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MICHAEL J. HUGHES
(1922-1999)

March 23, 2010

*MEMBER OF THE WASHINGTON BAR

SUBJECT: HKSA 1904-1

UTILITY SOLUTIONS, INC. - APPLICATION TO INCREASE WATER AND SEWER RATES
IN GALLATIN COUNTY, MONTANA

CONSOLIDATED PSC DOCKET NOS. D2005.11.163 AND D2005.11.164

Kate Whitney
Utility Division
Montana Public Service Commission
P.O. Box 202601
1701 Prospect Avenue
Helena, MT 59620-2601

Dear Ms. Whitney:

Enclosed for filing with the Commission are tariffs for water and waste water service provided by Utility Solutions, LLC to the Elk Grove Subdivision in Gallatin County, Montana. As reflected on the tariff sheets, Utility Solutions will be self implementing these tariffs under the provisions of Section 69-3-302(2) of the Montana Code Annotated (the "nine month statute"). These rates will be billed by Utility Solutions, subject to refund, for water and waste water service provided on and after April 9, 2010.

The rates set forth in these tariffs are the same rates that are contained in the Stipulation between Utility Solutions and the Montana Consumer Counsel ("Stipulation"). The Stipulation, with proposed tariffs, was filed with the Commission on January 8, 2010. The rates in the Stipulation, and this tariff filing, are based upon an annual revenue requirement of \$238,077 for water service, and \$251,877 for waste water service.

Under the nine month statute, Utility Solutions is entitled to self implement the rates contained in its June 30, 2009, applications filed with the Commission in these consolidated dockets, after the passage of nine months. In these consolidated dockets, the nine month statute applies to service rendered by Utility Solutions on and after April 1, 2010. If Utility Solutions self implemented the "as filed" rates under that statute, the rates would be significantly higher; \$327,499, on an annual basis for water service, and \$356,305 on an annual basis for waste water service.

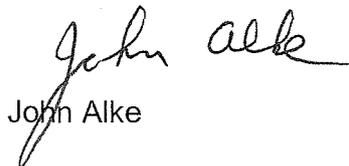
Kate Whitney
March 23, 2010
Page 2

Utility Solutions takes the position that the "nine month statute" exists for its benefit, and it is entitled to waive, or partially wave, its rights under that statute. Since it has entered into a Stipulation with the Montana Consumer Counsel which specifies the just and reasonable rates which should be established by the Commission in this docket, and has committed to support the Stipulation, it believes it is entitled to self implement the rates specified in the Stipulation rather than the higher rates proposed in its June 30, 2009, applications. If the Commission disagrees with the waiver analysis I have just provided, please immediately advise, and Utility Solutions will file new tariffs for self implementation which will specify the higher "as filed rates."

The Commission is not required to issue any notice or order in response to this filing. However, it is essential for the Commission to immediately advise Utility Solutions whether it disagrees with the partial waiver analysis I have provided. Also, I would appreciate your return of a copy of the tariffs date stamped to show receipt by the Commission. I have enclosed a pre-addressed and stamped envelope for your convenience.

If you have any questions, please feel free to call me.

Sincerely,



John Alke

ja:PSC.L3

Enclosure

c/enc: Mary Wright, MCC
Barbara Campbell
Sandra Barrows

Public Service Commission of Montana

Utility Solutions, LLC

Sheet No. 1
1st Revised Sheet No. 1
Canceling Original Sheet No. 1

T

METERED WATER SERVICE

T

Schedule M

Availability: For the Elk Grove Service Area Gallatin County, Montana for all purposes except resale.

Rate:

Applicable to all residential and small commercial customers.

Customer Charge \$23.95 /per month

I

Quantity Charge

For all usage per 1000 gallons or fraction there of.... \$3.888

I

The Customer Charge is applicable to all metered water service. It is a readiness to serve charge which is added to the charge computed at the Quantity Rates for water used during the month.

Self implemented under the provisions of Section 69-3-302(2), MCA

Effective for service rendered on and after April 9, 2010

Issued: _____
(Date)

By: Barbara Campbell
(Signature of Officer of Utility)

Public Service Commission of Montana

Utility Solutions, LLC

Sheet No. 2
1st Revised Sheet No. 2
Canceling Original Sheet No. 2

T

WATER SERVICE

Special Rules of Service

Schedule R

D
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D
D

Unauthorized use of service

Unauthorized use of service is defined as any deliberate interference such as tampering with the Company's meter, connections, equipment, seals, procedure or records that result in a loss of revenue to the company. Unauthorized service is also defined as reconnection of service that has been terminated, without the company's consent.

Cost incurred to repair damage to company owned property installed on the customer's premise will be billed to the customer.

Charges for unauthorized use of service will be:

- a. time, material and transportation costs used in investigation or surveillance.
- b. estimated charge for water
- c. on-premise time to correct situation
- d. costs incurred to repair company owned property if any damage.

Reconnection of Service

Water service disconnected for unauthorized use of service shall not be reconnected until the customer furnishes satisfactory evidence of compliance with the company's rules and conditions of service and paid all outstanding service charges.

