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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH	
IN THE MATTER OF THE APPLICATION OF MOUNTAIN SEWER CORPORATION FOR GENERAL RATE INCREASE	Docket Nos. 11-097-01 through -03 Prefiled Direct Testimony of Lynn Wood

Mountain Sewer Corporation (“**Mountain Sewer**”) hereby submits the Prefiled Direct
Testimony of Lynn Wood in this docket.

Dated this 26th day of July, 2012

/s/ Richard K. Rathbun
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IN THE MATTER OF THE APPLICATION OF MOUNTAIN SEWER CORPORATION FOR GENERAL RATE INCREASE	Docket Nos. 11-097-01 through -03 Certificate of Service of Prefiled Direct Testimony of Lynn Wood

I hereby certify that the **Prefiled Direct Testimony of Lynn Wood** was served on the
following on July 26, 2012 as follows:

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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

Direct Testimony of

Lynn Wood

on behalf of

Mountain Sewer Corporation

**IN THE MATTER OF THE APPLICATION OF MOUNTAIN SEWER
CORPORATION FOR GENERAL RATE INCREASE**

Docket Nos. 11-097-01 through -03

July 26, 2012

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1 **INTRODUCTION**

2 **Q. Please state your name, address, and present position.**

3 A. My name is Lynn Wood. I work for Wood Richards & Associates P.C. My
4 business address is 2490 Wall Ave, Ogden, Utah 84401. I am a Certified Public
5 Accountant (CPA), and have been the accountant for Mountain Sewer for many years.
6 My duties for Mountain Sewer focus primarily on preparing tax returns and annual PSC
7 reports.

8 **Q. Please state your professional experience and qualifications.**

9 A. I received a B.S. in Accounting with a minor in CIS from Weber State University
10 in 1973. I have served on a committee of the Utah Association of CPAs for governmental
11 accounting and auditing. I have worked extensively in non-profit and governmental
12 accounting and auditing for the past 35 years.

13 **Q. What is the purpose of your testimony?**

14 A. I am testifying as part of Mountain Sewer Corporation's Application for a General
15 Rate Increase. Additionally, as docket 11-097-01 (In the Matter of the Formal Complaint
16 of James and Dawn Martell; Robert Kimball; Frank and Pat Cumberland; Larry and
17 Sharon Zini; David and Marsha Smith, et al vs. Mountain Sewer Corporation) and docket
18 11-097-02 (In the Matter of Ronald J. Catanzaro's Notice of Intent to Sell Mountain

19 Sewer Corporation and Lakeview Water Corporation) are combined with the rate case
20 application, portions of my testimony may be applicable to these dockets as well.

21 **SCOPE OF DIRECT TESTIMONY**

22 **Q: What is the scope of your testimony?**

23 A: I am testifying generally about financial information regarding Mountain Sewer
24 and its operations. Also, I will be testifying about some of the calculations and
25 assumptions made as part of Mountain Sewer's application for a rate increase.

26 **MOUNTAIN SEWER ASSETS**

27 **Q: Describe the source of the information contained in Exhibit G3 Assets and**
28 **Depreciation in Mountain Sewer's Application for a General Rate Increase.**

29 A: The 2010 and 2011 beginning asset balances are based on information contained
30 in Mountain Sewer's past annual reports provided to the PSC. Many of the assets were
31 purchased before I began providing accounting services to Mountain Sewer; accordingly,
32 my only knowledge of much of this information comes from the past annual reports. For
33 the assets purchased in more recent years, I have not retained supporting documentation
34 about the asset purchases. I assume the documentation, to the extent it exists, is with Ron
35 Catanzaro. Accordingly, I must rely on the information contained in the annual reports.
36 However, I believe the information contained in Exhibit G3 is accurate. The asset
37 additions in 2011 were the installation of two manholes at a cost of \$16,723.62 paid to
38 S&S Excavating and a turn-around \$10,945.51 paid to ConRock. Note that this
39 acquisition is also listed in Exhibit G7.

