

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the  
Application of WaterPro,  
Inc., for a Culinary  
Water Rate Case

Docket No. 12-2443-01

HEARING PROCEEDINGS

TAKEN AT: Public Service Commission  
Hearing Room 451  
160 East 300 South  
Salt Lake City, Utah

DATE: Wednesday, February 4, 2015

TIME: 10:04 a.m.

REPORTED BY: Scott M. Knight, RPR

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APPEARANCES

ADMINISTRATIVE LAW JUDGE:  
MELANIE A. REIF

FOR DIVISION OF PUBLIC UTILITIES:  
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1 Hearing Proceedings

2 February 4, 2015

3 PROCEEDINGS

4 THE HEARING OFFICER: We're on the  
5 record.

6 Good morning, everyone. I'm Melanie  
7 Reif, ALJ for the Utah Public Service Commission.  
8 And this morning is the hearing in Docket  
9 12-2443-01. This matter is entitled The Matter of  
10 the Application of WaterPro, Inc., for a Culinary  
11 Water Rate Case.

12 As noted in the notice that was issued  
13 in this matter on January 12, 2015, the purpose of  
14 this hearing is to discuss the amended tariff  
15 filing that was filed by the Company on January 12,  
16 2015. As noted in the notice, the changes that are  
17 being proposed are noted there. And this morning  
18 we'll be holding a hearing on that particular  
19 request. And, then, at 12:00, we will be holding a  
20 public witness hearing for any public witnesses who  
21 are interested in providing comment or testimony  
22 about the pending application.

23 Let's start by taking appearances. And,  
24 Mr. Jensen, please.

25 MR. JENSEN: Darrin Jensen from Draper

1 Irrigation WaterPro.

2 THE HEARING OFFICER: And, Mr. Jensen,  
3 are you appearing pro se today?

4 MR. JENSEN: Yes.

5 THE HEARING OFFICER: Okay. Thank you.

6 MS. SCHMID: Patricia E. Schmid with the  
7 Attorney General's Office on behalf of the Division  
8 of Public Utilities. And with me as the Division's  
9 witness is Mark Long.

10 THE HEARING OFFICER: Good morning,  
11 everyone, and thank you for being here.

12 Mr. Jensen, as I understand it, you have  
13 a requested tariff that is pending before the  
14 Commission for approval. And just to back up,  
15 originally we had received a tariff which we had  
16 suspended, so that's the purpose of this hearing.  
17 So, this is your opportunity to address your  
18 requested change and for the Commission and the  
19 Division to ask any questions or provide any  
20 comment or testimony on that issue. So, would you  
21 like to proceed this morning?

22 MR. JENSEN: You bet. We're here today  
23 mainly to be discussing the engineering plan review  
24 fees and engineering fees that is charged from  
25 Draper Irrigation to the developers for plan review

1 when they are going to develop a subdivision,  
2 whether it be a one-lot or a hundred-lot  
3 subdivision, commercial property, residential  
4 property within our service area there in Draper.

5 It was--over time, engineers will make  
6 adjustments to their fees. We learned some time  
7 ago during these hearings and during--working with  
8 the Division, that any time there is a change when  
9 it comes to engineering fees, that the engineers  
10 are raising their fees, then we need to, in  
11 essence, go to the Division and apply to make a  
12 rate change with those. Those fees that are  
13 charged by our engineering--our engineers to review  
14 the plans are strictly just a passthrough.  
15 WaterPro Irrigation makes no money on those. We  
16 just are--what we are billed from our engineers is  
17 what's passed through.

18 The developers are aware prior to  
19 development. They'll come in. And they'll submit  
20 plans and really seeking what their costs are going  
21 to be, whether it be to install meters and the  
22 pipes within that residential or commercial area.  
23 And that's--we don't have an in-house engineer.  
24 And, so, we outsource to Epic Engineering. And,  
25 so, those plan reviews are sent to them. They know

1 our specs. We have worked with them for--well,  
2 15-plus years. And, so, they take the time to  
3 review to make sure that everything's going to meet  
4 fire flow protection, make sure it's--the pipes  
5 that need to go in the ground are what we are  
6 expecting, the different valves, the fire hydrants  
7 and so forth. So, we are here to, in essence,  
8 make the change to our tariff to increase those  
9 fees.

10 Back in 2002, I believe, when we first  
11 became regulated with the Public Utility  
12 Commission, our engineering fees there--this--I  
13 want to say a slight typo--it was a large typo that  
14 was not picked up. And that was discovered in this  
15 last--when we were to update our tariff after our  
16 rate increase, our culinary rates to our residents,  
17 when the Division asked for a copy of an updated  
18 tariff--and that's when it was notified that our  
19 tariff didn't match what was on the records. And,  
20 so, there was some debate exactly when it started,  
21 how it started, where it went. And now we're just  
22 trying to bring it up to actual what we're being  
23 charged and was passed through to the developers  
24 and contractors within our service area.

25 THE HEARING OFFICER: Thank you, Mr.

1 Jensen.

2 Mr. Jensen, I assume that you're  
3 intending to give testimony this morning. Is that  
4 correct?

5 MR. JENSEN: In?

6 THE HEARING OFFICER: On this particular  
7 application.

8 MR. JENSEN: I can give testimony as--  
9 I'm not sure exactly--I'll be honest with you, I  
10 don't know exactly all that you want.

11 THE HEARING OFFICER: Okay.

12 MR. JENSEN: I gave you the history. I  
13 can--

14 THE HEARING OFFICER: Okay.

15 MR. JENSEN: --I can go into depth with  
16 whatever you would like.

17 THE HEARING OFFICER: Well, inasmuch as  
18 what you're saying is intended to be testimony  
19 asserted for the truth of the matters that you're  
20 referring to, I think it would be helpful to make  
21 sure that you're under oath.

22 MR. JENSEN: Oh.

23 THE HEARING OFFICER: And I typically do  
24 that. I apologize for neglecting to do that just  
25 right out of the chute this morning, but--so, if



1 you don't object, I'd like to do that.

2 MR. JENSEN: Okay. Sure.

3 THE HEARING OFFICER: And in doing so,  
4 I'd like to ensure that what you've already said  
5 is, in fact, your sworn testimony. So--

6 MR. JENSEN: Perfect.

7 THE HEARING OFFICER: And, then, going  
8 forward, just to make sure we've got this covered.  
9 So, if you don't mind, would you please raise your  
10 right hand? And do you swear that the testimony  
11 you are about to give and that you have already  
12 provided this morning is, in fact, the truth?

13 MR. JENSEN: Yes.

14 THE HEARING OFFICER: Thank you, sir.  
15 Do you wish to add more to what you have said,  
16 sir? I didn't mean to cut you off.

17 MR. JENSEN: No.

18 THE HEARING OFFICER: I just realized we  
19 forgot that one issue.

20 MR. JENSEN: I don't know what more can  
21 be given as far as--I'd say probably not. I'm here  
22 to answer any questions that you may have.

