



Montana Public Service Commission  
1701 Prospect Avenue  
PO Box 202601  
Helena MT 59620-2601

October 5, 2005

For more information, contact:  
Doug Mood – 406-444-6167  
Leroy Beeby – 406-444-6188

### **PSC HEARING ON MOUNTAIN WATER RATE CASE TO BE HELD OCT. 12**

The state Public Service Commission will hold a hearing Wednesday, October 12, in Missoula concerning Mountain Water Company's proposal to increase its rates and charges for water service to its Missoula customers.

The technical hearing will begin at 2 p.m. at the Doubletree Hotel, Missoula Edgewater, 100 Madison. In addition, a later hearing is scheduled for 7 p.m. that evening at the same location for the convenience of interested members of the public to provide testimony.

In its request for a rate increase, which was filed with the PSC last April, Mountain Water proposed a total revenue increase of approximately \$1,419,020. Mountain Water and the Montana Consumer Counsel, which represents the interest of residential and small business customers, have proposed a settlement agreement under which the increase in annual revenue would be \$836,185, or \$582,835 less than the increase in annual revenue requested in the application. Under proposed settlement agreement, the estimated annual revenue increase by customer category is as follows:

- Metered customers – annual increase of \$40.86
- Flat rate customers – annual increase of \$40.36
- Private fire protection (six inch sprinkler line) – annual increase of \$3.52
- Public fire protection (six inch hydrant) – annual increase of \$23.38
- Flat rate sprinkling – annual increase of 8.88%

In addition to its rate hike request, Mountain Water Company requested an extension of its power cost tracker adjustment procedure, which allows the company to annually reflect in rates changes to its electricity costs.

The City of Missoula, a party in this proceeding, does not challenge the Mountain Water general revenue increase request; however, the City does challenge the company's proposed rate for public fire protection (fire hydrants).

###