40 **MOUNTAIN SEWER REVENUE AND EXPENSES**

41 **Exhibit G4 Revenue Requirement**

42 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column g, line 2,**
43 **flat rate revenues for 2012.**

44 A: The required future revenue of \$115,408 is based on an estimate of 130 active
45 connections paying \$73.98 per month.

46 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 10,**
47 **Salaries & Wages – Office Employees for 2012.**

48 A: The expected 2012 expense of \$7,200 is an estimate based on the test year data
49 (Exhibit G6). Note that this expense was not classified separately in the income
50 statements of prior years; however, the expenses were incurred in previous years. I
51 believe the amounts incurred during the test period are reasonably similar to the expenses
52 incurred in previous years.

53 During the test period, Mountain Sewer incurred an average monthly clerical
54 expense of \$600.51 per month (approximately \$7,206.12 annually). The estimated
55 expense of \$600 per month is slightly less than the actual expense. Mountain Sewer
56 predicts that clerical expenses going forward will closely reflect the test period. I believe
57 that \$7,200 per year is a reasonable and conservative estimate of the company's expenses
58 going forward.

59 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 15,**
60 **Purchased Power for 2012.**

61 A: The \$5,400 amount for "Power" expenses in the revenue requirement calculations
62 and in the adjusted test year data is based on historical averages for the years 2000

63 through 2010. Power expenses for Mountain Sewer as reported in the annual reports
64 filed with the Public Service Commission are listed below. Note that these expenses are
65 variously classified under “Purchased Power”, “Utilities”, and “Fuel for Power
66 Production” depending on the particular annual report.

67 Mountain Sewer annual power expenses:

68 2010: \$2,573

69 2009: \$760

70 2008: \$5,708

71 2007: \$3,557

72 2006: \$5,636

73 2005: \$6,966

74 2004: \$6,700

75 2003: \$6,551

76 2002: \$9,701

77 2001: \$9,959

78 2000: \$5,743

79

80 The average of the above amounts is approximately \$5,805. Using that as a starting
81 point, Mountain Sewer discounted the average annual cost by approximately \$405 (or
82 about 7%) in order to arrive at a conservative estimate of future power expenses.

83 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 17,**
84 **Chemicals for 2012.**

85 A: The estimated usage of chemicals was based upon the test period. I believe that
86 \$150 per year is a reasonable and conservative estimate of the company's chemical
87 expense going forward.

88 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 18,**
89 **Materials and Supplies for 2012.**

90 A: Material and Supplies represents the anticipated costs for office supplies and
91 postage. These amounts are based upon the expenses compiled during the test period.

92 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 19,**
93 **Contractual Services – Engineering for 2012.**

94 A: Mountain Sewer contracts with James Banks to provide their monthly engineering
95 service. James is paid a base rate of \$960 per month with additional charges being
96 assessed for work outside of this base rate. The Company also contracts with Great Basin
97 Engineering to provide any additional engineering consulting work. I believe that
98 \$15,600 per year or \$1,300 per month is a reasonable and conservative estimate of the
99 company's engineering fees going forward.

100 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 20,**
101 **Contractual Services –Accounting for 2012.**

102 A: Based upon my past experience with Mountain Sewer's reporting requirements
103 and with better record keeping under the new owner, I anticipate that the yearly charges
104 to file the annual tax return and Public Service Commission report will be \$1,500.

105 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 21,**
106 **Contractual Services – Legal for 2012.**

107 A: Legal counsel for Mountain Sewer has estimated the annual legal fees to be
108 \$4,000 for routine and reoccurring items.