23 One thing we have done, you know, we  
24 did notify--because we have, in essence, been--we  
25 haven't been overcharging per what we have been

1 charged by our engineers, but we have been  
2 overcharging based on what is stated in our tariff.  
3 So, we did notify any development--any developers  
4 that are currently developing in Draper and who  
5 have for the past seven years been developing in  
6 Draper. And we sent them a letter to all the  
7 developers and--which we included, we had sent it  
8 to you--along with all the developers that we have  
9 worked with and are currently working with in our  
10 service area.

11 We also--to send this--and we sent it  
12 out to, I believe, around 55 resident--or 55  
13 developers to send a letter out to our residents,  
14 which our residents would be our customers, most  
15 of them--I mean, they all live on individual lots  
16 and they're not going to become a developer. I  
17 guess you could say if one of them lived on an  
18 acre and they want to subdivide, then they would  
19 want--  
20 you know, become a developer. But to send every  
21 resident a letter like what we sent to our  
22 developers would--cost-wise would be right around  
23 \$4,500 in postage, just postage, not including the  
24 paperwork behind that. So, what we've done is, our  
25 billing cycle, that they receive a newsletter

1 indicating about this hearing and also the  
2 development fees. They received that on the 31st  
3 of January.

4 On the 23d of January, we did put this  
5 on our website, all the information that went to  
6 the developers, all the engineering fees,  
7 explaining what the engineering-- engineering fees  
8 go to, if they were interested in developing within  
9 our service area, then it would reflect all the  
10 fees and notifying them of the hearing which is  
11 taking place right now.

12 So, we hit the--you know, the developers  
13 that are currently and past, and then hit the  
14 residents, which--I would say 99 percent of them  
15 would--doesn't even affect them. But by just one  
16 chance one of them wants to develop a piece of  
17 property that they own and subdivide it, then they  
18 would know about our engineering fees and the  
19 hearing and the proposed tariff.

20 THE HEARING OFFICER: Thank you, Mr.  
21 Jensen. Is there anything else you'd like to add?

22 MR. JENSEN: I don't think so.

23 THE HEARING OFFICER: Okay. Ms. Schmid,  
24 do you have any questions for Mr. Jensen?

25 MS. SCHMID: I do. I have just a

1 couple of questions for clarification.

2 EXAMINATION

3 BY-MS.SCHMID:

4 Q. You said that you learned that any fee  
5 change must go through the Division or must be  
6 filed with the Division, but didn't you mean to say  
7 filed with the Commission?

8 A. Filed with the Commission, yes.

9 Q. And, then, you also said that Draper  
10 Irrigation charges the developers but doesn't  
11 WaterPro do that, as it's in WaterPro's tariff, or  
12 is that contracted out to Draper Irrigation?

13 A. Well, Draper Irrigation is the owner of  
14 the system. And, so, when developers come in, they  
15 are actually--when they're installing  
16 lines--because all the lines and all the  
17 infrastructure's completely owned by Draper  
18 Irrigation. So, in essence, Draper Irrigation is  
19 the one that's collecting the fees, but it is being  
20 done through WaterPro.

21 Q. Thank you.

22 MS. SCHMID: I have no further  
23 questions.

24 THE HEARING OFFICER: Okay. Thank you.

25 EXAMINATION

1 BY-THE HEARING OFFICER:

2 Q. Mr. Jensen, just a few questions for  
3 you, please. First of all, do you have a copy of  
4 the notice that was sent--the notice of amended  
5 tariff filing?

6 A. Yes.

7 Q. This was issued by the Commission on  
8 January 12, 2015. And I want to go over that with  
9 you inasmuch as it lays out the structure of the  
10 changes that you're requesting and go over those  
11 items in some detail, just to make sure that I'm  
12 understanding and the Commission is understanding  
13 what you're requesting. So, with the first item,  
14 the hot tap item, could you help me understand what  
15 that is?

16 A. Yeah. A hot tap is when you're  
17 actually--when--you need to add a new connection to  
18 a home, let's say a home is being built and there  
19 is a live pipe. When we say "live pipe," I mean  
20 there's water in the pipe. And a hot tap means  
21 that they're not shutting down the section of the  
22 pipe to tap it. So, they'll go in and bring in a  
23 company that will actually just go in and tap that  
24 line, so then we can put a connection to it and so  
25 the people--home.

1 Q. I'm sorry. Would you repeat what you  
2 just said at the end of your statement?

3 A. Just so they can have water within their  
4 home. So, a hot tap is just that we're tapping  
5 the line that has water currently in it without  
6 shutting it down.

7 Q. And the change that you're seeking with  
8 respect to that issue, you're maintaining the  
9 charge of \$50, but you're adding a per visit  
10 notation; is that correct?

11 A. Yes.

12 Q. Could you help me understand that?

13 A. Well, it's always--it is a per visit.  
14 It's when we go out there to tap the line. We'd  
15 only do, in essence, one time. But it wasn't  
16 referenced, you know, a per-visit.

17 Q. Okay.

18 A. And, so, we're just adding so it  
19 clarifies that each time we go out there to tap a  
20 line, a hot tap, we will charge you \$50.

21 Q. Okay. So, when you do that hot tap,  
22 who are you billing?

23 A. That goes to the developer.

24 Q. Okay. Is it possible that you might  
25 bill the customer directly?

1 A. Only if they are the developer.

2 Q. Okay. Your notice that you provided to  
3 the Commission to--to the developers doesn't  
4 reference the hot tap amendment. Is there  
5 something that I'm missing there?

6 A. No. That--again, I did not realize  
7 that--because the hot tap's always been there.  
8 There's always been a hot tap for \$50. It was  
9 requested by the Division to add "per visit."

10 Q. Okay. To clarify that--

11 A. For clarification.

12 Q. Okay.

13 A. And, so, that didn't seem to us that  
14 it--that was, you know, a new charge.

15 Q. Okay. But it is an amendment to your--

16 A. It would be an amendment to the tariff,  
17 yes.

18 Q. Okay. Is there any reason to believe  
19 that the developers are aware that this per-visit  
20 amendment is--aside from your letter that was sent  
21 in January is proposed?

22 A. Say that again.

23 Q. Is there any reason to believe that the  
24 developers are on notice aside from the letter that  
25 you've sent to them? For example, is there notice

1 on your website that notes this change?

2 A. Per visit? No.

3 Q. Okay. And you mentioned a newsletter  
4 that was sent, I believe, in January to all  
5 customers.

6 A. Correct.

7 Q. Would that newsletter have gone to the  
8 developers, as well?

9 A. No.

10 Q. Okay. And does that reference the per  
11 visit?

12 A. It does not. I mean, it has a copy of  
13 this docket (indicating). So, this right here is  
14 attached on our website. So, if they were to go  
15 to our website, developers or our customers, they  
16 would actually be able to see this exact document  
17 that you're in reference to. So, they would see  
18 that hot tap per visit.

19 Q. Okay. And I assume that the same would  
20 be true with the developers.

21 A. Correct. Yep.

22 Q. Okay.

23 A. Yeah.

24 Q. So--

25 A. It refers them to--in the letter that



1 went to the developers, it refers them to go to our  
2 website to actually see this complete document  
3 (indicating).

4 Q. Okay. So, in order to actually see the  
5 entire amendment that you're proposing, one would  
6 have to go to the website and then navigate to the  
7 Commission's notice and see--

8 A. They wouldn't even have to navigate--  
9 well, they wouldn't have to navigate to your site.  
10 We uploaded this. And it's on our very--it's on our  
11 home page. So they would just, in essence, click  
12 the link and this would come up.

