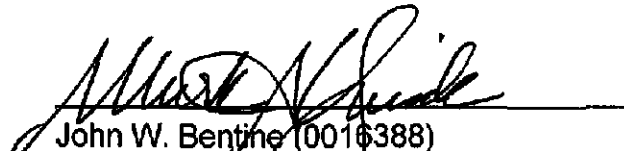




- Exhibit C. Purchased Water Adjustment  
Exhibit D. Calculation of Effect on Average Bill
- Exhibit E. Proposed Tariff Sheets
- Exhibit F. Proposed Customer Notice to be distributed to each customer prior to the effective date of the new rate.

WHEREFORE, Aqua Ohio prays that the Commission issue an Order finding: 1) that the Purchased Water Charge to be collected by Aqua Ohio in its Lake Erie Division is just and reasonable; 2) approve the filing of the proposed Tariff sheets filed herewith and made a part hereof, modified to reflect such revisions thereof as may become effective, pursuant to the orders of this Commission; and 3) grant such other and further relief as the Lake Erie Division of Aqua Ohio, Inc. is reasonably entitled to in these proceedings.

Respectfully submitted,



John W. Bentine (0016388)  
Email: [jbentine@cwslaw.com](mailto:jbentine@cwslaw.com)  
Mark S. Yurick (0039176) Trial Attorney  
Email: [myurick@cwslaw.com](mailto:myurick@cwslaw.com)  
CHESTER WILLCOX & SAXBE LLP  
65 East State Street, Suite 1000  
Columbus, Ohio 43215  
Telephone: (614) 221-4000  
Facsimile: (614) 221-4012  
Attorneys for Aqua Ohio, Inc.

# EXHIBIT A

## Purchased Water Calculation

## **PURCHASED WATER CALCULATION**

**Aqua Ohio, Inc.**

**Case No. 10-0000-WW-PWA**

The current rate structure for the Aqua Ohio, Inc. Lake Erie Division customers, formerly the Lake Erie East Division, is a monthly metered charge that is billed in arrears. The Lake Erie Division purchases all of its water for the customers in the former Lake Erie East Division from the Ohio American Water Company. Ohio American was awarded a rate increase from the Public Utility Commission of Ohio in Case No. 09-391-WS-AIR on May 19, 2010. This award increased the rate for the water Aqua Ohio purchases to serve Lake Erie Division customers from Ohio American from \$1.74020 per 1,000 gallons to \$1.97180 per 1,000 gallons. The additional cost of purchased water will be equally distributed to metered customers by applying a 13.31% surcharge to metered customers. The purchased water adjustment will result in an additional \$.93 per month for an average residential customer using 4,000 gallons of water per month.

# EXHIBIT B

Support for  
Purchased Water Increase

Ohio American Water  
Rate Design for Rate Case  
Case No. 09-391-W5-AIR

Final Rates Effective May 18, 2010

Consumer's Ohio	Current Rates	% Incr	Final	
Gross Revenues (before credits)	\$ 1,172,374	13.3100%	\$ 1,328,403	
Price per thousand gallons	\$ 1.74020	13.3100%	\$ 1.97180	\$ 126,923
<b>Softening Surcharges (Water A)</b>				
Marion - Softening	\$ 0.3609	-6.3800%	\$ 0.34160	1000 gallons 0.4653 (0.01940)
<b>Softening Surcharges (Water C)</b>				
Huber Ridge (Reverse Osmosis)	\$ 1.1922	25.7700%	\$ 1.49940	0.30720
Lake Darby & Worthington - Softening	0.6007	-4.3600%	\$ 0.57450	(0.02620)
<b>Purchase Water Surcharges (Water C)</b>				
Portage County	\$ -	0.0000%	\$ -	
Flat Rate (Marion)	\$ 75.70	7.6825%	\$ 84.75	\$ 8.05

**WATER A & C**

Meter Charges	Current	% Increase	Monthly Final	Bi-Monthly Final
5/8 inch	\$ 9.51	0.0000%	9.51	\$ 19.02
3/4 inch	12.03	0.1863%	12.05	24.10
1 inch	17.06	4.9238%	17.90	35.80
1-1/2 inch	28.65	9.7133%	32.63	65.06
2 inch	44.73	11.8330%	50.09	100.18
3 inch	80.00	13.8000%	91.04	182.08
4 inch	130.34	14.7460%	149.56	299.12
6 inch	259.21	15.4678%	299.84	591.68

