

# Montana Public Service Commission



Brad Johnson - Chairman  
Travis Kavulla - Vice Chairman  
Kirk Bushman - Commissioner  
Roger Koopman - Commissioner  
Bob Lake - Commissioner

February 4, 2016

Mike Green  
Crowley Fleck, PLLP  
900 N. Last Chance Gulch, Suite 200  
P.O. 797  
Helena, MT 59624-0797

Thorvald Nelson  
Holland & Hart, LLP  
6380 South Fiddlers Green Circle, Suite 500  
Greenwood Village, CO 80111

RE: PSC data requests in Docket D2016.2.15

Dear Messrs. Green & Nelson:

Enclosed please find data requests of the Montana Public Service Commission to Mountain Water Co. (numbered PSC-001 through PSC-008) in the above-referenced docket. Please begin the response to each new numbered data request on a new page. Please respond by February 15, 2016. Please identify the individual that provides the responses to each question. If you have any questions, please contact me at (406) 444-6193.

Sincerely,

A handwritten signature in cursive script that reads "Scott Fabel".

Scott Fabel  
Rate Analyst  
Montana Public Service Commission

Enclosure

cc: Service List

Service Date: February 4, 2016

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

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

**DATA REQUESTS PSC-001 THROUGH PSC-008 OF THE  
MONTANA PUBLIC SERVICE COMMISSION TO  
MOUNTAIN WATER CO.**

PSC-001

Regarding: Capital Used to Finance Acquisition  
Witness: Unknown

- a. Please identify the final purchase price of the Liberty acquisition of Park.
- b. Please identify the total amount of debt, and the associated cost of debt, used to finance the acquisition. Please explain whether the debt is unsecured or guaranteed by certain property, and in whose name the debt was issued.
- c. Please identify the total amount of equity, and the source of the equity capital, used to finance the acquisition.

PSC-002

Regarding: Debt Associated with Mountain and Parent  
Witness: Unknown

- a. Please identify and describe the terms (principal, interest rate, tenor, and any special conditions such as pre-payment penalties) of each note that is associated with the total amount of debt that Liberty assumed as part of the transaction.
- b. Has Liberty retired, or does it intend to retire, any of the debt listed in response to (a)?

## PSC-003

Regarding: Practice of Debt Issues

Witness: Unknown

- a. Does Liberty issue debt for its holdings at the operating company level or at the parent company level? If not, please describe Liberty's practice.
- b. Identify and describe the terms (principal, interest rate, tenor) of each note that is associated with the debt issues that Liberty as a parent holds and that each of its operating companies holds.
- c. Does APUC issue debt for its holdings at the operating company level or at the parent company level? If not, please describe Liberty's practice.
- d. Identify and describe the terms (principal, interest rate, tenor) of each note that is associated with the debt issues that APUC as a parent holds and that each of its operating companies holds.

## PSC-004

Regarding: Dividends

Witness: Unknown

- a. Please describe Mountain Water's dividend policies in relation to Park Water under the pre-merger of Western Water Holdings, i.e., what are the guidelines that the company uses to decide how much they pay and when they pay shareholders, and at what level of the corporate structure?
- b. Please describe Western Water Holdings dividend structure to its parent entities under the pre-merger of Western Water Holdings.

## PSC-005

Regarding: Dividends

Witness: Unknown

- a. Please describe Mountain Water's dividend policies in relation to Park Water under the post-merger of Western Water Holdings.
- b. Please describe Western Water Holdings dividend structure to its parent entities under the post-merger of Western Water Holdings.

PSC-006

Regarding: Dividends  
Witness: Unknown

Please describe Apple Valley Ranchos Water Company's dividend policies post-merger.

PSC-007

Regarding: Capital Structure, Cost of Debt  
Witness: Unknown

- a. Please provide the post Algonquin Power and Utilities Corporation (APUC) post Park Water acquisition capital structure and embedded cost of long and short term debt.
- b. Please provide the post Liberty Utilities Co. post Park Water acquisition capital structure and embedded cost of long and short term debt.
- c. Please provide the post Western Water Holdings, LLC post Park Water acquisition capital structure and embedded cost of long and short term debt.
- d. Please provide the Park Water Company capital structure and embedded costs of short long term debt pre-acquisition by APUC/Liberty Utilities and post-acquisition by APUC/Liberty Utilities.
- e. Please provide the Mountain Water Company capital structure and embedded costs of short long term debt pre-acquisition by APUC/Liberty Utilities and post-acquisition by APUC/Liberty Utilities

PSC-008

Regarding: Acquisition Adjustment  
Witness: Unknown

If there is a Mountain Water rate case, will an acquisition adjustment be sought?