BEFORE

THE PUBLIC UTILITIES COMMISSION

| In the Matter of the Application of Columbia |) | |
|--|---|-----------------------|
| Park Water and Sewer System for a Purchased |) | • |
| Water Adjustment to its Rates under Section |) | Case No. 09-89-WW-PWA |
| 4909.171, Revised Code. |) | |

FINDING AND ORDER

The Commission finds:

- (1) The Applicant, Columbia Park Water and Sewer System (Columbia), is a public utility and a waterworks company as defined in Sections 4905.02 and 4905.03(A)(8), Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) Section 4909.171, Revised Code, permits a waterworks company whose water supply is provided by a local government to request an increase or decrease in rates to reflect changes in the cost of water imposed by a local government without proceeding under Sections 4909.18 and 4909.19, Revised Code. The change in rate or charge must be based solely on a change in the cost to the company of the water. The statute requires that the request for a rate change be accompanied by evidence of the new rates imposed by the local government and appropriate tariff revisions, without change to the existing division of revenue responsibility.
- (3) On February 5, 2009, Columbia filed a "Submission" pursuant to Section 4909.171, Revised Code. This filing included a copy of a customer newsletter from the City of Cleveland, dated Fall 2006, which listed the cost of water to Columbia, a revised tariff incorporating a purchased water rate reflecting the current cost of water to Columbia, and a proposed customer notice. Columbia uses water supplied by the City of Cleveland to produce water service for approximately 1,001 units within a mobile home park and to tenants of an adjacent shopping center, medical building, trolley museum, and a gas station.
- (4) On February 6, 2009, Columbia filed an amended System Report for Rate Adjustment. On February 23, 2009, Columbia filed a second

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revised System Report for Rate Adjustment in addition to an amended Exhibit B, Calculation of Adjusted Purchased Water Rates, and Exhibit F, proposed Notification to Customers.

- (5) The Commission has reviewed the tariff and finds that the Applicant's proposed tariff needs modified in order to not generate revenues in excess of the cost of water purchased from the City of Cleveland pursuant to letter dated Fall 2006. The City of Cleveland rates are \$18.54 for the first thousand cubic feet (MCF) and \$39.65 for additional MCF, plus a \$7 customer charge. The Applicant receives bills for two meters. Using the usage data supplied in the application, the total consumption was reduced by eight MCF [(4 quarters x 1 MCF) x 2]. This figure was multiplied by the \$39.65 and then increased by 4 quarters times 2 meters of the first MCF charge (\$18.54 x 8). The customer charge expense [(\$7 x 4) x 2] = \$56) was added to the usage total. This result was divided by the total MCF to derive the resultant per MCF purchased water rate.
- (6) Applicant's tariff should be amended as follows:

A. QUARTERLY RATES

Customer Charge

\$ 1.57

Water

\$39.63 purchased water

\$12.43 base rate \$52.06/MCF

Sewer

\$19.05/MCF* (based on water consumption)

*Thousand Cubic Feet

- (7) Applicant's proposed customer notice was modified in the revised filing to reflect the above change in rates.
- (8) By accepting this tariff for filing, the Commission is in no way foreclosed from investigating the justness and reasonableness of the Company's rates in a future proceeding.
- (9) An increase authorized pursuant to Section 4909.171, Revised Code, is not effective until forty-five days after the date the company has provided affected customers with notification of the increase.

It is, therefore,

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ORDERED, That Applicant is authorized to file, in final form, four complete, printed copies of tariff sheets consistent with this Finding and Order. Applicant shall file one copy in its TRF docket number 89-7049-WS-TRF (or may make such filing electronically as directed in Case No. 06-900-AU-WVR), and one copy in this case docket. The remaining two copies shall be designated for distribution to the Rates and Tariffs, Energy and Water Division of the Commission's Utilities Department. It is, further,

ORDERED, That the effective date of the new tariff shall be the date upon which four complete, printed copies of the approved tariff are filed with the Commission or forty-five days after the special mailing of the customer notice, whichever is later. The new tariff shall be applicable to bills rendered on or after the effective date. It is, further,

ORDERED, That the customer notice be approved consistent with the above findings. It is, further,

ORDERED, That Applicant immediately commence mailing of the Company's customer notice to its customers by special mailing. The Applicant shall notify the Commission in writing upon completion of the mailing. It is, further,

ORDERED, That nothing in this Finding and Order shall be deemed to be binding upon this Commission in any subsequent investigation or proceeding involving the justness or reasonableness of any rate, charge, rule or regulation. It is, further,

ORDERED, That a copy of this Finding and Order be served upon all parties of record.

THE PUBLIC LATILITIES COMMISSION OF OHIO

Alan R. Schriber, Chairman

Paul A Cantolalla

Ronda Hartman Feegus

Valerie A. Lemmie

Cheryl L. Roberto

VSD:sm

Entered in the Journal

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Reneé J. Jenkins

Secretary