

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Aqua	)	
Ohio, Inc., for Authority to Assess a System	)	
Improvement Charge in the Lake / Masury /	)	Case No. 18-0337-WW-SIC
Prior American / Prior Mohawk / Prior	)	
Tomahawk Properties.	)	

STIPULATION AND RECOMMENDATION

Ohio Adm. Code 4901-1-30 provides that any two or more parties to a proceeding may enter into a written stipulation covering the issues presented in such proceeding. The purpose of this document is to set forth the understanding and agreement of Aqua Ohio, Inc., (Aqua) and the Staff of the Public Utilities Commission of Ohio (Staff) (which, for the purpose of entering into this Stipulation and Recommendation, will be considered a party by virtue of Ohio Adm. Code 4901-1-10(C)) (collectively, the Signatory Parties), and to recommend that the Public Utilities Commission of Ohio approve and adopt this Stipulation and Recommendation (Stipulation), as part of its Opinion and Order, resolving all of the issues in the above-captioned proceeding.

This Stipulation, which shall be designated as Joint Exhibit 1.0, is supported by adequate data and information; represents, as an integrated and complete document, a just and reasonable resolution of all issues in this proceeding; violates no regulatory principle or precedent; is in the public interest; and is the product of lengthy, serious bargaining among knowledgeable and capable parties who represent the various interests and stakeholders in a cooperative process undertaken by the Signatory Parties. While this Stipulation is not binding on the Commission, where, as here, it is sponsored by parties representing a significant cross section of interests, including the Commission's Staff, it is entitled to careful consideration by the Commission.

The Signatory Parties stipulate and recommend as follows:

1. The System Improvement Charge (SIC) in this proceeding shall be established at 3.66 percent, as set forth in the attached schedules.

2. Provided that the cost otherwise qualifies for recovery under R.C. 4909.172, only costs properly classified in the following accounts, as set forth and described within the NARUC Uniform System of Accounts adopted by the Commission, may be included in and recovered through a SIC:

- 323 – Other Power Production Equipment
- 324 – Steam Pumping Equipment
- 325 – Electric Pumping Equipment
- 326 – Diesel Pumping Equipment
- 327 – Hydraulic Pumping Equipment
- 328 – Other Pumping Equipment
- 332 – Water Treatment Equipment
- 342 – Distribution Reservoirs & Standpipes (excluding tank painting expenses)
- 343 – Transmission & Distribution Mains
- 345 – Services
- 346 – Meters
- 347 – Meter Installation
- 348 – Hydrants

3. The Signatory Parties intend for the provisions of paragraph 2 to bind the Signatory Parties in future SIC proceedings filed by Aqua under R.C. 4909.172. The treatment set forth in paragraph 2 shall continue until otherwise ordered by the Commission on its own or ordered upon the proposal of a Signatory Party. No Signatory Party may propose modification of this treatment unless one of the following has occurred:

- a. All Signatory Parties agree to a proposed modification;
- b. Legislation is enacted that expands, limits, or otherwise substantially modifies the costs recoverable under a SIC; or
- c. The NARUC Uniform System of Accounts adopted by the Commission is modified in such a way as (i) to expand, limit, or substantially modify the costs

includable in the accounts set forth above or (ii) to require the use of new accounts or cost categories from those set forth above.

4. The Signatory Parties agree that the following exhibits should be admitted into the record:

Joint Exhibit 1.0	Stipulation and Recommendation and Attachments
Aqua Exhibit 1.0	Application, Exhibits, and Testimony filed on March 1, 2018
Aqua Exhibit 2.0	Correspondence filed on June 21, 2018
Aqua Exhibit 3.0	Proof of Publication filed on June 26, 2018

5. This Stipulation is entered into as an overall compromise and resolution of all issues presented in this proceeding, and does not necessarily represent the position any Signatory Party would have taken absent its execution.

6. The Signatory Parties believe that this Stipulation represents a reasonable compromise of varying interests. The Signatory Parties agree and intend to support the reasonableness of this Stipulation and Recommendation before the Commission and in any appeal from the Commission's adoption or enforcement of this Stipulation and Recommendation. This Stipulation is expressly conditioned upon adoption in its entirety by the Commission without material modification by the Commission; provided, however, that each Signatory Party has the right, in its sole discretion, to determine whether the Commission's approval of this Stipulation constitutes a "material modification" thereof. Should the Commission reject or materially modify all or part of this Stipulation, the Signatory Parties shall have the right, within 30 days of issuance of the Commission's order, to file an application for rehearing, or to withdraw from the Stipulation by filing a notice with the Commission in this proceeding and serving all Signatory Parties. Upon the Commission's issuance of an entry on

rehearing that does not adopt the Stipulation in its entirety without material modification, any Signatory Party may withdraw from the Stipulation by filing a notice with the Commission within 30 days of the Commission's entry on rehearing. In such event, this proceeding shall go forward at the procedural point at which this Stipulation and Recommendation was filed, and the parties will be afforded the opportunity to present evidence through witnesses, cross-examine all witnesses, present rebuttal testimony, and brief all issues which shall be decided based upon the record and briefs as if this Stipulation had never been executed.

7. Except as provided in paragraphs 2 and 3, this Stipulation is submitted for purposes of this proceeding only, and is neither binding in any other proceeding nor is it to be offered or relied upon in any other proceeding.

8. The Signatory Parties stipulate, agree, and recommend that the Commission issue a final Opinion and Order in this proceeding, ordering the adoption of this Stipulation, including the terms and conditions agreed to in this Stipulation by all Signatory Parties.

The undersigned hereby stipulate and agree and each represents that it is authorized to enter into this Stipulation and Recommendation on this 8th day of November 2018. This Stipulation and Recommendation may be signed in counterparts.

Aqua Ohio, Inc.

By: /s/Rebekah J. Glover
Counsel

Date: November 8, 2018

**The Staff of the Public Utilities
Commission of Ohio**

By: /s/Robert Eubanks (per authorization)
Counsel

Date: November 8, 2018

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Stipulation and Recommendation was served
by electronic mail, to the following on this 8th day of November, 2018:

amy.botschner.obrien@occ.ohio.gov
william.michael@occ.ohio.gov
robert.eubanks@ohioattorneygeneral.gov
steven.beeler@ohioattorneygeneral.gov
anna.sanyal@puco.ohio.gov

/s/Rebekah J. Glover

One of the Attorneys for Aqua Ohio, Inc.

Stipulation

Schedule 1

AQUA OHIO, Inc,
PUCO Regulated Water Divisions
Case No. 18-0337-WW-SIC
Annualized Revenue Requirement

Line

No.

