

**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.)	

**MEMORANDUM OF AQUA OHIO, INC. IN RESPONSE TO
THE OHIO CONSUMERS' COUNSEL'S MOTION FOR COMMENT PERIOD**

I. INTRODUCTION

On November 14, 2018, the Office of the Ohio Consumers' Counsel (OCC) filed a motion to establish a comment period regarding a Stipulation filed between Aqua Ohio, Inc. (Aqua or the Company) and Staff. Aqua files this memorandum in response.

II. ARGUMENT

Aqua does not believe that OCC's motion demonstrates good cause to establish an additional comment period. Nevertheless, Aqua recognizes that the Commission may wish to hear the positions of the parties regarding the Stipulation. For that reason, Aqua would not object to a new comment period provided that two conditions were satisfied: (1) that such a comment period be established in lieu of a hearing on the Stipulation, and (2) that it be concluded reasonably promptly.

First, if the Commission establishes an additional comment period, it should be in lieu of a hearing. A hearing is required neither by law nor to resolve any disputed issue in this case. The only issue in dispute is a question of law—whether the SIC statute permits the recovery of replacement plant items that are not specifically named in the governing statute. No one is challenging whether Aqua made the investments reported in the application, whether they are what Aqua says they are, whether they are used and useful, or so forth. The dispute is over a purely legal question, which does not require testimony or a hearing, but would most sensibly be

addressed in writing. If, however, the Commission intends to schedule a hearing, then the motion for comment period should be denied. No purpose would be served by providing OCC two opportunities to make the same arguments.

Second, if the Commission does order a comment period in lieu of a hearing, Aqua requests that it be scheduled to conclude promptly. Aqua would propose providing one week for initial comments, and another week for a reply.

Prompt resolution is necessary and appropriate. Aqua's application has been pending for over 260 days. The entire purpose of the System Infrastructure Charge (SIC) is to avoid regulatory lag and provide timely financial support for needed infrastructure investments. Aqua has made substantial investments, but the lag in recovery rivals that in a rate case. Nor should OCC require additional time to evaluate the Stipulation. Although Aqua and Staff had come to an agreement on the terms of the Stipulation by early October, the Stipulation was not filed until November 8. That delay was largely to permit OCC to participate in settlement discussions and offer its perspective on the Stipulation. Although it did not end up signing, OCC is well aware of the terms of the Stipulation, and little time should be necessary to formulate its comments.

III. CONCLUSION

To permit the prompt resolution of this proceeding, Aqua would request that if a comment period is ordered, it be concluded within two weeks: one week for initial comments, and one week for reply. If, however, the Commission intends to schedule a hearing, it should deny the motion for a comment period and promptly set the case for hearing.

Dated: November 20, 2018

Respectfully submitted,

/s/ Andrew J. Campbell

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ATTORNEYS FOR AQUA OHIO, INC.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by electronic mail this 20th day
of November, 2018, to the following:

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/s/ Rebekah J. Glover

One of the Attorneys for Aqua Ohio, Inc.

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Summary: Memorandum in Response to OCC's Motion for Comment Period electronically filed by Ms. Rebekah J. Glover on behalf of Aqua Ohio, Inc.