

Kostas and Kristi Mallios

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April 30, 2012

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Utah Public Service Commission
Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84114

RE: Docket Number 11-097-03

Dear Sir/Madam:

Regarding the above matter, it is acknowledged that while a reasonable increase in rates might be warranted for Mountain Sewer, we are opposed to any special assessment or interim rate increase that attempts to recoup funds that stem from the prior ownership's unsupervised, irresponsible and opaque running of Mountain Sewer.

Our main goal is to challenge the special assessment and interim rate increase. Our request is that this broad and that this unjustified request by Mountain Sewer be denied by the Utah Public Service Commission. Approving this request is NOT in the public interest and rewards not just bad business, but possible fraudulent behavior by the previous owner and worse, a potential cover up of the facts.

The residents and customers would not have benefited from Mountain Sewer schemes if successful, and therefore should not share in the responsibility when failed.

The previous owner was not acting in the interest of the customers, but in private interest as he ran that business. In fact, we don't know how this utility was run and why it is in this shape. The facts have been taken away from public view. We are customers, not partners of Mountain sewer and were not involved in the murky dealing of the running of that business.

The committee members feel it is outrageous that Mountain Sewer is trying to recoup funds with a special assessment that should have been paid by the previous owner of Mountain Sewer and that were known to the new owner/investor. We are not willing to bail out and pay for someone else's business mistakes when they were made with consideration of the public's interest.

The residents and voters of Mountain Sewer should not be forced to pay for other's

gross negligence and years of unsupervised and unaccountable operation by the county.

Significant changes requested in the rate case are not reasonable:

- A \$57.06 proposed monthly sewer fee, this is a **159.4% increase** over the current \$22 monthly rate. This is an unheard of rate increase.
- They have added new charges for \$24.40 a month for standby fees for non-connected lots, there is no charge now. Why?
- They have asked that the single Connection fee be raised from \$3,000 to \$5,000 per connection.
- They have added a new hookup fee of \$300
- They have added a new turn on fee of \$100
- They have also asked for that these same rates be granted as an interim rate increase to take effect in 45 days.
- They have asked that the late fee of 18% be continued.
- They have requested a special assessment of \$1,300 from each customer (127 or \$165,000) for costs incurred.

We are also opposed to the customers paying for any legal fees related to the sale of the utilities or the formal complaint filed regarding service and billing problems.

All of the service problems identified in our formal complaint have been validated and our position is that the customers should not be held responsible for Mountain Sewer's legal fees associated with the complaint.

Please do your duty and do not allow the consequences of bad business practices and murky finances to be passed on to the tax payer, yet once again. Take a stand for responsible and transparent practices along with accountable business behavior.

Turn down this sweeping and inappropriate request by Mountain Sewer and restore public trust in the system we all depend on.

Sincerely yours,

Handwritten signature of Kristi Mallios in cursive script.

Kostas and Kristi Mallios