Justin Atwater jatwater@tc-fc.com Community Water Company LLC c/o TCFC Finance Co. LLC 1840 Sun Peak Drive P.O. Box 68003 Park City, Utah 84068 Telephone: (435) 200-8400 Facsimile: (435) 200-8454

BEFORE THE PUBLIC SERVICE COMMISION OF UTAH

In the Matter of the Application of Community Water Company for Approval of General Rate Increase and Special Charge for Major Plant Upgrade/Repair.

COMMUNITY WATER COMPANY'S MOTION TO STRIKE PORTIONS OF DIRECT TESTIMONY OF FRANCIS AMENDOLA AND LEANNE MILLER, AND PORTIONS OF ALTERNATE PROPOSAL OF E. SCOTT SAVAGE

Docket No. 17-098-01

Pursuant to Rule R746-1-301, Utah Code Ann. 63G-4-206 (1)(b) and Utah Rules of Civil Procedure 12(f), Community Water Company LLC (the "Company") hereby moves the Utah Public Service Commission (the "Commission") to strike certain paragraphs of Direct Testimony of Francis Amendola, Leanne Miller and Portions of Alternate Proposal of E. Scott Savage. These provisions are immaterial, impertinent, repetitive and/or scandalous and are not reasonably calculated to advance the Commission's review and consideration of the Company's application.

Under Rule 12(f) of the Utah Rules of Civil Procedure, the Commission "may order stricken from any pleading any insufficient defense or any redundant, immaterial, impertinent, or scandalous matter." Pursuant to Utah Code Ann. 63G-4-206 (1)(b) the Commission "may

exclude evidence that is irrelevant, immaterial, or unduly repetitious." The following paragraphs are irrelevant, immaterial, impertinent and/or repetitious and in no way advance the Commission's review of the Company's application.

Paragraphs 4 through 14, 17, and 19 and all exhibits referenced in the foregoing sections of Direct Testimony of Intervenor Francis Amendola.

Paragraphs 2 and 5 of Direct Testimony of Intervenor Leanne Miller.

Paragraphs 5 through 12, 14, 16 through 25 and 28 through 30 and all exhibits referenced in the foregoing sections of Alternative Proposal Regarding Request for Interim Rates and Interim One-Time Charge from Intervenor E. Scott Savage.

In addition to moving the Commission to strike the foregoing, the Company objects to the foregoing paragraphs on the same grounds previously stated and on the additional grounds that the foregoing are provided for an improper motive not reasonably calculated to accomplish a legitimate purpose and are riddled with statements, assumptions and opinions that are blatantly contrary to the record.

The Company is genuinely concerned, based on the foregoing paragraphs, and other fallacies and statements made by the same individual(s) during the scheduling conference in this matter; this matter will be hijacked and sidetracked with intervenor unfounded opinions and unsupported assumptions about the Company, its business decisions and efforts to advance the public interest. Certain intervenors seem to ignore that "directors of a public utility owe no fiduciary duty to its customers or ratepayers". <u>See</u> 64 Am. Jur. 2d Public Utilities § 13 (citations omitted). Rather, "public utilities have a general duty to exercise reasonable care in the

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management of their personal and real property". Id.

This is not the forum to adjudicate the reasonableness of the Company's business decisions. It is well established; "the primary duty of a public utility is to give reasonable and adequate service at reasonable rates and without delay", but that is not "tantamount to infallible service". Id. The Company has gone out of its way in all respects to provide for the public interest and is ready and willing to justify the same if and when the appropriate forum and opportunity presents itself. For now, the Company requests the focus remain on establishing a rate reasonably sufficient to assure adequate and continuous service to the public and assure confidence in financial soundness of the Company.

The Company's application is unique to any application before the Commission. This is not a typical large utility attempting to justify an increase. Rather, the Company, small by all measures, comes before the Commission pleading for a lifeline to, for the first time, bring its water system up to a functional and safe standard so that it may adequately provide safe and adequate water supply and protect the financial viability of the Company. The measures taken by the Company to accomplish the same have been extreme, as evidenced by the record, even in the face of operating at a significant loss.

The requested strike paragraphs attempt to disguise the realities of the Company's system and are fatal to the customers' own interests. This must stop. Without a focused and swift process, avoiding undue delay, neither the Company nor the Commission can assure adequate and continuous service to the public.

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For the reasons set forth herein, the Company requests the Commission strike the paragraphs mentioned herein.

DATED this 19th day of October 2017.

COMMUNITY WATER COMPANY, LLC

By: <u>/s/ Justin Atwater</u> Justin J. Atwater

Attorney for Community Water Company, LLC