOTAL	\$ 390,029	\$ -	\$ 576,704	\$ (301,214)	\$ 275,490
Other Revenues - Taps, Recon, late fee, Etc.			\$ (4,574)		(4574)
Revenue Requirement Used to Set Rates	\$ 390,029	\$ 186,675	\$ 572,130	\$ (301,214)	\$ 270,916

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - White Bluff Subdivision - Water
TEST YEAR END 31-Dec-15

Schedule II
O&M Expense

Acct. No.	ACCOUNT	Test Year Total (a)	Company Adjustments To Test Year (b)	Company	Adjustments To Company Request (d)	Adjusted Total (e)=(c)+(d)
				Requested Test Year Total (c)=(a)+(b)		
610	PURCHASED WATER	\$ -		\$ -		\$ -
615	POWER EXPENSE-PRODUCTION ONLY	\$ 73,303		\$ 73,303		\$ 73,303
618	OTHER VOLUME RELATED EXPENSES	\$ 8,289		\$ 8,289	\$ 318	\$ 8,607
601-1	EMPLOYEE LABOR	\$ 80,105	\$ 415	\$ 80,520	\$ (3,380)	\$ 77,140
620	MATERIALS	\$ 2,913		\$ 2,913		\$ 2,913
631-636	CONTRACT WORK	\$ 3,298		\$ 3,298	\$ 890	\$ 4,188
650	TRANSPORTATION EXPENSES	\$ 13,313		\$ 13,313	\$ (3,762)	\$ 9,551
664	OTHER PLANT MAINTENANCE	\$ 41,055		\$ 41,055		\$ 41,055
601-2	OFFICE SALARIES	\$ -		\$ -		\$ -
601-3	MANAGEMENT SALARIES	\$ -		\$ -		\$ -
604	EMPLOYEE PENSIONS & BENEFITS	\$ -		\$ -		\$ -
615	PURCHASED POWER-OFFICE ONLY	\$ -		\$ -		\$ -
670	BAD DEBT EXPENSE	\$ -		\$ -		\$ -
676	OFFICE SERVICES & RENTALS	\$ -		\$ -		\$ -
677	OFFICE SUPPLIES & EXPENSES	\$ 8,716		\$ 8,716		\$ 8,716
678	PROFESSIONAL SERVICES	\$ -		\$ -		\$ -
684	INSURANCE	\$ 9,668		\$ 9,668	\$ (3,371)	\$ 6,297
666	REGULATORY EXPENSE (RATE CASE)	\$ -		\$ -		\$ -
667	REGULATORY EXPENSE (OTHER)	\$ 24,476		\$ 24,476	\$ (23,291)	\$ 1,185
675	MISCELLANEOUS	\$ 29,261		\$ 29,261	\$ (8,380)	\$ 20,881
TOTAL		\$ 294,397	\$ 415	\$ 294,812	\$ (40,976)	\$ 253,836

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - White Bluff Subdivision - Water
TEST YEAR END 31-Dec-15

Schedule III
Invested Capital

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
INVESTED CAPITAL	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Plant in Service	\$ 3,791,956		\$ 3,791,956	\$ (3)	\$ 3,791,953
Accumulated Depreciation	\$ (1,603,728)		\$ (1,603,728)	\$ 35	\$ (1,603,693)
Net Plant in Service	\$ 2,188,228	\$ -	\$ 2,188,228	\$ 32	\$ 68,355
Working Cash Allowance	\$ 24,568		\$ 24,568	\$ (3,415)	\$ 21,153
Materials and Supplies			\$ -		
Prepayments			\$ -		
Customer Advances Construction			\$ -		
Developer Contribution in Aid of Construction	\$ (1,186,227)		\$ (1,186,227)	\$ (1,186,227)	\$ -
Customer Deposits			\$ -		
Regulatory Assets			\$ -		
Accumulated DFIT			\$ -		\$ (327,979)
Regulatory Liabilities			\$ -		
TOTAL INVESTED CAPITAL (RATE BASE)	\$ 1,026,569	\$ -	\$ 1,026,569	\$ (1,189,610)	\$ (238,471)
RATE OF RETURN			8.42%		6.96%
RETURN ON INVESTED CAPITAL	\$ 30,106	\$ 56,379	\$ 86,485	\$ (86,485)	\$ -

	Test Year Total	Company Adjustments To Test Year	Requested Test Year Total	Adjustments To Company Request	Adjusted Total
TAXES OTHER THAN FIT	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Non-Revenue Related					
Ad Valorem Taxes	\$ 54,977	\$ 483	\$ 55,460		\$ 55,460
Total Property	\$ 54,977	\$ 483	\$ 55,460		\$ 55,460
Payroll Taxes					
FICA			\$ 4,992	\$ (209)	\$ 4,783
MEDICARE			\$ 1,168	\$ (49)	\$ 1,119
MEDICARE-Affordable Care Act				\$ -	\$ -
FUTA			\$ 138	\$ (28)	\$ 110
SUTA			\$ 442	\$ (88)	\$ 354
Total Payroll	\$ 13,198	\$ (6,458)	\$ 6,740	\$ (374)	\$ 6,366
Other Taxes					
Other taxes and Licenses	\$ 1,971		\$ 1,971		\$ 1,971
Total Other Taxes	\$ 1,971		\$ 1,971	\$ -	\$ 1,971
TOTAL TAXES OTHER THAN INCOME	\$ 70,146	\$ (5,975)	\$ 64,171	\$ (374)	\$ 63,797

