

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio )  
American Water Company to Increase its ) Case No. 06-433-WS-AIR  
Rates for Water and Sewer Services Provided )  
to its Entire Service Area. )

ENTRY

The attorney examiner finds:

- (1) The Commission has caused an investigation to be made of the facts set forth in the application of Ohio American Water Company (applicant) in this case, the exhibits attached thereto, and of the matters connected with the application.
- (2) On April 10, 2006, the Office of the Ohio Consumers' Counsel filed a motion to intervene on behalf of the residential utility consumers of the applicant, pursuant to Section 4903.11, Revised Code and Rule 4903.221, Ohio Administrative Code.
- (3) On April 28, 2006, Dragoo & Associates, Inc. aka Dragoo Management, Inc. (Dragoo), filed a motion to intervene. On June 21, 2006, the cities of Tiffin and Marion, Ohio jointly filed a motion to intervene. In both motions, the intervenors argue that they are customers of the applicant and that they have a real and substantial interest in this proceeding.
- (4) Upon review, the examiner finds that the motions of OCC, Dragoo, and Tiffin and Marion should be granted.
- (5) The public evidentiary hearing shall commence on December 11, 2006, at 10:00 a.m., in Hearing Room 11-F, 11<sup>th</sup> floor, at the offices of the Commission, 180 East Broad Street, Columbus, Ohio 43215.
- (6) Section 4903.083, Revised Code, requires that the Commission hold at least one session of the public hearing within the applicant utility's service territory, and further requires that at least one session of the hearing be held after 5:00 p.m. Accordingly, local public hearings will be conducted at the following times and locations: November 27, 2006, 6:30 p.m., at the Harvest Assembly of God Church, 8075 Dellinger Road, Galloway, Ohio; November 28, 2006, at 6:00 p.m. at the

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Community Room, City Hall, 233 West Center Street, 2<sup>nd</sup> Floor, Marion, Ohio; November 29, 2006, at 5:30 p.m., at the City Hall Police Training Room, Municipal Building, 51 East Market Street, Tiffin, Ohio; and December 5, 2006, at 6:30 p.m., at the Blendon Township Senior Center Gymnasium, 1260-6330 South Hempstead Road, Westerville, Ohio. Public testimony will also be taken at the start of the evidentiary hearing on December 11, 2006, at the offices of the Commission as set forth in Finding (5).

- (7) The applicant should publish legal notice of the local hearings in a newspaper of general circulation in all of the affected service territory once a week for two consecutive weeks prior to the scheduled date of the local hearing. The hearing notice should not appear in the legal notices section of the newspaper. The notice should read as follows:

#### LEGAL NOTICE

The Public Utilities Commission of Ohio has scheduled local public hearings in Case Nos. 06-433-WS-AIR, In the Matter of the Application of Ohio American Water Company to Increase its Rates for Water and Sewer Services Provided to its Entire Service Area. The local hearings are scheduled for the purpose of providing an opportunity to interested members of the public to testify in these proceedings. The local hearings will be held at the following times and locations: November 27, 2006, 6:30 p.m., at the Harvest Assembly of God Church, 8075 Dellinger Road, Galloway, Ohio; November 28, 2006, at 6:00 p.m. at the Community Room, City Hall, 233 West Center Street, 2<sup>nd</sup> Floor, Marion, Ohio; November 29, 2006, at 5:30 p.m., at the City Hall Police Training Room, Municipal Building, 51 East Market Street, Tiffin, Ohio; and December 5, 2006, at 6:30 p.m., at the Blendon Township Senior Center Gymnasium, 1260-6330 South Hempstead Road, Westerville, Ohio. By its application, Ohio-American Water Company seeks a rate increase which would generate for Ashtabula, Lawrence County,

Marion and Tiffin Districts approximately \$4,214,864 or 17.93 percent over current revenues; for Franklin County District and the Portage County District approximately \$758,146 or 21.53 percent over current revenues; and, for wastewater operations in the Franklin County District, approximately \$157,748 or 5.05 percent over current revenues. The staff of the Commission calculates a revenue increase for all Ashtabula, Lawrence County, Marion and Tiffin Districts between \$2,583,609 and \$2,912,143 or between 10.93 percent and 12.32 percent over current revenues; for Franklin County District and the Portage County District between \$689,075 and \$730,758 or 19.44 percent to 20.62 percent over current revenues; and, for wastewater operations in the Franklin County District, \$157,748 or 5.03 percent over current revenues.

The major issues raised in this case are:

- (a) The appropriate rate base;
- (b) The determination of revenues and operating expenses, including security costs, management fees, acquisition savings, depreciation and property taxes; and
- (c) The rate of return.

Further information may be obtained by contacting the Public Utilities Commission of Ohio, 180 East Broad Street, Columbus, Ohio 43215-3793, the PUCO website at <http://www.puc.state.oh.us>, or the Commission's hotline at 1-800-686-7826.

It is, therefore,

ORDERED, That the intervention motions of OCC, Dragoo, Tiffin, and Marion be granted. It is, further,

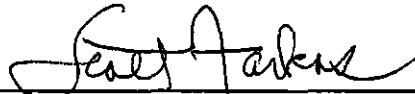
ORDERED, That a public evidentiary hearing shall commence on December 11, 2006, at 10:00 a.m., in Hearing Room 11-F, 11<sup>th</sup> floor, at the offices of the Commission, 180 East Broad Street, Columbus, Ohio. It is, further,

ORDERED, That local public hearings be held at the times and places designated in Finding (6). It is, further,

ORDERED, That notice of the local hearings be published by the applicant as directed in Finding (7). It is, further,

ORDERED, That a copy of this entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO



By: Scott Farkas  
Attorney Examiner

SEF:ct



Entered in the Journal

NOV 07 2008



Renee J. Jenkins  
Secretary