13 Q. I see.

14 Okay. So, let's move on to the next  
15 item, which is the fire lines. And can you help  
16 me understand what that refers to?

17 A. A fire line is when we will go into a  
18 commercial or residential that actually has a fire  
19 line in their business or in their home.

20 Q. Okay.

21 A. It's just an inspection to make sure  
22 that it's been connected.

23 Q. Okay. So, would it be more accurate to  
24 call that a fire line inspection?

25 A. It could be. I mean, it's--I would

1 assume so, yes.

2 Q. Whereas the hot tap is really a hot tap  
3 connection. Is that . . .

4 A. It would be--that's also an inspection.

5 Q. It is?

6 A. Uh-huh (affirmative).

7 Q. Okay. Thank you. I'm just trying to  
8 better understand what it is that these items refer  
9 to.

10 Okay. Now, on the fire lines, this  
11 inspection that occurs, you have previously  
12 requested a \$50 charge and you're now amending that  
13 to make that a per-visit charge. Who would that be  
14 billed to?

15 A. The developers.

16 Q. Okay. Is there any circumstance where  
17 it would be billed to--

18 A. One of our residents?

19 Q. --a customer?

20 A. No. Always to the developer, unless,  
21 again, that customer turns into a developer--

22 Q. Okay.

23 A. --to develop it.

24 Q. And similar to my question earlier, is  
25 there anything in the letter that you sent to the

1 developers that would clarify that this fee is now  
2 a per-visit fee?

3 A. No.

4 Q. Okay. Aside from the letter that you  
5 sent, is there any other way that a developer would  
6 be on notice of such a change?

7 A. Again, through our website to see this  
8 document.

9 Q. Okay. And help me understand: Would  
10 they have received a copy of the newsletter?

11 A. The developers? No.

12 Q. Okay.

13 A. Just our residents.

14 Q. So, it would have to be by happenstance  
15 if they were looking at your website.

16 A. Well, this--the letter that went to them  
17 refers them to our website to see the complete  
18 notice.

19 Q. Okay. Is there any reason why your  
20 notice to them wasn't complete?

21 A. Honestly, I did not realize that--I  
22 didn't think the per-visit was something that  
23 really was--honestly that big of a deal. I didn't  
24 even--it was not even something that was on our  
25 radar. It wasn't left off for any intention. It

1 was not left off because we were trying to hide  
2 something. It was purely left off because it was  
3 left off. It was not that we even--our focus was  
4 really the engineering plan review fees and the  
5 engineering fee.

6 Q. Okay.

7 A. Those were really the things that we  
8 believed working with the Division, was what we  
9 were here for today.

10 Q. Thank you, Mr. Jensen. In going down  
11 the list, the pressure test, is that also an  
12 inspection?

13 A. We go--no. That's actually to go out  
14 and test the pressure to--

15 Q. Okay.

16 A. --make sure that the line doesn't have a  
17 leak in it. It's a 24-hour.

18 Q. There's no requested change there.

19 A. Huh-uh (negative).

20 Q. That's to remain as is.

21 A. Yeah.

22 Q. Okay. So, going to the next item, the  
23 commercial property fire flow impact fee, I believe  
24 there's no change requested there, either.

25 A. No.

1 Q. Okay. And, then, going to the next  
2 item, the engineering plan review, which was  
3 previously referred to as the plan--the engineering  
4 plan review and service availability letter--

5 A. Uh-huh (affirmative).

6 Q. --you're requesting to change that from  
7 515 to 580. Is that correct?

8 A. That is correct.

9 Q. And have you provided notice of this to  
10 the individuals who will be impacted by that fee?

11 A. Yes.

12 Q. Okay. And I assume that you are  
13 referring to the notice that you sent on January  
14 14, 2014?

15 A. Yes.

16 Q. And just to clarify, this fee only  
17 applies to developers. Is that correct?

18 A. That's correct. Development of the new  
19 area.

20 Q. Okay.

21 A. That is correct.

22 Q. And the next fee, the engineering fee, I  
23 believe this is the fee that you have referred to  
24 in the past and also briefly today as the fee that  
25 had the typographical error--

1 A. Dating back to--

2 Q. --typographical error from many, many  
3 years ago.

4 A. (Moves head up and down.)

5 Q. And is it correct that you're now  
6 seeking to replace the prior fee that was attached  
7 to that item to now be \$650 for the first 500 feet  
8 and 50 cents per foot for everything over 500 feet?

9 A. That is correct.

10 Q. And this fee, who would that impact?

11 A. Developers for plan review.

12 Q. And no customers.

13 A. Only if they became a developer.

14 Q. Okay. And the last two items, the  
15 return meter set fee and the meter flow set--test  
16 fee those items remain unchanged.

17 A. Correct.

18 Q. Okay. As a result of your newsletter  
19 that you sent out notifying customers of these  
20 changes--

21 A. Uh-huh (affirmative).

22 Q. --I assume you--did you include just the  
23 engineering plan review change and the engineering  
24 fee or did you also mention the hot tap and the  
25 fire line fee?

1 A. We directed them to our website.

2 Q. Okay.

3 A. It was addressed--and I have a copy of  
4 it, if you would like.

5 Q. Of the newsletter?

6 A. Uh-huh (affirmative).

7 Q. Do you have extra copies with you?

8 A. I--that would have been a smart move,  
9 but I brought one for you.

10 Q. Okay. We'll take a break and get a  
11 copy--

12 A. Okay.

13 Q. --of that in just a moment. Can you  
14 read into the record what it says?

15 A. Yeah. It just--it's there on the first  
16 page. And it says, "Check Our Website for  
17 Development Fee, Tariff Proposal. If you are  
18 looking to develop property within WaterPro . . .  
19 culinary service area, this [sic] is information on  
20 your"--"this [sic] is information on our website  
21 detailing the company's administrative, engineering  
22 review, and impact fees for culinary. . . system.  
23 Visit [waterpro.net](http://waterpro.net) and click the Culinary  
24 Development Costs link under the Current News  
25 heading. If you are interested in WaterPro's

1 proposal before the Utah Public Service Commission  
2 for changes to certain service fees, visit  
3 waterpro.net and click Notice of Amendment [sic]  
4 Tariff Filing January 15, 2015, Development Fees  
5 under the Announcement hearing [sic]. There will  
6 be a public hearing on Wednesday, February 4 at  
7 10:00 a.m. in the Fourth Floor Hearing Room  
8 451 . . .," and gives this address.

9 Q. Okay. Thank you, Mr. Jensen. As a  
10 result of sending that out, do you know whether  
11 there were any inquiries from customers?

12 A. We received no inquiries regarding this  
13 (indicating). On the development, we received one.  
14 And it was from Ivory Homes, who's probably the  
15 largest developer that we have within our area.  
16 And they just wanted--they were concerned if they  
17 were being--if we had only been charging them the  
18 \$3 and if we were going to be, you know, looking  
19 for, you know, an amendment and trying to get more  
20 money from them, and said, No. And they said,  
21 Okay. Great. So, they just thought maybe we were--  
22 we undercharged them by the way that they thought  
23 this read.