109 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 22,**
110 **Contractual Services – Management Fees for 2012.**

111 A: This \$2,000 monthly expense is the fee paid to Ray Bowden to manage the
112 company.

113 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 24,**
114 **Contractual Services – Other for 2012.**

115 A: Contractual Services – Other is comprised of miscellaneous maintenance work
116 needed to be performed for the Company. This includes work performed by Mitch
117 Winegar and Mark Green on the sewer system and the semi-annual mowing of the sewer
118 ponds. I believe that \$2,300 per year is a reasonable and very conservative estimate of
119 the company's contractual services - other going forward.

120 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 31,**
121 **Insurance – Other for 2012.**

122 A: Mountain Sewer purchases liability insurance to protect the Company and its
123 customers. The liability insurance premiums are based upon the test period costs for
124 liability insurance. I believe that \$12,000 per year is a reasonable and conservative
125 estimate of the company's liability insurance premiums going forward.

126 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 33,**
127 **Regulatory Commission Expense - Amortization of Rate Case Expense for 2012.**

128 A: Mountain Sewer has incurred \$144,504 in legal and accounting costs associated
129 with the Rate Case. These costs are due to the following companies: \$79,889 to Smith

130 Hartvigsen PLLC, \$59,615 to Smith Knowles P.C. and \$5,000 to Wood Richards and
131 Associates. These costs will be amortized over 60 months with an interest rate of 6%. It
132 is anticipated that these fees will be repaid through increased customer fees over the 60
133 month period.

134 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 36,**
135 **Miscellaneous Expense for 2012.**

136 A: Miscellaneous expense is comprised of the following estimates: telephone and
137 internet \$960, camera for sewer lines \$1,000, lift station inspections \$700, sewer manhole
138 repairs \$100, and miscellaneous other expenses of \$1,000. I believe that \$3,760 per year
139 is a reasonable and conservative estimate of the company's miscellaneous expenses going
140 forward.

141 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 42**
142 **Federal Income Tax for 2012.**

143 A: This is an estimate based on estimates of the company's 2012 income and a
144 federal tax rate of 15 percent.

145 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 43**
146 **State Income Tax for 2012.**

147 A: This is an estimate based on estimates of the company's 2012 income and a state
148 tax rate of 5 percent.

149 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column f, line 44**
150 **Other Tax for 2012.**

151 A: This is an estimate of the company's annual property tax obligation.

152 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column g, line 3,**
153 **standby fee revenues.**

154 A: The standby fee revenue for 2012 is based on the new standby rate of \$47.81
155 being paid by 64 standby customers for twelve months.

156 **Q: On Exhibit G4 Revenue Requirement, explain the calculation of column g, line 61,**
157 **capital reserve account.**

158 A: The capital reserve account is equal to the annual depreciation expense.

159 **Exhibit G6 Test Year Projections**

160 **Q: Describe Exhibit G6.**

161 A: Exhibit G6 provides monthly details of Mountain Sewer's revenues and expenses
162 for the test period, which runs from August 2011 through May 2012. The purpose of the
163 exhibit is to set baseline values for the company's expenses. This baseline is then used to
164 make projections about future expenses in order to set rates appropriately. As described
165 in the rate case application, this period was chosen in order to represent the financial
166 situation of the company under the ownership of Valley Utility.

167 Note that the insurance expense is included in July 2011 although other revenues
168 and expenses from July are excluded; the insurance expense is included in order to fairly
169 present the expenses of the company since the insurance premium is for the entire year.
170 If the premium were left off, the company's expenses would be understated for purposes
171 of making estimates about future projections.

172 **Q: Explain the month-to-month variances in the amount of income from sewer services.**

173 A: It is very reasonable to anticipate that variances will occur between the projected
174 revenues and the actual collections. These differences can be attributed to the cash basis

175 accounting of the Company as observed on a month-to-month basis due to customers not
176 paying in a timely manner.

177 **Q: Explain the monthly projected sewer service revenue of \$5,715 and standby fee**
178 **revenue of \$940.**

179 A: These projections were calculated based on preliminary estimates of the rates that
180 the company would request and are no longer accurate. The correct projections of
181 Mountain Sewer revenue under the requested rates are contained in Exhibit G4 and are
182 explained in greater detail previously in this testimony.