**WASTEWATER**

Meter Charges	Current	% Increase	Monthly Final	Bi-Monthly Final
5/8 inch	\$ -	0.0000%	\$ -	\$ -
3/4 inch	-	0.0000%	-	-
1 inch	-	0.0000%	-	-
1-1/2 inch	-	0.0000%	-	-
2 inch	-	0.0000%	-	-
3 inch	-	0.0000%	-	-
4 inch	-	0.0000%	-	-
6 inch	-	0.0000%	-	-

**Volumetric Rate (Water A)**

	Current	% Increase	Monthly Final	Bi-Monthly Final
1st 20 ccf	\$ 5.1399	11.7000%	\$ 5.7412	1000 gallons 7.6549
Next 1,980 ccf	9.6999	7.4000%	\$ 9.9705	5.2940
All over 2,000 ccf	1.6800		\$ 2.1115	2.8153

**Volumetric Rate (Water C)**

	Current	% Increase	Monthly Final	Bi-Monthly Final
1st 13.33 ccf	\$ 6.0449	13.8021%	\$ 6.7412	7.6549
Next 586.67 ccf	3.0324	29.0000%	\$ 3.9118	5.2157
All over 600 ccf	2.1115	0.0000%	\$ 2.1115	2.8153

**Volumetric Rate (WasteWater)**

	Current	% Increase	Monthly Final	Bi-Monthly Final
1st 13.33 ccf	\$ 8.2600	6.9710%	\$ 8.8358	11.7611
Next 586.67 ccf	5.8340	1.0000%	\$ 5.8920	7.8580
All over 600 ccf	2.3772	1.0000%	\$ 2.3000	3.0667

**Private Fire (Water A)**

	Current	% Increase	Monthly Final	Bi-Monthly Final
2 inch diameter & smaller	\$ 8.25	8.4100%	\$ 8.78	\$ 17.56
2-1/2 inch diameter	12.94	8.4100%	13.77	27.54
3 inch diameter	18.57	8.4100%	19.76	39.52
4 inch diameter	32.99	8.4100%	35.10	70.20
6 inch diameter	74.28	8.4100%	79.04	158.08
8 inch diameter	132.09	8.4100%	140.68	281.12
10 inch diameter	206.37	8.4100%	219.80	439.20
12 inch diameter	297.18	8.4100%	316.21	632.42
Sprinklers	-	8.4100%	-	-

**Private Fire (Water C)**

	Current	% Increase	Monthly Final	Bi-Monthly Final
2 inch diameter & smaller	\$ -	8.4100%	\$ -	-
2-1/2 inch diameter	-	8.4100%	-	-
3 inch diameter	-	8.4100%	-	-
4 inch diameter	-	8.4100%	-	-
6 inch diameter	-	8.4100%	-	-
8 inch diameter	-	8.4100%	-	-
10 inch diameter	-	8.4100%	-	-
12 inch diameter	-	8.4100%	-	-
Sprinklers	1.01	8.4100%	1.07	-

# EXHIBIT C

## Purchased Water Adjustment

Exhibit C  
WORK PAPER

AQUA OHIO, INC.  
Lake Erie Division  
Case No. 10-0000-WW-PWA  
Purchase Water Adjustment  
FOR THE FORMER LAKE ERIE EAST DIVISION

LINE NO.	PURPOSE AND DESCRIPTION	AMOUNT	Current Purchased Water Rate	Proposed Purchased Water Rate	Increase in Rate
1					
2					
3					
4					
5					
6	Rate per 100 ccf		1.30170	1.47490	0.17320
8	Rate per 10 CCF		0.13017	0.14749	0.01732
9					
10	Rate per 100 gallons		0.17402	0.19718	0.02316
11					
12					
13					
14					
15	a. Residential bill for a customer using 4,000 gallons per month including increase	\$			33.79
16	a Residential bill for a customer using 4,000 gallons per month current	\$			32.86
17	Monthly increase to a customer using 4,000 gallons				0.93
18					
19					
20					
21					

a Rates are from Stipulation in case no 09-1044



# EXHIBIT D

Calculation of Effect on Average Bill

AQUA OHIO INC  
Lake Erie Division  
Case No 10-0000-WW-PW  
Purchase Water Adjustment  
FOR THE FORMER LAKE ERIE EAST DIVISION