	Test Year Total (a)	Requested Test Year Total (c)=(a)+(b)	Adjustments To Company Request (d)	Adjusted Total (e)=(c)+(d)
FEDERAL INCOME TAXES				
Return	Total	\$ 215,209	\$ (214,893)	\$ 316
Less			\$ -	
Interest Included in Return		\$ 85,579	\$ (91,006)	\$ (5,427)
Plus			\$ -	
Other Adjustments			\$ -	
TAXABLE COMPONENT OF RETURN		\$ 129,630	\$ (123,887)	\$ 5,743
TAX RATE		26%		21%
TAX FACTOR (1/(1-TR))*(TR)		0.351351351	\$ (0.09)	0.265822785
FEDERAL INCOME TAX BEFORE ADJUSTMENTS		\$ 45,545.68	\$ (44,019)	\$ 1,526.70
LESS			\$ -	
Surtax Exemption		\$ -	\$ (27,459.00)	\$ (27,459)
TOTAL FEDERAL INCOME TAXES		\$ 45,546	\$ (71,478)	\$ (25,932)
Allocation Factor (White Bluff Water NI/Total White Bluff NI)		40.35%		0.00%
Allocated to White Bluff - Water		\$ 18,378	\$ (18,378)	\$ -

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - White Bluff Subdivision - Sewer
TEST YEAR END 31-Dec-15

Schedule II
O&M Expense

OPERATIONS AND MAINTENANCE EXPENSE		Test Year	Company	Company	Adjustments	Adjusted
		Total	Adjustments	Requested	To Company	Total
Acct. No.	ACCOUNT	(a)	To Test Year	Test Year	Request	(e)=(c)+(d)
				Total	(d)	
				(c)=(a)+(b)		
610	PURCHASED WATER	\$0.00		\$0.00		\$0.00
615	POWER EXPENSE-PRODUCTION ONLY	\$12,020.00		\$12,020.00		\$12,020.00
618	OTHER VOLUME RELATED EXPENSES	\$2,409.00		\$2,409.00	(\$530.00)	\$1,879.00
601-1	EMPLOYEE LABOR	\$70,968.00	\$20,472.00	\$91,440.00	(\$40,300.00)	\$51,140.00
620	MATERIALS	\$2,581.00		\$2,581.00		\$2,581.00
631-636	CONTRACT WORK	\$2,922.00		\$2,922.00	\$790.00	\$3,712.00
650	TRANSPORTATION EXPENSES	\$11,795.00		\$11,795.00	(\$2,912.00)	\$8,883.00
664	OTHER PLANT MAINTENANCE	\$100,955.00		\$100,955.00	(\$79,590.73)	\$21,364.27
601-2	OFFICE SALARIES	\$0.00		\$0.00		\$0.00
601-3	MANAGEMENT SALARIES	\$0.00		\$0.00		\$0.00
604	EMPLOYEE PENSIONS & BENEFITS	\$0.00		\$0.00		\$0.00
615	PURCHASED POWER-OFFICE ONLY	\$0.00		\$0.00		\$0.00
670	BAD DEBT EXPENSE	\$0.00		\$0.00		\$0.00
676	OFFICE SERVICES & RENTALS	\$0.00		\$0.00		\$0.00
677	OFFICE SUPPLIES & EXPENSES	\$7,722.00		\$7,722.00		\$7,722.00
678	PROFESSIONAL SERVICES	\$3,937.00		\$3,937.00	(\$2,907.00)	\$1,030.00
684	INSURANCE	\$8,566.00		\$8,566.00	(\$1,127.00)	\$7,439.00
666	REGULATORY EXPENSE (RATE CASE)	\$0.00		\$0.00		\$0.00
667	REGULATORY EXPENSE (OTHER)	\$7,049.00		\$7,049.00	(\$2,519.00)	\$4,530.00
675	MISCELLANEOUS	\$26,424.00		\$26,424.00	(\$6,068.00)	\$20,356.00
TOTAL		\$257,348	\$20,472	\$277,820	(\$135,164)	\$142,656

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - White Bluff Subdivision - Sewer
TEST YEAR END 31-Dec-15