183 Accordingly, these projections are not based on the actual requested rates of
184 \$73.98 for active connections and \$47.81 for standby connections. As explanation, this
185 estimate of monthly sewer service revenue was based on 127 active customers at \$45.00
186 per month. The estimate of monthly standby fee revenue was based on 47 standby
187 customers at \$20.00 per month.

188 **SPECIAL ASSESSMENT**

189 **Q: On Exhibit G7 Special Assessment, describe the Net operating loss (July 11-May 12,**
190 **2012) of \$99,151.20.**

191 A: In July of 2011 the new owner took over Mountain Sewer, and from this point on
192 the Company was basically ran on a cash basis. Financial records for July 2011 through
193 May 2012 have been presented in Exhibit G6 to provide a test period for obtaining a new
194 sewer rate. Total revenues collected during this period were \$29,390.27 and total
195 expenses incurred were \$128,541.47, resulting in a net operating loss of \$99,151.20. The
196 new owner was forced to obtain a line of credit to supplement the revenue stream of the
197 Company and offset the large operating net loss.

198 **Q: Describe the justification for inclusion of the net operating loss in the requested**
199 **special assessment.**

200 A: Mountain Sewer prepared a test period to give a basis for the operating revenues
201 versus expenses of the Company and determine a sufficient user and standby fee. The
202 information presented in Exhibit G6 is the detail for the test period. I have also presented
203 a summary here to show that other than the legal fees incurred in the rate case, all of the
204 other expenses were for normal operating costs of the Company.

MOUNTAIN SEWER CORPORATION
SUMMARY OF TEST PERIOD
JULY 2011 TO MAY 2012

Income:	
Sewer Services	\$ 29,390.27
Standby Fees	-
Total Income	29,390.27
Expenses:	
Bank Service Charges	500.00
Clerical/Administration	6,005.07
Engineering Fees	11,565.75
Insurance Expense	10,480.73
Interest Expense	1,542.09
Maintenance/Contract Labor	38,858.24
Office Supplies	591.91
Professional Fees - Standard	
Professional Fees - Rate Case	50,000.00
Real Property Taxes	5,794.00
Power	2,584.83
Telephone & Internet Expense	618.85
Management Fee	-
Postage	
Total Expenses	128,541.47
Net Income/ (Net Loss)	\$ (99,151.20)

205

206 The maintenance/contract labor expense was for repairs that the sewer system
207 needed immediately to keep the system operational. These costs and the other operating
208 expenses reported above needed to be paid to keep the system operating and therefore a
209 line of credit had to be obtained to finance the day to day operations of the sewer system.

210 **Q: Describe the justification for inclusion of the other “Items completed” in the special**
211 **assessment.**

212 A: As mentioned above there were numerous repairs and maintenance that need to be
213 done to keep the system operational. There are also numerous upgrades and repairs that
214 still need to be added to the sewer system to keep it operating and to be in compliance
215 with wastewater standards. These upgrades and repairs are presented on Exhibit G7 as
216 items 1 to 9. They represent items that need to be repaired, replaced, installed, or
217 upgraded to keep the Mountain Sewer system functional and safe for its customers. It is
218 very reasonable that these items would be financed through a special assessment due to
219 the low sewer rates that have been charged in the past and the desire of the Company to
220 not finance the purchase of these items.

