

# PUBLIC SERVICE COMMISSION STATE OF MONTANA

Greg Jergeson, Chair  
Ken Toole, Vice-Chair  
Gail Gutsche, Commissioner  
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## Memorandum

January 6, 2010

To: Montana Consumer Counsel  
616 Helena Avenue Suite 300  
P.O. Box 201703  
Helena, MT 59620-1703

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 corrected Public Service Commission Data Requests PSC-061 through PSC-063 which were served January 4, 2010. The document title erroneously stated the data requests were to Utility Solutions, LLC. It should have stated they were to the Montana Consumer Counsel.

Service Date: January 4, 2010

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

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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 THE MONTANA CONSUMER COUNSEL**

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?