Schedule III
Invested Capital

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
INVESTED CAPITAL					
Plant in Service	\$ 2,847,336		\$ 2,847,336	\$ 109,606	\$ 2,956,942
Accumulated Depreciation	\$ (1,205,081)		\$ (1,205,081)	\$ 2,418,650	\$ 1,213,569
Net Plant in Service	\$ 1,642,255	\$ -	\$ 1,642,255	\$ 2,528,256	\$ 24,030
Working Cash Allowance	\$ 23,152		\$ 23,152	\$ (11,264)	\$ 11,888
Materials and Supplies					
Prepayments					
Customer Advances Construction					
Developer Contribution in Aid of Construction	\$ (137,457)		\$ (137,457)	\$ (137,457)	\$ -
Customer Deposits					
Regulatory Assets					
Accumulated DFIT					\$ (31,375)
Regulatory Liabilities					
TOTAL INVESTED CAPITAL (RATE BASE)	\$ 1,527,950	\$ -	\$ 1,527,950	\$ 2,379,535	\$ 4,543
RATE OF RETURN			8.42%		6.96%
RETURN ON INVESTED CAPITAL	\$ 721	\$ 128,003	\$ 128,724	\$ (128,408)	\$ 316

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - White Bluff Subdivision - Sewer
TEST YEAR END 31-Dec-15

Schedule IV
Taxes Other Than FIT

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
TAXES OTHER THAN FIT	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Non-Revenue Related					
Ad Valorem Taxes	\$ 48,706.00		\$ 48,706.00		\$ 48,706.00
Total Property	\$ 48,706.00	\$ -	\$ 48,706.00		\$ 48,706.00
Payroll Taxes					
FICA			\$ 5,669.00		\$ 3,170.68
MEDICARE			\$ 1,326.00		\$ 741.53
MEDICARE-Affordable Care Act			\$ -		\$ -
FUTA			\$ 156.00		\$ 68.25
SUTA			\$ 503.00		\$ 219.38
Total Payroll	\$ 11,692.00	\$ (4,038.00)	\$ 7,654.00	\$ -	\$ 4,199.84
Other Taxes					
Other taxes and Licenses	\$ 1,746.00		\$ 1,746.00	\$ (1,590.62)	\$ 155.38
Total Other Taxes	\$ 1,746.00		\$ 1,746.00	\$ (1,590.62)	\$ 155.38
TOTAL TAXES OTHER THAN INCOME	\$ 62,144.00	\$ (4,038.00)	\$ 58,106.00	\$ (1,590.62)	\$ 53,061.22

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - White Bluff Subdivision - Sewer
TEST YEAR END 31-Dec-15

Schedule V
Federal Income Taxes

	Test Year Total	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
	(a)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
FEDERAL INCOME TAXES				
Return	Total	\$ 215,209.00	\$ (214,893)	\$ 316.17
Less			\$ -	
Interest Included in Return		\$ 85,579.00	\$ (91,006)	\$ (5,427.13)
Plus			\$ -	
Other Adjustments			\$ -	
TAXABLE COMPONENT OF RETURN		\$ 129,630.00	\$ (123,887)	\$ 5,743.30
			\$ -	
TAX RATE		26%		21%
			\$ -	
TAX FACTOR (1/(1-TR))*(TR)		0.351351351	\$ (0.09)	0.265822785
FEDERAL INCOME TAX BEFORE ADJUSTMENTS		\$ 45,545.68	\$ (44,019)	\$ 1,526.70
			\$ -	
LESS			\$ -	
Surtax Exemption		\$ -	\$ (27,459.00)	\$ (27,459.00)
			\$ -	
TOTAL FEDERAL INCOME TAXES		\$ 45,545.68	\$ (71,478)	\$ (25,932.30)
			\$ -	
Allocation Factor (White Bluff Sewer NI/Total White Bluff NI)		60.06%		100.00%
			\$ -	
Allocated to White Bluff - Sewer		\$ 27,354.00	\$ (27,354)	\$ -

Allocation of Payroll

Company Claim

Name	Title	Water	WW	License Status
Jody Bledsoe	Utilities Operator	50.0%	50.0%	Water license current; wastewater license expired
Clovis C Wilhelm	Wastewater Operator	25.0%	75.0%	Wastewater license current
Jerry Whitworth	Utilities Back Hoe Operator	50.0%	50.0%	
Dwayne Cota	Utilities Operator	50.0%	50.0%	Class D water license expired
Todd Dilworth	Utilities Manager	50.0%	50.0%	Class C water and wastewater, and CSI
Buck W Nunley	Regulatory Director of Utilities	12.5%	12.5%	Class C Surface license
Danny Keeton	Equipment Operator	50.0%	50.0%	

Adjust

Name	Title	Water	WW	License Status
Jody Bledsoe	Utilities Operator	100.0%	0.0%	Water license current; wastewater license expired
Clovis C Wilhelm	Wastewater Operator	0.0%	100.0%	Wastewater license current
Jerry Whitworth	Utilities Back Hoe Operator	0.0%	0.0%	
Dwayne Cota	Utilities Operator	100.0%	0.0%	Class D water license expired
Todd Dilworth	Utilities Manager	50.0%	50.0%	Class C water and wastewater, and CSI
Buck W Nunley	Regulatory Director of Utilities	12.5%	12.5%	Class C Surface license
Danny Keeton	Equipment Operator	0.0%	0.0%	

