

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

IN THE MATTER OF Joint Application of
Liberty Utilities Co., Liberty WWH, Inc.,
Western Water Holdings, LLC, and
Mountain Water Company for Approval
of a Sale and Transfer of Stock

REGULATORY DIVISION
DOCKET NO. D2014.12.99

**DIRECT TESTIMONY
OF
DALE BICKELL
ON BEHALF OF
THE CITY OF MISSOULA**

November 4, 2015

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TESTIMONY

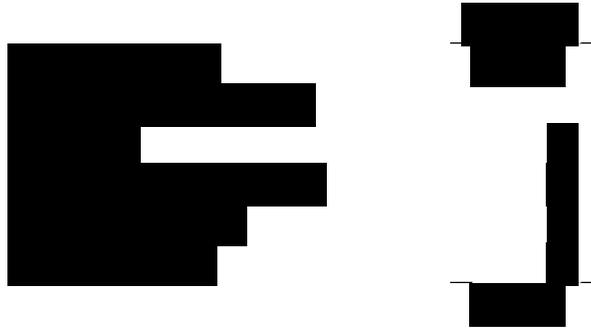
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2 Q: HOW IS THE PARK WATER COMPANY ACQUISITION PAID FOR?

3 A: [REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

7 Q: HOW IS THIS STRUCTURE DIFFERENT THAN WHEN CARLYLE
8 PURCHASED PARK WATER?

9 A: [REDACTED]

[REDACTED]

[REDACTED]

12 Q: IS THIS CONSIDERED A NORMAL LEVEL OF DEBT FOR AN INVESTOR-
13 OWNED UTILITY ACQUISITION SUCH AS THIS?

14 [REDACTED]

[REDACTED]

[REDACTED]

17

18

1 Q: DOES THE PREFERRED STOCK REQUIRE A DIVIDEND TO BE PAID?

2 A: [REDACTED]
[REDACTED]

4 Q: IS THERE A DIVIDEND PAID FROM PARK WATER TO LIBERTY OR
5 APUC?

6 A: [REDACTED]
[REDACTED]

15 Q: HOW DOES APUC GENERATE CASH TO MAKE THESE PAYMENTS AND
16 SERVICE THE ADDITIONAL DEBT?

17 A: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

5 Q: HOW MUCH OF THIS DISTRIBUTION COMES FROM MOUNTAIN
6 WATER COMPANY?

7 A: [REDACTED]

15 Q: IS THE LEVEL OF CAPITAL INVESTMENT RELATIVE TO EBITDA
16 CONSISTENT ACROSS THE THREE PARK WATER COMPANY SYSTEMS?

[REDACTED]

21

[REDACTED]

|

| [REDACTED]

| [REDACTED]

| [REDACTED]

5 Q: IS THE LEVEL OF CAPITAL INVESTMENT ADEQUATE FOR MWC?

6 A: [REDACTED]

| [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 [REDACTED]

2 [REDACTED]

3 [REDACTED]

4 Q: IF THE PROPOSED TRANSACTION WAS APPROVED, WOULD
5 MISSOULA RATEPAYERS BE FUNDING WATER SYSTEMS IN
6 CALIFORNIA?

7 A: [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

CERTIFICATE OF SERVICE

This is to certify that the foregoing was duly served by mail and email upon the following counsel of record at their addresses this 6th day of November 2015:

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