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UTAH DEPARTMENT OF COMMERCE

Division of Public Utilities

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April 20, 2022

Yvonne R. Hogle, Presiding Officer,
Public Service Commission of Utah
160 East Broadway, 4th Floor,
Salt Lake City, UT 84111

Re: UT Docket No. 22-2438-01, Public Service Commission of Utah's (PSC) 1st Set of Information Requests to the Division of Public Utilities.

Please find enclosed the Utah Division of Public Utilities' responses to the PSCs 1st Set of Information Requests (1-3).

If you have any questions, please contact Madison Galt at the Utah Division of Public Utilities.

Regards,

Madison Galt
Legal Assistant
mgalt@utah.gov
Enclosure
cc: Service List

PSC Information Request 1.1

In the 2009 general rate case request filed by PWWC in Docket No. 09-2438-01, DPU listed the Snowberry Inn among PWWC's 58 customers in its June 30, 2009, comments ("DPU comments") and specifically referenced Snowberry Inn as a customer in its workpapers, attached as Exhibit A to the DPU comments. Who provided to DPU the list of customers used in the "Usage Model" tab of Exhibit A?

Response to PSC Information Request 1.1

PWWC provided the list of the names and usage amounts included in the "Usage Model" tab of Exhibit A.

In the second set of data requests in Docket No. 09-2438-01 from the DPU to PWWC on May 4, 2009, DPU asked in the final question, 2.5,

A detailed list showing all connections to include name, address, lot number, pipe size, number of secondary shares and water usage during 2008. Comment: DPU is unable to determine a precise connection count as well as other specifics related to Pineview's customer/connections base.

On or about May 14, 2009, PWWC responded to this data request, providing the requested information in the form of the meter readings from 10/05/2007 to 10/30/2008. Additionally, PWWC provided an Excel spreadsheet detailing the customer base. See attached Exhibits 1.1(A)¹ and 1.1(B), respectively.

¹ Snowberry Inn listed at bottom of page 1.

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PSC Information Request 1.2

PSC Information Request 1.2

Did DPU use the Snowberry Inn as a PWWC customer in its calculations to support its recommendations? If so, please explain the rate implications of these calculations.

Response to PSC Information Request 1.2

Yes, the DPU included Snowberry Inn as one of the PWWC customer in its calculations to support the DPU's recommendations. The DPU used this rate model to calculate rates with one less customer connection and determined that the minimum monthly base rate recommendation would have been \$56 for 60 customers instead of the \$55 for 61 customers. The increase in rates is slight due to rounding and a reduction in excess earnings. Please note, the number of customers used in this rate model were based on the projected number of connections as illustrated the Exhibit A referenced in PSC Information Request 1.1 in tab "1.3 Grth Proj." The current 58 customers were the basis for calculating the 61 customers used in this rate model.

PSC Information Request 1.3

In the 2019 general rate case request filed by PWWC in Docket No. 19-2438-01, did DPU use the Snowberry Inn as a PWWC customer in its calculations? (Please see the “Raw Data” tab of Confidential PWWC Exhibit 7, “Graphs 20 04 10 Q1 Culinary April”, filed April 24, 2020, and Exhibits 2.1-2.11 to the direct testimony of Mark Long, filed October 16, 2020.) If so, please explain the rate implications of these calculations.

Response to PSC Information Request 1.3

Yes, the DPU used Snowberry Inn as a PWWC customer in its calculations.

The PSC specifically references the “Raw Data” tab of Confidential PWWC Exhibit 7, “Graphs 20 04 10 Q1 Culinary April”, filed April 24, 2020, as provided by PWWC in its application for a rate increase. Since approximately 2013, the DPU’s rate model no longer uses past or projected usage amounts in its rate models in calculating revenue as part of the base rates or usage rates. The DPU notes that Snowberry Inn was included in the list of customers provided by PWWC.

The PSC also explicitly references “Exhibits 2.1-2.11 to the direct testimony of Mark Long, filed October 16, 2020.” The DPU ran the rate model used in this case and determined that due to the rounding conventions (Rounding up to the nearest whole dollar), the monthly base amount of \$70 would have been unchanged by reducing the number of customers by one. This is by design so that if one customer leaves a system, a small system like PWWC can still cover its fixed expenses. With the loss of one customer, the Projected Annual Amount Over Earned in DPU’s Exhibit 2.5 changes from \$1,288.11 to \$448.11 for a difference of \$840. Incidentally, the \$840 is the amount of the base rate of \$70 times 12 months ($70 \times 12 = 840$).