

FILE

Mohawk Utilities, Inc.
P.O. box 566
Malvern, Ohio 44644
(330) 863-0614

RECEIVED-DOCKETING DIV
2009 AUG -4 AM 8:54
PUCO

July 30, 2009

Public Utilities Commission on Ohio
180 East Broad Street
Columbus, Ohio 43215

09-680-WW-PWA

RE: Purchased Water Adjustment

Please find enclosed eight copies of the Purchased Water Adjustment Application which we would like to have filed with the Commission.

Please contact our office we any questions on this matter.

Sincerely,


Nancy Knox
Mohawk Utilities, Inc.

Enclosures

This is to certify that the images appearing are an
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Technician Date Processed 8-4-09

RECEIVED-DOCKETING DIV
2009 AUG -4 AM 8: 54

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

PUCO

In the Matter of the Application)
of Mohawk Utilities, Inc. for)
a Purchased Water Adjustment to)
its Rates Under Section 4909.171,)
Revised Code

Case No. 09-680-WW-PWA

**APPLICATION OF MOHAWK UTILITIES, INC. FOR
AN ADJUSTMENT TO ITS PURCHASED WATER RATES**

Pursuant to Ohio Revised Code Section 4909.171, Mohawk Utilities, Inc. (herein "Mohawk") is hereby submitting to the Public Utilities Commission of Ohio ("Commission") notice of an increase in rates by the Village of Malvern ("Village") for the water supplied to supplement Mohawk's water. The Village water operation, which do not fall under the jurisdiction of the Commission, is a supplemental source of water for Mohawk. Pursuant to Ohio Revised Code Section 4909.171, this Application reflects an increase imposed by the Village for which Mohawk is applying for an increase from the Commission.

This application contains the following materials:

Exhibit A: A copy of the Ordinance No. 2008-9 with the Village of Malvern which was approved by the Malvern Village Council on June 2, 2008.

Exhibit B: Calculation of the purchased water rates

Exhibit C: Current tariff sheets reflecting flat rate charges.

Exhibit D: New tariff sheets which reflect only the purchased water rates imposed by the Village, distributed equally among the residential customers.

Exhibit E: A customer notice to be distributed to each residential customer prior to the effective date of the adjusted rates.

Pursuant to the Finding and Order in the aforementioned Case, the new tariff and the new rates included therein will not become effective prior to review and approval of the same by the Commission.

Applicant respectfully request the Commission permit the filing of the proposed tariff sheets, to become effective on the date, subsequent to filing, to be shown on the proposed tariff sheets which will be filed with the Commission; and to be in the form of the tariff sheets in Exhibit D, modified by any further revisions that have become effective prior to the effective date of the proposed tariff sheets.

Mohawk Utilities, Inc.

 Pres
7-31-09

Jon D. Robertson

President

7326 Canton Road NW

Malvern, Ohio 44644

ORDINANCE NO. 2008-10

AN ORDINANCE TO SET THE RATE FOR THE SALE OF SURPLUS WATER
TO MOHAWK UTILITIES, INC.
AND DECLARING AN EMERGENCY

WHEREAS, the Village of Malvern owns and operates a water supply distribution system with a capacity in excess of the amount currently needed to serve the present customers of the Village Water System, and

WHEREAS, Mohawk Utilities, Inc., a Private Utility Company, requires a supply of treated water to accomplish the operation of its water supply distribution system,

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF MALVERN:

SECTION 1. That the Council of the Village of Malvern, pursuant to Ohio Revised Code Section 743.18, hereby authorizes the sale of surplus water to Mohawk Utilities, Inc., a private utility company.

SECTION 2. That said sale of water to Mohawk Utilities, Inc. shall be at the rate of \$3.25 per thousand gallons beginning July 1, 2008, \$3.62 per thousand gallons beginning July 1, 2009, and \$3.87 per thousand gallons beginning July 1, 2010.

SECTION 3. This Ordinance is declare to be an emergency measure for the reason that it is necessary for the timely enactment and enforcement of the ongoing business of the Village of Malvern. The reason for the necessity is to provide the Public Utilities Commission of Ohio with evidence of uninterrupted surplus water supply to Mohawk Utilities, Inc. on or before June 30, 2008. Therefore, this Ordinance shall go into immediate effect.

PASSED this 2nd day of June, 2008.


JOSEPH R. GAMBER
President of Council

Approved:


MICHAEL J. MCCORT, Mayor

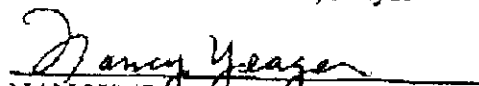

NANCY YEAGER
Village Fiscal Officer

EXHIBIT B-1

Mohawk Utilities, Inc.
Case No. 09- _____-WW-PWA

CALCULATION OF PURCHASED WATER RATES

The current rate structure for Mohawk Utilities, Inc. is a monthly, metered rate charge that is billed in arrears. Mohawk Utilities is purchasing supplemental bulk water from the Village of Malvern with no minimum purchase restriction. The current rate of \$3.25 per 1000 gallons will be increased as of July 1, 2009 to \$3.62 per 1000 gallons. The cost for purchasing this supplemental water will be equally distributed among the 949 residential customers. The purchased water cost will be a separate line item on the monthly water bill and will be for usage in arrears.

Calculation of bulk water adjustment cost per customer will be done monthly using the following procedure:

(Please note that this example assumes a monthly purchase of 90,000 gallons (this an average of the supplemental water purchase for the last twelve months as shown on page two of Exhibit B). The gallons purchased per month will fluctuate causing the monthly cost to residential customers to vary from this example. The purchase will be minimal depending on demand.)