1	<u>Return on Investment</u>		
2	Plant In-Service		
3	Additions	\$17,743,997	Schedule 2 , line 63
4	Original Cost Retired	<u>2,366,679</u>	Schedule 3, line 63
5	Net Plant In-Service (3 - 4)	15,377,318	
6	Less: Accumulation Provision for Depreciation		
7	Depreciation Expense	256,793	Schedule 4, pg 1-6, line 16, 32, 48
8	Original Cost Retired	<u>2,366,679</u>	Schedule 3, line 63
9	Total Accumulated Provision for Depreciation (7 - 8)	(2,109,886)	
10	Net Rate Base	17,487,204	
11	Pre-tax Rate of Return	<u>9.28%</u>	Schedule 7, line 4
12	Annualized Return on Rate Base (10 x 11)	1,622,271	
	<u>Operating Expenses</u>		
13	Annualized Provision for Depreciation For Additions	433,237	Schedule 5, line 22
14	Annualized Reduction in Depreciation For Retirements	(74,293)	Schedule 6, line 22
15	Annualized Property Taxes For Additions	377,737	Schedule 5.1 line 37
16	Annualized Reduction for Property Taxes For Retirements	<u>(87,067)</u>	Schedule 6.1 line 119
17	Annualized Revenue Requirement (12 + 13 + 14 + 15 + 16)	<u><u>\$2,271,885</u></u>	

[illegible]

[illegible]

AQUA OHIO, Inc.
PUCO Regulated Water Divisions
Case No. 18-0337-WW-SIC
Provision For Depreciation

Line No.	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17
1 <u>Account No. 311 / Descr - Source of Supply</u>																
2 Beginning Plant Balance (a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Additions for the month (b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Ending Plant Balance (c)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Depreciation Rate (d)	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%
6 Calculated Depreciation Expense (e)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7 Adjustments (f)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Ending Reserve Balance (g)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 <u>Account No. 311 / Descr - Source of Supply</u>	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17											
10 Beginning Plant Balance (a)	-	-	-	-	-											-
11 Additions for the month (b)	-	-	-	-	-											-
12 Ending Plant Balance (c)	-	-	-	-	-											-
13 Depreciation Rate (d)	0.2175%	0.2175%	0.2175%	0.2175%	0.2175%											0.2175%
14 Calculated Depreciation Expense (e)	-	-	-	-	-											-
15 Adjustments (f)	-	-	-	-	-											-
16 Ending Reserve Balance (g)	-	-	-	-	-											-
17 <u>Account No. 313 / Descr - Lake, River & Other Intakes</u>	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17
18 Beginning Plant Balance (a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19 Additions for the month (b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20 Ending Plant Balance (c)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21 Depreciation Rate (d)	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%
22 Calculated Depreciation Expense (e)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23 Adjustments (f)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24 Ending Reserve Balance (g)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25 <u>Account No. 313 / Descr - Lake, River & Other Intakes</u>	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17											
26 Beginning Plant Balance (a)	-	-	-	-	-											-
27 Additions for the month (b)	-	-	-	-	-											-
28 Ending Plant Balance (c)	-	-	-	-	-											-
29 Depreciation Rate (d)	0.1367%	0.1367%	0.1367%	0.1367%	0.1367%											0.1367%
30 Calculated Depreciation Expense (e)	-	-	-	-	-											-
31 Adjustments (f)	-	-	-	-	-											-
32 Ending Reserve Balance (g)	-	-	-	-	-											-
33 <u>Account No. 314 / Descr - Supply Mains</u>	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17
34 Beginning Plant Balance (a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35 Additions for the month (b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36 Ending Plant Balance (c)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37 Depreciation Rate (d)	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%
38 Calculated Depreciation Expense (e)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39 Adjustments (f)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40 Ending Reserve Balance (g)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41 <u>Account No. 314 / Descr - Supply Mains</u>	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17											
42 Beginning Plant Balance (a)	-	-	-	-	-											-
43 Additions for the month (b)	-	-	-	-	-											-
44 Ending Plant Balance (c)	-	-	-	-	-											-
45 Depreciation Rate (d)	0.2117%	0.2117%	0.2117%	0.2117%	0.2117%											0.2117%
46 Calculated Depreciation Expense (e)	-	-	-	-	-											-
47 Adjustments (f)	-	-	-	-	-											-
48 Ending Reserve Balance (g)	-	-	-	-	-											-

- (a) Ending Plant Balance From Previous Month
(b) Additions For The Current Month
(c) Lines (2) + (3)
(d) Current Depreciation Accrual Rate/12 To Arrive At Monthly Depreciation Accrual Rate
(e) Lines (4) x (5)
(f) Adjustments If Necessary
(g) Lines (6) + (7)

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Line No.	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17
1 <u>Account No. 316 / Descr - Supply Mains</u>																
2 Beginning Plant Balance (a)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 Additions for the month (b)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Ending Plant Balance (c)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Depreciation Rate (d)	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%
6 Calculated Depreciation Expense (e)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Ending Reserve Balance (g)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 <u>Account No. 316 / Descr - Supply Mains</u>	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17	Total 12/31/17										
10 Beginning Plant Balance (a)	\$0	\$0	\$0	\$0	\$0	\$0										
11 Additions for the month (b)	0	0	0	0	0	0										
12 Ending Plant Balance (c)	0	0	0	0	0	0										
13 Depreciation Rate (d)	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%										
14 Calculated Depreciation Expense (e)	0	0	0	0	0	0.1250%										
15 Adjustments (f)	0	0	0	0	0	0										
16 Ending Reserve Balance (g)	\$0	\$0	\$0	\$0	\$0	\$0										
17 <u>Account No. 321 / Descr - Bld & Fix. Pumping</u>	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17
18 Beginning Plant Balance (a)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19 Additions for the month (b)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Ending Plant Balance (c)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Depreciation Rate (d)	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%
22 Calculated Depreciation Expense (e)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Ending Reserve Balance (g)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25 <u>Account No. 321 / Descr - Bld & Fix. Pumping</u>	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17	Total 17,743,997										
26 Beginning Plant Balance (a)	\$0	\$0	\$0	\$0	\$0	\$0										
27 Additions for the month (b)	0	0	0	0	0	0										
28 Ending Plant Balance (c)	0	0	0	0	0	0										
29 Depreciation Rate (d)	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%	0.1250%										
30 Calculated Depreciation Expense (e)	0	0	0	0	0	0.1250%										
31 Adjustments (f)	0	0	0	0	0	0										
32 Ending Reserve Balance (g)	\$0	\$0	\$0	\$0	\$0	\$0										
33 <u>Account No. 323 / Descr - Other Pwr Prod Equip</u>	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17
34 Beginning Plant Balance (a)	\$0	\$0	\$0	\$0	\$6,982	\$6,982	\$6,982	\$6,982	\$6,982	\$6,982	\$6,982	\$6,982	\$6,982	\$20,682	\$26,548	\$30,078
35 Additions for the month (b)	0	0	0	6,982	0	0	0	0	0	0	0	0	13,700	5,866	3,530	0
36 Ending Plant Balance (c)	0	0	0	6,982	6,982	6,982	6,982	6,982	6,982	6,982	6,982	6,982	20,682	26,548	30,078	30,078
37 Depreciation Rate (d)	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%
38 Calculated Depreciation Expense (e)	0	0	0	18	18	18	18	18	18	18	18	18	54	70	79	79
39 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40 Ending Reserve Balance (g)	\$0	\$0	\$0	\$18	\$36	\$54	\$72	\$90	\$108	\$126	\$144	\$162	\$216	\$286	\$365	\$444
41 <u>Account No. 323 / Descr - Other Pwr Prod Equip</u>	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17	Total 12/31/17										
42 Beginning Plant Balance (a)	\$30,078	\$30,078	\$38,624	\$38,624	\$38,624	\$38,624										
43 Additions for the month (b)	0	8,546	0	0	0	0										
44 Ending Plant Balance (c)	30,078	38,624	38,624	38,624	38,624	38,624										
45 Depreciation Rate (d)	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%	0.2625%										
46 Calculated Depreciation Expense (e)	79	101	101	101	101	38,624										
47 Adjustments (f)	0	0	0	0	0	0										
48 Ending Reserve Balance (g)	\$523	\$624	\$725	\$826	\$927	\$927										

