

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

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IN THE MATTER OF the Investigation of the)
Montana Public Service Commission into) REGULATORY DIVISION
whether Mountain Water Company's rates are)
Just and Reasonable.) DOCKET NO. D2016.2.15
)

**MOUNTAIN WATER COMPANY'S SECOND SET OF DATA REQUESTS TO
THE CITY OF MISSOULA
(MWC-037 THROUGH MWC-044)**

DATA REQUESTS

MWC-037 RE: Response to MWC-028(b)

In response to MWC-028(b) you state “[t]he transaction to sell Mountain Water’s ultimate parent company, Western Water Holdings, LLC to Liberty Utilities Co. and Algonquin Power & Utilities Corp. changed the cost of capital and other metrics used to determine the appropriate rate of return and thus the rates of Mountain Water. As such, Mountain Water’s rates should be reduced to account for Liberty and Algonquin’s lower cost of capital and other attributes.”

- (a) Please explain how the cost of capital of Mountain Water has changed.
- (b) Please provide a complete and exclusive list of the “other metrics” referred to above.
- (c) Please explain how each of the “other metrics” listed in response to (b) have changed.
- (d) Please explain the basis for your statement that Western Water Holdings, LLC was sold to Algonquin Power & Utilities Corp.
- (e) Please explain the basis for your statement that Liberty and Algonquin have a “lower cost of capital.”
- (f) Please provide a complete and exclusive list of the “other attributes” referenced above.
- (g) Please explain how each of the “other attributes” requires that Mountain Water’s rates should be reduced.

MWC-038 RE: Documents Supporting Responses to MWC-029

Please provide all documents supporting your responses to MWC-029 and indicate the subsection to which each document relates.

MWC-039 RE: Response to MWC-031
Witness: Mayor John Engen

Please explain the basis for the City's contention that Mayor John Engen can opine that Mountain Water's rates are not just and reasonable without being disclosed as an expert witness. Please include the appropriate legal citations.

MWC-040 RE: Response to MWC-032
Witness: Dale Bickell

Please explain the basis for the City's contention that Dale Bickell can opine that Mountain Water's rates are not just and reasonable without being disclosed as an expert witness. Please include the appropriate legal citations.

MWC-041 RE: Response to MWC-033
Witness: Bryan von Lossberg

Please explain the basis for the City's contention that Bryan von Lossberg can opine that Mountain Water's rates are not just and reasonable without being disclosed as an expert witness. Please include the appropriate legal citations.

MWC-042 RE: Response to MWC-033

In response to MWC-033, you state "the City does not have the burden of proof in this proceeding."

- (a) Please explain why the City of Missoula does not have the burden of proof given the City is a "party that wishes to challenge the existing rates." *Qwest Corp. v. Dep't of Pub. Serv. Comm'n*, 2007 MT 350, ¶ 34, 340 Mont. 309, 174 P.3d 496.
- (b) Please explain which party has the burden of proof in this proceeding and provide the appropriate legal citations.

MWC-043 RE: Response to MWC-033
Witness: Craig Close

In response to MWC-033 you state "Mr. Close has testified and participated in over 15 rate case proceedings (between 1988 and 2000) in California, Arizona, New Mexico, and Pennsylvania."

- (a) Please provide the names of the regulatory bodies overseeing the rate case proceedings referenced above.

- (b) Please identify the docket numbers of each rate case proceeding referenced above.
- (c) Please provide the website where the testimony referenced above can be obtained. If a website is not available, please so state.
- (d) Please describe why Mr. Close has not testified or participated in a rate proceeding since 2000.

MWC-044 RE: City's Adoption of Mountain Water's Rates

The proposed ordinances under consideration by the City Council regarding creation of its water utility appear to propose to adopt Mountain Water's existing rates and rules.

- (a) Please indicate whether the City's proposed rates and rules are based on Mountain Water's rules and rates.
- (b) To the extent the City's proposed rates differ from Mountain Water's current rates, please identify the differences.
- (c) To the extent the City's rates adopt Mountain Water's current rates, please explain why the City considers those rates just and reasonable for City imposition, but not for Mountain Water.

CERTIFICATE OF SERVICE

I hereby certify that on March 25, 2016, the foregoing was served via electronic and U.S. mail on:

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