

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 Set Final)	
Rates for Water and Wastewater Services, and)	DOCKET NO. D2011.4.34
Request for Extension of Interim Rates while)	
Final Rates are Established)	

STIPULATION

Come now AquaFlo, LLC (AquaFlo or Applicant), and the Montana Consumer Counsel (MCC) and jointly file with the Montana Public Service Commission (Commission) this Stipulation. AquaFlo and MCC agree and stipulate as follows:

1. On April 27, 2011, AquaFlo filed its application to set final rates and to extend the interim rates until final rates are established (Application). The total annual revenue requirement set forth in the Application was \$170,726.
2. MCC intervened in the docket and opposed the revenue requirement proposed by AquaFlo. On April 4, 2012, MCC prefiled testimony which advocated a revenue requirement for AquaFlo of \$133,462.
3. For settlement purposes, AquaFlo and MCC agree that a fair and equitable resolution of the issues in the docket would be as follows, subject to the provisions of paragraph 4 below.
 - A. The Commission should authorize AquaFlo in its final order in this docket to establish rates based on an annual revenue requirement of \$141,239.

- B. Final rates should be established using the agreed upon revenue requirement and billing determinants used by AquaFlo in its Application.
- C. The Commission should approve all of the other tariff provisions requested by AquaFlo in its Application. Attached as Appendix A are proposed tariffs to implement this stipulation.
4. AquaFlo and MCC further agree that if the cost of the required professionals can be minimized for AquaFlo, the cost of providing regulated services can also be minimized. In this case, acceptance of this stipulation will eliminate the need to prepare rebuttal testimony and post-hearing briefs.
5. After completion of contested case proceedings in this docket, the Commission should be moved in its discretion to issue a final order approving, adopting and implementing the terms of this stipulation and the resulting rates.
6. AquaFlo and MCC present this stipulation to the Commission as a reasonable settlement of the issues in this docket. Neither party's position in the docket is accepted by the other party by reason of their entry in this stipulation, nor does it indicate their acceptance, agreement or concession to any rate making principle, cost of service determination or legal principle embodied or arguably embodied in the stipulation.
7. The provisions of this stipulation are inseparable from the whole of the agreement between AquaFlo and MCC in this docket. The reasonableness of the proposed settlement set forth in this stipulation depends on the adoption in its entirety by the Commission. If the Commission decides not to adopt the stipulation in its entirety, neither AquaFlo nor MCC is bound by any provision of it, and it shall have no force or effect.

Dated May 24, 2012.

Strand Law Firm

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Montana Consumer Counsel

Mary Wright, Attorney
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Helena, Montana 59620-1703

Public Service Commission of Montana

AquaFlo, LLC
PO Box 1091 Helena, MT 59624

Sheet No. 09-1 1st Revised
Cancelling Sheet No. 09-1

Water and Sewer Service

AquaFlo, LLC Tariff
Sheet No. 09-1 of 15

1. Unless modified or addressed herein, all services provided by the Company are governed by the rules and regulations approved by the Public Service Commission.

2. Service Rates: (Per Connection)

A) Flat rate per month: \$ 45.27

B) Water Use Rate charged per 100 gallons per month: \$.512

C) Excess Water Use Rate charged per 100 gallons per month \$ 1.024

(1) over the Excess Use Breakpoint.

(2) Excess Use Breakpoints:

(a) Skyview subdivision (all phases)

(i) And Northwest Minor Subdivision: 45,000 gallons per month

(b) Northwest Major Subdivision: 21,000 gallons per month

D) Late charge:

(1) A \$10.00 late charge service fee shall be imposed when payment has not been received or postmarked on or before the 15th of each month.

E) Water Disconnect and Reconnect Fees:

(1) Customer initiated: \$50 per Disconnect *
 \$50 per Reconnect *

(2) Company initiated: (i.e. delinquency) \$50 per Disconnect
 \$50 per Reconnect *

* All outstanding balances, past due amounts and any fees must be paid prior to Company performance.

Issued _____

By _____

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