- (a) Ending Plant Balance From Previous Month
(b) Additions For The Current Month
(c) Lines (2) + (3)
(d) Current Depreciation Accrual Rate/12 To Arrive At Monthly Depreciation Accrual Rate
(e) Lines (4) x (5)
(f) Adjustments If Necessary
(g) Lines (6) + (7)

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Line No.	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17
1 <u>Account No. 325 / Descr - Electr Pump Equip</u>																
2 Beginning Plant Balance (a)	\$0	\$0	\$0	\$0	\$0	\$15,540	\$15,540	\$17,623	\$17,623	\$44,030	\$44,030	\$44,030	\$44,030	\$44,030	\$119,448	\$123,994
3 Additions for the month (b)	0	0	0	0	15,540	0	2,083	0	26,407	0	0	0	0	0	75,418	4,545
4 Ending Plant Balance (c)	0	0	0	0	15,540	15,540	17,623	17,623	44,030	44,030	44,030	44,030	44,030	44,030	119,448	123,994
5 Depreciation Rate (d)	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%
6 Calculated Depreciation Expense (e)	0	0	0	0	32	32	36	36	90	90	90	90	90	90	243	252
7 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Ending Reserve Balance (g)	\$0	\$0	\$0	\$0	\$32	\$64	\$100	\$136	\$226	\$316	\$406	\$496	\$586	\$679	\$1,081	\$1,333
																Total 12/31/17
9 <u>Account No. 325 / Descr - Electr Pump Equip</u>																
10 Beginning Plant Balance (a)	\$123,994	\$134,166	\$135,607	\$136,508	\$138,516											\$138,516
11 Additions for the month (b)	10,173	1,441	901	2,008	0											0
12 Ending Plant Balance (c)	134,166	135,607	136,508	138,516	138,516											138,516
13 Depreciation Rate (d)	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%											0.2033%
14 Calculated Depreciation Expense (e)	273	276	278	282	282											0
15 Adjustments (f)	0	0	0	0	0											0
16 Ending Reserve Balance (g)	\$1,606	\$1,882	\$2,160	\$2,442	\$2,724											\$2,724
																Total 12/31/17
17 <u>Account No. 328 / Descr - Other Pump Equip</u>																
18 Beginning Plant Balance (a)	\$0	\$5,141	\$33,460	\$33,460	\$48,940	\$59,794	\$106,219	\$106,219	\$118,063	\$133,578	\$133,578	\$142,811	\$144,901	\$144,901	\$160,861	\$160,861
19 Additions for the month (b)	5,141	28,319	0	15,480	10,854	46,426	0	11,843	15,515	0	9,234	2,089	0	15,960	0	0
20 Ending Plant Balance (c)	5,141	33,460	33,460	48,940	59,794	106,219	106,219	118,063	133,578	133,578	142,811	144,901	144,901	160,861	160,861	160,861
21 Depreciation Rate (d)	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%
22 Calculated Depreciation Expense (e)	10	68	68	99	122	216	216	240	272	272	290	295	295	327	327	327
23 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Ending Reserve Balance (g)	\$10	\$78	\$146	\$245	\$367	\$583	\$799	\$1,039	\$1,311	\$1,583	\$1,873	\$2,168	\$2,463	\$2,790	\$3,117	\$3,444
																Total 12/31/17
25 <u>Account No. 328 / Descr - Other Pump Equip</u>																
26 Beginning Plant Balance (a)	\$160,861	\$179,247	\$179,247	\$179,247	\$183,276											\$183,276
27 Additions for the month (b)	18,386	0	0	4,030	61,340											61,340
28 Ending Plant Balance (c)	179,247	179,247	179,247	183,276	244,616											244,616
29 Depreciation Rate (d)	0.2033%	0.2033%	0.2033%	0.2033%	0.2033%											0.2033%
30 Calculated Depreciation Expense (e)	364	364	364	373	497											0
31 Adjustments (f)	0	0	0	0	0											0
32 Ending Reserve Balance (g)	\$3,808	\$4,172	\$4,536	\$4,909	\$5,406											\$5,406
																Total 12/31/17
33 <u>Account No. 331 / Descr - WT Struct & Improve</u>																
34 Beginning Plant Balance (a)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)
35 Additions for the month (b)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36 Ending Plant Balance (c)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37 Depreciation Rate (d)	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%
38 Calculated Depreciation Expense (e)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40 Ending Reserve Balance (g)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
																Total 12/31/17
41 <u>Account No. 331 / Descr - WT Struct & Improve</u>																
42 Beginning Plant Balance (a)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)											(\$0)
43 Additions for the month (b)	0	0	0	0	0											0
44 Ending Plant Balance (c)	(0)	(0)	(0)	(0)	(0)											(0)
45 Depreciation Rate (d)	0.1667%	0.1667%	0.1667%	0.1667%	0.1667%											0.1667%
46 Calculated Depreciation Expense (e)	0	0	0	0	0											0
47 Adjustments (f)	0	0	0	0	0											0
48 Ending Reserve Balance (g)	\$0	\$0	\$0	\$0	\$0											\$0

- (a) Ending Plant Balance From Previous Month
(b) Additions For The Current Month
(c) Lines (2) + (3)
(d) Current Depreciation Accrual Rate/12 To Arrive At Monthly Depreciation Accrual Rate
(e) Lines (4) x (5)
(f) Adjustments If Necessary
(g) Lines (6) + (7)

AQUA OHIO, Inc.
PUCO Regulated Water Divisions
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Provision For Depreciation

Line

No.

