

Service Date: February 1, 2011

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

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

**NOTICE OF APPLICATION
AND INTERVENTION DEADLINE**

On January 24, 2011, Mountain Water Company (Mountain Water) filed a Consolidated Petition for Declaratory Ruling and Application for Approval of Sale and Transfer of Stock (Filing) with the Montana Public Service Commission (Commission). Mountain Water is a closely held Montana corporation wholly-owned by Park Water Company (Park), which is a closely held California corporation subject to the jurisdiction of the California Public Utilities Commission. On December 21, 2010, Park entered into a merger agreement pursuant to which a wholly-owned subsidiary of Western Water Holdings, LLC, a Delaware limited liability company, controlled by Carlyle Infrastructure Partners Western Water, L.P., (Carlyle) will merge with and into Park.

In the filing, Mountain Water requested declaratory rulings that there is no basis for the Commission to claim implied power to review the sale and transfer of Park stock to Carlyle and that even if it has the power to review and approve the sale and transfer, the Commission decline to exercise its jurisdiction. Mountain Water requested that, if the Commission has the power to review and approve the sale and transfer and does not decline to exercise such power, the Commission approve the sale and transfer of Park stock to Carlyle. Mountain Water also requested that the Commission adopt an expedited procedure and issue a decision in this matter no later than May 19, 2011.

A copy of Mountain Water’s filing is available for inspection at the Commission or on the Commission website at http://psc.mt.gov/eDocs/eDocuments/pdfFiles/D2011-1-8_IN_20110124_AP1.pdf. The filing is also available at the Montana Consumer Counsel

(MCC) and the business offices of Mountain Water, 1345 W. Broadway, Missoula, Montana 59806. The MCC, 111 North Last Chance Gulch, P.O. Box 201703, Helena, Montana 59620-1703, telephone 406-444-2771, is available and may be contacted to assist and represent the interests of the consuming public in this matter.

Any interested person who is directly affected by Mountain Water's filing before the Commission, and who wants to be a party to the docket must file a Petition to Intervene with the Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana 59620-2601, no later than February 16, 2011. Any Petition to Intervene must be electronically submitted (e-filed) on the Commission's website at <http://psc.mt.gov/eDocsLogin.asp>. The filing party must also deliver or mail the original Petition to Intervene in paper format to the Commission by the filing deadline. The Commission will upload e-filed documents to the Commission's website after the paper original has been officially received at the Commission office. One copy must be served on Mountain Water's attorney, John Alke, Hughes, Kellner, Sullivan & Alke, 40 W. Lawrence, Suite A, P.O. Box 1166, Helena, Montana 59624-1166, and the MCC (address above).

Any interested person who does not prefer to formally participate in the matter as an intervenor, may submit written public comments to the Commission at the above address. Public comments may also be submitted to the Commission through the Commission's web-based comment form at <http://psc.mt.gov/Consumers/comments>. The Commission will consider all public comments regarding the application, written or electronic, received before it issues a final order in this matter.

Mountain Water is a Montana corporation providing water utility service in and near Missoula, Montana, and is subject to the jurisdiction of the Commission. The Commission's jurisdiction over this matter is provided at Title 69, MCA. The substantive and procedural law applicable is Title 69, MCA, especially at Ch. 3 (public utilities), ARM Title 38, Ch. 5 (utilities), Title 2, Ch. 4, MCA (MAPA), ARM Title 38, Ch. 2 (PSC procedural rules), and any prior orders of the PSC which may bear on the issues presented.

A procedural order governing the procedure and schedule in this matter may be issued prior to the deadline for intervention. The PSC and persons having petitioned for intervention in this proceeding may direct discovery to Mountain Water at anytime up to and including the procedural schedule final date for discovery on the utility application. Mountain Water must respond within fourteen calendar days to all data requests directed to it more than fourteen

calendar days prior to the deadline. If there are no intervenors in this docket the Commission may schedule a hearing on its own motion, or may rule on the application based on the information contained in the Mountain Water filing.

The Commission initially notices proceedings through use of general service lists. Interested persons not intervening, but wishing to remain on the service list to receive notices and orders, must notify the PSC in writing by the date fixed for intervention. Failure to submit notification will result in removal from the service list in this docket.

BY THE MONTANA PUBLIC SERVICE COMMISSION

W.A. (BILL) GALLAGHER, Chairman
BRAD MOLNAR, Vice-Chairman
GAIL GUTSCHE, Commissioner
TRAVIS KAVULLA, Commissioner
JOHN VINCENT, Commissioner