221 **CHECKS WRITTEN BY MOUNTAIN SEWER**

222 **Q: For each check, describe the expense for which it was written and the necessity of**
223 **that expense.**

224 A: The responses for each check are below.

225 **Q: Check No. 1001, \$113.23, dated 8/11/11, for Rocky Mountain Power Electric Bill**

226 A: Monthly power bill.

227 **Q: Check No. 1002, \$696, dated 8/17/11, for Patty Banks clerical**

228 A: Clerical services of Mountain Sewer.

229 **Q: Check No. 1003, \$276.93, dated 8/26/11, for Rocky Mountain Power Electric Bill**

230 A: Monthly power bill.

231 **Q: Check No. 1004, \$144.03, dated 8/31/11, for Rocky Mountain Power Electric Bill**

232 A: Monthly power bill.

233 **Q: Check No. 1005, \$10,480.73, dated 9/8/11, for KBC Leasing reimbursement for**
234 **liability insurance**

235 A: KBC Leasing initially paid the insurance premiums for Mountain Sewer as the
236 company was involved in the transition of ownership from Catanzaro to Valley Utility.

237 In the future, Mountain Sewer will pay its insurance premiums directly.

238 **Q: Check No. 1006, \$30.09, dated 9/9/11, for AT&T 800 800 # payment**

239 A: Monthly phone bill for Mountain Sewer toll-free phone number.

240 **Q: Check No. 1007, \$375, dated 9/9/11, for Eileen Thomas clerical**

241 A: Clerical services of Mountain Sewer.

242 **Q: Check No. 1008, \$0, for VOIDED CHECK**

243 A: Voided check, no response needed.

244 **Q: Check No. 1009, \$335, dated 9/20/11, for Patty Banks clerical**

245 A: Clerical services of Mountain Sewer.

246 **Q: Check No. 1010, \$2080, dated 9/20/11, for James Banks contract labor**

247 A: Engineering Services.

248 **Q: Check No. 1011, \$188.07, dated 9/22/11, for Eileen Thomas clerical**

249 A: Reimbursement for office supplies Eileen bought for Mountain Sewer.

250 **Q: Check No. 1012, \$170, dated 9/23/11, for IFA chemical for weeds**

251 A: Chemicals to spray weeds.

252 **Q: Check No. 1013, \$857.50, dated 9/23/11, for A-1 Pumping, Inc. pumping**

253 A: Pumping the sewer system.

254 **Q: Check No. 1014, \$1890, dated 9/28/11, for Green Hills Mgmt sewer pond weeding**

255 A: Cleanup of the sewer ponds.

256 **Q: Check No. 1015, \$0, dated N/A , for VOIDED CHECK**

257 A: Voided check. No response needed.

258 **Q: Check No. 1016, \$21876.67, dated 9/29/11, for S&S Excavating installing cleanouts**

259 A: Repairs and maintenance of the sewer system.

260 **Q: Check No. 1017, \$2000, dated 9/30/11, for Twin D Inc. camera-ing sewer lines**

261 A: Observation of sewer lines.

262 **Q: Check No. 1018, \$0, dated N/A , for VOIDED CHECK**

263 A: No response needed. Voided check.

264 **Q: Check No. 1019, \$400, dated 10/3/11, for Summers Farms mowing around sewer**

265 **ponds**

266 A: Payment to mow the grass around the sewer ponds on Mountain Sewer property.

267 **Q: Check No. 1020, \$283.52, dated 10/4/11, for Rocky Mountain Power Electric Bill**

268 A: Monthly power bill.

269 **Q: Check No. 1021, \$168.5, dated 10/4/11, for Rocky Mountain Power Electric Bill**

270 A: Monthly power bill.

271 **Q: Check No. 1022, \$215.74, dated 10/4/11, for SOS Staffing day laborers who helped**

272 **Ray remove sewer pond weeds**

273 A: The weeds need removed from the sewer ponds occasionally. This check is

274 payment for temporary laborers to help remove the weeds.

