

1 DEPARTMENT OF PUBLIC SERVICE REGULATION
2 BEFORE THE PUBLIC SERVICE COMMISSION
3 OF THE STATE OF MONTANA

IN THE MATTER OF THE PETITION OF JAMES T. AND)
ELIZABETH A. GRUBA; LEO G. AND JEANNE R. BARSANTI ON)
BEHALF OF THEMSELVES & OTHERS SIMILARLY SITUATED,) REGULATORY DIVISION
Complainants.)
VS.)
NORTHWESTERN ENERGY,) DOCKET NO. D2010.2.14
Defendant.)
)

4 _____
5 **COMPLAINANTS' THIRD SET OF DISCOVERY REQUESTS TO NORTHWESTERN**

6 This Discovery is made pursuant to ARM 38.2.3301 which adopts M.R.Civ.P., Rules 26,
7 28 through 37 (excepting rule 37(b) (1) and 37(b) (2) (d). Pursuant to Rule 36(a)(3) you have 30
8 days after the date these were served upon you to respond. Please note the specificity of your
9 response required by Rule 36(a)(4).

10 **(Denoted as "C-000 RFA ***" for "Complainants' Request for Admission")**

11 **REQUESTS FOR ADMISSIONS, DOCUMENTS & RELATED DATA REQUESTS**
12 **REWRITE OF C-051**
13 RFA 30

14 **Regarding** Clarification of NWE's response to Petition ¶ 87.

15 **Witness:** Unknown (When "unknown appears, please indicate the witness who will attest to
16 NorthWestern's response to the RFA.)

- 17
18 1) Please admit that property taxpayers in SILMD # 161 and 162 (where the Grubas
19 own property) receive **STREET LIGHTING** electric service pursuant to **TWO**
20 November 23, 1970, contracts the City of Billings had with Montana Power
21 (found at Complainants' Exhibit 1, pages 372 through 381) and any extensions of
22 those contracts with Montana Power or Defendant.

23
24 _____ **ADMIT** _____ **DENY + required** Rule 36(a)(4) info.

25
26 **Please note the specificity of your response required by Rule 36(a)(4).**

27
28 **REWRITE OF C-057**

1 RFA 36

2 **Regarding:** Further clarification of NWE's response to Petition ¶ 168.

3 **Witness:** Unknown (When “unknown appears, please indicate the witness who will attest to
4 NorthWestern’s response to the RFA.)

- 5
6 1) Please admit that in June of 2009, the \$0.56 month per light operations charge and a
7 \$0.54/month per light maintenance charge levied on each street light NorthWestern
8 owned in Billings SILMDs was not levied on city owned lights in Billings SILMDs.

9
10 _____ **ADMIT** _____ **DENY + required Rule 36(a)(4) info.**

11
12 **Data Request C-075**

13 **Regarding:** Clarification on NWE Refusal to Admit C-057 (RFA 36)

14 **Witness:** Unknown (When “unknown appears, please indicate the witness who will attest to
15 NorthWestern’s response to the interrogatory.)

16 Please explain why in June of 2009, the \$0.56 month per light operations charge and a
17 \$0.54/month per light maintenance charge levied on each street light NorthWestern
18 owned in Billings SILMDs was not levied on city owned lights in Billings SILMDs.

19
20 **Data Request C-076**

21 **Regarding: How Ownership Charge Was Applied At Its Inception**

22 **Witness:** Unknown (When “unknown appears, please indicate the witness who will attest to
23 NorthWestern’s response to the interrogatory.)

24 NorthWestern objected to and refused to admit **C-052** (RFA 31), **C-053** (RFA 32) and **C-**
25 **054** (RFA 33) because they sought admissions about events occurring prior to when “The
26 ownership charges contained in NorthWestern's ELDS-I tariff were first established by tariff
27 in 1997.”

28 **Please describe in detail how NorthWestern of its predecessor, Montana Power,**
29 **arrived at the value of street lights in SILMDS 97, 161, 162, and 228 in order to place**
30 **them in the 1997 ELDS-1 tariff.**

31
32 **Data Request C-077 RFA 39**

33 **Regarding: How Ownership Charge Was Applied At Its Inception**

34 **Witness:** Unknown (When “unknown appears, please indicate the witness who will attest to
35 NorthWestern’s response to the interrogatory.)