	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17	
1 <u>Account No. 332 / Descr - Wtr Treat Equip</u>																	
2 Beginning Plant Balance (a)	\$0	\$6,406	\$65,279	\$72,468	\$72,468	\$241,174	\$299,017	\$335,647	\$351,741	\$379,875	\$379,875	\$381,265	\$386,080	\$397,555	\$476,866	\$652,072	
3 Additions for the month (b)	6,406	58,873	7,189	0	168,706	57,843	36,630	16,095	28,133	0	1,390	4,816	11,475	79,311	175,205	3,307	
4 Ending Plant Balance (c)	6,406	65,279	72,468	72,468	241,174	299,017	335,647	351,741	379,875	379,875	381,265	386,080	397,555	476,866	652,072	655,379	
5 Depreciation Rate (d)	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%	
6 Calculated Depreciation Expense (e)	11	114	126	126	420	521	585	613	662	662	664	673	693	831	1,136	1,142	
7 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
8 Ending Reserve Balance (g)	\$11	\$125	\$251	\$377	\$797	\$1,318	\$1,903	\$2,516	\$3,178	\$3,840	\$4,504	\$5,177	\$5,870	\$6,701	\$7,837	\$8,979	
																	Total
	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17												12/31/17
9 <u>Account No. 332 / Descr - Wtr Treat Equip</u>																	
10 Beginning Plant Balance (a)	\$655,379	\$692,778	\$723,135	\$740,051	\$753,475												\$753,475
11 Additions for the month (b)	37,399	30,357	16,916	13,424	78,218												78,218
12 Ending Plant Balance (c)	692,778	723,135	740,051	753,475	831,693												831,693
13 Depreciation Rate (d)	0.1742%	0.1742%	0.1742%	0.1742%	0.1742%												0.1742%
14 Calculated Depreciation Expense (e)	1,207	1,260	1,289	1,313	1,449												
15 Adjustments (f)	0	0	0	0	0												
16 Ending Reserve Balance (g)	\$10,186	\$11,446	\$12,735	\$14,048	\$15,497												\$15,497
	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17	
17 <u>Account No. 342 / Descr - Reservoirs & Standpipes</u>																	
18 Beginning Plant Balance (a)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,525	\$1,539	
19 Additions for the month (b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,525.24	14.03	-
20 Ending Plant Balance (c)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,525	1,539	1,539
21 Depreciation Rate (d)	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%
22 Calculated Depreciation Expense (e)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	2	2
23 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Ending Reserve Balance (g)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2	\$4	\$6
																	Total
	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17												12/31/17
25 <u>Account No. 342 / Descr - Reservoirs & Standpipes</u>																	
26 Beginning Plant Balance (a)	\$1,539	\$4,390	\$4,390	\$4,390	\$4,390												\$4,390
27 Additions for the month (b)	2,850	0	0	0	890,066												890,066
28 Ending Plant Balance (c)	4,390	4,390	4,390	4,390	894,456												894,456
29 Depreciation Rate (d)	0.1492%	0.1492%	0.1492%	0.1492%	0.1492%												0.1492%
30 Calculated Depreciation Expense (e)	7	7	7	7	1,335												
31 Adjustments (f)	0	0	0	0	0												
32 Ending Reserve Balance (g)	\$13	\$20	\$27	\$34	\$1,369												\$1,369
	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17	
33 <u>Account No. 343 / Descr - T&D Mains</u>																	
34 Beginning Plant Balance (a)	\$0	\$6,684	\$275,509	\$582,097	\$1,135,312	\$1,213,029	\$1,975,575	\$2,156,398	\$2,369,339	\$2,735,746	\$2,746,109	\$2,762,727	\$2,807,781	\$2,808,465	\$2,837,027	\$3,325,800	
35 Additions for the month (b)	6,684	269,825	306,588	553,215	77,717	762,546	180,823	212,940	366,407	10,384	16,618	45,054	64	28,582	488,773	139,820	
36 Ending Plant Balance (c)	6,684	275,509	582,097	1,135,312	1,213,029	1,975,575	2,156,398	2,369,339	2,735,746	2,746,109	2,762,727	2,807,781	2,808,465	2,837,027	3,325,800	3,465,620	
37 Depreciation Rate (d)	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%	
38 Calculated Depreciation Expense (e)	9	370	781	1,524	1,628	2,651	2,894	3,180	3,671	3,685	3,708	3,768	3,769	3,807	4,463	4,651	
39 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
40 Ending Reserve Balance (g)	\$9	\$379	\$1,160	\$2,684	\$4,312	\$6,963	\$9,857	\$13,037	\$16,708	\$20,393	\$24,101	\$27,869	\$31,638	\$35,445	\$39,908	\$44,559	
																	Total
	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17												12/31/17
41 <u>Account No. 343 / Descr - T&D Mains</u>																	
42 Beginning Plant Balance (a)	\$3,465,620	\$3,649,228	\$4,745,036	\$4,787,794	\$5,594,532												\$5,594,532
43 Additions for the month (b)	183,608	1,095,808	42,758	806,738	2,157,575												2,157,575
44 Ending Plant Balance (c)	3,649,228	4,745,036	4,787,794	5,594,532	7,752,108												7,752,108
45 Depreciation Rate (d)	0.1342%	0.1342%	0.1342%	0.1342%	0.1342%												0.1342%
46 Calculated Depreciation Expense (e)	4,897	6,368	6,425	7,508	10,403												
47 Adjustments (f)	0	0	0	0	0												
48 Ending Reserve Balance (g)	\$49,456	\$55,824	\$62,249	\$69,757	\$80,160												\$80,160

(a) Ending Plant Balance From Previous Month

(b) Additions For The Current Month

(c) Lines (2) + (3)

(d) Current Depreciation Accrual Rate/12 To Arrive At Monthly Depreciation Accrual Rate

(e) Lines (4) x (5)

(f) Adjustments If Necessary

(g) Lines (6) + (7)