		Tax Rate	Taxable Wages	Adjusted Total
PAYROLL TAXES - WHITE BLUFF WATER				(e)=(c)*(d)
FICA	All Wages	6.20%	\$ 77,140.00	\$ 4,782.68
MEDICARE	All Wages	1.45%	\$ 77,140.00	\$ 1,118.53
MEDICARE-Affordable Care Act		0.00%	\$ 77,140.00	\$ -
FUTA	Wages to \$7000	0.60%	\$ 18,375.00	\$ 110.25
SUTA	Wages to \$9000	1.50%	\$ 23,625.00	\$ 354.38
TOTAL PAYROLL				\$ 6,365.84

		Tax Rate	Taxable Wages	Adjusted Total
PAYROLL TAXES - WHITE BLUFF SEWER				(e)=(c)*(d)
FICA		6.20%	\$ 51,140.00	\$ 3,170.68
MEDICARE		1.45%	\$ 51,140.00	\$ 741.53
MEDICARE-Affordable Care Act		0.00%	\$ 51,140.00	\$ -
FUTA		0.60%	\$ 11,375.00	\$ 68.25
SUTA		1.50%	\$ 14,625.00	\$ 219.38
TOTAL PAYROLL				\$ 4,199.84

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - The Cliffs - Total - Water & Sewer
TEST YEAR END 31-Dec-15

Staff Schedule I
Revenue Requirement

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
REVENUE REQUIREMENT	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Operations and Maintenance	\$ 454,860	\$ 61,871	\$ 516,731	\$ (38,345)	\$ 478,386
Depreciation and Amortization Expense	\$ 83,982	\$ 23,724	\$ 107,706	\$ (23,733)	\$ 83,973
Taxes Other Than Income	\$ 19,884	\$ 631	\$ 20,515	\$ (1,247)	\$ 19,268
Federal Income Taxes	\$ -	\$ 10,747	\$ 10,747	\$ (4,699)	\$ 6,048
Return on Invested Capital	\$ (21,396)	\$ 114,487	\$ 93,091	\$ (21,340)	\$ 71,751
TOTAL	\$ 537,330	\$ 211,460	\$ 748,790	\$ (89,363)	\$ 659,427
Other Revenues - Taps, Recon, late fee, Etc.	\$ -	\$ -	\$ (5,321)	\$ -	\$ (5,321)
Revenue Requirement Used to Set Rates	\$ 537,330	\$ -	\$ 743,469	\$ (89,363)	\$ 654,106

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - The Cliffs Subdivison - Water
TEST YEAR END 31-Dec-15

Attachment JR-2 Staff Schedule I
Revenue Requirement

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
REVENUE REQUIREMENT	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Operations and Maintenance	\$ 260,326	\$ 25,824	\$ 286,150	\$ (20,075)	\$ 266,075
Depreciation and Amortization Expense	\$ 45,823	\$ 32,620	\$ 78,443	\$ (32,620)	\$ 45,823
Taxes Other Than Income	\$ 10,849	\$ (304)	\$ 10,545	\$ (686)	\$ 9,859
Federal Income Taxes	\$ -	\$ 5,576	\$ 5,576	\$ (2,526)	\$ 3,050
Return on Invested Capital	\$ 15,032	\$ 33,269	\$ 48,301	\$ (12,117)	\$ 36,184
TOTAL	\$ 332,030	\$ 96,985	\$ 429,015	\$ (68,024)	\$ 360,991
Other Revenues - Taps, Recon, late fee, Etc.			\$ (2,903)	\$	\$ (2,903)
Revenue Requirement Used to Set Rates	\$ 332,030	\$ 94,082	\$ 426,112	\$ (68,024)	\$ 358,088

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - The Cliffs Subdivision - Sewer
TEST YEAR END 31-Dec-15

Attachment JR- 3 Staff Schedule I
Revenue Requirement

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
REVENUE REQUIREMENT	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Operations and Maintenance	\$ 194,534	\$ 36,047	\$ 230,581	\$ (18,270)	\$ 212,311
Depreciation and Amortization Expense	\$ 38,159	\$ (8,896)	\$ 29,263	\$ 8,887	\$ 38,150
Taxes Other Than Income	\$ 9,035	\$ 935	\$ 9,970	\$ (561)	\$ 9,409
Federal Income Taxes	\$ -	\$ 5,171	\$ 5,171	\$ (2,173)	\$ 2,998
Return on Invested Capital	\$ (36,428)	\$ 81,218	\$ 44,790	\$ (9,222)	\$ 35,568
TOTAL	\$ 205,300	\$ -	\$ 319,775	\$ (21,340)	\$ 298,435
Other Revenues - Taps, Recon, late fee, Etc.			\$ (2,418)	\$ -	(2418)
Revenue Requirement Used to Set Rates	\$ 205,300	\$ 114,475	\$ 317,357	\$ (21,340)	\$ 296,017

