

# PUBLIC SERVICE COMMISSION STATE OF MONTANA

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May 20, 2011

John Alke  
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RE: PSC data requests in Docket D2011.1.8

Enclosed please find data requests of the Montana Public Service Commission to Mountain Water Company and Park Water Company (numbered PSC-001 through PSC-007) in the above-referenced docket. If you have any questions regarding these data requests, please contact me at 444-6188 or Kate Whitney at 444-3056.

Sincerely,

Leroy Beeby  
REGULATORY DIVISION

Enclosure

cc: service list

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 ) DOCKET NO. D2011.1.8  
Approval of Sale and Transfer of Stock in )  
Park Water Company )

**MONTANA PUBLIC SERVICE COMMISSION DATA REQUESTS  
PSC-001 THROUGH PSC-007 TO MOUNTAIN WATER COMPANY AND  
PARK WATER COMPANY**

PSC-001

Regarding: Discussions regarding purchase by other entities  
Witness: Unknown

- a. State whether there has ever been any dialogue between Mountain Water or Park Water Company with regard to the sale and purchase of the Mountain Water system with the City of Missoula or any other public entity, including any water and/or sewer district.
- b. If the answer to (a) is in the affirmative, please provide the following information: (1) the approximate date of the dialogue; (2) who likely initiated the dialogue; and (3) to the best of your recollection, the reason for lack of fruition.
- c. State whether there has been any dialogue between Mountain Water or Park Water Company with regard to the sale and purchase of the Mountain Water system with any non-public entities within the last five years. If so, (1) state the approximate date(s); (2) who initiated and with whom the dialogue occurred; and (3) the reason for lack of fruition.
- d. State whether Park Water Co. and/or Mountain Water Co. have been actively marketing or soliciting for interest in either or both entities. If so, what means were utilized to solicit that dialogue?

PSC-002

Regarding: Mountain Water rate base  
Witness: Unknown

- a. Please detail the rate base as of 2010 for Mountain Water that would be transferred to Carlyle. Provide this in a schedule for each rate base item detailing original cost,

- purchase date, depreciation life, accumulated depreciation, and net remaining life. Please also include all fully depreciated items still in use.
- b. Please reconcile the above valuation to the rate base agreed to in Docket D2010.4.41, separating the Park allocation from the Mountain rate base.

## PSC-003

Regarding: Park Water Co. rate base

Witness: Unknown

- a. Please detail the rate base as of 2010 for Park Water that would be transferred to Carlyle. Provide this in a schedule for each rate base item detailing original cost, purchase date, depreciation life, accumulated depreciation, and net remaining life. Please also include all fully depreciated items still in use.
- b. Of the above, please provide separately, the original cost, purchase date, depreciation life, accumulated depreciation, and net remaining life of the rate base that there would be an allocation of a portion of the rate base to Montana.
- c. Please provide the allocation percentages and methodology for the items above items.
- d. Please reconcile your response to (b) above to the valuation of allocation of rate base to Mountain.

## PSC-004

Regarding: Missoula concerns

Witness: Unknown

- a. What are the long-term implications (benefits/concerns) for Missoula if the sale is allowed?
- b. How will the acquisition of Park by Carlyle, whose objective is to “generate superior investment returns,” affect the monthly bills of customers of Mountain Water?

## PSC-005

Regarding: Water rights

Witness: Unknown

Are there any legal or regulatory restrictions that prevent Park/Mountain Water/Surviving entity to sell and/or transfer its water rights in any fashion that will take the water from Mountain’s service area, and allow it to be shipped out of Missoula to another city or state, depriving the present service area of water? Please explain fully.

## PSC-006

Regarding: Mountain Water pension fund

Witness: Unknown

- a. Is the existing pension plan fully funded? If not, why not?
- b. Who controls the pension plan, how is it invested, and will it be continued at its present funding?

PSC-007

Regarding: Water development – Rattlesnake and Miller creeks

Witness: Unknown

- a. What, if any, are the plans to develop Rattlesnake Creek, which is the backup resource for drinking water for Mountain Water?
- b. What, if any, are the plans to develop Miller Creek?
- c. Please detail the measures that will be taken to protect the water quality and wildlife that are dependent on these creeks.