

## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of Aqua Ohio, Inc.,	)	Case No. 09-1844 - WW-AIR	00	`` \ <sub>\</sub> 3
for Authority to Increase its Rates	j j	0450 1101 05 <u>7077</u> 11 11 1111C		
and Charges in the Lake Erie Division	)			

## MOTION FOR APPROVAL OF WAIVERS OF VARIOUS APPLICATION FILING REQUIREMENTS

Now comes Aqua Ohio, Inc., (hereinafter "Aqua"), by and through counsel, and for the reasons set forth in the attached Memorandum in Support, respectfully requests that the Public Utilities Commission of Ohio (hereinafter "Commission"), pursuant to Ohio Revised Code Section ("R. C.") 4905.15 (C) and Ohio Administrative Code Section ("O.A.C.") §4901-7-01, Appendix A, Chapter II, §(A)(4)(c), grant a waiver of the following provisions of the standard filing requirements as set forth in O.A.C. §4901-7-01, Appendix A, Chapter II for an application for authority to increase rates, in Aqua's rate application which has been commenced by the filing of a pre-filing notification. The waivers requested are:

1	Schedule B-2.3	Gross Additions, Retirements & Transfers-Total Company
2	Schedule B-5.1	Miscellaneous Working Capital Items
3	Schedule C-9	Operation and Maintenance costs- Total Company
4	Schedule C-9.1	Payroll Analysis- Total Company
5	Schedules C-12.1 & C-12.3	Revenue Statistics-Total Company
6	Schedule D-1.1	Rate of Return Summary (Parent-Consolidated)
7	Schedule D-2.1	Embedded Cost of Short Term Debt (Parent-Consolidated)
8	Schedule D-3.1	Embedded Cost of Long Term Debt (Parent-Consolidated)
9	Schedule D-4.1	Embedded Cost of Preferred Stock (Parent-Consolidated)
10	Schedule D-4.2	Embedded Cost of Preferred Stock (Parent-Consolidated)
11	Schedule D-5.1	Comparative Financial Data (Parent-Consolidated)
12	Schedule F-I	Projected Jurisdictional Income Statement (Current Rates)
13	Schedule F-1a	Projected Jurisdictional Income Statement (Proposed Rates)

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14 Schedule F-4 Projected Statement of Changes in Financial Position (Current Rates)

15 Schedule F-4a Projected Statement of Changes in Financial Position (Proposed Rates)

Respectfully submitted,

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Attorneys for Aqua Ohio, Inc.

## MEMORANDUM IN SUPPORT

In support of the waivers requested from certain aspects of the Standard Filing Requirements, Aqua submits that it is in the process of preparing an Application for Authority to Increase Rates and Charges for its Lake Erie Division. As a result, Aqua, simultaneously with the filing of this motion, has filed a Notice of Intent to File an Application to Increase Rates and Charges in its Lake Erie Division. Consistent with its Notice of Intent to File an Application to Increase Rates and Charges in its Lake Erie Division, Aqua is in the process of compiling all information and financial data required by O.A.C. §4907-7-01, Appendix A, Chapter II, Standard Filing Requirements for Large Utilities. For the reasons set forth more fully below, Aqua seeks various waivers for some of the standard filing requirements.

Pursuant to O.A.C. §4907-7-01, Appendix A, Chapter II, §(A)(4)(c), the Commission may grant waivers to various filing requirements under Chapter II of Appendix A in filing an Application for Authority to Increases Rates and Charges. In determining whether to grant the requested waivers, the Commission must consider: (1) whether the other information provided if the waiver is granted is sufficient so that the Commission staff can effectively and efficiently review the rate application; (2) whether the information for which the waiver is sought is normally maintained by the applicant or otherwise reasonably available to it; or (3) the expense to the applicant in providing the information subject to the waiver request. Aqua respectfully requests that the Commission grant the waivers requested for the reasons set forth below.

A. The Other Information Provided In The Application Will Be Sufficient So That The Commission Staff Can Effectively And Efficiently Review The Rate Application and The Expense to Provide the Information Subject to the Waiver Request is Unreasonable.