AQUA OHIO, Inc.
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Line No.	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17
1 Account No. 345 / Descr - Services																
2 Beginning Plant Balance (a)	\$0	\$1,075	\$25,237	\$501,259	\$570,046	\$571,102	\$955,348	\$976,340	\$985,217	\$1,321,725	\$1,330,084	\$1,330,785	\$1,482,175	\$1,479,997	\$1,480,258	\$1,838,399
3 Additions for the month (b)	1,075	24,163	476,022	68,787	1,056	384,246	20,993	8,877	336,508	8,358	701	151,390	(2,178)	261	358,141	20,921
4 Ending Plant Balance (c)	1,075	25,237	501,259	570,046	571,102	955,348	976,340	985,217	1,321,725	1,330,084	1,330,785	1,482,175	1,479,997	1,480,258	1,838,399	1,859,320
5 Depreciation Rate (d)	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%
6 Calculated Depreciation Expense (e)	3	63	1,249	1,421	1,423	2,381	2,433	2,455	3,294	3,315	3,316	3,694	3,688	3,689	4,581	4,633
7 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Ending Reserve Balance (g)	\$3	\$66	\$1,315	\$2,736	\$4,159	\$6,540	\$8,973	\$11,428	\$14,722	\$18,037	\$21,353	\$25,047	\$28,735	\$32,424	\$37,005	\$41,638
9 Account No. 345 / Descr - Services																
10 Beginning Plant Balance (a)	\$1,859,320	\$1,944,255	\$2,311,834	\$2,360,730	\$2,721,304											\$2,721,304
11 Additions for the month (b)	84,935	367,579	48,896	360,574	412,157											412,157
12 Ending Plant Balance (c)	1,944,255	2,311,834	2,360,730	2,721,304	3,133,461											3,133,461
13 Depreciation Rate (d)	0.2492%	0.2492%	0.2492%	0.2492%	0.2492%											0.2492%
14 Calculated Depreciation Expense (e)	4,845	5,761	5,883	6,781	7,809											7,809
15 Adjustments (f)	0	0	0	0	0											0
16 Ending Reserve Balance (g)	\$46,483	\$52,244	\$58,127	\$64,908	\$72,717											\$72,717
17 Account No. 346 / Descr - Meters																
18 Beginning Plant Balance (a)	\$0	\$0	\$0	\$37,000	\$37,000	\$37,000	\$71,398	\$71,398	\$71,398	\$104,909	\$104,909	\$106,057	\$350,034	\$350,034	\$350,034	\$442,874
19 Additions for the month (b)	0	0	37,000	0	0	34,398	0	0	33,511	0	1,148	243,976	0	0	92,841	36,631
20 Ending Plant Balance (c)	0	0	37,000	37,000	37,000	71,398	71,398	71,398	104,909	104,909	106,057	350,034	350,034	350,034	442,874	479,505
21 Depreciation Rate (d)	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%
22 Calculated Depreciation Expense (e)	0	0	140	140	140	270	270	270	396	396	400	1,321	1,321	1,321	1,672	1,810
23 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Ending Reserve Balance (g)	\$0	\$0	\$140	\$280	\$420	\$690	\$960	\$1,230	\$1,626	\$2,022	\$2,422	\$3,743	\$5,064	\$6,385	\$8,057	\$9,867
25 Account No. 346 / Descr - Meters																
26 Beginning Plant Balance (a)	\$479,505	\$479,505	\$1,231,522	\$1,754,672	\$2,042,678											\$2,042,678
27 Additions for the month (b)	0	752,017	523,150	288,006	73,977											73,977
28 Ending Plant Balance (c)	479,505	1,231,522	1,754,672	2,042,678	2,116,655											2,116,655
29 Depreciation Rate (d)	0.3775%	0.3775%	0.3775%	0.3775%	0.3775%											0.3775%
30 Calculated Depreciation Expense (e)	1,810	4,649	6,624	7,711	7,990											7,990
31 Adjustments (f)	0	0	0	0	0											0
32 Ending Reserve Balance (g)	\$11,677	\$16,326	\$22,950	\$30,661	\$38,651											\$38,651
33 Account No. 347 / Descr - Meter Installations																
34 Beginning Plant Balance (a)	\$0	\$0	\$0	\$90,391	\$90,391	\$90,391	\$155,533	\$155,533	\$155,533	\$141,414	\$144,839	\$150,687	\$241,248	\$241,248	\$241,248	\$833,244
35 Additions for the month (b)	0	0	90,391	0	0	65,142	0	0	(14,119)	3,426	5,848	90,560	0	0	591,996	2,207
36 Ending Plant Balance (c)	0	0	90,391	90,391	90,391	155,533	155,533	155,533	141,414	144,839	150,687	241,248	241,248	241,248	833,244	835,451
37 Depreciation Rate (d)	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%
38 Calculated Depreciation Expense (e)	0	0	255	255	255	439	439	439	399	409	426	682	682	682	2,354	2,360
39 Adjustments (f)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40 Ending Reserve Balance (g)	\$0	\$0	\$255	\$510	\$765	\$1,204	\$1,643	\$2,082	\$2,481	\$2,890	\$3,316	\$3,998	\$4,680	\$5,362	\$7,716	\$10,076
41 Account No. 347 / Descr - Meter Installations																
42 Beginning Plant Balance (a)	\$835,451	\$835,451	\$968,317	\$1,540,602	\$1,586,840											\$1,586,840
43 Additions for the month (b)	0	132,866	572,285	46,238	278,695											278,695
44 Ending Plant Balance (c)	835,451	968,317	1,540,602	1,586,840	1,865,535											1,865,535
45 Depreciation Rate (d)	0.2825%	0.2825%	0.2825%	0.2825%	0.2825%											0.2825%
46 Calculated Depreciation Expense (e)	2,360	2,735	4,352	4,483	5,270											5,270
47 Adjustments (f)	0	0	0	0	0											0
48 Ending Reserve Balance (g)	\$12,436	\$15,171	\$19,523	\$24,006	\$29,276											\$29,276

- (a) Ending Plant Balance From Previous Month
 (b) Additions For The Current Month
 (c) Lines (2) + (3)
 (d) Current Depreciation Accrual Rate/12 To Arrive At Monthly Depreciation Accrual Rate
 (e) Lines (4) x (5)
 (f) Adjustments If Necessary
 (g) Lines (6) + (7)

AQUA OHIO, Inc.
PUCO Regulated Water Divisions
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No.	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17	
1	Account No. 348 / Descr - Hydrants																
2	\$0	\$1,432	\$38,777	\$144,669	\$218,215	\$219,816	\$247,572	\$276,127	\$327,771	\$355,407	\$356,428	\$360,082	\$379,077	\$385,480	\$406,678	\$453,638	
3	1,432	37,345	105,892	73,546	1,602	27,755	28,555	51,645	27,636	1,021	3,654	18,996	6,403	21,198	46,960	2,130	
4	1,432	38,777	144,669	218,215	219,816	247,572	276,127	327,771	355,428	356,428	360,082	379,077	385,480	406,678	453,638	455,768	
5	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%	
6	2	52	193	291	293	330	368	437	474	475	480	505	514	542	605	608	
7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
8	\$2	\$54	\$247	\$538	\$831	\$1,161	\$1,529	\$1,966	\$2,440	\$2,915	\$3,395	\$3,900	\$4,414	\$4,956	\$5,561	\$6,169	
9	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17												Total 12/31/17
10	\$455,768	\$490,997	\$515,335	\$552,888	\$636,156											\$636,156	
11	35,229	24,338	37,553	83,269	92,177											92,177	
12	490,997	515,335	552,888	636,156	728,333											728,333	
13	0.1333%	0.1333%	0.1333%	0.1333%	0.1333%											0.1333%	
14	654	687	737	848	971											0.1333%	
15	0	0	0	0	0											0	
16	\$6,823	\$7,510	\$8,247	\$9,095	\$10,066											\$10,066	
17	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17	
18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
21	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%	
22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
25	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17												Total 12/31/17
26	\$0	\$0	\$0	\$0	\$0											\$0	
27	0	0	0	0	0											0	
28	0	0	0	0	0											0	
29	0.4167%	0.4167%	0.4167%	0.4167%	0.4167%											0.4167%	
30	0	0	0	0	0											0	
31	0	0	0	0	0											0	
32	\$0	\$0	\$0	\$0	\$0											\$0	
33	4/1/16	5/31/16	6/30/16	7/31/16	8/31/16	9/30/16	10/31/16	11/30/16	12/31/16	1/31/17	2/28/17	3/31/17	4/30/17	5/31/17	6/30/17	7/31/17	
34	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
37	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%	
38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
41	8/31/17	9/30/17	10/31/17	11/30/17	12/31/17												Total 12/31/17
42	\$0	\$0	\$0	\$0	\$0											\$0	
43	0	0	0	0	0											0	
44	0	0	0	0	0											0	
45	0.5558%	0.5558%	0.5558%	0.5558%	0.5558%											0.5558%	
46	0	0	0	0	0											0	
47	0	0	0	0	0											0	
48	\$0	\$0	\$0	\$0	\$0											\$0	

- (a) Ending Plant Balance From Previous Month
 (b) Additions For The Current Month
 (c) Lines (2) + (3)
 (d) Current Depreciation Accrual Rate/12 To Arrive At Monthly Depreciation Accrual Rate
 (e) Lines (4) x (5)
 (f) Adjustments If Necessary
 (g) Lines (6) + (7)

