

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

**PSC Docket No. D2014.12.99**

**Direct Testimony  
Of  
Michelle Halley**

1 **Q. Please provide your full name and business address.**

2 A. My name is Michelle Halley. My business address is Mountain Water  
3 Company, 1345 W. Broadway, Missoula, Montana, 59802.

4 **Q. What is your position with Mountain Water Company?**

5 A. I am the Business Administration Manager for Mountain Water Company,  
6 as part of my duties I am in charge of Human Resources and Customer  
7 Service. I have worked for Mountain Water Company for 24 years.

8 **Q. What is the purpose of your testimony?**

9 A. The purpose of my testimony is threefold: (1) to explain to the PSC the  
19 commitments made by Liberty Utilities to the Employees of Mountain  
11 Water Company regarding their future employment under Liberty's  
12 ownership; (2) express the support of the Employees of Mountain Water  
13 Company for Liberty's purchase of Mountain Water Company; and (3)  
14 attest that with Liberty retaining all of the Employees, the PSC can be  
15 assured that the customers will continue to receive exemplary service as  
16 they always have.

17 **Q. Are you sponsoring any Exhibits in this case?**

18 A. Yes. I am sponsoring Exhibit MH-1, a letter from David Pasieka, President

1 of Liberty Utilities, to John Kappes, President of Mountain Water  
2 Company, dated February 27, 2015, which describes Liberty's  
3 commitments to the Employees of Mountain Water Company.

4 **Q. Please describe any commitments made by Liberty Utilities to the**  
5 **Employees of Mountain Water Company.**

6 A. Liberty Utilities committed "to retain all Mountain Water employees in  
7 Missoula on the same or better overall salary and benefit package for the  
8 long term." See Exhibit MH-1. This "long term" commitment was defined  
9 by Liberty Utilities as "retain[ing] all employee positions without exception  
10 for a minimum of five years." Liberty Utilities "has committed to maintain  
11 wages and benefits equal to or exceeding those of Mountain Water."  
12 These commitments were presented to the employees in person by David  
13 Pasieka on February 4, 2015, and in writing to the employees on February  
14 27<sup>th</sup>, 2015. See Exhibit MH-1.

15 **Q. Do the employees of Mountain Water Company support the change**  
16 **of ownership from Carlyle to Liberty?**

17 A. Yes. Our employees support and are in favor of the successful transition  
18 from Carlyle ownership to ownership by Liberty Utilities. Liberty has  
19 presented and demonstrated to the employees their commitment and  
20 values for being a local, responsive, and caring utility. These values  
21 strongly align with Mountain Water and its Employee's.

22 **Q. Please describe the importance to the customer of Liberty's**  
23 **commitment to retain the Mountain Water Employees?**

- 1     A.       • The Employees have 642 combined years of experience serving  
2               the Missoula community. We have 19 certified water operators,  
3               licensed engineers and accountants, and certified professionals in  
4               their field.
- 5               • We have local employees with knowledge of local service issues  
6               and an active presence in our community.
- 7               • We have a superior track record in customer service, safety, and  
8               water quality, and maintain positive relationships with our  
9               customers, vendors, and regulators.
- 10              • The Missoula community and PSC can be assured that under  
11               Liberty Utilities, Mountain Water Employee's will continue their  
12               dedication and loyalty providing exemplary service in a responsible  
13               and accountable manner.

14    **Q.    Does this conclude your testimony?**

15    A.    Yes.

**Exhibit MH-1**

**LETTER OF COMMITMENT TO MOUNTAIN WATER COMPANY  
EMPLOYEES  
BY  
LIBERTY UTILITIES CO.**

**Mountain Water Company**



John Kappes, President/General Manager  
Mountain Water Company  
P.O. Box 4826  
Missoula, MT 59806-4826

**Re: Mountain Employee Commitment Letter from Liberty Utilities Co.**

Dear John:

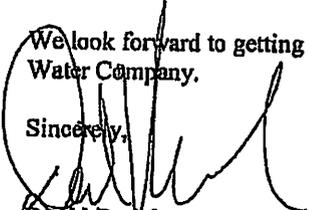
Liberty Utilities Co. values each and every employee of the Mountain Water Company. We recognize you are the heart and soul of Mountain Water Company and it is our desire for you to officially join the Liberty team as our Montana based President once the acquisition has been completed. By this letter, I want to confirm Liberty's commitment to all of the employees at the company.

Our intention and commitment is to retain all Mountain Water employees in Missoula on the same or better overall salary and benefit package for the long term. We intend "long term" to truly mean long term, but for clarity, Liberty is committed to retain all employee positions without exception for a minimum of five years. Liberty Utilities has committed to maintain wages and benefits equal to or exceeding those of Mountain Water Company. One of our benefits includes the opportunity for employees to purchase Algonquin Power & Utilities Corp. stock at a discount and without brokerage fees.

Going beyond jobs, wages, and benefits, Liberty offers programs that promote Liberty's values of Quality, Commitment, Family, Community, Efficiency and Care. We believe those values closely align with those of the Mountain Water Company. Those programs include a peer nominated recognition program for employees (Spirit of Liberty), opportunities for employee training and advancement within the Liberty family of companies, innovation awards for ideas that improve operational efficiencies (Power of Suggestion), a Liberty Days program that allows and encourages employees to take three paid days to support local community activities (Liberty Days), and an Interconnect program that allows employees to walk a mile in someone else's shoes in the company to better understand how their colleagues provide safe and reliable service to our customers.

We look forward to getting to know and working with each and every employee of the Mountain Water Company.

Sincerely,

  
David Pasteka  
President Liberty Utilities  
February 27, 2015

**CERTIFICATE OF MAILING**

I hereby certify that the foregoing was duly served upon the following by mail, Federal Express, Hand-delivery, Facsimile or Email transmission:

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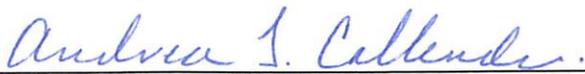
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DATED this 4<sup>th</sup> day of November, 2015.

  
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UGRIN, ALEXANDER, ZADICK & HIGGINS, P.C.