

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

IN THE MATTER of the Consolidated Petition)
by Mountain Water Company for Declaratory) REGULATORY DIVISION
Rulings and Application for Approval of Sale and) Docket No. D2011.1.8
Transfer of Stock in Park Water Company)

**CARLYLE INFRASTRUCTURE PARTNERS, LP'S
DATA REQUESTS TO THE MONTANA CONSUMER COUNSEL**

Carlyle Infrastructure Partners, LP (“Carlyle”), by and through its undersigned counsel, hereby submits to the Montana Consumer Counsel these first set of data requests. Please respond to these Data Requests by August 19, 2011.

By: s/ Thorvald A. Nelson

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Carlyle-001 Re: Projected return, capital investment, and rate base growth

Witness: Dr. Wilson

On page 9, line 2-9 of Dr. Wilson's testimony, he states, "Assuming that the capital investment and rate base growth are economic (i.e., benefits exceed costs), this may not be objectionable. However, without the requested model and spread sheets that Carlyle apparently has prepared but refuses to provide, one cannot be sure. If, instead, as in the prior case of Babcock and Brown's proposed acquisition of Northwestern, the projected return is the result of assumed equity payouts or other factors that would be revealed in the model, the consequences for the Company's customers and for Montana could be problematic." Now that Dr. Wilson has access to Carlyle's model and spread sheets, please fully explain whether Dr. Wilson believes that Carlyle's projected return are or are not the result of assumed equity payouts or other factors that could be "problematic."

Carlyle-002 Re: Projected return, capital investment, and rate base growth

Witness: Dr. Wilson

On page 9, line 15 to page 10, line 1, of Dr. Wilson's testimony, he states, "In that case, the company's financial model revealed Babcock and Brown's intention to pay out the utility's equity capital, so as to recapture its acquisition premium, after the Commission approved its proposed acquisition of NorthWestern." Now that Dr. Wilson has access to Carlyle's model and spread sheet, please explain whether Dr. Wilson believes Carlyle intends to pay out the utility's equity capital so as to recapture its acquisition premium or, alternatively, whether Dr. Wilson believes that Carlyle intends to primarily recover its investment in Park Water through the proceeds to a future sale. Please fully explain Dr. Wilson's answer.

Carlyle-003 Re: Carlyle's business strategy

Witness: Dr. Wilson

On page 10, lines 11-13, of Dr. Wilson's testimony, he states, "No. While one cannot be certain without the requested discovery, it appears from the summary that was provided in response to MCC-004 that Carlyle's plans are nearly the opposite." Now that Dr. Wilson has access to Carlyle's model and spread sheets, please confirm whether Dr. Wilson's conclusion remains that Carlyle's business plans are nearly the opposite of what Babcock and Brown's were with regard to the proposed acquisition of NorthWestern.

Carlyle-004 Re: Carlyle's business strategy

Witness: Dr. Wilson

Now that Dr. Wilson has access to Carlyle's model and spread sheets, please explain whether Dr. Wilson has changed his view or understanding of Carlyle's business strategy based on his review of the investment committee memo and Carlyle's testimony in this docket. If so, please explain how Dr. Wilson's views have changed and the impact, if any, those changed views have on his opinions and recommendations in this docket.

CERTIFICATE OF SERVICE

I hereby certify that on this, the 5th day of August, 2011, the foregoing **CARLYLE INFRASTRUCTURE PARTNERS, LP'S DATA REQUESTS TO THE MONTANA CONSUMER COUNSEL** was served via electronic mail and U.S. mail unless otherwise indicated to the following:

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s/ Leah N. Buchanan