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - The Cliffs Subdivision - Water
TEST YEAR END 31-Dec-15

Attachment JR-2 Staff Schedule II
O&M Expense

OPERATIONS AND MAINTENANCE EXPENSE		Test Year	Company	Company	Adjustments	Adjusted
		Total	Adjustments	Requested	To Company	Total
Acct. No.	ACCOUNT	(a)	To Test Year	Test Year	Request	(e)=(c)+(d)
		(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
610	PURCHASED WATER			\$0		\$0
615	POWER EXPENSE-PRODUCTION ONLY	\$18,275		\$18,275		\$18,275
618	OTHER VOLUME RELATED EXPENSES	\$21,107		\$21,107		\$21,107
601-1	EMPLOYEE LABOR	\$61,126	\$25,824	\$86,950		\$86,950
620	MATERIALS	\$1,636		\$1,636		\$1,636
631-636	CONTRACT WORK	\$12,110		\$12,110		\$12,110
650	TRANSPORTATION EXPENSES	\$15,924		\$15,924		\$15,924
664	OTHER PLANT MAINTENANCE	\$65,828		\$65,828		\$65,828
601-2	OFFICE SALARIES			\$0		\$0
601-3	MANAGEMENT SALARIES			\$0		\$0
604	EMPLOYEE PENSIONS & BENEFITS			\$0		\$0
615	PURCHASED POWER-OFFICE ONLY			\$0		\$0
670	BAD DEBT EXPENSE			\$0		\$0
676	OFFICE SERVICES & RENTALS			\$0		\$0
677	OFFICE SUPPLIES & EXPENSES	\$6,088		\$6,088		\$6,088
678	PROFESSIONAL SERVICES	\$21,231		\$21,231		\$21,231
684	INSURANCE	\$11,243		\$11,243		\$11,243
666	REGULATORY EXPENSE (RATE CASE)			\$0		\$0
667	REGULATORY EXPENSE (OTHER)	\$3,326		\$3,326		\$3,326
675	MISCELLANEOUS	\$22,432		\$22,432	(\$20,075)	\$2,357
TOTAL		\$260,326	\$25,824	\$286,150	(\$20,075)	\$266,075

*Rounding

SOAH DOCKET NO.
PUC DOCKET NO.
COMPANY NAME
TEST YEAR END

473-17-0117.WS
46245
Double Diamond Utility Company, Inc. - The Cliffs Subdivision - Water
31-Dec-15

Attachment JR-2 Staff Schedule III
Invested Capital

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
INVESTED CAPITAL	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Plant in Service	\$ 1,612,546		\$ 1,612,546	\$ -	\$ 1,612,546
Accumulated Depreciation	\$ (826,559)		\$ (826,559)	\$ -	\$ (826,559)
			\$ -		
Net Plant in Service	\$ 785,987	\$ -	\$ 785,987	\$ -	\$ 785,987
			\$ -		
Working Cash Allowance	\$ 35,769		\$ 35,769	\$ (13,596)	\$ 22,173
Materials and Supplies			\$ -		
Prepayments			\$ -		
Customer Advances Construction			\$ -		
Developer Contribution in Aid of Construction	\$ (248,421)		\$ (248,421)	\$ -	\$ (248,421)
Customer Deposits			\$ -		
Regulatory Assets			\$ -		
Accumulated DFIT			\$ -		\$ (39,859)
Regulatory Liabilities			\$ -		
			\$ -		
TOTAL INVESTED CAPITAL (RATE BASE)	\$ 573,335	\$ -	\$ 573,335	\$ (13,596)	\$ 519,880
RATE OF RETURN			8.42%		6.96%
RETURN ON INVESTED CAPITAL	\$ 15,032	\$ 33,243	\$ 48,275	\$ (12,091)	\$ 36,184

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - The Cliffs Subdivision - Water
TEST YEAR END 31-Dec-15

Attachment JR-2 Staff Schedule IV
Taxes Other Than FIT

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
TAXES OTHER THAN FIT	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Non-Revenue Related					
Ad Valorem Taxes	\$ 865	\$ 33	\$ 898	\$	\$ 898
Total Property	\$ 865	\$ 33	\$ 898	\$	\$ 898
Payroll Taxes					
FICA			\$ 5,391	\$ (0)	\$ 5,391
MEDICARE			\$ 1,261	\$ (0)	\$ 1,261
MEDICARE-Affordable Care Act				\$ -	\$ -
FUTA			\$ 147	\$ (67)	\$ 80
SUTA			\$ 473	\$ (215)	\$ 258
Total Payroll	\$ 7,608	\$ (336)	\$ 7,272	\$ (282)	\$ 6,990
Other Taxes					
Other taxes and Licenses	\$ 1,971		\$ 1,971	\$	\$ 1,971
Total Other Taxes	\$ 1,971		\$ 1,971	\$ -	\$ 1,971
TOTAL TAXES OTHER THAN INCOME	\$ 10,444	\$ (303)	\$ 10,141	\$ (282)	\$ 9,859

