

**PUBLIC SERVICE COMMISSION
STATE OF MONTANA**

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Travis Kavulla, Vice Chairman
Kirk Bushman, Commissioner
Roger Koopman, Commissioner
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December 18, 2015

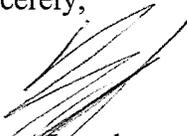
Mike Green
Crowley Fleck, PLLP
900 N. Last Chance Gulch, Suite 200
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RE: PSC data requests in Docket D2014.12.99

Dear Mr. Green:

Enclosed please find data requests of the Montana Public Service Commission to Liberty Utilities Co. (numbered PSC-064 through PSC-077) in the above-referenced docket. Please begin the response to each new numbered data request on a new page. If you have any questions, please contact me at (406) 444-6184.

Sincerely,



Dagan Lynch
Rate Analyst
Montana Public Service Commission

Enclosure

cc: Service List

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

IN THE MATTER OF the Joint Application)
of Liberty Utilities Co., Liberty WWH, Inc.,) REGULATORY DIVISION
Western Water Holdings, LLC, and)
Mountain Water Company for Approval of a) DOCKET NO. D2014.12.99
Sale and Transfer of Stock)

**DATA REQUESTS PSC-064 THROUGH PSC-077 OF THE
MONTANA PUBLIC SERVICE COMMISSION TO
LIBERTY UTILITIES CO.**

PSC-064

Regarding: Bidding Process
Witness: Jordan

- a. In your rebuttal testimony on page 21 you state the final round of bidding included three other potential buyers. Were any of the three other potential buyers under the APUC umbrella?
- b. In the original solicitation of buyers how many potential buyers were under the umbrella of APUC?

PSC-065

Regarding: Debt
Witness: Jordan

Throughout the proceeding Liberty has pointed out on many occasions that access to APUC’s capital and debt financing is an advantage for Liberty and Mountain Water. In Docket D2012.7.81, response to data request MCC-051 you answered “No” when asked “Has the ownership of Park Water by the Carlyle Group opened up new avenues of potential debt financing that could possibly lower the debt rates currently in place?” Please explain why your view in that docket is now different in this docket with regard to the advantage of debt financing.

PSC-066

Regarding: Debt
Witness: Jordan

On page 16 in your rebuttal testimony lines 5-7 you mention a "case" to raise Dr. Wilson's argument on cost of capital. To which case/docket are you referring?

PSC-067

Regarding: Mountain Water's System Condition
Witness: Kappes

On page 6 in your rebuttal testimony you state that the City has pulled testimony straight from the Condemnation case. Please provide the page(s) and line number(s) along with a copy of those pages to which you refer.

PSC-068

Regarding: Mountain Water's System Condition
Witness: Kappes

In your rebuttal testimony you state that Mr. Close is not a licensed engineer in the state of MT. Please explain the significance of that statement as it pertains to this docket.

PSC-069

Regarding: Mountain Water's System Condition
Witness: Kappes

- a. If Mountain Water's system is currently inadequate to provide service is it the case that unless the new owner of Mountain Water upgrades infrastructure upgrade customers would be harmed? Why or why not?
- b. Has Mountain Water Completed and filed the Company's five year plan for 2015-2019?
- c. If Liberty becomes the new owner of Mountain Water will the Company commit to following the plan as submitted by Mountain Water?

PSC-070

Regarding: Mountain Water's System Condition
Witness: Kappes

On page 12 in your rebuttal testimony you state Mr. Close has changed his testimony in this proceeding. Please provide the page(s) and line number(s) along with a copy of those pages to which you refer.

PSC-071

Regarding: Financial Transparency
Witness: Eichler

On page 5 of your rebuttal testimony you state APUC and its Liberty Utilities family of companies are subject to extensive financial reporting and auditing requirements that facilitate transparent financial transactions.

- a. Has Liberty filed protected financial information in the referenced ten states that the Company has not filed with this Commission?
- b. Has Liberty provided any of the other ten states with confidential workable Excel or other electronic medium with formulas intact that it has not provided to this Commission? Please specify.

PSC-072

Regarding: Long Term Ownership
Witness: Eichler

Has Liberty ever divested a regulated utility? If so how many? Please provide the Company name and brief summary as to why the company was divested.

PSC-073

Regarding: Long Term Ownership
Witness: Eichler

- a. On page 8 of your rebuttal testimony you state Liberty's capital expenditure budget for 2015 will be \$82-100M less depreciation expense. Please state how many companies that amount is spread over.
- b. Please indicate the amount of capital spent in each of the four categories you referenced on page 8.

PSC-074

Regarding: Financial Analysis
Witness: Eichler

Please explain your assumptions regarding this Commission's review standards as referenced on page 9 of your rebuttal testimony lines 10-13.

PSC-075

Regarding: Financial Analysis
Witness: Eichler

Montana Dakota Utilities (MDU) appears before the MT PSC on a somewhat regular basis. MDU is a division of MDU Resources Group, Inc. MDU relies on what appears to be a somewhat similar structure as Liberty in so much as MDU does not access financial markets as a stand-alone utility but has access to capital through its parent Company. This Commission has historically relied on MDU's ability to separate MDU from MDU Resource Group to provide a clear financial picture of MDU as a standalone company. Please explain why Liberty Utilities should not be held to the same standard.

PSC-076

Regarding: Rate Case
Witness: Applicable

When could this Commission expect a general rate case from Liberty Utilities?

PSC-077

Regarding: Rate Increases
Witness: Sorenson

- a. On page 13 of your rebuttal testimony you mention planned annual rate cases to avoid future shock to customers. What were the planned dates of filing for those increases before Liberty's offer to buy the system?
- b. Regarding the above planned rate increases can you provide an amount of rate increase requested with any of the dates? If so please provide the amount of increase Mountain Water was seeking.