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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

- SUSAN BITTER SMITH
- BOB BURNS
- BOB STUMP
- DOUG LITTLE
- TOM FORESE

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AZ CORP COMMISSION  
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IN THE MATTER OF THE APPLICATION OF UTILITY SOURCE, LLC, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS CHARGES FOR UTILITY SERVICE BASED THEREON.

DOCKET NO. WS-04235A-13-0331

**NIELSEN RESPONSE TO UTILITY SOURCE FEBRUARY 4, 2015 RESPONSE**

Utility Source's Feb. 4<sup>th</sup> Response to Nielsen's Motion to Compel correctly indicates that Utility Source (the Company) did e-mail responses to my data requests and motion to compel on February 2<sup>nd</sup>, 2015. I appreciate the data response although it does come many months after the initial requests. While these responses were for the most part complete, the Company did not fully respond to three specific requests included in my original 3<sup>rd</sup> and 4<sup>th</sup> data requests and included in my motion to compel..

In my 3rd data request the Company incompletely responded as follows to data requests 3.7 and 3.16 (erroneously numbered by the Company as 4.7 and 4.17):

**Nielsen Data Request 4.7 Wells and Springs in Service:** The ACC Staff Engineer testimony suggests that four shallow wells were disconnected and not functioning at the time of his inspections. Please provide the **dates** that these wells were disconnected from the Utility Source water system.

**Response:** The wells were disconnected electrically approximately 8 years ago. In an emergency situation, these wells could be brought online to help meet demand.

**Nieslen Data Request 4.16 Telephone/Internet Expenses:** Please provide documentation (bills) from Verizon, Quest, AT&T and NTS to reconcile with Misc expenses (Telephone and Internet recorded for the water and wastewater division).

**Response:** These bills are paid online. The Company does not keep any invoice because it has the ability to follow the accounts electronically. The Company will seek to collect additional documentation requested.

1 In my 4th data request the company incompletely responded as follows to data request 4.3  
2 (erroneously numbered as 5.3):

3 **Nielsen Data Request 5.3 Land and Land Rights:** In the response to Nielsen's data request 2.4  
4 regarding original cost of land for water and wastewater divisions the Company responded that  
5 "The water company land cost \$210,000. The wastewater company land costs \$105,000.  
6 These costs have not changed." However, this answer did not respond to my request for  
7 data supporting this plant in service value.

8 **Response:** Objection - Relevance. These issues were resolved in previous  
9 proceedings. These values were set as a market value.

10 These requests regarding wells and land are reasonable since we learned through the ACC  
11 Staff Engineer's report that four shallow wells had been disconnected at some time in the past. It is  
12 likely that these wells and the lands they occupy are no longer considered used and useful and their  
13 respective valuation should be documented with supporting evidence in order to determine what  
14 portion of that value should be removed from rate base. The company should be able to produce  
15 documentation that established a per acre market value or original cost of these lands.

16 The request regarding expense details for phones are reasonable to determine reasonableness  
17 of these costs. The company has been in possession of this request since it was initially filed in data  
18 request 3 on October 10<sup>th</sup>, 2014. It should take no more than 10 minutes to download the monthly  
19 bills for the test year through the on-line bill pay.

20 Since the company objects to the data request 5.3 on the basis of relevance and has not fully  
21 answered the motion to compel, I would like to request a procedural conference to resolve this issue  
22 in a timely matter prior to the hearing such that these data are available for deliberation before the  
23 ACC.

24 RESPECTFULLY SUBMITTED this 7 day of February, 2015.

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**Original and thirteen (13) copies of  
the foregoing filed this 7 day of  
February, 2015, with:**

Docket Control  
Arizona Corporation Commission  
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**Copy of the foregoing mailed this  
7 day of February, 2015, to:**

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