24 Q. I see.

25 A. And we said, No. And they said, Great.



1 Q. Thank you.

2 A. That's the only one we actually  
3 received, but from our residents, no.

4 Q. Okay. Thank you. Mr. Jensen, just one  
5 other issue just for clarification, and I realize  
6 that this goes back quite a long ways. And we  
7 were double-checking our records just to make sure  
8 that we were looking at the most current  
9 information, but you referenced a 2002 tariff this  
10 morning. And I'm not sure if you have a copy of  
11 that with you, but according to my records--and if  
12 you understand this to be differently, please let  
13 me know--I believe that the most current tariff  
14 that was approved by the Commission was in 2005.

15 A. It was 2005.

16 Q. Okay.

17 A. I apologize. That was my error.

18 Q. Just a couple of other questions for  
19 you, please, Mr. Jensen. Just a couple of days  
20 ago, on February 2, the Commission received a  
21 filing by WaterPro which--it states, "Enclosed  
22 please find our filing of the WaterPro Tariff No. 2  
23 dated February 2015 that you requested." What is  
24 this in response to?

25 A. Well, this, in essence, is just our

1 complete tariff. We were notified that we had to,  
2 prior to this hearing, to actually send in a  
3 complete tariff, an updated tariff. And that's  
4 what that, in essence, is.

5 Q. And are you referring to a request from  
6 a particular agency?

7 A. Well, I was in conversation with Mark  
8 Long with the Division. And he had indicated to us  
9 that this is something that had to be submitted  
10 prior to this hearing.

11 Q. Okay. And to your knowledge, sir, is  
12 the tariff the same as your 2005 tariff,  
13 notwithstanding the current amendments that you're  
14 seeking?

15 A. Yes. I mean, this would be an updated  
16 tariff if these fees were approved.

17 Q. Okay. One other question that I have  
18 for you--and if you wish to defer to the Division  
19 on this, that would be fine--I--on January 27, the  
20 Commission received a memo filed by the Division.  
21 Do you happen to have a copy of that with you,  
22 sir?

23 A. I do.

24 Q. Okay. And this was filed subsequent to  
25 this hearing being scheduled and subsequent to the

1 January 12 amendment that was filed and--which is  
2 also reflected in your most recent tariff filing as  
3 of a couple of days ago. This document purports to  
4 file an update on your behalf by the Division. Do  
5 you have any comments about that, sir?

6 A. The Division just had our back. And  
7 they held our hand through the process and  
8 corrected anything that we may have done wrong,  
9 meaning that they noticed there was a transposition  
10 of numbers. It was caught by Mark Long. He  
11 corrected that and submitted this.

12 Q. And can you help me understand what you  
13 mean by "transposition of numbers"?

14 A. So, in essence, we have--we just had the  
15 515 crossed off on--if you look at Exhibit 1, which  
16 was prepared by WaterPro, versus Exhibit 4, which  
17 was revised by the Division, we had left the 515  
18 and not just had the 580--or excuse me--no. Under  
19 the engineering fee . . .  
20 (Inaudible conversation between Mr. Long and Mr.  
21 Jensen.)

22 THE HEARING OFFICER: Mr. Long, if you  
23 would please allow him to testify. And if you want  
24 to clarify when you have your opportunity--

25 MR. LONG: Okay.

1 THE HEARING OFFICER: --that would be  
2 great.

3 THE WITNESS: Based on our letter that  
4 was sent to--or from our engineers, just give me  
5 one second--so, the plan review fee we had down as  
6 515 and it's--for 580. And I think that's the only  
7 change, if I can . . .

8 BY THE HEARING OFFICER:

9 Q. Okay. I guess I'm a little bit  
10 confused, then, because based on the filing that  
11 was made with the Commission on the 12th of  
12 January, which precipitated our notice of amended  
13 tariff filing, is there something about those  
14 figures or the explanation that is inaccurate?

15 A. No. The revised by Mr. Long of the 580  
16 is the correct, based on what we're being charged  
17 by our engineers.

18 Q. Okay. What I'm asking you, sir, is,  
19 looking at the January 12, 2015, notice of amended  
20 tariff filing--

21 A. Yep.

22 Q. --issued by the Commission, is there  
23 anything there that is incorrect?

24 A. No.

25 Q. So, what was the need for the filing

1 that occurred on the 27th of January?

2 A. Mark Long would probably be the best to  
3 answer that.

4 Q. Okay. Thank you, sir. I'll ask him in  
5 a minute when we get to that point.

6 Mr. Jensen, just to help you, because  
7 you're not--you don't have the aid of--assistance  
8 of counsel this morning, I think it would be  
9 helpful to take administrative notice of the  
10 filings that the Company has made in this docket.  
11 And if you don't mind, I'll take the opportunity to  
12 do that now. If there are other things that you  
13 know of that you want to have admitted into the  
14 record, please let me know. Otherwise, at this  
15 point in time, Commission will take administrative  
16 notice of your January 16 filing, responding to the  
17 Commission's request for notice of the proposed  
18 changes. And, also, the Commission takes notice of  
19 your January 7, 2015--I'm sorry--your January 12,  
20 2015, amended tariff filing along with notice that  
21 was issued in this docket. Is there anything  
22 further, sir, that you would like the Commission to  
23 take notice of?

24 A. No. I mean, I believe you want the  
25 copy of this--the newsletter that was mailed out to

1 all of our residents.

2 Q. Yes. And we'll take a break here in a  
3 moment and get that.

4 Is there any objection to the Commission  
5 taking notice of those?

6 MS. SCHMID: No objection.

7 THE HEARING OFFICER: Okay. Then, they  
8 will be accepted into evidence, sir. And we'll  
9 take just a short break. And, Mr. Jensen, if you'd  
10 like to go to the front office and ask them to  
11 make--we'll be off the record, please.

12 (A discussion was held off the record.)

13 (Recess taken, 10:39-10:42 a.m.)

14 Exhibit-1 marked

15 THE HEARING OFFICER: We'll be back on  
16 the record.

17 The record will reflect that Mr. Jensen  
18 has passed out a copy of the newsletter referred to  
19 in his testimony. And a copy of this will be  
20 accepted as part of the record, barring any  
21 objection.

22 Ms. Schmid, I assume there's no  
23 objection.

24 MS. SCHMID: No objection.

25 BY THE HEARING OFFICER:

1 Q. Okay. Mr. Jensen, can you--okay. So,  
2 is it at the very bottom of the first page?

3 A. Yes. Just "Check Our Website for  
4 Development Fees [and] Tariff Proposal."

5 Q. Thank you, Mr. Jensen. Is there  
6 anything further that you wish to add?

7 A. Nothing.

8 THE HEARING OFFICER: Ms. Schmid?

9 MS. SCHMID: Thank you. The Division  
10 would like to call Mark Long as its witness. Could  
11 he please be sworn?

12 THE HEARING OFFICER: Yes.

13 Good morning, Mr. Long. Do you swear  
14 that the testimony you're about to give is the  
15 truth?

16 MR. LONG: Yes.

17 THE HEARING OFFICER: Thank you, sir.

18 MARK LONG, being first duly sworn, was  
19 examined and testified as follows:

20 EXAMINATION

21 BY-MS.SCHMID:

22 Q. Mr. Long, this is a continuation of a  
23 docket which was filed in 2011 or 2012 by WaterPro  
24 seeking an increase in rates. Is that right?

