

PUBLIC SERVICE COMMISSION STATE OF MONTANA

Greg Jergeson, Chair
Ken Toole, Vice-Chair
Gail Gutsche, Commissioner
Brad Molnar, Commissioner
John Vincent, Commissioner



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October 14, 2009

Barbara Campbell
Utility Solutions, LLC
P.O. 10098
Bozeman, MT 59715

Sandra Barrows
6171 Lazy Man Gulch
Helena, MT 59601

Dear Ms. Campbell and Mrs. Barrows,

PSC and MCC staff will be in your Bozeman offices October 29 and 30, 2009, to review your books and records in regards to your general rate cases in Dockets D2005.11.163 and D2005.11.164. This investigation will include a review of all items, which are relevant to the Dockets, as well as a general review of the overall operations of Utility Solutions, LLC. The examination should only take those two days. Please have space available for us to review this information. Should you have any questions please do not hesitate to contact me at 444-6188.

In order to help you prepare materials for our review, we have enclosed the following items we would like to examine first. Please make sure these items are available upon our arrival on the morning the examination starts.

For our convenience in tracking requests, please note that the following items are audit request numbers one (001) through twenty (020).

PSC-001 – Please provide a copy of all correspondence, electronic or otherwise, between Gallatin County and Utility Solutions from Utility Solutions' inception through the most current.

PSC-002 – Please provide a copy of all correspondence, electronic or otherwise, between Montana Department of Environmental Quality and Utility Solutions from Utility Solutions' inception through the most current.

PSC-003 – Please provide a copy of all correspondence, electronic or otherwise, between Montana Department of Natural Resources and Conservation and Utility Solutions from Utility Solutions’ inception through the most current.

PSC-004 – Please provide a copy of all correspondence, electronic or otherwise, between Double Tree and Utility Solutions from Utility Solutions’ inception through the most current.

PSC-005 – Please provide a copy of all correspondence, electronic or otherwise, between Concinnity, LLC and Utility Solutions from Utility Solutions’ inception through the most current.

PSC-006 – Please provide a copy of the sales agreement between Concinnity and Utility Solutions.

PSC-007 – Please provide a listing of all outside firms or individuals retained by Utility Solutions for the 2008 test year that have provided services and had expenses charged to the operating statement or capitalized.

- a) For each of the outside services in the above request provide a description of the service provided.
- b) List the amount paid each outside service provider.

PSC-008 – Please provide for the years 2007-2008, by customer classification, the revenue and water consumption of metered customers. Please include the customer count in each classification. Please do the same for flat rate customers as well, including the basis for allocation.

PSC-009 – Please provide the EDU calculations used in the wastewater usage computations.

PSC-010 – Please provide the total water produced by month for the years 2007-2008.

PSC-011 – Please provide, for the years 2007-2008, the number of new connections made to the water system, by meter size.

PSC-012 – Please provide the electrical usage for the years 2007-2008 for each billed location. This information should include kw demand and kwh consumption.

PSC-013 – Please provide copies of Utility Solutions proposed capital budgets for the years 2007-2008.

PSC-014 – Please provide any acquisitions by Utility Solutions for the years 2005 to present. Additionally, please provide any plans for near future acquisitions.

PSC-015 – Please provide a copy of the general ledger for Utility Solutions for 2007-2008.

PSC-016 – Please provide a map showing all service areas of Utility Solutions. Include any and all “Will Serve” locations as well.

PSC-017 – Please provide a copy of the protective covenants of the Elk Grove Subdivision.

PSC-018 – Please provide a copy of the protective covenants of the Four Corners Water District.

PSC-019 – Please provide all board minutes of Utility Solutions, LLC and Double Tree, Inc. since inception.

PSC-020 – Please provide the Executive Summary for MDEQ Circular DEQ 2 – Appendix E Facility Plan dated August 2006, as well as any changes made to the plan.

If I can be of further assistance, please contact me at the address or phone listed below.

Sincerely,

Leroy J. Beeby, Rate Analyst
Montana Public Service Commission
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