36 **If NorthWestern refuses to respond to Data Request C-076, please admit that if**
37 **NorthWestern did not make a legal objection to that Data Request, it could not provide**
38 **an explanation for how the value of street lights in SILMDS 97, 161, 162, and 228 was**
39 **arrived at when placing them in the 1997 ELDS-1 tariff.**

40
41 _____ **ADMIT** _____ **DENY + required Rule 36(a)(4) info.**

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43
44 **REASK OF C-028,**

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2 **Regarding:** NWE’s affirmative defense.

3 **Witness:** Roe

4 1) With reference to the affirmative defense asserted by NorthWestern that “at all times relevant
5 to the allegations discussed in the Complaint that it complied fully with all applicable statutes,
6 rules, regulations, and tariffs” alleged in its answer to Complainants’ Petition, please set forth all
7 facts which support that defense.
8

9 **REASK OF C-029,**

10 I 2

11 **Regarding:** NWE’s affirmative defense.

12 **Witness:** Roe

13 1) With reference to the affirmative defense **YOU** alleged in answering Complainants’ Petition,
14 please **IDENTIFY** each person who has knowledge relating to any facts supporting that defense.
15

16 **REASK OF C-030,**

17 I 3

18 **Regarding:** NWE’s affirmative defense.

19 **Witness:** Roe

20 1) With reference to the affirmative defense **YOU** alleged in answering Complainants’
21 Petition, please **IDENTIFY** each document relating to that defense.

22 **REASK OF C-034,**

23 I 7

24 **Regarding:** Clarification of NWE response to Petition ¶¶ 34 & 35.

25 **Witness:** Unknown (When “unknown appears, please indicate the witness who will attest to
26 NorthWestern’s response to the interrogatory.)

27 1) Complainants contend that the agreements between NorthWestern Energy and Billings and
28 other cities where NorthWestern owns street lights violate the public policy and prohibition
29 contained in **MCA § 69-3-109 requiring valuation of utility property that “may not exceed the
30 original cost of the property” and that pursuant to MCA § 28-2-701, the street lighting
31 contracts NorthWestern has with Billings and others** may be held void for illegality because the
32 contract contravenes the terms of an express statute, namely **MCA § 69-3-109**.

33 If NorthWestern does not agree with this contention, please state each fact upon which
34 NorthWestern bases its defense against such contention and **IDENTIFY:**

35 a) each **PERSON** who has knowledge of any fact relating to such defense,

- 1 b) each **WRITING** relating to such defense, and
2 c) the present **CUSTODIAN** of each **WRITING** identified as being related to NorthWestern’s
3 defense.

4 **Data Request C-078 & Substitute for C-038,**

5 | 11

6 **Regarding:** Clarification of NWE response to Petition ¶ 41.

7 **Witness:** Unknown (When “unknown appears, please indicate the witness who will attest to
8 NorthWestern’s response to the interrogatory.)

9 Follow-up In response to **C-039** (I 12) NorthWestern wrote “Based on the 2012 Montana
10 Depreciation Study, the annual depreciation accrual rate associated with all street lights is 2.89%
11 which can be equated to a 34.6 year life.”

12 a) Explain in detail why the 34.6 year life in NWE’s response to C-039 is different from that
13 reported in the April, 20, 2007, *Electric Utility Cost Allocation Study* done for NorthWestern by RJ
14 Rudden, which appears to have used a depreciation rate of 40.3 years (see Appendix 3-3, pages,
15 1 & 2, line 12) for its street light rate base. That study is found on the PSC web site at
16 [http://psc.mt.gov/Docs/ElectronicDocuments/pdfFiles/D200610141_INCOMING_20070420_Par](http://psc.mt.gov/Docs/ElectronicDocuments/pdfFiles/D200610141_INCOMING_20070420_Part1.pdf)
17 [t1.pdf](http://psc.mt.gov/Docs/ElectronicDocuments/pdfFiles/D200610141_INCOMING_20070420_Part1.pdf)

18 b) Explain in detail how the ELDS-1 tariff recovers the original cost of street lights in 34.6 years.
19 Demonstrate in detail how that works with actual documentation of a contract specifying the
20 original cost of street lights in a Billings SILMD where the lights were installed in 1984, 1997 &
21 1998. Provide copies of the rate base accounts for your demonstration.