25 A. That's correct.

1 Q. Have you participated on behalf of the  
2 Division in this docket?

3 A. Yes.

4 Q. And did you prepare and file the  
5 previously referenced January 27, 2015,  
6 memorandum--

7 A. Yes.

8 Q. --to the Commission?

9 A. Yes.

10 Q. Do you have any changes or corrections  
11 that you need to make to that memorandum before I  
12 ask that administrative notice be taken of it?

13 A. Yes, I do.

14 Q. Could you please walk us through those?

15 A. Okay.

16 On Exhibit 5 of the memo that you're  
17 speaking of, I made a couple typos on that for the  
18 corrections. And those are the first two lines.  
19 "Per visit" should not be underlined any longer. I  
20 also have some other comments about that, as well,  
21 but to get the corrections done first. And, then,  
22 on the engineering plan review fee, it should read  
23 "\$650 plus 50 cents per foot over." And it  
24 shouldn't say "500 feet of pipe"--"\$500 feet of  
25 pipe." It should say "500," so the dollar sign



1 should be removed.

2 Q. So, with the correction of those  
3 typographical errors, does the January 27, 2015,  
4 memorandum represent the Division's position?

5 A. Yes, it does.

6 Q. With that, the Division would request  
7 the Commission take administrative notice of the  
8 January 27 memorandum as corrected here today.

9 THE HEARING OFFICER: Any objection, Mr.  
10 Jensen?

11 MR. JENSEN: Nope.

12 BY MS. SCHMID:

13 Q. Mr. Long--sorry.

14 THE HEARING OFFICER: Ms. Schmid, before  
15 the Commission does so, I'm perplexed as to this  
16 filing inasmuch as the January 12 filing is the  
17 filing that gave rise to the notice of this  
18 hearing. So, while the Commission does take notice  
19 of it--and Mr. Jensen's testimony has already  
20 clarified that what's in the Commission's notice is  
21 what he's seeking, I'm not so sure that what the  
22 Division has filed is necessary; and secondly,  
23 whether it could even be fairly considered, given  
24 that notice has been given based on what Mr. Jensen  
25 filed. And this is really an after-the-fact

1 filing.

2 MS. SCHMID: You anticipated my next  
3 question to Mr. Long, but I will answer very  
4 briefly. From a legal point of view, every  
5 company-regulated public utility is required to  
6 have a complete tariff on file with the Commission.  
7 That also was part of the stipulation in--that the  
8 Commission previously approved. And as such, I  
9 believe that this was related to that requirement.  
10 But Mr. Long is more qualified than I. And if I  
11 can pitch that question to him, I would like to do  
12 so.

13 THE HEARING OFFICER: Okay. Certainly  
14 do, but I guess what my concern is, is that the  
15 exhibits that are attached are exhibits that either  
16 reflect or modify in some way what Mr. Jensen had  
17 filed on January 12 and what he has already  
18 testified is accurate and is what he is seeking.  
19 So, my question isn't about what he filed on  
20 February 2, but has to do with the notice to the  
21 public, to the customers about what this proceeding  
22 is about.

23 MS. SCHMID: May we go off the record  
24 for a moment?

25 THE HEARING OFFICER: Absolutely.

1 (A discussion was held off the record.)

2 MS. SCHMID: If we could go back on the  
3 record.

4 THE HEARING OFFICER: Yes.

5 MS. SCHMID: I'm sorry. That's your--

6 THE HEARING OFFICER: Yes. We're back  
7 on the record.

8 MS. SCHMID: During the period in which  
9 we were off the record, we discussed a couple of  
10 things. And I understand the Commission's concerns  
11 about notice. And I believe that Mr. Long can  
12 address those.

13 THE HEARING OFFICER: Please.

14 THE WITNESS: Just to give you some  
15 background, the reason I prepared this memo is--  
16 pursuant to an action request issued by the  
17 Commission on January 6 and in the meantime of  
18 waiting for the information to filter in, that's  
19 when on January 12 WaterPro filed a--I believe  
20 their tariff, which contained some of the errors  
21 that I was addressing in this memo. And I realize  
22 it was after they gave notice, but I just wanted to  
23 let the Commission know that these are some of the  
24 issues that I found.

25 In their tariff that they filed, they

1 added the "per visit" on the first two lines. That  
2 wasn't initiated by the Division. It was initiated  
3 by WaterPro. I just went with it, assuming that  
4 they wanted to clarify that. If their initial  
5 notification to the customers didn't include that  
6 and WaterPro wants to remove it, the Division has  
7 no problem with that at all. It was, you know,  
8 initiated by WaterPro in the first place.

9 THE HEARING OFFICER: If I may  
10 interject, Mr. Jensen, I think--or excuse me--Mr.  
11 Long, I think what Mr. Jensen was saying is that he  
12 felt like adding it would provide clarification so  
13 that the developers would know that when that  
14 service was required, that they would be charged  
15 based on a per-visit--

16 THE WITNESS: Okay. And I thought in  
17 his testimony that he thought that the Division  
18 wanted him to add it to add clarification, which we  
19 didn't.

20 THE HEARING OFFICER: Okay. I see what  
21 you're saying.

22 MR. LONG: And so--if he wishes to  
23 remove that so that the notification is accurate  
24 according--for those two things, the Division would  
25 have no objection with that.

1 THE HEARING OFFICER: And I'm sorry, Ms.  
2 Schmid. Did you wish to say something?

3 MS. SCHMID: Yes.

4 BY MS. SCHMID:

5 Q. Earlier in your testimony, Mr. Long, you  
6 mentioned a transposition. Could you explain the  
7 transposition to which you were referring?

8 A. Yes. In the letter from Epic  
9 Engineering to WaterPro that was submitted to the  
10 Division, it appears as though on the very bottom  
11 of page .1 of Exhibit 3 of my original--of my memo  
12 dated January 27, it has general engineering fee,  
13 \$580. On the tariff replacement page for page .6  
14 submitted by WaterPro, they had engineering plan  
15 review fee for \$580. And, so, what I was  
16 attempting to do in--on Exhibit 5 is to put the  
17 correct engineering term-- engineering fee terms to  
18 the correct amounts. The amounts stayed the same.  
19 I was just attempting to change the terms--the  
20 terminology.

21 And in doing so, I noticed that  
22 engineering plan review fee read slightly different  
23 than what the letter read, so I changed it to what  
24 the letter actually read, although what WaterPro  
25 had initially was fine, as well.

1           So, if the terminology can be left--or  
2           the definition can be left at \$650 for the first 50  
3           [sic] feet and 50 cents per foot for everything  
4           over 500 feet, the Division would have no objection  
5           with having that description, but as long as that's  
6           referred to as engineering fee and engineering plan  
7           review is the \$580.

8           EXAMINATION

9           BY-THE HEARING OFFICER:

10          Q.     Okay. Mr. Long, do you have a copy of  
11          the Commission's January 12, 2010, notice of  
12          amended tariff filing before you?