AQUA OHIO, Inc.
PUCO Regulated Water Divisions

Case No. 18-0337-WW-SIC

Annualized Depreciation Associated With Additions

Line	Acct.	Plant In Service		Depreciation
No.	No. Description	Balance At	Accrual Rates	Expense
		12/31/17		
		(a)	(b)	(c)
1	Property Grouping			
2	Account 311	\$0	2.61%	\$0
3	Account 313	\$0	1.64%	\$0
4	Account 314	\$0	2.54%	\$0
5	Account 316	\$0	1.50%	\$0
6	Account 321	\$0	1.98%	\$0
7	Account 323	38,624	3.15%	1,217
8	Account 325	138,516	2.44%	3,380
9	Account 328	244,616	2.44%	5,969
10	Account 331	(0)	2.00%	0
11	Account 332	831,693	2.09%	17,382
12	Account 342	\$894,456	1.79%	\$16,011
13	Account 343	7,752,108	1.61%	124,809
14	Account 345	3,133,461	2.99%	93,690
15	Account 346	2,116,655	4.53%	95,884
16	Account 347	1,865,535	3.39%	63,242
17	Account 348	728,333	1.60%	11,653
18	Account 395	\$0	5.00%	\$0
19	Account 397	0	6.67%	0
20	Total (2 through 19)	<u>17,743,997</u>		<u>433,237</u>
21				
22	Grand Total	<u>\$17,743,997</u>		<u>\$433,237</u>

AQUA OHIO, Inc.,
PUCO Regulated Water Divisions
Case No. 18-0337-WW-SIC
Annualized Addition in Property Taxes For Additions

Line No.	Acct. No.	Year	<u>Total Additions</u>	Percent <u>Good</u>	True Value of <u>Taxable Property</u>	Taxable <u>Percent</u>	Total Taxable <u>Value</u>	Tax <u>Rate *</u>	<u>Tax</u>
1	Property Grouping								
2	Account 311	2016	-	94.0%	0	25.0%	0	86.620	0
3	Account 311	2017	-	98.0%	0	25.0%	0	86.620	0
4	Account 313	2016	-	94.0%	0	25.0%	0	86.620	0
5	Account 313	2017	-	98.0%	0	25.0%	0	86.620	0
6	Account 314	2016	-	94.0%	0	25.0%	0	86.620	0
7	Account 314	2017	-	98.0%	0	25.0%	0	86.620	0
8	Account 316	2017	-	98.0%	0	25.0%	0	86.620	0
9	Account 321	2016	-	94.0%	0	25.0%	0	86.620	0
10	Account 321	2017	-	98.0%	0	25.0%	0	86.620	0
11	Account 323	2016	6,982	94.0%	6,563	25.0%	1,641	86.620	142
12	Account 323	2017	31,643	98.0%	31,010	25.0%	7,752	86.620	672
13	Account 325	2016	44,030	94.0%	41,388	25.0%	10,347	86.620	896
14	Account 325	2017	94,486	98.0%	92,596	25.0%	23,149	86.620	2,005
15	Account 328	2016	133,578	94.0%	125,563	25.0%	31,391	86.620	2,719
16	Account 328	2017	111,039	98.0%	108,818	25.0%	27,204	86.620	2,356
17	Account 331	2016	-	95.0%	0	25.0%	0	86.620	0
18	Account 331	2017	(0)	98.3%	0	25.0%	0	86.620	0
19	Account 332	2016	379,875	95.0%	360,881	25.0%	90,220	86.620	7,815
20	Account 332	2017	451,818	98.3%	444,137	25.0%	111,034	86.620	9,618
21	Account 342	2017	894,456	99.0%	885,511	25.0%	221,378	86.620	19,176
22	Account 343	2016	2,735,746	97.0%	2,653,673	25.0%	663,418	86.620	57,465
23	Account 343	2017	5,016,362	99.0%	4,966,198	25.0%	1,241,550	86.620	107,543
24	Account 345	2016	1,321,725	97.0%	1,282,074	25.0%	320,518	86.620	27,763
25	Account 345	2017	1,811,736	99.0%	1,793,619	25.0%	448,405	86.620	38,841
26	Account 346	2016	104,909	97.0%	101,762	25.0%	25,440	86.620	2,204
27	Account 346	2017	2,011,746	99.0%	1,991,629	25.0%	497,907	86.620	43,129
28	Account 347	2016	141,414	97.0%	137,171	25.0%	34,293	86.620	2,970
29	Account 347	2017	1,724,121	99.0%	1,706,880	25.0%	426,720	86.620	36,962
30	Account 348	2016	355,407	97.0%	344,745	25.0%	86,186	86.620	7,465
31	Account 348	2017	372,926	99.0%	369,197	25.0%	92,299	86.620	7,995
32	Account 395	2017	-	96.7%	0	25.0%	0	86.620	0
33	Account 397	2016	-	90.0%	0	25.0%	0	86.620	0
34	Account 397	2017	-	96.7%	0	25.0%	0	86.620	0
35									
36									
37		Total (2 through 34)	<u>17,743,997</u>		<u>17,443,414</u>		<u>4,360,854</u>		<u>377,737</u>
38									
39		* Tax rate based on most recent bills received from the counties							

Stipulation

Schedule 6

AQUA OHIO, Inc,
PUCO Regulated Water Divisions
Case No. 18-0337-WW-SIC
Annualized Reduction in Depreciation For Retirements

Line	Acct.		Plant In Service		Depreciation
No.	No.	Description	Balance At	Accrual Rates	Expense
			12/31/17		
			(a)	(b)	(c)
1		Property Grouping			
2		Account 311	\$0	2.61%	\$0
3		Account 313	\$0	1.64%	\$0
4		Account 314	\$0	2.54%	\$0
5		Account 316	\$0	1.50%	\$0
6		Account 321	\$0	1.98%	\$0
7		Account 323	\$20,065	3.15%	\$632
8		Account 325	\$30,156	2.44%	\$736
9		Account 328	\$121,067	2.44%	\$2,954
10		Account 331	\$0	2.00%	\$0
11		Account 332	\$352,740	2.09%	\$7,372
12		Account 342	\$58,143	1.79%	\$1,041
13		Account 343	\$210,653	1.61%	\$3,392
14		Account 345	\$244,919	2.99%	\$7,323
15		Account 346	\$628,247	4.53%	\$28,460
16		Account 347	\$624,162	3.39%	\$21,159
17		Account 348	\$76,527	1.60%	\$1,224
18		Account 395	\$0	5.00%	\$0
19		Account 397	\$0	6.67%	\$0
20		Total (2 through 19)	<u>2,366,679</u>		<u>74,293</u>
21					
22		Grand Total	<u>2,366,679</u>		<u>74,293</u>

(a) Schedule 3
(c) Columns (a) x (b)

AQUA OHIO, Inc,
PUCO Regulated Water Divisions
Case No. 18-0337-VWW-SIC
Annualized Reduction in Property Taxes For Retirements

