

BEFORE

THE PUBLIC UTILITIES COMMISSION

In The Matter of the Application of )  
Mohawk Utilities, Inc. for a )  
Purchased Water Adjustment to its ) Case No. 08-845-WW-PWA  
Rates under Section 4909.171, )  
Revised Code. )

FINDING AND ORDER

The Commission finds:

- (1) The Applicant, Mohawk Utilities, Inc. (Mohawk), is a public utility and a waterworks company as defined in Sections 4905.02 and 4905.03(A)(8), Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) Section 4909.171, Revised Code, which became effective January 6, 2004, permits a waterworks company whose water supply is provided by a local government to request an increase or decrease in rates to reflect changes in the cost of water imposed by a local government without proceeding under Sections 4909.18 and 4909.19, Revised Code. The change in rate or charge must be based solely on a change in the cost to the company of the water. The statute requires that the request for a rate change be accompanied by evidence of the new rates imposed by the local government and appropriate tariff revisions, without change to the existing division of revenue responsibility.
- (3) On July 1, 2008, Mohawk filed an application pursuant to Section 4909.171, Revised Code. This filing included a copy of Ordinance No. 2008-10 of the Village of Malvern, passed June 2, 2008 and effective immediately, authorizing the sale of surplus water to Mohawk, a revised tariff incorporating a purchased water rate reflecting the current cost of water to Mohawk, and a proposed customer notice.
- (4) Mohawk proposes that the purchased water rates be distributed equally among the residential customers. The company explains that, although it has residential water meters, it would be cost prohibitive to design a new computer software program

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to track the percentage of water used each month by each customer and apply the purchased water rate based on individual customer usage. Based on its current 974 customers, Mohawk estimates that the new purchased water rate would be about \$.60 per month per residential customer.

- (5) The Commission has reviewed the application and tariff and finds that the Applicant's proposed tariff is reasonable and that the purchased water rate component contained therein would not generate revenues in excess of the cost of water purchased from the Village of Malvern pursuant to Ordinance No. 2008-10. The Commission also concludes that the company's proposal not to change its billing system to bill the new rate on a metered basis is reasonable, since billing system costs could easily exceed the fairly low expected monthly charges for purchased water under this ordinance.
- (6) The Applicant's tariff should be approved.
- (7) The Applicant's proposed customer notice should be approved.
- (8) By accepting this tariff for filing, the Commission is in no way foreclosed from investigating the justness and reasonableness of the Applicant's rates in a future proceeding.
- (9) An increase authorized pursuant to Section 4909.171, Revised Code, is not effective until forty-five days after the date the company has provided affected customers with notification of the increase.

It is, therefore,

ORDERED, That Applicant is authorized to file, in final form, four complete, printed copies of tariff sheets consistent with this Finding and Order. Applicant shall file one copy in its TRF docket number 89-7022-WW-TRF (or may make such filing electronically as directed in Case No. 06-900-AU-WVR), and one copy in this case docket. The remaining two copies shall be designated for distribution to the Rates and Tariffs, Energy and Water Division of the Commission's Utilities Department. It is, further,

ORDERED, That the effective date of the new tariff shall be the date upon which four complete, printed copies of the approved tariff are filed with the Commission or

forty-five days after the special mailing of the customer notice, whichever is later. The new tariff shall be applicable to bills rendered on or after the effective date. It is, further,

ORDERED, That the purchased water surcharge be billed on a residential customer count basis. It is, further,

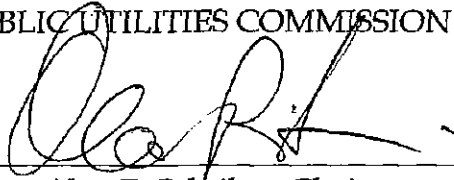
ORDERED, That the proposed form of customer notice be approved. It is further,

ORDERED, That Applicant immediately commence mailing of the customer notice to its residential customers by special mailing. The Applicant shall notify the Commission in writing upon completion of the mailing. It is, further,

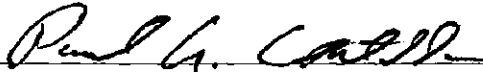
ORDERED, That nothing in this Finding and Order shall be deemed to be binding upon this Commission in any subsequent investigation or proceeding involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

ORDERED, That a copy of this Finding and Order be served upon all parties of record.

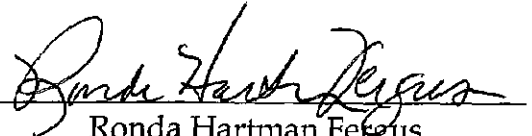
THE PUBLIC UTILITIES COMMISSION OF OHIO



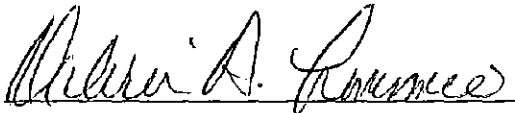
Alan R. Schriber, Chairman



Paul A. Centolella



Ronda Hartman Fergus



Valerie A. Lemmie

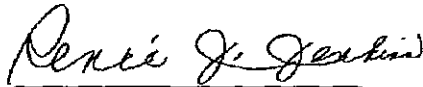


Cheryl L. Roberto

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Entered in the Journal

**JUL 16 2008**



Renee J. Jenkins  
Secretary