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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of Community Water Company, LLC)	
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)	DOCKET NO. 16-098-01
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SUR-REBUTTAL TESTIMONY
OF
STACY WILSON
COMMUNITY WATER COMPANY
NOVEMBER 14, 2016

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND POSITION**
3 **WITH COMMUNITY WATER COMPANY.**

4 A. My name is Stacy Wilson. My business address is 4575 North Silver Springs Park
5 City, Utah. I am employed by ASC, Utah, as an Office Coordinator.

6 **Q. FOR WHICH PARTY WILL YOU BE TESTIFYING?**

7 A. I will be offering testimony on behalf of Community Water Company
8 (“Company”).

9 **Q. HAVE YOU TESTIFIED BEFORE THE UTAH PUBLIC SERVICE**
10 **COMMISSION (“COMMISSION”) ON PRIOR OCCASIONS?**

11 A. Yes. I testified in person as a fact witness in this matter at a hearing held on
12 September 13, 2016, regarding the Company’s Application for approval of an
13 Interim Rate Increase. I also submitted written Direct Testimony on September
14 21, 2016, in this General Rate Case regarding the methodology the Company
15 intends to use to bill its customers under the Division’s proposed rate structure.

16 **II. PURPOSE OF TESTIMONY**

17 **Q. WHAT IS THE PURPOSE OF THIS SUR-REBUTTAL TESTIMONY?**

18 A. The purpose of this Sur-Rebuttal Testimony is to address several brief issues
19 raised in the Rebuttal Testimony of Mark Long on behalf of the Division of
20 Public Utilities (“Division”) and several Intervenors.

21 **III. RESPONSE TO REBUTTAL TESTIMONY OF MARK LONG**

22 **Q. MR. LONG CLARIFIED HIS UNDERSTANDING THAT THE**
23 **DIVISION’S RECOMMENDED RATES WOULD BE APPLIED PER**
24 **CONNECTED CUSTOMER, IS THIS ALSO YOUR UNDERSTANDING?**

25 **A.** Yes – the Company, the Division, and many of the Intervenors have worked
26 constructively together to formulate a billing methodology to apply the Division’s
27 recommended rate in a fair and equitable manner. As discussed by Mr. Long, each
28 connected customer will receive their full 12,000-gallon water allotment at the
29 applicable rate for that tier of water, billed in units of 1,000 gallons of water.

30 **Q. COMPANY CUSTOMERS CAN BE CONFIGURED DIFFERENTLY, DO**
31 **YOU FEEL THE COMPANY HAS ADEQUATELY ADDRESSED THIS**
32 **ISSUE SO THAT EACH CUSTOMER IS BILLED FAIRLY?**

33 **A.** Yes. As Mr. Long indicates, the Company clearly explained how it was going to
34 bill customers under the various configurations of single family homes,
35 Townhomes, condos, commercial connections, and any shared or independent
36 irrigation associated with that configuration. For consistency, I will not repeat the
37 methodology here, but refer any questions back to my Direct Testimony.

38 **Q. HAS THE COMPANY TAKEN ANY OTHER ACTIONS TO ENSURE**
39 **CUSTOMERS ARE BILLED CORRECTLY?**

40 **A.** Yes. The Company has purchased entirely new software to accommodate the
41 billing methodology stated in my Direct Testimony. Additionally, under the
42 Interim Rate Increase request approved on September 30, 2016, the Company has
43 billed its customers under the Interim Rate for water use occurring during the

44 month of October 2016. With the exception of one or two minor corrections that
45 were quickly and amicably resolved, the billing went rather smoothly.

46 **Q. MR. LONG STATES THE COMPANY'S BILLING METHODOLOGY**
47 **MEETS THE DIVISION AND INTERVENOR'S CONCERNS AND THE**
48 **ISSUE IS RESOLVED, DO YOU AGREE?**

49 **A.** Yes – I agree with Mr. Long that we have come to an arrangement that addresses
50 the Intervenor's concerns and is an equitable application of the Division's rate.
51 The issue is settled. I'd like to recognize the very constructive dialogue between
52 all parties to come to this resolution.