13          A.     Not before me.

14          THE HEARING OFFICER: Ms. Schmid, do you  
15          have a copy?

16          MS. SCHMID: Yes.

17          THE HEARING OFFICER: Okay.

18          BY THE HEARING OFFICER:

19          Q.     So, Mr. Long, just to better understand  
20          the changes that you're noting--and because this  
21          was the notice that established the basis for this  
22          hearing and established the basis for Mr. Jensen  
23          giving notice to his customers, not only of the  
24          changes but also of the hearing that is being held  
25          now and the public witness hearing that will be

1 held a little later this morning--

2 A. Okay.

3 Q. --why don't you, just so I--I think it  
4 would be easier for you to identify exactly what  
5 part of this needs to be changed. I think--if I'm  
6 understanding you correctly, the things on the  
7 right-hand column are correct inasmuch as the  
8 amounts and the explanations are concerned, but I  
9 think there's a reference to the engineering fee  
10 and the plan review fee that might need to be  
11 switched.

12 A. Yes. That's correct. If you were to  
13 switch those two--

14 Q. Okay.

15 A. --engineering terms, then the amounts  
16 stay the same and . . .

17 Q. Okay. And while we're doing so, just  
18 for clarification here, it looks to me like what  
19 you were suggesting is that the engineering plan  
20 review be referred to as plan review fee. Is that  
21 correct?

22 A. Yes.

23 Q. Whereas, in the notice, it just says  
24 "plan review"?

25 A. Find my . . .

1 Q. And--

2 A. Yes.

3 Q. --the engineering fee is referred to in  
4 the letter as a general engineering fee. Is that  
5 necessary to make that--

6 A. Yeah. I noticed that in the letter. I  
7 didn't know that it--it would matter rather than  
8 trying to change the terms too much.

9 Q. Okay. So, are you satisfied, then, with  
10 the reference to engineering fee?

11 A. Yes.

12 Q. Okay. So, if I'm understanding you  
13 correctly, the engineering plan review fee should  
14 be the 650 for the first 500 feet and then 50  
15 cents per foot for everything over 500 feet.

16 A. That's correct.

17 Q. And the engineering fee would be changed  
18 from \$515 to \$580.

19 A. That's correct. I also have one other  
20 clarification, now that I have this amended tariff  
21 filing in front of me. It appears as though he  
22 did put "per visit" on that. So, if "per visit"  
23 wishes to remain on here, the Division has no  
24 problem with that, either. Earlier I said we  
25 should take those out, but . . .



1 Q. I see. Are you referring to his filing  
2 on February 2?

3 A. Or January 12.

4 Q. Oh, okay. Okay.

5 A. Yeah.

6 Q. Okay. So, do you happen to have a copy  
7 of what Mr. Jensen filed on February 2?

8 A. Yes, I do.

9 Q. Okay. I'm looking at page .6, which is  
10 the page that Mr. Jensen testified has been amended  
11 as a result of the changes that he's seeking. But  
12 in considering what you have just identified, as  
13 far as the discrepancies, I think that there would  
14 be discrepancies in this document, as well. Is that  
15 your understanding?

16 A. Yes.

17 Q. Okay. And the discrepancies would be  
18 those discrepancies that we previously identified  
19 as the engineering fee--

20 A. Well, no. I believe he made the  
21 changes--he put the engineering fee to the  
22 correct--

23 Q. Okay.

24 A. --amount. The only difference would be  
25 is instead of the \$650 plus 50 cents per foot over

1 the 500 feet, it should read \$650 for the first 500  
2 feet, 50 cents per foot for everything over 500  
3 feet.

4 Q. Okay.

5 A. And once that change was made on this  
6 page, then I believe it's pretty indicative of the  
7 notice that was sent to the customers, other than  
8 transposing the two engineering fee terms.

9 Q. But isn't the idea behind the notice  
10 that you--you know what the fee is and what the fee  
11 will be charged such that while Mr. Jensen was  
12 attempting to address those issues, they are  
13 communicated incorrectly?

14 A. Mr. Jensen could probably respond to  
15 this, but I believe that each of those fees would  
16 be paid by every developer. And instead of calling  
17 it engineering fee, it's called the engineering  
18 plan review fee, but each of the fees would be  
19 paid, is my understanding. So, the amounts are  
20 going to be accurate, just the terms for those  
21 amounts are--were transposed.

22 Q. Right. However, he also asserts that  
23 this is going to be in their current tariff. And  
24 as the current tariff reads that he has submitted,  
25 there's not a match. So, my concern is how the

1 Division feels about there being fair and adequate  
2 notice to the customer given these discrepancies.

3 MS. SCHMID: May we go off the record  
4 for one more moment?

5 THE HEARING OFFICER: Yes, Ms. Schmid.  
6 And if you would like me to leave--

7 MS. SCHMID: That would be great.

8 THE HEARING OFFICER: Do you want to  
9 call me--would you like to just let the front  
10 office know when you're ready?

11 MS. SCHMID: Yes. Thank you.

12 (Recess taken, 11:03-11:12 a.m.)

13 THE HEARING OFFICER: We're back on the  
14 record.

15 MS. SCHMID: During the recess, the  
16 Company and the Division talked. And in light of  
17 the concerns expressed at today's hearing, we have  
18 a proposal. That proposal would be that we have  
19 the 12:00 public witness hearing as it has been  
20 noticed, but that the Company refiles page .6 of its  
21 proposed tariff, provides notice of that--the  
22 contents--provides the developers a copy of that  
23 refiled sheet in a letter, as was done to the  
24 developers earlier; provides notice on WaterPro's  
25 website that page .6 has been changed and lists the

1 changes; and additionally, includes in the  
2 newsletter, which is sent with the customer's bill  
3 at the end of February, a mention of these proposed  
4 changes. That way, everyone will have notice of  
5 exactly the words and things that are being used.  
6 And then, after that, we set another hearing and  
7 another opportunity for public witness day.

8 THE HEARING OFFICER: Mr. Jensen, do you  
9 have any comment? Is that mutually acceptable?

10 MR. JENSEN: It's mutually acceptable.

11 THE HEARING OFFICER: Ms. Schmid,  
12 inasmuch as I followed what you said, I'm wondering  
13 whether proceeding further in this matter is even  
14 necessary under the circumstances.

15 MS. SCHMID: My only concern is that a  
16 notice was given of a public witness hearing and  
17 that at this point, it would be good, I think, to  
18 offer any public that appears at the 12:00 an  
19 opportunity to speak, but I can inform them that we  
20 are making some changes, because if they're going  
21 to drive all the way here and speak, they may be  
22 disappointed if they are not given that  
23 opportunity.

24 THE HEARING OFFICER: We'll be off the  
25 record.

1 (Recess taken, 11:15-11:27 a.m.)

2 THE HEARING OFFICER: Thank you. We're  
3 back on the record.

4 As a first matter, we will proceed with  
5 the public witness hearing today at noon. And with  
6 respect to the issue of the pending amended tariff,  
7 the Commission accepts the proposal that has been  
8 made with the following emphasis: That the notice  
9 that is issued to any affected customers include  
10 any and all changes that are being proposed as a  
11 result of the amended tariff filing that will be  
12 filed by the Company; and that the nomenclature  
13 that we refer to and the appropriate fees match.