Line No.			Total Retirements	Percent Good	True Value of Taxable Property	Taxable Percent	Total Taxable Value	Tax Rate	Tax
1	General	Acts 389-399			0	88.0%	0	86.620	0
2					0	88.0%	0	86.620	0
3			2005	9,985	23.1%	2,307	88.0%	2,030	176
4			Prior	1,422	15.0%	213	88.0%	188	16
5				-		0	88.0%	0	0
6				-		0	88.0%	0	0
7	Pumping	Acts 320-328			0	88.0%	0	86.620	0
8				-		0	88.0%	0	0
9			2015	2,117	90.0%	1,906	88.0%	1,677	145
10			2013	1,401	82.0%	1,149	88.0%	1,011	88
11			2011	17,790	74.0%	13,164	88.0%	11,585	1,003
12			2010	2,567	70.0%	1,797	88.0%	1,581	137
13			2009	687	66.0%	454	88.0%	399	35
14			2007	11,195	58.0%	6,493	88.0%	5,714	495
15			2006	63,444	54.0%	34,260	88.0%	30,149	2,611
16			2005	1,059	50.0%	530	88.0%	466	40
17			2004	13,507	46.0%	6,213	88.0%	5,468	474
18			2003	15,970	42.0%	6,708	88.0%	5,903	511
19			2002	12,198	38.0%	4,635	88.0%	4,079	353
20			2001	20,057	34.0%	6,819	88.0%	6,001	520
21			2000	4,195	30.9%	1,296	88.0%	1,141	99
22			1999	4,617	28.6%	1,320	88.0%	1,162	101
23			1998	507	26.3%	133	88.0%	117	10
24			1997	888	24.1%	214	88.0%	188	16
25			1995	4,990	19.5%	973	88.0%	856	74
26			1994	941	17.3%	163	88.0%	143	12
27			1993	3,423	15.0%	513	88.0%	452	39
28			Prior	7,147	15.0%	1,072	88.0%	943	82
29				-		0	88.0%	0	0
30				-		0	88.0%	0	0
31	SOS	Acts 310-317			0	88.0%	0	86.620	0
32				-		0	88.0%	0	0
33			2012	-	78.0%	0	88.0%	0	0
34			2004	5,430	46.0%	2,498	88.0%	2,198	190
35			1998	-	26.3%	0	88.0%	0	0
36			1995	-	19.5%	0	88.0%	0	0
37			1993	-	15.0%	0	88.0%	0	0
38			Prior	2,273	15.0%	341	88.0%	300	26
39				-		0	88.0%	0	0
40				-		0	88.0%	0	0
41	T&D	Acts 340-348			0	88.0%	0	86.620	0
42				-		0	88.0%	0	0
43			2015	8,301	95.0%	7,886	88.0%	6,939	601
44			2014	11,454	93.0%	10,652	88.0%	9,374	812
45			2013	11,040	91.0%	10,046	88.0%	8,841	766
46			2012	30,527	89.0%	27,169	88.0%	23,909	2,071
47			2011	8,643	87.0%	7,520	88.0%	6,617	573
48			2010	15,112	85.0%	12,845	88.0%	11,304	979
49			2009	4,493	83.0%	3,730	88.0%	3,282	284
50			2008	4,414	81.0%	3,575	88.0%	3,146	273
51			2007	6,609	79.0%	5,221	88.0%	4,594	398
52			2006	2,882	77.0%	2,220	88.0%	1,953	169
53			2005	473	75.0%	355	88.0%	312	27
54			2004	738	73.0%	539	88.0%	474	41
55			2003	2,786	71.0%	1,978	88.0%	1,741	151
56			2002	939	69.0%	648	88.0%	570	49
57			2001	71,105	67.0%	47,640	88.0%	41,923	3,631
58			2000	42,965	65.0%	27,927	88.0%	24,576	2,129
59			1999	57,304	63.0%	36,102	88.0%	31,770	2,752
60			1998	70,960	61.0%	43,285	88.0%	38,091	3,299
61			1997	33,342	59.0%	19,672	88.0%	17,311	1,500
62			1996	23,487	57.0%	13,388	88.0%	11,781	1,020
63			1995	12,377	55.0%	6,807	88.0%	5,991	519
64			1994	84,406	53.0%	44,735	88.0%	39,367	3,410
65			1993	251,107	51.0%	128,065	88.0%	112,697	9,762
66			1992	151,989	49.0%	74,475	88.0%	65,538	5,677

AQUA OHIO, Inc,
PUCO Regulated Water Divisions
Case No. 18-0337-WW-SIC
Annualized Reduction in Property Taxes For Retirements

Line No.		<u>Total Retirements</u>	<u>Percent Good</u>	<u>True Value of Taxable Property</u>	<u>Taxable Percent</u>	<u>Total Taxable Value</u>	<u>Tax Rate</u>	<u>Tax</u>
67		1991 84,354	47.0%	39,646	88.0%	34,889	86.620	3,022
68		1990 134,257	45.0%	60,416	88.0%	53,166	86.620	4,605
69		1989 186,514	43.0%	80,201	88.0%	70,577	86.620	6,113
70		1988 15,948	41.0%	6,539	88.0%	5,754	86.620	498
71		1987 7,380	39.0%	2,878	88.0%	2,533	86.620	219
72		1986 8,390	37.0%	3,104	88.0%	2,732	86.620	237
73		1985 26,674	35.0%	9,336	88.0%	8,215	86.620	712
74		1984 7,436	33.0%	2,454	88.0%	2,159	86.620	187
75		1983 2,810	31.0%	871	88.0%	767	86.620	66
76		1982 30,995	29.9%	9,267	88.0%	8,155	86.620	706
77		1981 79,607	28.9%	23,006	88.0%	20,246	86.620	1,754
78		1980 35,068	27.8%	9,749	88.0%	8,579	86.620	743
79		1979 4,152	26.7%	1,109	88.0%	976	86.620	85
80		1978 3,274	25.7%	841	88.0%	740	86.620	64
81		1977 11,601	24.6%	2,854	88.0%	2,511	86.620	218
82		1976 4,593	23.5%	1,079	88.0%	950	86.620	82
83		1975 3,359	22.5%	756	88.0%	665	86.620	58
84		1974 3,417	21.4%	731	88.0%	644	86.620	56
85		1973 4,470	20.3%	907	88.0%	798	86.620	69
86		1972 983	19.3%	190	88.0%	167	86.620	14
87		1971 10,472	18.2%	1,906	88.0%	1,677	86.620	145
88		1970 1,694	17.1%	290	88.0%	255	86.620	22
89		1969 10,325	16.1%	1,662	88.0%	1,463	86.620	127
90		1968 1,573	15.0%	236	88.0%	208	86.620	18
91		Prior 263,220	15.0%	39,483	88.0%	34,745	86.620	3,010
92		-		0	88.0%	0	86.620	0
93		-		0	88.0%	0	86.620	0
94	WTP	Acts 330-332		0	88.0%	0	86.620	0
95		-		0	88.0%	0	86.620	0
96		2015 32,995	91.7%	30,256	88.0%	26,625	86.620	2,306
97		2014 73,145	88.3%	64,587	88.0%	56,836	86.620	4,923
98		2013 43,062	85.0%	36,603	88.0%	32,210	86.620	2,790
99		2011 4,391	78.3%	3,438	88.0%	3,026	86.620	262
100		2010 7,330	75.0%	5,497	88.0%	4,838	86.620	419
101		2009 1,062	71.7%	761	88.0%	670	86.620	58
102		2008 6,511	68.3%	4,447	88.0%	3,914	86.620	339
103		2007 30,504	65.0%	19,827	88.0%	17,448	86.620	1,511
104		2005 4,614	58.3%	2,690	88.0%	2,367	86.620	205
105		2004 9,961	55.0%	5,479	88.0%	4,821	86.620	418
106		2002 59,354	48.3%	28,668	88.0%	25,228	86.620	2,185
107		2001 1,569	45.0%	706	88.0%	621	86.620	54
108		1998 5,961	35.0%	2,086	88.0%	1,836	86.620	159
109		1997 401	31.7%	127	88.0%	112	86.620	10
110		1996 1,947	29.8%	580	88.0%	511	86.620	44
111		1995 6,044	28.0%	1,692	88.0%	1,489	86.620	129
112		1994 525	26.1%	137	88.0%	121	86.620	10
113		1993 2,465	24.3%	599	88.0%	527	86.620	46
114		1992 1,475	22.4%	330	88.0%	291	86.620	25
115		1990 3,241	18.7%	606	88.0%	533	86.620	46
116		1989 5,628	16.9%	951	88.0%	837	86.620	73
117		Prior 6,666	15.0%	1,000	88.0%	880	86.620	76
118								
119	(line 1 through 117)	<u>2,366,679</u>		<u>1,142,230</u>		<u>1,005,163</u>		<u>87,067</u>

