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PUBLIC UTILITIES COMMISSION OF OHIO

PUBLIC HEARING

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CASE NUMBER: 13-2124-WW-AIR

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Monday, June 23, 2014

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Public Utilities Commission of Ohio  
Local Public Hearing, In the Matter of the  
Application of Aqua Ohio, Inc. to increase its  
rates and charges for its waterworks service.  
taken at 84 Mentor Senior Center, 8484 Munson  
Road, Mentor, Ohio 44060.

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1           MR. AGRANOFF: The Public Utilities  
2 Commission of Ohio has assigned for  
3 hearing at this time and place Case  
4 Number 13-2124-WW-AIR being In the  
5 Matter of the Application of Aqua Ohio,  
6 Inc. to increase its rates and charges  
7 for its waterworks service.

8           My name is Jay Agranoff, and I'm an  
9 attorney examiner assigned by the  
10 Commission to hear this case. With me  
11 today is Matt Shilling who is from our  
12 Public Affairs Department and Darita  
13 Patterson who is from our Service  
14 Monitoring and Enforcement Division.  
15 And we are all available after tonight's  
16 hearing, if anyone has any questions  
17 regarding any utility matter, including  
18 the application that is here before the  
19 Commission tonight. And we would will  
20 be happy to assist you in whatever  
21 questions you might have.

22           Tonight's hearing is one of a  
23 series of public hearings directed at  
24 receiving public testimony regarding the  
25 requested rate increase. A formal

1           evidentiary hearing is scheduled to take  
2           place at the Commission's offices in  
3           Columbus on Monday, July 14th, 2014.

4           At this time we will take the  
5           appearances of the parties in this  
6           proceeding.

7           On behalf of the applicant?

8           MR. WILLIAMS: Thank you, Your  
9           Honor. On behalf of Aqua Ohio, Greg  
10          Williams with Whitt Sturtevant. Also  
11          with me on behalf of the company is Ed  
12          Kolodziej, Jeff LaRue and Bill Bowers.

13          MR. AGRANOFF: Thank you. And on  
14          behalf of the Ohio Consumers Counsel?

15          MR. SERIO: Thank you, Your Honor.  
16          On behalf of the residentail utility  
17          customers of Aqua Ohio, Bruce J. Weston  
18          Consumers' Counsel by Joseph P. Serio.

19          MR. AGRANOFF: Thank you. Let the  
20          record reflect that in addition to the  
21          parties that have made their  
22          appearances, intervention status has  
23          also been granted to the City of Marion  
24          and the City of Tiffin.

25          Are there representatives from

1           either of those two interveners present  
2           this evening?

3           MR. SERIO: Your Honor, there's no  
4           one here from Marion, but it's my  
5           understanding that Marion did file  
6           objections jointly with the OCC.

7           MR. AGRANOFF: Thank you. And let  
8           the record reflect that there is no  
9           counsel here this evening on behalf of  
10          the Commission's staff.

11          Aqua Ohio filed its application on  
12          December 2nd, 2013 seeking to increase  
13          its rate for water service to the Lake  
14          Erie masury service areas, as well as  
15          the service area consisting of all areas  
16          formerly served by the Ohio American  
17          Water Company.

18          In its application, Aqua Ohio has  
19          requested an 11.75 percent revenue  
20          increase for its water service. The  
21          PUCO staff support was issued on May  
22          20th, 2014.

23          The staff has recommended an  
24          approximate 5.36 percent to 7.67 percent  
25          increase over the company's current

1 revenues. The staff report is a  
2 recommendation only, and the five  
3 commissioners may implement some of the  
4 suggestions and reject others.

5 The purpose of this evening's  
6 hearing is to receive comments from the  
7 public regarding Aqua Ohio's application  
8 in this case. This is not intended to  
9 be a question-and-answer session, but  
10 instead is your opportunity to let the  
11 Commission know what you think about the  
12 applicant's request.

13 The local public hearings scheduled  
14 in this case are just one aspect of the  
15 process. An evidentiary hearing is also  
16 scheduled to commence on May -- on  
17 Monday, July 14th at the Commission's  
18 offices in Columbus.

19 When you arrived, you were offered  
20 an opportunity to testify. After I  
21 finish my introductory remarks, we will  
22 begin calling witnesses forward in the  
23 order -- in the order that they were  
24 signed up. I would ask that you come up  
25 to the table and face the court

1 reporter, and your testimony that you're  
2 going to be providing will be  
3 transcribed. I will ask you to take an  
4 oath that the testimony that you're  
5 about to give is the truth. I will then  
6 ask you to state your full name and your  
7 address. Your testimony will be  
8 considered as part of the official  
9 record of this case and will be reviewed  
10 by the Commission before they make their  
11 final decision on this application.