14 Once we receive that filing, we will, as  
15 we have done previously, issue a notice of hearing,  
16 which will involve a public witness hearing, as  
17 well, and an opportunity for WaterPro, the  
18 Division, and any other interested party to  
19 participate.

20 With respect to the notice that is  
21 provided, if the Company also wants to issue in  
22 their newsletter, I think more clear language that  
23 a pending tariff proposal rather than check our  
24 website for development fees might be more  
25 instructive for customers. And, Ms. Schmid, have I

1 covered the basis--the general basis that  
2 you--mention?

3 MS. SCHMID: Yes. May I just repeat  
4 what--

5 THE HEARING OFFICER: Yes.

6 MS. SCHMID: --I understand?

7 THE HEARING OFFICER: Yes.

8 MS. SCHMID: So, the public witness  
9 hearing will be held today at 12:00. The Company  
10 will refile, as discussed today, a proposed tariff  
11 sheet No. 6 with the Commission. The Commission  
12 will issue a notice of hearing, which will include  
13 a public witness hearing. And, then, I'm a little  
14 confused. Is it after the Commission--it must be  
15 after the Commission has issued its notice that the  
16 Company would give notice by letter to the  
17 developers as it had, including, perhaps, a  
18 redlined markup of the changes on the tariff sheet,  
19 and then provide more instruction and more details  
20 on its website and then provide perhaps that same  
21 sort of redlined version in its bill stuffer. Is  
22 that correct? And that would also give notice of  
23 the hearing date to the developers and the  
24 customers.

25 THE HEARING OFFICER: Under the

1 circumstances, I think the Company could do that in  
2 advance of its filing--

3 MS. SCHMID: Okay.

4 THE HEARING OFFICER: --and file that  
5 along with its filing.

6 MS. SCHMID: Okay.

7 THE HEARING OFFICER: Or if it chooses  
8 not to do so, the Commission will order it to do  
9 so, as we have done previously.

10 MS. SCHMID: Okay. And, then, I think  
11 that--

12 THE HEARING OFFICER: It might  
13 facilitate--if I may, it might facilitate what the  
14 Company is trying to accomplish rather than waiting  
15 and having them file and then give notice, assuming  
16 that I think we have our signals straight now as  
17 far as what needs to be included and what the  
18 different references and dollar figures are.

19 MS. SCHMID: The Company's opportunity  
20 to put the information in the newsletter is  
21 confined by the bill date, so that wouldn't go out  
22 until the end of the month to the customers. Would  
23 that be required or would notice on the website be  
24 sufficient, as well as a letter to the developers?

25 THE HEARING OFFICER: I think notice to

1 any affected customers is what the Commission is  
2 aiming for. So, I think that if they were--was the  
3 prior notice given by U.S. Mail?

4 MR. JENSEN: Uh-huh (affirmative).

5 MS. SCHMID: To the developers in a  
6 letter and then the customers received the  
7 newsletter by U.S. Mail as part of their bill.

8 MR. JENSEN: That is correct.

9 MS. SCHMID: Is that correct?

10 THE HEARING OFFICER: I think that  
11 really is a question for the Company. If the  
12 Company wants to wait until the end of the month or  
13 possibly the beginning of March to make its filing,  
14 it could do so. But to the extent that customers  
15 are potentially affected by this, I think it's  
16 important that they be included in the notice. So,  
17 it sounds to me like the most efficient way to do  
18 that would be through the newsletter.

19 MR. JENSEN: Cost-effective, yes.

20 MS. SCHMID: Thank you.

21 THE HEARING OFFICER: Sure.

22 Mr. Jensen, I know you're pro se. And  
23 that can be challenging when dealing with various  
24 issues of--that overlap into the legal arena. Are  
25 you clear on what needs to happen here?



1 MR. JENSEN: Yep, 100 percent.

2 MS. SCHMID: And if I may, do you  
3 consult with counsel on these matters?

4 MR. JENSEN: Yeah. Every item is  
5 consulted with counsel prior to. We just--as a--  
6 the reason we do not bring counsel--as a cost  
7 effective way to our customers, because the more  
8 that we pay outside counsel, more will have to be  
9 charged to customers of Draper. And we do  
10 everything our best to keep our rates and fees  
11 down. And the way to do that is minimize expenses.  
12 But we do talk to them and always go off of their  
13 counsel if they feel they need to be here or not.

14 THE HEARING OFFICER: Okay. So, if  
15 it's okay--and, Mr. Jensen, I'm doing this for your  
16 benefit. I realize that we had a number of  
17 conversations recently, and I want to try to be as  
18 helpful as possible to you, realizing that you are  
19 attempting this pro se and that you may have  
20 counsel who reviews it, but if you look at what the  
21 Commission issued on January 12, 2015--

22 MR. JENSEN: Uh-huh (affirmative).

23 THE HEARING OFFICER: --that document,  
24 at the very--at about mid-page says, "Notice of  
25 Amended Tariff Filing."

1 MR. JENSEN: Uh-huh (affirmative).

2 THE HEARING OFFICER: So, what I  
3 anticipate your notice looking like is what's  
4 stated there, including the-- what we'll call the  
5 redlining, although the red is not there, along  
6 with the changes that we discussed during the  
7 testimony of Mr. Long that--and if you want me to  
8 go through it line by line, I'm happy to do it.

9 MR. JENSEN: Sure.

10 THE HEARING OFFICER: Would that be  
11 helpful?

12 MR. JENSEN: Yep.

13 MS. SCHMID: Can I just ask one?

14 THE HEARING OFFICER: Yeah.

15 MS. SCHMID: Would the redline copy be  
16 prepared off of the 2005 approved tariff? Because  
17 I think that was the last approved tariff. Is that  
18 right?

19 MR. LONG: Yes.

20 MR. JENSEN: So, are we--

21 THE HEARING OFFICER: Yes.

22 MR. JENSEN: My question would be, are  
23 we making corrections off of 2005--

24 MS. SCHMID: Yeah.

25 MR. JENSEN: --or are we making

1 corrections of this?

2 THE HEARING OFFICER: No. You're making  
3 corrections off of the 2005 approved tariff. And--

4 MR. JENSEN: Okay.

5 THE HEARING OFFICER: And so, according  
6 to my information, that was approved in 2005 and  
7 the pertinent provisions are the provisions that  
8 you have here that--excuse me--that wasn't very  
9 helpful--that are listed in the amended tariff--  
10 notice of amended tariff filing, but--so, line by  
11 line just to help you as much as--

12 MR. JENSEN: Uh-huh (affirmative).

13 THE HEARING OFFICER: --possible. So,  
14 you're requesting presumably--and if this is not  
15 the case, you can take that into consideration, but  
16 you're requesting a change to the hot tap, so  
17 you'll list the hot tap and the \$50 fee. And next  
18 to it, it will say "per visit." And "per visit"  
19 will be underlined, indicating that that is new  
20 language.

