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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of
Bumblebee Water System, Inc for a
Certificate of Convenience and Necessity
Operate as a Public Utility Rendering
Culinary Water Service, or for an Exemption
from Public Service Commission Regulation

Docket No. 13-2567-01

**Applicant's, Bumblebee Water System,
Inc.'s, Responses to:**

**Utah Division of Public Utilities
1st Set of Data Requests to
Bumblebee Water System, Inc**

November 11, 2013

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1st Set of Data Requests to
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Applicant, Bumblebee Water System, Inc. (the "Company"), by and through its legal counsel Brent A. Blanchard of the law firm Blanchard Legal Solutions, PC, hereby responds to the Utah Division of Public Utilities' ("DPU") First Set of Data Requests to the Company.

For ease of reference, the numbered paragraphs of the DPU's document are repeated below with their text, with the Company's responses following in an outline format.

- 1.1** Need Tariff sent in separate from the CPCN filing.
 - a. Sent concurrently with these Responses.

- 1.2** Correct the Name reference on page "Original Sheet No. 3" A. Preliminary Statement from Hi-Country Estates Homeowners Association to Bumblebee Water System, Inc.
 - a. Corrected, on Original Sheet three, first sentence of "A. Preliminary Statement".

- 1.3** Need definition of Level #0 (0 Gallons). Is this the Base Rate / System Fee for the subdivision?
- Definition added on page “Original Sheet No. 4”, re-designated as “Base Rate”.
 - Usage Rates chart on same page has “Level 1” beginning with 1 gallon usage in a month.
- 1.4** What is the Bulk User Rate? How does it fit into the rate schedule? Need definition added to the numbered list below “Rate Schedule”
- The Bulk User Rate is for owner-developers before residences are completed.
 - Bulk Users are not the same as residential users, and in light of the nature of the subdivision, its zoning, and the expected individual build-out on a lot-by-lot basis, a separate user classification and rate is appropriate. No Bulk Users are expected after the last lot in the subdivision is built out with a residential structure, unless individual lot owners undertake major reconstruction or replacement of residential structures there.
- 1.5** What makes up the amount in the “Unmetered Water Revenue” listed on your six (6) year projections sheet?
- “Unmetered Water Revenue” is defined in general accounting terms as “All cash received/estimated for water supplied to residential, commercial, industrial and public customers where the customer charge is not based on quantity, i.e., it is based on diameter of service pipe, room, foot of frontage or other type units.”
 - The “Base Rate” and a portion of the “Bulk User Rate” which is not connected to volume of water usage comprise the “Unmetered Water Revenue” projections.
- 1.6** What makes up the amount in the “Other Income” listed on your six (6) year projections sheet?
- This income classification consists of monthly lot minimum fees, and impact fees.
- 1.7** To get an accurate rate/system fee and usage fee we will need a breakdown for the system cost. Please fill out the attached “Assets and Depreciation” and the “Contribution in Aid (CIAC)” schedules and return.
- Please see the assets and depreciation schedules attached to Tariff No. 2, filed concurrently with these Responses.
- 1.8** Is the “Impact Fee” being deposited into the reserve account? If not where are these funds being entered on the books?
- Yes, the Impact Fees are deposited into the Reserve Account.
 - Impact Fee funds will be reflected in the Company’s books in the Reserve Account.

- 1.9** What is the “Replacement Reserve” shown on the “Extended Projections” work sheet? Where did this money come from?
- a. The Replacement Reserve is funded through the Impact Fees.
- 1.10** You don’t show any funds in the “Capital Improvement Reserve” of the “Extended Projections” work sheet. In that because they are included in the “Replacement Reserve” account?
- a. Yes, the “Replacement Reserve” account also serves as the “Capital Improvement Reserve” account.
 - b. The Company does not believe that details of the name of the account alter the function of the account in the context of public utility regulation.

This completes the Company’s responses to the specific information requests of the Public Utilities Division.

Dated this 11th day of November, 2013.

BLANCHARD LEGAL SOLUTIONS, PC

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