275 **Q: Check No. 1023, \$100, dated 10/17/2011, for Patty Banks clerical**

276 A: Clerical services of Mountain Sewer.

277 **Q: Check No. 1024, \$423.67, dated 10/17/2011, for Eileen Thomas clerical**

278 A: Clerical services of Mountain Sewer.

279 **Q: Check No. 1025, \$1560, dated 10/18/2011, for James Banks contract labor sewer**

280 **maintenance**

281 A: Engineering services of the Company.

282 **Q: Check No. 1026, \$100, dated 10/18/2011, for Patty Banks clerical**

283 A: Clerical services of Mountain Sewer.

284 **Q: Check No. 1027, \$398.75, dated 10/25/2011, for Great Basin Engineering**

285 **Engineering review sewer system**

286 A: Engineer review of the system.

287 **Q: Check No. 1028, \$812.5, dated 10/25/2011, for S&S Excavating manhole repair**

288 A: Repair and maintenance of the sewer system.

289 **Q: Check No. 1029, \$46.48, dated 10/25/2011, for Century Link phone**

290 A: Monthly phone bill.

291 **Q: Check No. 1030, \$190.75, dated 10/26/2011, for Rocky Mountain Power Electric Bill**

292 A: Monthly power bill.

293 **Q: Check No. 1031, \$114.41, dated 10/26/2011, for Rocky Mountain Power Electric Bill**

294 A: Monthly power bill.

295 **Q: Check No. 1032, \$34.25, dated 11/3/2011, for AT&T phone**

296 A: Monthly phone bill.

297 **Q: Check No. 1033, \$125, dated 11/10/2011, for Patty Banks clerical**

298 A: Clerical services of Mountain Sewer.

299 Q: **Check No. 1034, \$1117, dated 11/10/2011, for James Banks contract labor sewer**
300 **maintenance**

301 A: Engineer for the sewer system.

302 Q: **Check No. 1035, \$398.35, dated 11/14/2011, for Eileen Thomas clerical**

303 A: Clerical services of Mountain Sewer.

304 Q: **Check No. 1036, \$48.3, dated 11/14/2011, for Century Link phone**

305 A: Phone bill.

306 Q: **Check No. 1037, \$16723.62, dated 11/30/2011, for S&S Excavating sewer line**
307 **manhole installation**

308 A: Repairs and maintenance of the sewer system.

309 Q: **Check No. 1038, \$800, dated 11/16/2011, for Mark Greene contract labor check lift**
310 **station**

311 A: Inspect sewer lift station.

312 Q: **Check No. 1039, \$10945.51, dated 11/17/2011, for Conrock build a turn-a-round**
313 **Material & Equipment**

314 A: Install a new vehicle turn-around for the Company.

315 Q: **Check No. 1040, \$34.25, dated 11/28/2011, for AT&T phone**

316 A: Monthly phone bill.

317 Q: **Check No. 1041, \$99.52, dated 11/28/2011, for Rocky Mountain Power Electric Bill**

318 A: Monthly power bill.

319 Q: **Check No. 1042, \$5794, dated 11/28/2011, for Weber Co. Treasurer property tax**

320 A: This was the property tax payment due to Weber County.

321 **Q: Check No. 1043, \$355.04, dated 12/2/2011, for Eileen Thomas clerical**

322 A: Clerical services of Mountain Sewer.

323 **Q: Check No. 1044, \$0, dated 12/2/2011, for VOIDED CHECK**

324 A: Voided check. No response needed.

325 **Q: Check No. 1045, \$35.25, dated 12/6/2011, for AT&T phone**

326 A: Monthly phone bill.

327 **Q: Check No. 1046, \$100, dated 12/13/2011, for Patty Banks clerical**

328 A: Clerical services of Mountain Sewer.

329 **Q: Check No. 1047, \$960, dated 12/13/2011, for James Banks contract labor sewer**

330 **maintenance**

331 A: Monthly engineering services.

332 **Q: Check No. 1048, \$300, dated 12/13/2011, for Mark Greene contract labor**

333 A: Miscellaneous contract labor.

334 **Q: Check No. 1049, \$48.3, dated 12/15/2011, for Century Link phone -**

335 A: Monthly phone bill.

336 **Q: Check No. 1050, \$26749, dated 12/28/2011, for Smith Hartvigsen PLLC legal**

