

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) REGULATORY DIVISION
AquaFlo, LLC for Authority to Permanently)
Increase Rates and Charges and Amend Tariff) DOCKET NO. D2011.4.34
Rules and Regulations for Water and Sewer)
Service to its Helena, Montana, Customer)

DATA REQUESTS OF MONTANA CONSUMER COUNSEL

MCC-001 RE: Adjustments to O&M expenses
Witness: Sandra Barrows

Please detail the \$34,500 in total projected rate case expense as listed on page nine of your pre-filed direct testimony by outlining and describing the different categories of rate case expense included, the estimated hours of time comprising each category, and the hourly rate or charge for each expense category.

MCC-002 RE: Ownership
Witness: John Maxness

Please indicate whether any of the individual providers of contracted services to AquaFlo personally, or through ownership/membership of any legal entity have a direct or an indirect interest in Aqua Sierra, LLC.

MCC-003 RE: Adjustments to O&M expenses
Witness: Sandra Barrows

For each of the individual nine adjustments outlined in statement 38.5.157 please explain why you chose to use projected expenses or the three year average of expenses rather than actual expenses from the test year and provide the actual accrual basis amounts for 2010.

MCC-004 RE: Billing
Witness: Sandra Barrows

Please provide an explanation and example of AquaFlo's billing cycle including:

- a) When bills are sent;
- b) The period of water and wastewater service covered by those bills;
- c) The due date for those bills.

MCC-005 RE: Audits
Witness: Sandra Barrows

Please provide copies of any audit reports that have been produced concerning AquaFlo or its parent AquaSierra, LLC since the inception of AquaFlo in 2007.

MCC-006 RE: Property Taxes
Witness: Sandra Barrows

Please provide copies of AquaFlo's property tax bills for 2009 and 2010.

MCC-007 RE: Water Consumption
Witness: Sandra Barrows

What was the maximum water demand for the shortest time period that such information is available (hourly, daily etc.) for 2009 and for 2010?

MCC-008 RE: Water Production
Witness: Sandra Barrows

What is the capacity of each well in the water system in terms of pumped gallons per minute and please indicate any major design elements of the system such as the number of wells or the size of the pumps that were required to meet Department of Environmental Quality (DEQ) or other regulatory requirements.

MCC-009 RE: Schedules
Witness: Sandra Barrows

Please provide a copy of all exhibits, schedules, and supporting work papers included in your pre-filed direct testimony in electronic format with all links and formulas intact.

MCC-010 RE: Waste Water capacity
Witness: Sandra Barrows

Please provide an explanation of how the waste water system works including the capacity of the system and historical peak flows for 2009 and 2010. Please indicate if any of those peak flows were caused by anomalous events outside of the system such as flooding.

MCC-011 RE: Statement C – Utility Plant Accounts
Witness: Sandra Barrows

It was indicated at the discovery audit that the \$5,473 reduction in *Account 303 Land & land rights* from the end of 2009 to the end of 2010 was from land being used to pay off a debt. Please specify:

- a) The name of the creditor and if they are or were affiliated with AquaFlo directly or indirectly.
- b) The description of the land involved and how it was valued.
- c) Whether the debt is completely paid off.
- d) Whether this payment of utility property for a debt also resulted in any ownership interest in the utility being created or increased.
- e) Whether the land involved is necessary for the provision of utility service and if so, why?

MCC-012 RE: Capital Structure
Witness: Sandra Barrows

Statement A shows Long Term Debt at the end of 2010 of \$67,302 but there is a note on Statement F saying that as of February, 2011 AquaFlo had 100% equity. Please specify:

- a) The particular consideration given for retirement of those liabilities and by whom since according to Statement A AquaFlo had a negative cash balance at the end of 2010.
- b) If someone or some entity other than AquaFlo retired these liabilities, did this create a new or increased direct or indirect ownership interest in AquaFlo for that person(s) or entity(s)?

MCC-013 RE: Debt Retirement
Witness: Sandra Barrows

Regarding the retirement of all debt in February, 2011:

- a) Please indicate where in the 2011 ledger provided at the discovery audit in response to PSC-009 the transaction(s) showing the retirement of all debts is/are recorded.
- b) If those transactions are not shown please provide a complete ledger for 2011 that includes those transactions; otherwise, please provide an explanation of why those transactions are not reflected on the books of AquaFlo.

MCC-014 RE: Payments to Accounting Beans, LLC
Witness: Sandra Barrows

How many hours did Accounting Beans, LLC log in providing accounting and collection services to AquaFlo in 2009, 2010, and for the first half of 2011?

MCC-015 RE: Public Relations/Meetings
Witness: Sandra Barrows

Line 9 of Statement G lists *Public Relations/Meetings* expense. Please specify exactly what these expenses were for and the subject matter discussed at the meetings supported by this expense.

MCC-016 RE: Chart of Accounts
Witness: Sandra Barrows

Please provide the Chart of Accounts for AquaFlo.

MCC-017 RE: General Ledger
Witness: Sandra Barrows

Please provide a general ledger for 2009, 2010, and year to date 2011 showing the balance and activity of all accounts along with corresponding account numbers.

MCC-018 RE: Meter Reconciliation
Witness: Sandra Barrows

Is there a reconciliation completed of the pump house master meter to the total readings from individual customer meters? If the answer is yes, please provide copies for 2009 and 2010.

MCC-019 RE: Form 8832 Election
Witness: Sandra Barrows

Does AquaFlo have any plans to change its Form 8832 election to be treated like a C Corporation for federal income tax purposes?

MCC-020 RE: Land
Witness: Sandra Barrows

Please describe how Lot 6A, Block 7, Skyview Subdivision, Phase II is used in the provision of utility service, and indicate whether this lot could be used for purposes of building a single family dwelling or commercial structure.

MCC-021 RE: Land
Witness: Sandra Barrows

Please describe how Lot 14, Block 11, Skyview Subdivision, Phase IV-A is used in the provision of utility service, and indicate whether this lot could be used for purposes of building a single family dwelling or commercial structure.

MCC-022 RE: Land
Witness: Sandra Barrows

Please describe how Lot 9A, Block 3, Skyview Subdivision, Phase II is used in the provision of utility service, and indicate whether this lot could be used for purposes of building a single family dwelling or commercial structure.