Exhibit D

\*\*

	Current Rate per 100 Gall	P. Water Inc.	
Consumption Rate	0.41697		0.41697
Purchased Water Rate	<u>0.17402</u>	<u>0.02316</u>	<u>0.197180</u>
Total Rate	0.59099	0.02316	0.61415
Fixed Charge	\$ 9.21		\$ 9.21
Average Bill 4,000 Gall			\$ 33.79
	Increase		0.93

\*\* Rates are from Stipulation in Case 09-1044

# EXHIBIT E

Proposed Tariff Sheets

P.U.C.O. TARIFF NO. 1

Rates for customers in the former Aqua Ohio, Inc. Lake Erie East Division

DIVISION A - MEASURED OR METERED SERVICE RATE SCHEDULE

CUSTOMER CHARGE PER MONTH

	Per Month
Customer Charge for a 5/8" meter.....	\$9.21
Customer Charge for a 5/8" x 3/4" meter .....	\$9.21
Customer Charge for a 1" meter.....	\$17.18
Customer Charge for a 1 1/2" meter.....	\$33.63
Customer Charge for a 2" meter.....	\$56.50
Customer Charge for a 3" meter.....	\$122.40
Customer Charge for a 4" meter.....	\$214.47
Customer Charge for a 6" meter.....	\$477.81

The customer charge is applicable to all customers regardless of consumption.

VOLUMETRIC RATES

	Base Rate	Purchased Water Rate	Total Volumetric Rate Per 10 Cu. Ft.
For the first 2,000 cubic feet or any part thereof per month	0.311890	0.147490	\$0.45938
For the next 8,000 cubic feet per month	0.301010	0.147490	\$0.44850
For all consumption over 10,000 cubic feet per month	0.135830	0.147490	\$0.28332

			Per 100 Gallon
For the first 14,960 gallons or any part thereof per month	0.416970	0.197180	\$0.61415
For the next 59,840 gallons per month	0.402420	0.197180	\$0.59960
For all consumption over 74,800 gallons per month	0.181590	0.197180	\$0.37877

**LATE PAYMENT FEE**

The customer will be charged a 5% late payment fee, on current billing amounts, if payment is made after the due date as specified on the customer bill.

**DISHONORED PAYMENTS**

When a payment for service is returned by the financial institution unpaid, a charge of twenty-one dollars and thirty-seven cents (\$21.37) will be assessed to cover the cost of processing this transaction, provided the payment is properly processed by the company. The charge for the dishonored payment may be reflected at the company's option, when the company returns the dishonored payment or may be included on the customer's next billing.

**RECONNECTION FEE:**

Reconnection fees as defined by this tariff Section 3-2, First Revised Sheet No. 4, Item 13 (c), and Section 3-6, Original Sheet No. 4, Item 11 (a) are:

Reconnection Fee during regular business hours .....	\$48.28
Reconnection Fee other than during regular business hours .....	\$135.60

**ACCOUNT ACTIVATION CHARGE**

An account activation charge of twenty-five dollars and fifty-seven cents (\$25.57) will be charged for a service connection during the Company's regular business hours.

ISSUED:

EFFECTIVE:

Issued by Robert A. Kopas, Vice-President, Aqua Ohio, Inc.  
In accordance with the Public Utilities Commission of Ohio  
Order Dated,                      for Case No. 10-   - WW - PWA

**SUBJECT INDEX** (Continued)

<b><u>Description</u></b>	<b><u>Section</u></b>	<b><u>Sheet No.</u></b>	<b><u>Effective Date</u></b>
<b>M</b>			
Meter – Rates	4	"See Sch. Of Rates"	5/15/08 5/23/09 x/xx/10
Meter – Specifications for	3-6	1	11/8/02
Meter – Tampering Shut Off	3-6	4	11/8/02
Meter – Tests	3-6	3	12/01/03 5/15/08
Meter – Types for Private Fire Protection	3-8	1	11/8/02
<b>O</b>			
Off Premises Use of Service	3-2	2	11/8/02
<b>P</b>			
Person – Definition	3-1	2	11/8/02
Premises – Access to	3-2	3	11/8/02 12/01/03
Premises – Definition	3-1	2	11/8/02
Precedence	3-2	1A	5/15/08 9/26/08
Pressure, Water	3-2; 3-8	1; 1	11/8/02 12/01/03
Private Fire Protection – Application for Service	3-8	1	11/8/02
Private Fire Protection – Contracts for Service	3-4	1	11/8/02 12/01/03
Private Fire Protection – Definition	3-8	1	11/8/02
Private Fire Protection – Limitation of Use	3-8	1	11/8/02
Private Fire Protection – Regulations			
Governing	3-8	1	11/8/02
Purchased Water Adjustment (PWA)	4-4	1	5/23/09 xx/xx/10