337 A: This was payment for legal fees incurred in connection with this rate case.

338 **Q: Check No. 1051, \$6.52, dated 1/5/2012, for Rocky Mountain Power Electric Bill**

339 A: Monthly power bill.

340 **Q: Check No. 1052, \$119.68, dated 1/5/2012, for Rocky Mountain Power Electric Bill**

341 A: Monthly power bill.

342 **Q: Check No. 1053, \$34.25, dated 1/5/2012, for AT&T phone**

343 A: Monthly phone bill.

344 **Q: Check No. 1054, \$960, dated 1/5/2012, for James Banks contract labor sewer**
345 **maintenance**

346 A: Monthly engineering service.

347 **Q: Check No. 1055, \$100, dated 1/5/2012, for Patty Banks clerical**

348 A: Clerical services of Mountain Sewer.

349 **Q: Check No. 1056, \$389.2, dated 1/5/2012, for Eileen Thomas clerical**

350 A: Clerical services of Mountain Sewer.

351 **Q: Check No. 1057, \$4200, dated 1/13/2012, for Mitch Winegar contract labor**

352 A: Repairs and maintenance to the sewer system.

353 **Q: Check No. 1058, \$48.29, dated 1/17/2012, for Century Link phone**

354 A: Monthly phone bill.

355 **Q: Check No. 1059, \$0, dated N/A , for VOIDED CHECK VOID**

356 A: Voided check. No response needed.

357 **Q: Check No. 1060, \$1115.25, dated 1/24/2012, for Great Basin Engineering sewer work**
358 **- grading & site improvement**

359 A: Engineering work for improvements.

360 **Q: Check No. 1061, \$1160, dated 2/4/2012, for James Banks contract labor sewer**
361 **maintenance**

362 A: Monthly engineering fee.

363 **Q: Check No. 1062, \$130, dated 2/4/2012, for Patty Banks clerical**

364 A: Clerical services of Mountain Sewer.

365 **Q: Check No. 1063, \$548.31, dated 2/12/2012, for Eileen Thomas clerical**

366 A: Clerical services of Mountain Sewer.

367 **Q: Check No. 1064, \$157.32, dated 2/13/2012, for Rocky Mountain Power Electric Bill**
368 A: Monthly power bill.

369 **Q: Check No. 1065, \$116.85, dated 2/13/2012, for Rocky Mountain Power Electric Bill**
370 A: Monthly power bill.

371 **Q: Check No. 1066, \$47.2, dated 2/13/2012, for Century Link phone**
372 A: Monthly phone bill.

373 **Q: Check No. 1067, \$100, dated 3/5/2012, for Patty Banks clerical**
374 A: Clerical services of Mountain Sewer.

375 **Q: Check No. 1068, \$960, dated 3/5/2012, for James Banks contract labor**
376 A: Clerical services of Mountain Sewer.

377 **Q: Check No. 1069, \$457.06, dated 3/5/2012, for Eileen Thomas clerical**
378 A: Clerical services of Mountain Sewer.

379 **Q: Check No. 1070, \$162.8, dated 3/5/2012, for Rocky Mountain Power Electric Bill**
380 A: Monthly power bill.

381 **Q: Check No. 1071, \$114.58, dated 3/5/2012, for Rocky Mountain Power Electric Bill**
382 A: Monthly power bill.

383 **Q: Check No. 1072, \$753.56, dated 3/19/2012, for Bank of Utah loan payment**
384 A: Interest payment on line of credit.

385 **Q: Check No. 1073, \$140, dated 3/20/2012, for Mark Greene contract labor**
386 A: Miscellaneous contract services.

387 **Q: Check No. 1074, \$1075, dated 4/4/2012, for Mitch Winegar contract labor**
388 A: Repairs and maintenance of the sewer system.

