

Service Date: December 7, 2007

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

* * * * *

IN THE MATTER of the Application of)
Utility Solutions, LLC to Implement) UTILITY DIVISION
Initial Rates and Charges for Water Service)
in its Elk Grove Subdivision, Gallatin) DOCKET NO. D2005.11.163
County, Montana Service Area)

Consolidated with

IN THE MATTER of the Application of)
Utility Solutions, LLC to Implement) UTILITY DIVISION
Initial Rates and Charges for Wastewater)
Service in its Elk Grove Subdivision,) DOCKET NO. D2005.11.164
Gallatin County, Montana Service Area)

**COMMISSION STAFF DATA REQUESTS PSC-001 THROUGH PSC-021
TO UTILITY SOLUTIONS, LLC**

PSC-001

Regarding: Workpapers
Witness: Woods

Please provide all of the workpapers submitted in this filing and the interim filing in EXCEL format with all formula intact.

PSC-002

Regarding: Workpaper 1
Witness: Woods

Are the values included in "Allocated Elk Grove" column included in the corresponding "Utility Solutions Pro forma" column?

PSC-003

Regarding: Management Contract
Witness: Woods

- a. Please provide a copy of the Management Contract referred to on Line 24 of Workpaper 1.

- b. Please provide your workpapers determining the allocation of the management contract between the water and wastewater utilities.
- c. Please provide your workpapers determining the allocation of the management contract between Elk Grove and the other Utility Solution enterprises.
- d. Do any of the owners/managers of Utility Solutions, LLC have any financial interest in Doubletree, Inc.? If so please provide percentage of ownership and explain the relationship.
- e. Do the owners/managers of Doubletree, Inc. or Doubletree itself have any financial interest in Utility Solutions?

PSC-004

Regarding: Purchased Power

Witness: Woods

- a. Is electricity for serving the Elk Grove subdivision billed separately from other Utility Solution enterprises?
- b. If so, please provide copies of the power purchase statements. If not, please provide the actual power purchase expense incurred by month since the initial interim rate filing.
- c. Please show the derivation of the average monthly power cost of \$9.50 per EDU as mentioned on page 6 of 10 in your original testimony?
- d. Please provide the derivation of full build out EDU for the entire service area of Utility Solutions, and the EDU computation for Elk Grove.
- e. Is all service area that Utility Solutions services that is not included in the Elk Grove service areas, included in the Four Corners Water and Sewer District?

PSC-005

Regarding: Workpaper 2

Witness: Woods

- a. Please provide by month the actual monthly expenses from the initial interim rate filing through the most current available all expenses shown on Workpaper 2.
- b. Please provide by month the actual monthly revenues from the interim rate filing through the most current available shown on Workpaper 2.
- c. Please explain in detail the "Service Expansion" and the "Construction" revenues shown on page 1 of 3 in Workpaper 2.

PSC-006

Regarding: Service Area

Witness: Unknown

- a. Please provide a map of entire service area for Utility Solutions, including all subdivisions served and any proposed additional service areas.
- b. Who established the service area for Utility Solutions?
- c. What is the capacity of Utility Solutions' water and wastewater plants that provide service to the Elk Grove subdivision?
- d. What is the average daily water usage and wastewater production of Elk Grove subdivision?
- e. Are there any other customers served by Utility Solutions, LLC that are not either part of the Four Corners District or Elk Grove? If so, please provide all particulars on those customers.

PSC-007

Regarding: Utility Solutions and developers

Witness: Unknown

- a. Please provide an explanation of the relationship between Utility Solutions, including its members, managers, and employees, and any and all subdivision developers in the Utility Solutions service area.
- b. Please provide an explanation of the relationship between Utility Solutions, including its members, managers, and employees, and any and all developers of Elk Grove subdivision.

PSC-008

Regarding: Articles of Organization

Witness: Unknown

Please provide a copy of the Articles of Organization of Utility Solutions, LLC.

PSC-009

Regarding: Tax Returns

Witness: Unknown

Please provide copies of the partnership returns for Utility Solutions, LLC for 2005 and 2006.

PSC-010

Regarding: Build Out

Witness: Woods

What is the present buildout of Elk Grove both in terms of percentage and actual numbers?

PSC-011

Regarding: Four Corners Water and Sewer District

Witness: Unknown

Please provide a copy of the contract between Four Corners Water and Sewer District and Utility Solutions.

PSC-012

Regarding: Workpaper 2, page 2 of 3

Witness: Woods

- a. Please explain what the service expansion is for the subdivisions listed on lines 25 through 51.
- b. For the expenses listed on lines 67 through 77, if there is not a corresponding expense listed on lines 57 through 62, please explain why.

PSC-013

Regarding: Workpaper 2, page 2 of 3

Witness: Woods

- a. Please explain the disparity of maintenance expenses between those shown on line 58 and those shown on line 70, given the EDU allocation that was provided.
- b. Please provide the same for Testing, Property Tax, and Utilities.
- c. Are the Sewer Service Expenses shown, direct expenses or are they allocated? If allocated please provide workpapers deriving allocation and methodology.
- d. Please provide copies of invoices supporting the maintenance shown on lines 58 and 70 of your workpapers.

PSC-014

Regarding: Workpaper 2, page 2 of 3

Witness: Woods

- a. Are the subdivisions listed on lines 46 through 51 members of and or located in the Four Corners Water and Sewer District?

- b. Is Utility Solutions servicing them?
- c. If so, please provide the buildout percentage and the number of units that will be served total, listed by class and by EDU.

PSC-015

Regarding: Workpaper 2, page 2 of 3 – Property Taxes – Sewer Service

Witness: Woods

- a. Do the property taxes shown on Lines 60 and 73 share any properties jointly between the District and Elk Grove?
- b. If so, please provide the allocation computation between the entities.
- c. Please provide copies of the property tax assessments with a reconciliation of those assessments to Lines 60 and 73.

PSC-016

Regarding: Workpaper 2, page 2 of 3 – Expenses - general

Witness: Woods

Please provide invoices supporting and reconciliation to the expenses listed on lines 67 through 77.

PSC-017

Regarding: Workpaper 3

Witness: Woods

- a. Please provide by month the derived revenues shown on line 7.
- b. Please provide invoices supporting and reconciliation to the allocated Common expenses.

PSC-018

Regarding: Workpaper 3

Witness: Woods

Please provide an income statement in similar form as your Workpaper 3 for the water utility.

PSC-019

Regarding: Water service income statement

Witness: Woods

For the questions above that pertain to the expenses and revenues for the sewer service, please provide responses as they pertain to the water service.

PSC-020

Regarding: Utility Solutions' Revenue

Witness: Unknown

- a. From October 27, 2005, to the date of your response, has Utility Solutions charged, billed, or collected any amount from any person or entity other than Four Corners Water and Sewer District that is not provided for in Utility Solutions' tariffs approved by the Public Service Commission?
- b. If so, please describe the charges, billings, or collections.
- c. Please identify the person preparing the response to this data request.

PSC-021

Regarding: Rate Base

Witness: Woods

- a. Please provide invoices supporting the Wastewater utility plant Rate Base valuation of \$2,305,028 and \$2,477,350 as shown on Statement C page 2 of 2 shown in the original request for interim rates and all changes from 2004 through 2006.
- b. Please provide invoices supporting the Water utility plant Rate Base valuation of \$922,158 and \$995,195 as shown on Statement C page 2 of 2 shown in the original request for interim rates and all changes from 2004 through 2006.