

PSC-014

Regarding: Investment Valuation

Witness: Bourassa

What information has Mountain Water Co. supplied to Liberty that may have helped Liberty calculate the firm's purchased stock value?

RESPONSE: Objection. This data request is vague and ambiguous, and seeks information which is not relevant to the scope of Docket No. D2016.2.15, as established by ¶ 3 of Procedural Order No. 7475a. This request is vague and ambiguous in that it does not specify a time period covered or define the terms "firm" or "purchased stock value," and it is therefore impossible to determine the information being sought.

The Commission has adopted M.R.Civ.P. 26 to govern discovery in contested cases. *See* Admin.R.Mont. 38.2.3301(1). Rule 26 establishes that "parties may obtain discovery regarding any non-privileged matter that is relevant to any party's claim or defense." M.R.Civ.P. 26(b)(1). Under Montana law, "[e]vidence is relevant if it naturally and logically tends to establish a fact in issue." *State v. Smith*, 220 Mont. 364, 376, 715 P.2d 1301, 1308 (1986). In this docket, the Commission has established that the only fact in issue is whether "Mountain Water's rates . . . are just and reasonable under [its] current capital structure and cost of capital." Procedural Order No. 7475a, ¶ 3. To the extent this request is seeking information about something other than Mountain Water's cost of capital it seeks information that is irrelevant and which is not intended to lead to the discovery of admissible information.

CERTIFICATE OF SERVICE BY MAIL

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

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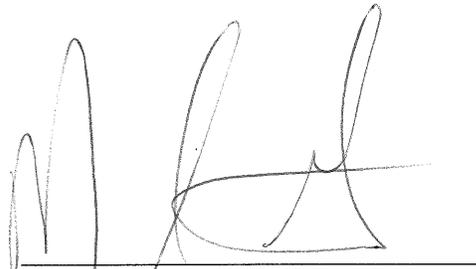
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