389 **Q: Check No. 1075, \$34.96, dated 4/4/2012, for AT&T phone**

390 A: Monthly phone bill.

391 Q: **Check No. 1076, \$202.49, dated 4/4/2012, for Rocky Mountain Power Electric Bill**

392 A: Monthly power bill.

393 Q: **Check No. 1077, \$89.86, dated 4/4/2012, for Rocky Mountain Power Electric Bill**

394 A: Monthly power bill.

395 Q: **Check No. 1078, \$1170, dated 4/4/2012, for James Banks contract labor**

396 A: Monthly engineering fees.

397 Q: **Check No. 1079, \$100, dated 4/6/2012, for Patty Banks clerical**

398 A: Clerical services of Mountain Sewer.

399 Q: **Check No. 1080, \$499.95, dated 4/6/2012, for Eileen Thomas clerical**

400 A: Clerical services of Mountain Sewer.

401 Q: **Check No. 1081, \$997.5, dated 4/11/2012, for A-1 Pumping, Inc. pumping**

402 A: Repairs and maintenance to the sewer system.

403 Q: **Check No. 1082, \$321.83, dated 4/25/2012, for Bank of Utah loan payment**

404 A: Interest payment on the line of credit.

405 Q: **Check No. 1083, \$96.24, dated 4/25/2012, for Century Link phone**

406 A: Monthly phone bill.

407 Q: **Check No. 1084, \$572.49, dated 5/2/2012, for Eileen Thomas clerical**

408 A: Clerical services of Mountain Sewer.

409 Q: **Check No. 1085, \$1200, dated 5/7/2012, for James Banks contract labor**

410 A: Monthly engineering fee.

411 Q: **Check No. 1086, \$100, dated 5/7/2012, for Patty Banks clerical**

412 A: Clerical services of Mountain Sewer.

413 **Q: Check No. 1087, \$63.94, dated 5/7/2012, for Rocky Mountain Power Electric Bill**

414 A: Monthly power bill.

415 **Q: Check No. 1088, \$159.9, dated 5/7/2012, for Rocky Mountain Power Electric Bill**

416 A: Monthly power bill.

417 **Q: Check No. 1089, \$34.82, dated 5/7/2012, for AT&T phone**

418 A: Monthly phone bill.

419 **Q: Check No. 1090, \$47.17, dated 5/22/2012, for Century Link phone**

420 A: Monthly phone bill.

421 **Q: Check No. 1091, \$302.92, dated 5/29/2012, for Eileen Thomas office supplies**

422 **envelopes-stamps-copies-ink, etc.**

423 A: This was a check to pay for general office supplies.

424 **Q: Check No. 1092, \$1200, dated 6/5/2012, for James Banks contract labor**

425 A: Monthly engineering fee.

426 **Q: Check No. 1093, \$100, dated 6/5/2012, for Patty Banks clerical**

427 A: Clerical services of Mountain Sewer.

428 **Q: Check No. 1094, \$985.4, dated 6/5/2012, for Eileen Thomas clerical**

429 A: Clerical services of Mountain Sewer.

430 **Q: Check No. 1095, \$9511.6, dated 6/8/2012, for Mike Bachman plumbing**

431 A: Repairs and maintenance of the sewer system.

432 **Q: Check No. 1096, \$42.91, dated 6/20/2012, for Rocky Mountain Power Electric Bill**

433 A: Monthly power bill.

434 **Q: Check No. 1097, \$170.25, dated 6/20/2012, for Rocky Mountain Power Electric Bill**

435 A: Monthly power bill.

436 Q: **Check No. 1098, \$54.07, dated 6/20/2012, for Century Link phone**

437 A: Monthly phone bill.

438 Q: **Check No. 1099, \$700, dated 6/20/2012, for A-1 Pumping, Inc. pumping**

439 A: Repairs and maintenance to the sewer system.

440 Q: **Does this conclude your testimony?**

441 A: Yes, it does.