53 **IV. RESPONSES TO INTERVENOR TERRY LANGE AND GUY RAWSON**
54 **REBUTTABLE TESTIMONY REGARDING BILLING**

55 **Q. INTERVENORS TERRY LANGE AND GUY REQUESTED**
56 **CLARIFICATION ON HOW THE DIVISION'S RATE IS TO BE**
57 **APPLIED, CAN YOU CLARIFY?**

58 **A.** As discussed above and addressed by Mr. Long, the Company will bill each
59 connected customer and not by meter. As stated in the Company's Direct
60 Testimony each connected customer receives their full allocation of 12,000-
61 gallons, charged at the appropriate tier rate, and billed in 1000-gallon increments.
62 How irrigation and domestic water use are accounted for in the 12,000-gallon tier
63 under the various customer configurations is more thoroughly discussed in my
64 Direct Testimony. Additionally, all customers can review their October bill to see
65 which meters, indicated by a meter number, are supplying water to their
66 connection to make sure any shared meters are appropriately attributed to each

67 connection. In summary, I feel the Company has adequately addressed the
 68 Intervenor’s concerns, customers can always contact me with further questions,
 69 and the application of the Division’s rate is settled.

70 **Q. INTERVENOR TERRY LANGE HAS REQUESTED CLARIFICATION**
 71 **ON HOW BILLING FOR THE RED PINE CLUB HOUSE WILL OCCUR,**
 72 **WILL YOU PLEASE CLARIFY?**

73 **A.** Irrigation of landscaping around the Club House is considered to be communal
 74 irrigation and included with the irrigation usage attributed to and split amongst the
 75 200 Red Pine Chalet customers. The indoor water use at the Club House is to be a
 76 standalone connected customer subject to its own Base Rate charge and tiered
 77 12,000-gallon usage rates. The Red Pine HOA will be billed for the Base Rate and
 78 water usage charges attributable to the Club House.

79 **IV. CHANGES TO THE DIVISION’S RECOMMENDED RATE SCHEDULE**

80 **Q. HOW DOES THE COMPANY INTEND TO IMPLEMENT THE NEW**
 81 **RECOMMENDED RATE SCHEDULE IF APPROVED?**

Rate Schedule

Monthly Rates		Monthly Water Usage Amounts	
Standby Rate	\$16.05		
Base Rate for Connected Customers	\$30.65	0 gals	0 gals
Tier 1 (Per 1,000 Gallons)	\$ 0.70	0 gals	12,000 gals
Tier 2 (Per 1,000 Gallons)	\$1.40	12,001 gals	24,000 gals
Tier 3 (Per 1,000 Gallons)	\$2.80	24,001 gals	36,000 gals
Tier 4 (Per 1,000 Gallons)	\$4.20	36,001 gals	48,000 gals
Tier 5 (Per 1,000 Gallons)	\$6.30	48,001 gals	<i>Over</i>

82
 83 **A.** The Company’s new billing software is already set up to bill according to the
 84 approved Interim Rate structure. The new rate recommendations, or any changes

85 made to a final rate, follow the same structure. It should be very easy to input the
86 final numbers of the approved rate into the existing billing system and bill
87 customers as discussed in my Direct Testimony.

88 **Q. HOW DOES THE COMPANY PROPOSE TO ADDRESS ANY**
89 **DIFFERENCE BETWEEN EXISTING CHARGES UNDER THE**
90 **APPROVED INTERIM RATE AND CHARGES UNDER A FINAL RATE?**

91 **A.** The Company understands that a condition of the Interim Rate Increase approval is
92 that any charges assessed under the Interim Rate must be trued up to the Final Rate.
93 The Company will compare all costs charged to each customer under the Interim
94 Rate against what charges would have been under the Final Rate. Customers who
95 have been over billed under the Interim Rate will receive a Company credit for the
96 difference on the first bill applying the Final Rate. Customers under billed
97 according to the Interim Rate will receive an additional fee for the difference on
98 their first bill applying the Final Rate.

99 **V. CONCLUDING COMMENTS:**

100 **Q. ANY FINAL COMMENTS?**

101 **A.** I want to thank the Division and the Intervenors for continuous and constructive
102 dialogue. It has been very helpful and the Company is stronger for their
103 participation. This concludes my Testimony.

DATED this 14th day of November, 2016

Stacy Wilson



CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing SUR-REBUTTAL TESTIMONY OF STACY WILSON was emailed on the 14th day of November, 2016 to the following:

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