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - The Cliffs - Water
TEST YEAR END 31-Dec-15

Attachment JR -2 Staff Schedule V
Federal Income Taxes

	Test Year Total	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
FEDERAL INCOME TAXES	(a)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Return	Total	\$ 93,091	\$ (21,340)	\$ 71,751
Less			\$ -	
Interest Included in Return		\$ 37,018	\$ (13,101)	\$ 23,917
Plus			\$ -	
Other Adjustments			\$ -	
TAXABLE COMPONENT OF RETURN		\$ 56,073	\$ (8,239)	\$ 47,834
TAX RATE		16%		21%
TAX FACTOR (1/(1-TR))*(TR)		0.191648077	\$ 0.07	0.265822785
FEDERAL INCOME TAX BEFORE ADJUSTMENTS		\$ 10,746	\$ 1,969	\$ 12,715
LESS			\$ -	
Surtax Exemption		\$ -	\$ (6,667.00)	\$ (6,667.00)
TOTAL FEDERAL INCOME TAXES		\$ 10,746	\$ (4,698)	\$ 6,048
Allocation Factor (Cliffs Sewer NI/Total Cliffs NI)		52%		50%
Allocated to The Cliffs - Water		\$ 5,576	\$ (2,526)	\$ 3,050

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - The Cliffs - Water
TEST YEAR END 31-Dec-15

Attachment JR-2 Staff Schedule VI
Payroll Taxes

		Tax Rate	Taxable Wages	Adjusted Total
PAYROLL TAXES - THE CLIFFS WATER				(e)=(c)*(d)
FICA	All Wages	6.20%	\$ 86,950	\$ 5,391
MEDICARE	All Wages	1.45%	\$ 86,950	\$ 1,261
MEDICARE-Affordable Care Act		0.00%	\$ 86,950	\$ -
FUTA	Wages to \$7000	0.60%	\$ 13,391	\$ 80
SUTA	Wages to \$9000	1.50%	\$ 17,217	\$ 258
TOTAL PAYROLL				\$ 6,990

		Tax Rate	Taxable Wages	Staff Adjusted Total
PAYROLL TAXES - THE CLIFFS SEWER				(e)=(c)*(d)
FICA		6.20%	\$ 86,950	\$ 5,391
MEDICARE		1.45%	\$ 86,950	\$ 1,261
MEDICARE-Affordable Care Act		0.00%	\$ 86,950	\$ -
FUTA		0.60%	\$ 7,434	\$ 45
SUTA		1.50%	\$ 9,558	\$ 143
TOTAL PAYROLL				\$ 6,840

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - The Cliffs Subdivision - Sewer
TEST YEAR END 31-Dec-15

Attachment JR-3 Staff Schedule II
O&M Expense

OPERATIONS AND MAINTENANCE EXPENSE		Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
Acct. No.	ACCOUNT	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
610	PURCHASED WATER			\$0		\$0
615	POWER EXPENSE-PRODUCTION ONLY	\$3,292		\$3,292		\$3,292
618	OTHER VOLUME RELATED EXPENSES	\$373		\$373		\$373
601-1	EMPLOYEE LABOR	\$50,903	\$36,047	\$86,950		\$86,950
620	MATERIALS	\$1,363		\$1,363		\$1,363
631-636	CONTRACT WORK	\$10,084		\$10,084		\$10,084
650	TRANSPORTATION EXPENSES	\$13,261		\$13,261		\$13,261
664	OTHER PLANT MAINTENANCE	\$57,231		\$57,231		\$57,231
601-2	OFFICE SALARIES			\$0		\$0
601-3	MANAGEMENT SALARIES			\$0		\$0
604	EMPLOYEE PENSIONS & BENEFITS			\$0		\$0
615	PURCHASED POWER-OFFICE ONLY			\$0		\$0
670	BAD DEBT EXPENSE			\$0		\$0
676	OFFICE SERVICES & RENTALS			\$0		\$0
677	OFFICE SUPPLIES & EXPENSES	\$5,069		\$5,069		\$5,069
678	PROFESSIONAL SERVICES	\$3,028		\$3,028		\$3,028
684	INSURANCE	\$9,363		\$9,363		\$9,363
666	REGULATORY EXPENSE (RATE CASE)			\$0		\$0
667	REGULATORY EXPENSE (OTHER)	\$21,886		\$21,886		\$21,886
675	MISCELLANEOUS	\$18,681		\$18,681	(\$18,270)	\$411
	TOTAL	\$194,534	\$36,047	\$230,581	(\$18,270)	\$212,311

*Rounding

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - The Cliffs - Sewer
TEST YEAR END 31-Dec-15