Late payment fee

An account having a balance left unpaid 30 days after the bill date is subject to a 1.0% late payment charge.

(Continued)

T

Self implemented under the provisions of Section 69-3-302(2), MCA

Effective for service rendered on and after April 9, 2010

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Public Service Commission of Montana

Utility Solutions, LLC

Sheet No. 3
Original Sheet No. 3

WATER SERVICE

Special Rules of Service (Continued)

Schedule R

Sprinkling

Company will specify the hours and days during which sprinkling will be permitted and will publish notice thereof in newspapers at the start of the sprinkling season or whenever conditions require a change and will permanently post such notice in its local office.

Temporary Disconnection

If service has been temporarily discontinued at the customer's request, a reconnection charge of \$100.00 per meter will be paid before service is reconnected.

Disconnection/Reconnection

If service has been disconnected for non-payment, a reconnection charge of \$100.00 per meter will be paid before service is reconnected.

Permanent Disconnection

Customers who wish to have their water service permanently discontinued, will be responsible for any and all costs associated with the physical disconnection of the service line from the utility's system.

Multiple Users

In situations where more than one user is being provided with water from a single service line, with a single shut-off device controlling the water flow, and if any one or more of the water users either will not sign up for service or will not pay for that service, then the responsibility for payment of future water charges must be assumed by the property owner until such time as the piping configuration has been modified to provide an individual shut-off valve for each water user in order to prevent the service from being disconnected for non-signup or non-payment.

(Continued)

Self implemented under the provisions of Section 69-3-302(2), MCA

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Public Service Commission of Montana

Utility Solutions, LLC

Sheet No. 4
Original Sheet No. 4

WATER SERVICE

Special Rules of Service (Continued)

Schedule R

Failure to provide payment

Failure to provide payment or satisfactory arrangements for payment may result in total discontinuance of service even though one or more users may not be in arrears with their account.

Returned Check Fee

A fee of \$15.00 will be charged to any customer who presents a check that is returned unpaid by the depository financial institution for any reason.

Refunds

Customer bills or refunds that total \$1.00 or less will not be issued.

N

N

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By: Barbara Campbell
(Signature of Officer of Utility)

Public Service Commission of Montana

Utility Solutions, LLC

Sheet No. 1
1st Revised Sheet No. 1
Canceling Original Sheet No. 1

T

FLAT RATE WASTEWATER SERVICE

T

Schedule F

Availability: For the Elk Grove Service Area Gallatin County, Montana for all purposes except resale.

Rate:

Applicable to all residential and small commercial customers not provided service by meter.

Residential	\$80.42 /per month	I
Daycare	\$281.47 /per month	I
Commercial	\$281.47 /per month	I

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(Date)

By: Barbara Campbell
(Signature of Officer of Utility)

Public Service Commission of Montana

Utility Solutions, LLC

Sheet No. 2
1st Revised Sheet No. 2
Canceling Original Sheet No. 2

T

WASTEWATER SERVICE

Special Rules of Service

Schedule R

D
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Unauthorized use of service

Unauthorized use of service is defined as any deliberate interference such as tampering with the Company's meter, connections, equipment, seals, procedure or records that result in a loss of revenue to the company. Unauthorized service is also defined as reconnection of service that has been terminated, without the company's consent.

Cost incurred to repair damage to company owned property installed on the customer's premise will be billed to the customer.

Charges for unauthorized use of service will be:

- a. time, material and transportation costs used in investigation or surveillance.
- b. estimated charge for water
- c. on-premise time to correct situation
- d. costs incurred to repair company owned property if any damage.

Reconnection of Service

Wastewater service disconnected for unauthorized use of service shall not be reconnected until the customer furnishes satisfactory evidence of compliance with the company's rules and conditions of service and paid all outstanding service charges.

Late payment fee

An account having a balance left unpaid 30 days after the bill date is subject to a 1.0% late payment charge.

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T

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Public Service Commission of Montana

Utility Solutions, LLC

Sheet No. 3
Original Sheet No. 3

T

WASTEWATER SERVICE

Special Rules of Service (Continued)

Schedule R

N

Disconnection/Reconnection

If service has been disconnected for non-payment, a reconnection charge of \$100.00 per meter will be paid before service is reconnected.

Permanent Disconnection

Customers who wish to have their wastewater service permanently discontinued, will be responsible for any and all costs associated with the physical disconnection of the service line from the utility's system.

Multiple Users

In situations where more than one user is being provided with wastewater from a single service line, with a single shut-off device controlling the water flow, and if any one or more of the wastewater users either will not sign up for service or will not pay for that service, then the responsibility for payment of future wastewater charges must be assumed by the property owner in order to prevent the service from being disconnected for non-signup or non-payment.

Failure to provide payment

Failure to provide payment or satisfactory arrangements for payment may result in total discontinuance of service even though one or more users may not be in arrears with their account.

Refunds

Customer bills or refunds that total \$1.00 or less will not be issued.

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