



Montana Public Service Commission

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PSC Considering Mountain Water Rates at December 15 Meeting in Missoula

On Wednesday, December 15th the Montana Public Service Commission (PSC) will hold a hearing to determine rates charged by Mountain Water Company. The hearing, which is open to the public, will be held at the Montana Technical Enterprise Center, 1121 East Broadway and will begin at 10:00 a.m. Mountain Water has requested rate increases that range from about 6% to more than 14%, depending on the kind of service. The Montana Consumer Counsel, which represents Mountain Water customers, is recommending smaller rate increases. The public may comment at either the 10:100 a.m. hearing or during a public comment period beginning at 6:00 p.m.

Mountain Water is requesting the increases to pay for the company's operation and maintenance expenses, depreciation, taxes, and to earn a 9.8% rate of return on rate base. Specifically, Mountain Water reports making investments to improve service such as: booster pumps; new meters and periodic meter replacements; and the replacement of older, leaking mains; which they hope to recover by increasing their rates. The Company has also requested that the PSC make permanent the low income discount rate of \$6.20/month. Average monthly participation in the discount program in 2009 was 259, significantly up from 160 average monthly participants in 2008 and 97 in 2007.

Commissioner Gail Gutsche whose PSC District includes Missoula said, "This is an important hearing and the outcome will directly affect all Mountain Water customers in Missoula. I hope the public can make it to the meeting and share their views with the Commission, allowing us to make the most informed decision possible."

Written remarks can be sent to the PSC at P.O. Box 202601, Helena, Montana 59620-2601 or through the PSC's web-based comment form at <http://psc.mt.gov/Customers/comments>. Additional information about the company's proposal can be found under docket D2010.4.41 on the PSC website at <http://psc.mt.gov/eDocs>.

Made up of 5 elected commissioners, the PSC works to ensure that Montanans receive safe and reliable service from regulated public utilities while paying reasonable rates. Utilities regulated by the PSC generally include private investor-owned natural gas, electric, telephone, water, and sewer companies. In addition, the PSC regulates certain motor carriers, and oversees natural gas pipeline safety and intrastate railroad safety.

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