Attachment JR-3 Staff Schedule III
Invested Capital

	Test Year Total (a)	Company Adjustments To Test Year (b)	Company Requested Test Year Total (c)=(a)+(b)	Adjustments To Company Request (d)	Adjusted Total (e)=(c)+(d)
INVESTED CAPITAL					
Plant in Service	\$ 1,017,635		\$ 1,017,635	\$ -	\$ 1,017,635
Accumulated Depreciation	\$ (442,907)		\$ (442,907)	\$ -	\$ (442,907)
Net Plant in Service	\$ 574,728	\$ -	\$ 574,728	\$ -	\$ 574,728
Working Cash Allowance	\$ 28,823		\$ 28,823	\$ (11,130)	\$ 17,693
Materials and Supplies			\$ -		
Prepayments			\$ -		
Customer Advances Construction			\$ -		
Developer Contribution in Aid of Construction	\$ (71,898)		\$ (71,898)	\$ -	\$ (71,898)
Customer Deposits			\$ -		
Regulatory Assets			\$ -		
Accumulated DFIT			\$ -		\$ (9,495)
Regulatory Liabilities			\$ -		
TOTAL INVESTED CAPITAL (RATE BASE)	\$ 531,653		\$ 531,653	\$ (11,130)	\$ 511,028
RATE OF RETURN			8.42%		6.96%
RETURN ON INVESTED CAPITAL	\$ (36,428)	\$ 81,193	\$ 44,765	\$ (9,198)	\$ 35,568

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. -The Cliffs Subdivision - Sewer
TEST YEAR END 31-Dec-15

Attachment JR-3 Staff Schedule IV
Taxes Other Than FIT

	Test Year Total	Company Adjustments To Test Year	Company Requested Test Year Total	Adjustments To Company Request	Adjusted Total
TAXES OTHER THAN FIT	(a)	(b)	(c)=(a)+(b)	(d)	(e)=(c)+(d)
Non-Revenue Related					
Ad Valorem Taxes	\$ 721		\$ 721		\$ 721
Total Property	\$ 721	\$ -	\$ 721		\$ 721
Payroll Taxes					
FICA			\$ 5,391		\$ 5,391
MEDICARE			\$ 1,261		\$ 1,261
MEDICARE-Affordable Care Act			\$ -		\$ -
FUTA			\$ 147	\$ (102)	\$ 45
SUTA			\$ 473	\$ (460)	\$ 13
Total Payroll	\$ 11,692	\$ (4,420)	\$ 7,272	\$ (562)	\$ 6,710
Other Taxes					
Other taxes and Licenses	\$ 1,978		\$ 1,978		\$ 1,978
Total Other Taxes	\$ 1,978		\$ 1,978	\$ -	\$ 1,978
TOTAL TAXES OTHER THAN INCOME	\$ 14,391	\$ (4,420)	\$ 9,971	\$ (562)	\$ 9,409

SOAH DOCKET NO. 473-17-0117.WS
PUC DOCKET NO. 46245
COMPANY NAME Double Diamond Utility Company, Inc. - The Cliffs Subdivision - Sewer
TEST YEAR END 31-Dec-15

Attachment JS-3 Staff Schedule V
Federal Income Taxes

	Test Year Total (a)	Company Requested Test Year Total (c)=(a)+(b)	Adjustments To Company Request (d)	Adjusted Total (e)=(c)+(d)
FEDERAL INCOME TAXES				
Return	Total	\$ 93,091		\$ 71,751
Less				
Interest Included in Return		\$ 37,018		\$ 23,917
Plus				
Other Adjustments				
TAXABLE COMPONENT OF RETURN		\$ 56,073		\$ 47,834
TAX RATE		16%		21%
TAX FACTOR (1/(1-TR))*(TR)		0.191648077		0.265822785
FEDERAL INCOME TAX BEFORE ADJUSTMENTS		\$ 10,746	\$ -	\$ 12,715
LESS				
Surtax Exemption		\$ -		\$ (6,667.00)
TOTAL FEDERAL INCOME TAXES		\$ 10,746		\$ 6,048
Allocation Factor (Cliffs Sewer NI/Total Cliffs NI)		60.06%		49.57%
Allocated to The Cliffs - Sewer		\$ 6,454	\$ (3,456)	\$ 2,998

Utility Name: Double Diamond WHITE BLUFF (Water)
 Docket Number: 46245
 SOAH Docket Number: 473-17-0119

STAFF'S REQUESTED RATES			
Use For Multi-Tiered Rates			
Minimum Bill			
	(includes		
	5/8"		
	3/4"		\$22.14
	1"		\$55.34
	1 1/2"		\$110.68
	2"		\$177.08
Gallage Rates			
0	to	3,000	1.59
3,001	to	10000	2.19
10001	to	15000	3.02
15001	to	20000	4.17
20001	to		5.76
No. of Meters			
	5/8"		
	3/4"		
	1"		
	1 1/2"		
	2"		
	Total		
			640
Gallons Billed			
0	to	3000	15658000
3001	to	10000	15,417,000
10001	to	15000	6,370,000
15001	to	20000	4,489,000
20001	to	0	14,834,000
Total			56,768,000
REVENUE			
Base Rate			
	5/8"		
	3/4"		
	1"		
	1 1/2"		
	2"		
Total revenue generated by Minimum Charge			\$ 202,137
Volumetric Revenue			
0	to	3000	24,896
3001	to	10000	33,763
10001	to	15000	19,237
15001	to	20000	18,719
20001	to	0	85,444
Total revenue generated by Gallonage Charge			\$182,060
Total Revenue Generated			384,197
Staff Revenue Requirement			\$ 384,197

