

# PUBLIC SERVICE COMMISSION STATE OF MONTANA



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

1701 Prospect Avenue  
PO Box 202601  
Helena, MT 59620-2601  
Voice: 406.444.6199  
Fax #: 406.444.7618  
<http://psc.mt.gov>  
E-Mail: [psc@mt.gov](mailto:psc@mt.gov)

## Memorandum

January 4, 2010

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

Sandra Barrows  
6171 Lazy Man Gulch  
Helena, MT 59601

cc: Service List

From: Leroy Beeby, Rate Analyst  
Montana Public Service Commission

RE: Data Requests in Docket Nos. D2005.11.163 and D2005.11.164

Enclosed please find data requests of the Montana Public Service Commission (PSC) to Utility Solutions, LLC, numbered PSC-061 through PSC-063, in the above-referenced dockets. When responding, please begin each new numbered response on a separate page and identify the responding witness. In the event of questions, please contact me at (406) 444-6188.

enc.

Service Date: January 4, 2010

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     )

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-061 THROUGH PSC-063  
TO UTILITY SOLUTIONS, LLC**

PSC-061

Regarding: Rate Base Calculations  
Witness: Schulz

- a. Do your rate base calculations include the allocation of \$300 per month from the management contract? If so, why, and if not, why not?
- b. Have you adjusted the management contract expense to reflect the above? Why or why not?

PSC-062

Regarding: Management Contract  
Witness: Schulz

- a. In your opinion, is the management contract a negotiated arm's length transaction between Utility Solutions and Double Tree, Inc?
- b. Is the management contract expense a reasonable amount considering the number of residents in the Elk Grove?

c. If the answer to b is no, what would be a reasonable amount for management expense for a water and wastewater utility of that size?

d. If the answer to b is no, why was there no adjustment to the management contract expense?

e. If the answer to b is yes, please provide supporting data for management expense of water/wastewater utilities of a similar size in Montana. Because Utility Solutions is accounting for Accounting, Office Expenses and System Operator separately, please exclude those or similar categories from the information you provide.

PSC-063

Regarding: Office Expense

Witness: Schulz

Did you make any adjustments to allocate any portion of Office Expense to Doubletree?  
Why or why not?