22

23 **Data Request C-079**

24 **Regarding:** Clarification of NWE response to Petition ¶¶ 24, 114, 115, 118, 119 & 164.

25 **Witness:** Unknown (When “unknown appears, please indicate the witness who will attest to
26 NorthWestern’s response to the interrogatory.)

27 1) If you do not admit any of the requests for admission in C-016, RFA 16 through C-022, RFA 22,
28 please construct your own amortization table for the ranges and ownership charges on
29 NorthWestern’s 2009 ELDS-1 tariff and explain the formula used to calculate the number of
30 years necessary to amortize an original cost rate base of the amounts at the bottom and top end
31 of each ownership charge range.
32

33 **Data Request C-080, RPD 9**

34 **Regarding: NWE Depreciation Study**

35 **Witness: Unknown** (When “unknown appears, please indicate the witness who will attest to
36 NorthWestern’s response to the interrogatory.)

37 Please provide a copy of the 2012 Montana Depreciation Study and a disc with the Plant
38 and depreciation reserve data that was collected for that study for the accounts
39 associated with street lights.

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Data Request C-081, Follow-up on C-041

I 14

Regarding: Clarification of NWE response to Petition ¶¶ 52, 53, 94, 105, 106, 165, 166, 175, 185, 202, 204 & Petition Tables 2 & 3.

Witness: Unknown (When “unknown appears, please indicate the witness who will attest to NorthWestern’s response to the interrogatory.)

- 1) In responding to C-041 (I 14), NorthWestern said it would provide information in its possession that is responsive to the following interrogatory “once it is identified and gathered.” Please provide that information now, namely:

“Please provide in the Excel Spreadsheet format (emailed as Complainant’s Exhibit 6 with this request), the average original cost of street lights in each Billings SILMD where street lights are owned by NorthWestern Energy (Ex. 6, Col. W), the date Billings was first billed for those lights (Ex. 6, Col. X), the original ownership charge for those lights (Ex. 6, Col. AA), and the date and amount of any change in the ownership charge that occurred prior to 2008 (add separate columns for date and charge as needed). If you cannot supply a date for Col. X in any given row, please admit that the date in Cols. Y & Z are accurate.”

Data Request C-82, Follow-up on C-41

Regarding: Clarification of NWE response to Petition ¶¶ 52, 53, 94, 105, 106, 165, 166, 175, 185, 202, 204 & Petition Tables 2 & 3.

Witness: Unknown (When “unknown appears, please indicate the witness who will attest to NorthWestern’s response to the interrogatory.)

In response to Data Request C-041, NorthWestern wrote “the average original cost of street lights for each of the Billings SILMDs where street lights are owned by NorthWestern Energy per Exhibit 6 is not available within our fixed accounting system.”

a) If that information is available in an electronic or non-electronic system other than the fixed accounting system, please provide:

- 1) the name of that system and the data requested.

Data Request C-083

Regarding: NWE’s Fixed Asset Accounting System

Witness: Unknown (When “unknown appears, please indicate the witness who will attest to NorthWestern’s response to the interrogatory.)

- a) List the field headings in the fixed asset accounting system, and
- b) Name all database or spreadsheet formats that the fixed asset accounting system is maintained in (i.e., Oracle, Excel, etc.)

Data Request C-084

Regarding: Follow-up to response to Data Request C-041

1 **Witness:** Unknown (When “unknown appears, please indicate the witness who will attest to
2 NorthWestern’s response to the interrogatory.)

3 **In response to Data Request C-041** NorthWestern wrote that there were errors
4 in Column Y and Column Z of Complainant’s Exhibit 6. Please detail those errors
5 and provide the information for Column X that NorthWestern wrote it was
6 manually researching.
7

8 **Data Request C-085**

9 **Regarding: NWE refusal to provide sufficient response to C-044**

10 **Witness:** Unknown (When “unknown appears, please indicate the witness who will
11 attest to NorthWestern’s response to the interrogatory.)

12 **In response to Data Request C-044** NorthWestern refused to provide an
13 electronic copy of its Uniform System of Accounts containing all NorthWestern
14 Energy accounting entries related to the Customer Class involving street lighting
15 and the backup sheets for those accounting entries, writing that “This docket
16 involves street lights in the City of Billings. Information about all of
17 NorthWestern’s street lighting customers is therefore not relevant to
18 Complainants’ claims or defenses.”

