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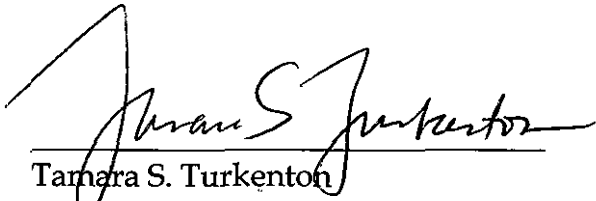
October 30, 2018

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus OH 43215

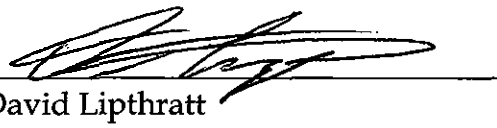
RE: *In the Matter of the Joint Application of Aqua Ohio, Inc. and Aqua Ohio Wastewater, Inc. for Issuance of a Certificate of Public Convenience and Necessity Case Nos. 18-1330-WS-ACE and 18-1331-WS-ATA.*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendation regarding the Application filed by Aqua Ohio Inc., in Case Nos. 18-1330-WS-ACE and 18-1331-WS-ATA.



Tamara S. Turkenton
Director, Rates and Analysis Department
Public Utilities Commission of Ohio



David Liphtratt
Chief, Research and Policy Division
Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.

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Aqua Ohio, Inc.
Case No. 18-1330-WS-ACE
Case No. 18-1331-WS-ATA

Summary

In accordance with R.C. 4933.25 and Ohio Adm. Code 4901:1-15-05, on August 24, 2018, Aqua Ohio, Inc. and Aqua Ohio Wastewater, Inc. (collectively, Aqua or Company) filed an application seeking issuance of a certificate of public convenience and necessity to provide water and sewer services to the Southwoods Estates service area. The system is currently owned by Sutton Bank (the Bank) and located in Montgomery Township, Ashland County. Aqua seeks to add the service area to Aqua's existing tariffs, serving Southwoods Estates customers under the existing terms and conditions.

In its application, the Company included a number of exhibits and requested a waiver of the exhibits required by Ohio Adm. Code 4901:1-15-05(D)(1)-(4) and (7)-(17). Aqua also requested a waiver of public notice and any hearing that may be authorized. Aqua proposes to provide written notice to the newly acquired Association customers following the closing of the transaction.

The application includes the transfer agreement between the Company and the Bank. It specifies that the transfer of the facilities will be split, such that the Bank's water facilities transfer to Aqua Ohio, Inc. and sewer facilities transfer to Aqua Ohio Wastewater, Inc.

The Company's application addresses 1) the just and reasonable nature of the proposed rates and 2) notice provided to the Association's residents. Aqua represents that the proposed rates are fair and reasonable to Aqua's existing customers, Southwoods Estates and its residents.

Staff Review and Recommendation

Staff reviewed the application and supplemental information for compliance with the rules established in OAC 4901:1-15-05. Aqua provided upon request documentation to support Staff's review of the application. Therefore, in this case, the requested waivers of Ohio Adm. Code 4901:1-15-05(D)(1)-(4) and (7)-(17) did not prejudice Staff's review of the application. Staff recommends these requests be granted.

Staff notes that a plant and depreciation investigation will be conducted in the next rate case that incorporates the water and sewer assets used in providing service to Southwoods Estates.

Staff finds that the proposals in the application are not unjust or unreasonable; therefore, Staff recommends that the Commission permit the filing of the schedule proposed in the application and fix the time when such schedule shall take effect.