12 Additionally, the parties to this  
13 case and I will be permitted to ask  
14 additional questions regarding your  
15 testimony.

16 Should you decide that you do not  
17 want to testify when your name is  
18 called, you may simply pass. Also, once  
19 you are finished testifying or if you  
20 are just here to observe, you are  
21 certainly free to go whenever you  
22 choose.

23 As I previously mentioned,  
24 tonight's testimony is being transcribed  
25 by our court reporter who is Katrina

1 Dearborn. As a result of the  
2 transcription of your testimony, please  
3 make sure that you speak clearly and  
4 that you provide a verbal response to  
5 all questions that may be asked of you.  
6 If you brought a written copy of your  
7 testimony, please make sure that you  
8 provide one to the court reporter so  
9 that it can be included as part of the  
10 record.

11 The Commission appreciates your  
12 participation in tonight's proceeding,  
13 and we hope to hear from everyone who  
14 would like to provide their input. So  
15 therefore, please try to keep your  
16 comments to a reasonable length and try  
17 to be respectful of others that are  
18 testifying.

19 At this time we will begin with the  
20 witnesses who have signed up. And when  
21 I call your name, if could you, please  
22 come forward and we will swear you in.

23 Glen Kunkle.

24 MR. KUNKLE: No. Going to pass.

25 I'm not knowledgeable enough to make any

1 kind of comment on this particular  
2 issue. I was really -- actually,  
3 Mr. OCC over there has given me some  
4 place to go and get the information. I  
5 -- I'm more interested in the impact of  
6 this on S -- on the SICs existing and to  
7 find out more about the three SICs that  
8 exist. And I'll be able to get that, I  
9 think, from Mr. OCC, so I pass.

10 MR. AGRANOFF: Thank you, sir.

11 How about Jim Timora?

12 MR. TIMONERE: Tim Timonere.

13 MR. AGRANOFF: Timonere. Please  
14 come forward, sir.

15 Sorry for the mispronunciation.

16 MR. TIMONERE: It happens a lot.

17 MR. AGRANOFF: I understand.

18 - - - - -

19 JIM TIMONERE,

20 After having been first duly sworn, as  
21 hereinafter certified, was examined and testified  
22 as follows:

23 MR. AGRANOFF: Thank you. And if  
24 you could -- just over by the podium.

25 MR. TIMONERE: Okay.



1 MR. AGRANOFF: Thank you.

2 If you could, please state your  
3 full name and address.

4 MR. TIMONERE: Yes. Jim Timonere,  
5 T-I-M-O-N-E-R-E, 2019 Deerfield Drive in  
6 the City of Ashtabula, Ohio. I'm here  
7 on behalf of the City of Ashtabula. I'm  
8 also the City Manager for the City of  
9 Ashtabula. And although we do  
10 understand and have a very good working  
11 relationship with Aqua, currently, and  
12 we do understand that infrastructure is  
13 a critical part of our economic  
14 development and the safety and health of  
15 our residents, the total increase that's  
16 being recommended, we do feel, is a  
17 little bit high, just because of the  
18 nature of our consumers and our  
19 residents. And due to the fact that  
20 we're finally starting to see a little  
21 bit of economic development in Ashtabula  
22 County, to have rates increase on top of  
23 a recent increase would be a hardship on  
24 both of our residents and the area  
25 businesses. So we would ask that that

1 total percentage be looked at closely  
2 when the PUCO is making that decision.

3 Thank you.

4 MR. AGRANOFF: Thank you. Any  
5 questions on behalf of the company?

6 MR. WILLIAMS: No questions, Your  
7 Honor.

8 MR. AGRANOFF: On behalf of OCC?

9 MR. SERIO: No, Your Honor.

10 MR. AGRANOFF: Thank you, sir.

11 MR. TIMONERE: Thank you.

12 MR. AGRANOFF: Is it J.P. Ducro?

13 Please come forward, sir.

14 - - - - -

15 J.P. DUCRO,

16 After having been first duly sworn, as  
17 hereinafter certified, was examined and testified  
18 as follows:

19 MR. AGRANOFF: And if you could  
20 similarly state your full name and  
21 address.

22 MR. DUCRO: Sure. My name is J.P.  
23 Ducro, IV. My residential address is  
24 430 West Prospect Road, Ashtabula, Ohio,  
25 44004. I am a city resident. I'm also