21 MR. JENSEN: Like it is here.

22 THE HEARING OFFICER: Correct.

23 MR. JENSEN: Uh-huh (affirmative).

24 THE HEARING OFFICER: And fire lines--  
25 if--inasmuch as you have testified earlier today

1 that that is an inspection, might not hurt to call  
2 it a hot tap inspection. I think it gives meaning--

3 MR. JENSEN: And if I type in  
4 "inspection," it has to be underlined.

5 THE HEARING OFFICER: Yes. And I think  
6 that--given what you said earlier today, I think  
7 that would help give meaning to what the fee is and  
8 help your customers understand it better.

9 Okay. So, same with the fire lines.  
10 Inasmuch as that is an inspection, the word  
11 "inspection" would be underlined if you so choose.

12 MR. JENSEN: Uh-huh (affirmative).

13 THE HEARING OFFICER: And "\$50" and the  
14 "per visit" would be underlined. Okay.

15 MR. JENSEN: Uh-huh (affirmative).

16 THE HEARING OFFICER: There's no change  
17 to the pressure test, so that would just be listed  
18 as it is, pressure test, \$100 per test.

19 MR. JENSEN: Does that even need to be  
20 included in this? I mean, I realize it's listed  
21 the way it is on our tariff, but why put--why do  
22 we have to put that on here for something that  
23 we're not even making a change to?

24 THE HEARING OFFICER: Well, I think--it  
25 depends on how you go about it. If you're

1 requesting to change a particular portion of your  
2 tariff inasmuch as you were referring to a page--

3 MR. JENSEN: Uh-huh (affirmative).

4 THE HEARING OFFICER: --and actually,  
5 this page includes a whole lot more than--

6 MR. JENSEN: Sure.

7 THE HEARING OFFICER: --than just those  
8 things. If you just want to include those things  
9 that you are changing, that is not a problem.

10 MR. JENSEN: Okay. Thank you.

11 THE HEARING OFFICER: Does the Division  
12 have a differing opinion about that?

13 MS. SCHMID: In my experience with  
14 tariffs, it has been easiest to swap out an entire  
15 sheet.

16 THE HEARING OFFICER: Okay. Then--Mr.  
17 Jensen, you may wish--and perhaps you may--you may  
18 wish to do this with the assistance of counsel or  
19 with the assistance of the Division and/or the  
20 assistance of our office and obtain a copy of what  
21 I believe is page .5 of the November 2005 tariff.

22 MR. JENSEN: Correct.

23 THE HEARING OFFICER: And this document  
24 has many more fees and--

25 MS. SCHMID: What I was thinking of,

1 Your Honor--

2 THE HEARING OFFICER: Yes.

3 MS. SCHMID: --was not swapping out page  
4 .5, but swapping out page .6. And that just has the  
5 hot tap through meter flow test fee. So, swapping  
6 out page .6.

7 THE HEARING OFFICER: You must be  
8 looking at a different document, because what I  
9 have is a copy of a letter that was sent to  
10 counsel for WaterPro approving the tariff. And,  
11 then, I have a copy of the approved tariff.

12 MS. SCHMID: We will make sure that  
13 changes are made off the properly approved tariff.  
14 I may not have the exact sheet in front of me,  
15 apparently.

16 THE HEARING OFFICER: In any event, why  
17 don't I continue, assuming that we're talking about  
18 changes rather than things that are remaining the  
19 same.

20 MR. JENSEN: Okay.

21 THE HEARING OFFICER: Okay. So,  
22 skipping the commercial property fire flow impact  
23 fee and moving down to the engineering plan review  
24 and service availability letter, that will be  
25 revised to engineering plan review fee. And, then,

1 the remaining words in that fee explanation will be  
2 omitted. So, they will be--it'll be noted--as we  
3 said, it'll be redlined as a redaction, but it  
4 doesn't actually show up in red.

5 MS. SCHMID: Legislative format,  
6 strikeout and underline.

7 MR. JENSEN: Uh-huh (affirmative).

8 THE HEARING OFFICER: Thank you,  
9 Patricia.

10 MS. SCHMID: Sorry.

11 THE HEARING OFFICER: And the fee which  
12 is currently 515 will be stricken. A line will be  
13 drawn through it. And the reference--the corrected  
14 reference to \$650 for the first 500 feet, period,  
15 50 cents per foot for everything over 500 feet will  
16 be added.

17 MR. JENSEN: (Moves head up and down.)

18 THE HEARING OFFICER: And, then, the  
19 engineering fee, the language that you have  
20 referred to as a typo will be stricken and the  
21 correct fee of \$580 will be inserted.

22 MR. JENSEN: Yep.

23 THE HEARING OFFICER: And I believe that  
24 is all, sir. Is there any--I don't believe there's  
25 anything else that you were wishing to change or

1 amend.

2 MS. SCHMID: I'll just note that earlier  
3 in this rate case different rates and charges were  
4 approved. And, then, I'm also a little unclear--  
5 and, so, those would be reflected in the complete  
6 tariff that WaterPro files and notice has been  
7 given of those rate changes in the past.

8 THE HEARING OFFICER: I think that those  
9 rates were just being incorrectly applied by the  
10 company--

11 MS. SCHMID: Okay.

12 THE HEARING OFFICER: --so that wasn't  
13 an issue of the tariff. That was an issue of the  
14 Company applying the tariff.

15 MS. SCHMID: And, then, we had the 4  
16 percent rate increase. Is that correct?

17 THE HEARING OFFICER: That was--

18 MR. JENSEN: That was a while ago.

19 MS. SCHMID: A while ago.

20 THE HEARING OFFICER: That was part of  
21 the prior--

22 MS. SCHMID: Okay.

23 MR. JENSEN: I thought all of that--

24 THE HEARING OFFICER: --tariff.

25 MR. JENSEN: --was resolved. Really all



1 we're working on--

2 MS. SCHMID: I'm trying to catch myself  
3 up. Thank you for the clarification.

4 THE HEARING OFFICER: I believe the  
5 stipulation order makes very clear that the only  
6 remaining issue is this issue and that the tariff  
7 had been suspended pending further hearing and  
8 ruling. Okay.

9 MS. SCHMID: Thank you.

10 THE HEARING OFFICER: So, Mr. Jensen,  
11 has that been helpful to you?

12 MR. JENSEN: Uh-huh (affirmative).

13 THE HEARING OFFICER: Okay. All right.  
14 Very well. Well, are there any questions? I think  
15 we can be off the record until we reconvene at noon  
16 and see if anyone shows up.

17 MR. JENSEN: Uh-huh (affirmative).

18 THE HEARING OFFICER: Okay. Thank you.  
19 We'll be adjourned for this hearing. And we'll  
20 reconvene at 12:00 for the public witness portion.  
21 Thank you very much for your time this morning.

22 (Proceedings adjourned at 11:46 a.m.)

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CERTIFICATE

This is to certify that the foregoing proceedings were taken before me, SCOTT M. KNIGHT, a Registered Professional Reporter and Notary Public in and for the State of Utah, residing at South Jordan, Utah;

That the proceedings were reported by me in stenotype and thereafter caused by me to be transcribed into typewriting, and that a full, true, and correct transcription of said proceedings so taken and transcribed is set forth in the foregoing pages, inclusive.

I further certify that I am not of kin or otherwise associated with any of the parties to said cause of action, and that I am not interested in the event thereof.

*Scott M. Knight*



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