Issued:

Effective:

Issued by Robert A. Kopas, Vice President, Aqua Ohio, Inc.  
In accordance with the Public Utilities Commission of Ohio  
Order Dated for Case No. 10- -WW-PWA

SUBJECT INDEX (Continued)

<u>Description</u>	<u>Section</u>	<u>Sheet No.</u>	<u>Effective Date</u>
R			
Rates	4	See "Sch. of Rates"	5/23/09 x/xx/10 x/xx/10
Reconnection of Service}	3-2	4	11/8/02 5/15/08
Requirements for }	3-6	4	11/8/02
Related Facilities	3-7	2	11/8/02 4/1/04
Repair of Customer Facilities	3-2	1	11/8/02 12/01/03
Restoring of Service - Requirements	3-2	4, 5	11/8/02 5/15/08
Restoring of Service - Requirements	3-6	4	11/8/02
S			
Schedule of Rates	4	1-8	5/23/09 x/bxd/10 x/bxd/10
Service - Application	3-4	1	11/8/02 12/01/03
Service - Building Construction	3-2	1	11/8/02 12/01/03
Service - Calls After Hours	3-2	5	11/8/02 12/01/03
Service - Company Lines	3-5	1	11/8/02
Service - Company Operating Control	3-5	1	11/8/02
Service - Cross Connections	3-2	1	11/8/02 12/01/03
Service - Curb Stops	3-5	1	11/8/02
Service - Customer Lines	3-5	1	11/8/02
Service - Deficiency or Failure	3-2	1	11/8/02 12/01/03
Service - Discontinuance	3-2	2	11/8/02
Service - Emergency Call Charges	3-2	5	11/8/02 12/01/03
Service - Installation Dates	3-5	2	11/8/02
Service - Maintenance and Repair	3-5	1	11/8/02
Service - Private Fire	3-8	1	11/8/02
Service - Reconnection	3-2	1	11/8/02 12/01/03
Service - Regulations	3-5	All	11/8/02
Service - Separate Meter Requirement	3-6	1	11/8/02
Service - Size and Type	3-5	1	11/8/02

Issued:

Effective:

Issued by Robert A Kopas, Vice President, Aqua Ohio, Inc.  
In accordance with the Public Utilities Commission of Ohio  
Order Dated for Case No. 10- -WW-PWA

# EXHIBIT F

Proposed Customer Notice

## **FORMER LAKE ERIE EAST DIVISION**

### **CUSTOMER NOTICE: PURCHASED WATER ADJUSTMENT**

Ohio Revised Code Section 4909.171 provides that when a water company which is under the jurisdiction of the Public Utilities Commission of Ohio (PUCO) purchases water from another utility under PUCO jurisdiction the water company can pass on the increased cost of purchasing water for its customers. The charge does not include any administrative cost or any other operating expenses and is only the cost of purchased water. This procedure saves Aqua Ohio customers from bearing the expense of a rate case whenever Ohio American Water Company changes its rates to Aqua Ohio.

Aqua Ohio, Inc. filed an application August XX, 2010 with the Public Utilities Commission of Ohio (PUCO) in Case No. 10-XXXX-WW-PWA seeking approval to assess a purchased water charge in its Lake Erie Division. The purpose of seeking authority to assess this charge is to recover costs related to an increase from Ohio American Water Company in the rate it charges for purchased water (Case No. 09-391-WS-AIR).

After conducting an investigation into the application, the PUCO approved Aqua Ohio's request on XXX X, 2010. The increase will appear on billings on or after XXX XX, 2010. The Purchased Water Charge approved by the PUCO will result in the average residential customer's bill being increased by an additional charge in the amount of \$.93 per month for an average residential customer using 4,000 gallons of water per month.

The new Aqua Ohio Lake Erie Division water rate represents only the change in the rates from the Ohio American Water Company. No other costs of Aqua Ohio have been figured into the rate. Should Aqua Ohio wish to have other costs reflected in its rates, such as an increase in taxes, or addition to plant, it will be required to file an application for an increase in rates, for which traditional ratemaking procedures, including a public hearing will be scheduled.

If you have any questions regarding the Purchased Water Adjustment please call Aqua Ohio at 877-987-2782.