1 the council president for the City of  
2 Ashtabula. And similarly to  
3 Mr. Timonere, I would express a little  
4 concern over the percentage of increase,  
5 knowing that we did have an increase in  
6 the not too recent past. I also echo  
7 Mr. Timonere in the appreciation that  
8 Aqua has put into the infrastructure in  
9 our community. We know it's aged. We  
10 know it's important. But we -- we  
11 certainly have a very poor community  
12 financially right now and struggling to  
13 find every opportunity we can to stay  
14 competitive and to make it affordable  
15 for our residents and our businesses to  
16 try to have an opportunity to prosper in  
17 our community. So, you know, it's one  
18 of the concerns that I have. And  
19 Mr. Mancari did address it a little bit,  
20 but it seems that some of the -- some of  
21 the requirements that Aqua has put in  
22 place for replacement of the  
23 infrastructure, there possibly may be  
24 equally as effective materials that  
25 could be used that would be less

1 expensive, maybe some other types of  
2 piping as opposed to copper. That was  
3 one of the questions that had been  
4 brought up that might be equally as  
5 durable and reliable but not be as  
6 expensive for replacement. And if there  
7 are ways that Aqua could do the work  
8 that they are doing but reduce the costs  
9 that would in-turn reduce the costs that  
10 they would have to charge to the users  
11 of the material -- of the utility of  
12 water, that would certainly be  
13 appreciated if we could find ways to,  
14 you know, help offset the costs of your  
15 infrastructure improvements by doing  
16 things in-house. That might be more  
17 affordable. That would allow that  
18 savings to be passed on to the consumer.  
19 As a citizen of Ashtabula, I know that  
20 we would certainly appreciate that. I  
21 think that's all.

22 MR. AGRANOFF: Thank you. If I  
23 could just ask one clarifying question.

24 MR. DUCRO: Yes.

25 MR. AGRANOFF: You referenced the

1 particular gentleman's name a minute  
2 ago.

3 MR. DUCRO: Yes. Mr. Mancari. I  
4 forget his specific -- he's kind of the  
5 Aqua liaison for the City of Ashtabula.

6 Is that appropriate, gentlemen?

7 MR. AGRANOFF: Thank you. Any  
8 questions from the company?

9 MR. WILLIAMS: No questions.

10 MR. AGRANOFF: From OCC?

11 MR. SERIO: No questions, Your  
12 Honor.

13 MR. AGRANOFF: Thank you, sir.  
14 Appreciate it.

15 Based on my overlooking of the  
16 room, I presume there is nobody else in  
17 attendance that would be interested in  
18 testifying at this point in time?  
19 Process of elimination. That being the  
20 case, why don't we recess until  
21 approximately 7:00 in case other  
22 individuals arrive that would be  
23 interested in testifying.

24 - - - - -

25 (Recess had.)

1 - - - - -

2 MR. AGRANOFF: Back on the record.

3 At this time it is now 7:00 and there  
4 have been no new individuals that have  
5 come before the Commission to provide  
6 testimony, so at this point in time  
7 we're going to conclude this evening's  
8 hearing. I appreciate everyone's  
9 assistance in the proceeding, and we  
10 will be in recess. Thank you.

11 - - - - -

12 (Hearing adjourned at 7:02 p.m.)

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1 The State of Ohio,     )  
                                       ) SS:               CERTIFICATE  
 2 County of Cuyahoga.   )

3       I, Katrina L. Dearborn, Notary Public within  
 4 and for the State of Ohio, duly commissioned and  
 5 qualified, do hereby certify that the within-  
 6 named witnesses were first duly sworn to testify  
 7 the truth, the whole truth, and nothing but the  
 8 truth in the cause aforesaid; that the testimony  
 then given by him/her was by me reduced to  
 stenotypy in the presence of said witnesses,  
 afterwards transcribed on a computer, and that  
 the foregoing is a true and correct transcript of  
 the testimony so given by him/her as aforesaid.

9       I do further certify that this arbitration  
 was taken at the time and place in the foregoing  
 10 caption specified and was completed without  
 adjournment.

11  
 I do further certify that I am not a  
 12 relative, employee of, or attorney for any of the  
 parties in the above-captioned action; I am not a  
 13 relative or employee of an attorney for any of  
 the parties in the above-captioned action; I am  
 14 not financially interested in the action; I am  
 not, nor is the court reporting firm with which I  
 15 am affiliated, under a contract as defined in  
 Civil Rule 28(D); nor am I otherwise interested  
 16 in the event of this action.

17       IN WITNESS WHEREOF I have hereunto set my  
 hand and affixed my seal of office at Cleveland,  
 18 Ohio on this 30th day of June, 2014.

19

20

21

22

23               Katrina L. Dearborn, Notary Public  
 In and for the State of Ohio.  
 24 my commission expires 11-02-15.

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