Stipulation

Schedule 7

AQUA OHIO, Inc.,
PUCO Regulated Water Divisions
Case No. 18-0337-WW-SIC
Pre-Tax Return Summary

Line No.	Class of Capital	Reference	(\$) Amount	% of Total	(%) Cost	Weighted Cost (%)	Gross-Up	Pre-Tax Cost %
1	Long Term Debt		\$114,171,709	48.05%	4.88%	2.346%	1.04987 (a)	2.46%
2	Preferred Stock		0	0.00%	0.00%	0.00%	(b)	0.00%
3	Common Equity		<u>123,437,446</u>	51.95%	9.87%	5.127%	1.328948 (b)	<u>6.81%</u>
4	Total Capital (1 + 2 + 3)		\$237,609,155	100.00%		7.47%		9.28%

Note: Prepare This Schedule On The Basis Of The Last Base Rate Case If The Time Current Base Rates Became Effective To The Date Certain Of The Current Proceeding Does Not Exceed Three Years. If Over Three Years, Prepare Schedules Using Current Information.

(a)	1 / (1 Minus Gross Receipts or Franchise Tax)	1.049868766
(b)	1 / ((1 Minus Gross Receipts or Franchise Tax) x (1 Minus Federal Income Tax))	1.328947806

AQUA OHIO, Inc.
PUCO Regulated Water Divisions
Case No. 18-0337-WW-SIC
Calculation of Eamed Rate of Return
December 31, 2017

Line No.	Acct. No.			<u>Rate Case Adjustment</u>	
1		<u>Calculation of Net Operating Income Return on Rate Base</u>			
2	101	Plant in Service	\$336,298,943		\$336,298,943
3	108	Depreciation Reserve	87,669,116		87,669,116
4		Net Plant in Service (2 - 3)	248,629,827		248,629,827
5		Working Capital * (a)	0		0
6		Other Rate Base Items (a)	(57,485,946)		(57,485,946)
7		Rate Base (4 + 5 + 6)	191,143,881		191,143,881
8		<u>Operating Income Statement</u>			
9	400	Operating Revenues (b)	63,886,061	\$941,460	64,827,521
10	401-402	Operation and Maintenance Expenses (c)	26,346,769	9,603	26,356,372
11	403-407	Depreciation & Amortization Expense	8,360,679		8,360,679
12	408.1	Taxes Other Than Income - Utility Operating Income (d)	14,503,129	44,263	14,547,392
13	409.1-412.2	Income Taxes - Utility Operating Income (e)	2,422,409	186,395	2,608,804
14		Net Operating Income (9 - 10 - 11 - 12 - 13)	\$12,253,075	701,199	\$12,954,274
15		Net Operating Return On Rate Base (14 / 7)			6.78%

* Enter Zero, If No Working Capital Was Approved in Company's Last Base Rate Case.

- (a) Schedule 8.1
- (b) normalize annual revenue to current rates effective 3/22/17 (01/01-03/21/17 = 81 days)
- (c) uncollectible amount of adjusted revenue per case 16-0907-WW-AIR (line 9 x 1.02%)
- (d) excise tax on adjusted revenue net of uncollectible ((line 9 less line 10) x 4.75%)
- (e) income tax on adjusted operating income ((line 9 less line 10 through line 12) x 21%)

Stipulation

AQUA OHIO, Inc,
PUCO Regulated Water Divisions
Case No. 18-0337-WW-SIC
Working Capital & Other Rate Base Items
December 31, 2017

Working Capital

(1)	Operation & Maintenance Expense (a)	\$0
(2)	Expense Lag Dollars (1) / 8	0
(3)	Materials & Supplies (b)	0
(4)	1/4 of Operating Taxes (c)	0
(5)	Working Capital (2) + (3) - (4)	<u>\$0</u>

- (a) Annual Report, Schedule 5
(b) Annual Report, Schedule 4
(c) Represents 1/4 of Taxes Other Than Income Taxes & Current Federal Income Taxes Excluding FICA and .75% of the Ohio Gross Receipts Tax

Other Rate Base Items

(1)	Customers' Deposits (a)	0
(2)	Unclaimed Funds (b)	0
(3)	Customer's Advances For Construction (b)	(4,148,983)
(4)	Contributions in Aid of Construction (a)	(35,291,250)
(5)	Investment Tax Credits (b)	0
(6)	Deferred Federal Income Taxes (a)	(28,602,731)
(7)	Regulatory Assets	876,063
(8)	Other (b) Service Center Allocation	<u>9,680,955</u>
(9)	Other Rate Base Items (1) Thru (8)	<u>(57,485,946)</u>

Stipulation

Schedule 10

AQUA OHIO, Inc,
PUCO Regulated Water Divisions
Case No. 18-0337-WW-SIC
Revenue Distribution

Line No.		Revenue Distribution	Surcharge	Surcharge	
		Case No. 16-0907-WW-AIR	Percent	Revenues	
1	Residential	\$ 43,578,804	3.666%	\$	1,597,601
2	Commerical	10,469,940	3.666%	\$	383,830
3	Industrial	3,399,501	3.666%	\$	124,628
4	Public Authority	2,838,176	3.666%	\$	104,049
5	Private Fire	1,619,552	3.666%	\$	59,374
6	Sales for Resale	65,144	3.666%	\$	2,389
7	Late Fees				
8	Account Activation Fees				
9	Other Misc Revenues	1,154,852			
10		\$ 63,125,969		\$	2,271,871

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Case No(s). 18-0337-WW-SIC

Summary: Stipulation and Recommendation electronically filed by Ms. Rebekah J. Glover on behalf of Aqua Ohio, Inc.