- 1.) Schedule B-2.3 ("Gross Additions, Retirements and Transfers") requires the Applicant to provide for each plant account the balances, gross additions, retirements and transfers for the total company which occurred in the interim period from the last annual report filed with the Commission to the date certain in its application. Aqua proposes to provide information, for each plant account, the balances, gross additions, retirements and transfers for the Lake Erie Division only, that occurred in the interim period from the date certain of the last rate case to the date certain in this case, as opposed to total company information. The Lake Erie Division data should be sufficient as Aqua is only seeking a rate case for its Lake Erie Division in this application.
- 2.) Schedule B-5.1 ("Miscellaneous Working Capital Items") requires an applicant to provide the monthly inventory balances by production, transmission and distribution, and all other materials and supplies. This data is not relevant to a water utility and has not been required by the Staff in previous filings. Therefore, Aqua requests a waiver of the requirements to file this data.
- 3.) Schedule C-9 ("Operations and Maintenance Costs-Total Company") and C-9.1 (Payroll Analysis- Total Company) Aqua proposes to prepare these schedules for the Lake Erie Division only, for the reason that it is the only division which is the subject of this rate case. Data on a total company basis, to the extent that it relates to other Aqua divisions, is not relevant to this case.
- 4.) Schedule C-12.1 (Revenue Statistics) and C-12.3 (Sales Statistics) all call for the production of total company data. Aqua proposes to prepare these schedules for the Lake Erie Division only, since Lake is the only Division which is the subject of this rate application. Data on a total company basis, to the extent that it relates to other Aqua divisions, is not relevant to this rate case, but will be provided to staff through responses to data request if needed.

- 5.) Schedules D-1.1 ("Rate of Return Summary/Parent-Consolidated"), D-2.1 ("Embedded Cost of Short Term Debt/Parent-Consolidated"), D-3.1 ("Embedded Cost of Long Term Debt/Parent-Consolidated"), D-4.1 (Embedded Cost of Preferred Stock/Parent-Consolidated"), and D-5.1 (Comparative Financial Date/Parent-Consolidated) are to be prepared using parent-consolidated cost of capital data. The Staff has, in rate cases spanning a period of more than a decade, determined that the appropriate capital structure to be used in the rate of return analysis was the stand-alone capital structure of Aqua Ohio, Inc.. Staff, in its review of the rate application, historically has only required the Aqua Ohio, Inc. capital structure data as filed on other Section D schedules as opposed to the Aqua America capital structure, and the Commission has approved the use of the stand alone capital structure in previous cases.
- 6.) Schedules F-1 ("Projected Jurisdictional Income Statement-Current Rates") and F-1a ("Projected Jurisdictional Income Statement-Proposed Rates") are for the purpose of projecting revenues and expenses for the total company for a one-year period beginning nine months after the Application filing date. Aqua considers the schedules an important tool in illustrating the effect of the proposed rate increase, and, therefore, Aqua desires to file Schedule F-1 and F-1a. However, Aqua proposes to alter the format of the schedule to a format similar to Schedule C-1, including both current and proposed rate data for the Lake Erie Division, which is more relevant than total company.
- 7.) Schedule F-4 ("Projected Statement of Changes in Financial Position-Current Rates"), and F-4a ("Projected Statement of Changes in Financial Position-Proposed Rates"), are for the purpose of projecting changes in the financial position of the total company for a one-year

period beginning nine months after the application filing date. Again, Aqua proposes filing Schedule F-4 and F-4a with the altered format to include information for the Lake Erie Division only as opposed to the total company since the rate case is only for the Lake Erie Division. The Staff has agreed to this request in previous Lake Erie Division rate cases.

WHEREFORE, Aqua Ohio respectfully moves the Public Utilities Commission of Ohio to grant Aqua Ohio a waiver from filing the following Schedules:

1	Schedule B-2.3	Gross Additions, Retirements & Transfers-Total Company
2	Schedule B-5.1	Miscellaneous Working Capital Items
3	Schedule C-9	Operation and Maintenance Costs- Total Company
4	Schedule C-9.1	Payroll Analysis- Total Company
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5	Schedule D-1.1	Rate of Return Summary (Parent-Consolidated)
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11	Schedule F-1	Projected Jurisdictional Income Statement (Current Rates)
12	Schedule F-1a	Projected Jurisdictional Income Statement (Proposed Rates)
13	Schedule F-4	Projected Statement of Changes in Financial Position
		(Current Rates)
14	Schedule F-4a	Projected Statement of Changes in Financial Position
		(Proposed Rates)

Respectfully submitted,

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Attorneys for Aqua Ohio, Inc.

## CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing Motion for Approval of Waivers of Various Application Filing Requirements and for Test Year and Date Certain upon the persons listed below via United States first-class mail, postage prepaid, this 3<sup>rd</sup> day of November, 2009.

Attorney General Richard Cordray Assistant Attorney General Chief, Public Utilities Section Public Utilities Commission of Ohio 180 East Broad Street Columbus, OH 43266-0573 Janine L. Midgen-Ostrander Ohio Consumers Counsel 10 West Broad Street Suite 1800 Columbus, OH 43215-3485

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