Pass Through Costs from GWCD previously approved \$0.20

White Bluff Requested Water Revenue Requirement
 \$568,761

Utility Name: Double Diamond White Bluff (Sewer)
 Docket Number: 46245
 SOAH Docket Number: 473-17-0119

STAFF'S REQUESTED RATES			
Use For Multi-Tiered Rates			
Minimum Bill			
(includes			
	5/8"		
	3/4"		\$23.66
	1"		\$59.14
	1 1/2"		\$118.28
	2"		\$189.25
Gallorage Rates			
	0	to	3,000
	3,001	to	8.00
	1	to	
	1	to	
	1	to	
No of Meters			
	5/8"		
	3/4"		540
	1"		11
	1 1/2"		5
	2"		11
	Total		567
Gallons Billed			
	0	to	3000
	3001	to	0
	1	to	0
	1	to	0
	1	to	0
	Total		19,823,000
REVENUE			
Base Rate			
	5/8"		\$ -
	3/4"		\$ 153,295
	1"		\$ 7,807
	1 1/2"		\$ 7,097
	2"		\$ 24,981
	Total revenue generated by Minimum Charge		\$ 193,180
Volumetric Revenue			
	0	to	3000
	3001	to	0
	1	to	0
	1	to	0
	1	to	0
	Total revenue generated by Gallorage Charge		\$77,736
	Total Revenue Generated		270,916
	Noticed Revenue Requirement		\$ 270,916

White Bluff Requested Sewer Revenue Requirement
 \$572,130

Utility Name: Double Diamond Utility Company THE CLIFFS (Water)
 Docket Number: 46245
 SOAH Docket Number: 473-17-0119

STAFF'S REQUESTED RATES			
Use For Multi-Tiered Rates			
Minimum Bill			
	(includes		
	5/8"		
	3/4" or less		\$37.28
	1"		\$93.19
	1 1/2"		\$186.38
	2"		\$298.21
Gallage Rates			
0	to	3,000	3.50
3,001	to	10,000	4.00
10,001	to	15,000	6.50
15,001	to	20,000	10.50
20,001	to		10.50
No. of Meters			
	5/8"		
	3/4"		258
	1"		13
	1 1/2"		1
	2"		15
Total			287
Gallons Billed			
0	to	3000	5,260,000
3001	to	10000	6,142,000
10001	to	15000	2,655,000
15001	to	20000	1,958,000
20001	to	0	8,708,000
Total			24,723,000
REVENUE			
Base Rate			
	5/8"		\$ -
	3/4"		\$ 115,407
	1"		\$ 14,538
	1 1/2"		\$ 2,237
	2"		\$ 53,678
Total revenue generated by Minimum Charge			\$ 185,859
Volumetric Revenue			
0	to	3000	18,410
3001	to	10000	24,568
10001	to	15000	17,258
15001	to	20000	20,559
20001	to	0	91,434
Total revenue generated by Gallage Charge			\$172,229
Total Revenue Generated			358,088
Staff Revenue Requirement			\$ 358,088

The Cliffs Requested Water Revenue Requirement
 \$426,112

Utility Name: Double Diamond Utility Company THE CLIFFS (Sewer)
 Docket Number: 46245
 SOAH Docket Number: 473-17-0119

STAFF'S REQUESTED RATES			
Use For Multi-Tiered Rates			
Minimum Bill			
	(includes		
	5/8"		
	3/4" or less		\$66.00
	1"		\$126.00
	1 1/2"		\$216.00
	2"		\$324.00
Gallage Rates			
0	to	3,000	
3,001	to		12.00
1	to		
1	to		
1	to		
No. of Meters			
	5/8"		
	3/4"		220
	1"		4
	1 1/2"		1
	2"		14
Total			239
Gallons Billed			
0	to	3000	4527000
3001	to	0	5,045,000
1	to	0	
1	to	0	
1	to	0	
Total			9,572,000
REVENUE			
Base Rate			
	5/8"		\$ -
	3/4"		\$ 174,240
	1"		\$ 6,048
	1 1/2"		\$ 2,592
	2"		\$ 54,432
Total revenue generated by Minimum Charge			\$ 237,312
Volumetric Revenue			
0	to	3000	-
3001	to	0	60,540
1	to	0	-
1	to	0	-
1	to	0	-
Total revenue generated by Gallonage Charge			\$60,540
Total Revenue Generated			297,852
Staff Revenue Requirement			\$ 296,018

The Cliffs Requested Sewer Revenue Requirement
 \$317,357