19 a) Please indicate where in PSC Order 7084f or elsewhere that this docket
20 is limited to ownership charges that relate only to the City of Billings and
21 quote that wording.
22

23 **Data Request C-086**

24 **Regarding: NWE refusal to provide sufficient response to C-044**

25 **Witness:** Unknown (When “unknown appears, please indicate the witness who will
26 attest to NorthWestern’s response to the interrogatory.)

27 In response to Data Request C-044 NorthWestern provided Attachment 1
28 indicating that NWE had limited the request for complete system street lighting
29 data to revenue data within a “Billings town Code.”

30 a) Please provide the SILMD numbers for all street lights within the
31 “Billings Town Code.”

32 b) Where there are no SILMD numbers for the accounts, provide the
33 NWE account number and if the NWE customer is a government agency,
34 the billing address where the bill for the lights is sent.

35 c) Since NWE did not object to this data request within the 10 days
36 allotted by PSC Order 7084g, ¶ 10, the time for objection passed.

37 Therefore, please respond to the question by providing:

- 38 1) For the year 2013, please provide in a searchable Excel spreadsheet
39 format, an electronic copy of the Uniform System of Accounts
40 containing all NorthWestern Energy accounting entries related to the
41 Customer Class involving street lighting and the backup sheets for those
42 accounting entries.

43 **Data Request C-087**

44 **Regarding: NWE refusal to provide sufficient response to C-044**

1 2) **Witness:** Unknown (When “unknown appears, please indicate the witness who will
2 attest to NorthWestern’s response to the interrogatory.)
3 a) NWE’s response with regard to the Billings Town Code only included only partial
4 revenue components of the Uniform System of Accounts. Please provide all revenue,
5 expense and other categories related to street lighting.
6

7 **Data Request C-088, REWRITE OF C-060 (I 16)**
8 **Regarding:** Clarification of NWE’s billing practices.

9 **Witness:** Unknown (When “unknown appears, please indicate the witness who will attest to
10 NorthWestern’s response to the interrogatory.)
11

12 1) Please explain in detail why NorthWestern’s LS billing charge is not applied to street
13 lights NorthWestern owns.
14

15 **Data Request C-089 (RPD 10)**

16 **Regarding:** FERC plant account 373.1, Street Lighting

17 **Witness:** Unknown (When “unknown appears, please indicate the witness who will
18 attest to NorthWestern’s response to the interrogatory.)

19 a) Please provide copies of FERC plant account 373.1, Street Lighting and all sub
20 accounts for Street Lighting Account for years
21
22

23 Respectfully submitted by

Date: April 4, 2014

24 
25

26 Russell L. Doty
27 4957 W. 6th St.
28 Greeley, CO 80634-1256
29 970-392-0021
30 Email: iwin4u1@earthlink.net
31

CERTIFICATE OF SERVICE

I certify that pursuant to ARM 38.2.313, 38.2.1209 and the Procedural Order dated January 16, 2014, on April 4, 2014, an accurate copy of the foregoing **Complainants' Third Set of Discovery Requests to NorthWestern in Docket No. D2010.2.14** were served upon the parties listed below in the manner provided:

<input checked="" type="checkbox"/> US Mail Original <input type="checkbox"/> Hand-deliver <input type="checkbox"/> Via Fax: <input checked="" type="checkbox"/> E-mail:	Kate Whitney, Montana Public Service Commission 1701 Prospect Av, PO Box 202601 Helena, MT 59620-2601 Email: kwhitney@mt.gov
<input checked="" type="checkbox"/> US Mail <input type="checkbox"/> Hand-delivery <input type="checkbox"/> Via Fax: <input checked="" type="checkbox"/> E-mail:	Laura Farkas, Montana Public Service Commission 1701 Prospect Av, PO Box 202601 Helena, MT 59620-2601 Email: lfarkas@mt.gov
<input type="checkbox"/> US Mail <input type="checkbox"/> Federal Express <input type="checkbox"/> Hand-delivery <input type="checkbox"/> XX E-mail:	Robert A. Nelson, Montana Consumer Counsel 111 North Last Chance Gulch Suite 1B Box 201703 Helena MT 59620-1703 Email: robnelson@mt.gov
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