1. Calculate the total monthly supplemental water charge using a rate of \$3.62 per 1000 gallons for 90,000 gallons. (90,000 divided by 1000 equals 90, 90 multiplied by 3.62 equals \$325.80 for the purchase price.)
2. Calculate the monthly cost per residential customer by dividing the total cost to Mohawk for purchased water by the number of residential customers. (\$325.80 divided by 949 equals .34)
3. Pass through this cost \$.34 to each residential customer on the monthly bill.

EXHIBIT B-2

		Mohawk Utilities, Inc. Purchased Water from Village of Malvern					Amount	
2008		Previous	Current	Consumption	Price per 1000		Billed & Paid	
	Reading	Reading	Reading	gallons				
2008								
January	37,507,505	38,286,414	778,909	\$	2.25		\$ 1,752.55	
February	38,286,414	38,923,822	637,408	\$	2.25		\$ 1,434.17	
March	38,923,822	39,764,787	840,965	\$	2.25		\$ 1,892.17	
April	39,764,787	40,039,010	274,223	\$	2.25		\$ 617.00	
May	40,039,010	40,210,316	171,306	\$	2.25		\$ 385.44	
June	40,210,316	40,337,655	127,339	\$	2.25		\$ 286.51	
July								
August								
September								
October	40,337,655	40,483,656	146,001	\$	3.25		474.51	
November	40,483,656	40,521,598	37,942	\$	3.25		123.31	
December	40,521,598	40,678,788	157,190	\$	3.25		510.87	
		Mohawk Utilities, Inc. Purchased Water from Village of Malvern						
	2009	Previous	Current		Price per 1000		Amount Paid	
		Reading	Reading	Consumption	gallons		Malvern	
2009								
January	40,678,788	40,804,618	125,830	\$	3.25		\$ 408.95	
February	40,804,618	40,917,579	112,961	\$	3.25		\$ 367.12	
March	40,917,579	40,990,862	73,283	\$	3.25		\$ 238.17	
April	40,990,862	41,260,675	269,813	\$	3.25		\$ 876.89	
May	41,260,675	41,326,932	66,257	\$	3.25		\$ 215.34	
June	41,326,932	41,406,555	79,623	\$	3.25		\$ 258.77	
July								
August								
September								
October								
November								
December								

EXHIBIT B-2

[illegible]

EXHIBIT B-3

Average Monthly Bulk water Charge

Monthly Bulk Water <u>Purchased Usage</u>	Rate Per <u>1,000 Gallons</u>	Monthly Charge to Mohawk <u>Utilities</u>	Total Residential <u>Customers</u>	Monthly Charge Per Residential <u>Customer</u>
90.000	\$3.62	\$325.80	949	\$34

EXHIBIT C

MOHAWK UTILITIES, INC. – Subject Index

Section 1-A
Sixth Revised Sheet No. 3

Subject	Section No.	Sheet No.	Effective Date
Maps	10	1-6	10/29/92; 07/06/04
Main Ext. Agreement Method	6	2	10/29/92; 07/06/04
Main Ext. Definition	6	1	10/29/92; 07/06/04
Main Ext. Related Facilities	6	1-2	10/29/92; 07/06/04
Main Extension Standards	6	1-2	10/29/92; 07/06/04
Maintenance of Service Pipes & Fixtures	3	5	08/18/00; 07/22/02; 07/06/04
Medical Certificate	Appendix C		06/30/04
Method of Billing	2	2	10/29/92
Meter Installation	6	7	04/19/06
Metered Service	6	6	04/19/06
Misrepresentation in Application	3	2-3	12/01/98; 07/06/04
Notice of Temporary Shut Off	5	1	10/29/92
Notification of Customer Rights	Appendix B		08/18/00; 07/06/04; 04/19/06
Other Source of Water	5	1	12/01/98; 07/22/02; 07/06/04
Permission to Enter Premises	3	3,4	08/18/00; 07/06/04; 04/19/06
Pressure	3	6	08/18/00; 07/06/04
Rates and Charges	2	1-1A	12/01/98; 07/22/02; 03/28/05; 04/19/06; 09/01/08; 10/15/08
Reconnection of Service	2,5	1,1	08/18/00; 07/22/02; 07/06/04; 04/19/06
	3	3-4	08/18/00; 07/06/04
Refunds of Advances	6	3	10/29/92; 07/06/04
Regulations for Installation of Water Service	4,9	2, 1-5	10/29/92; 04/19/06
Regulations Governing Service	3	1-6	10/29/92; 07/22/02; 07/06/04; 04/19/06
Reporting Service Related Problems	3	4	08/18/00; 07/06/04
Service Connections and Tap-ins of Main Extensions	6	5	10/29/92; 07/06/04
Service Lines	3	5	08/18/00; 07/22/02; 07/06/04
Service Line Charge	4	1	12/01/98
Service Line Installation & Maintenance	3,4	1,1-2	08/18/00; 07/06/04; 04/19/06
	3	5	08/18/00; 07/22/02; 04/19/06

Issued: 08/29/08

Effective: 10/15/08

Issued by
Mohawk Utilities, Inc.
Jon D. Robertson, President
Date Journalized: 07/16/08
Filed under authority of Case No. 08-845-WW-PWA
of the Public Utilities Commission of Ohio

EXHIBIT C

MOHAWK UTILITIES, INC.

Section 2
Sixth Revised Sheet No. 1

Tariff P.U.C.O. No. 3
Mohawk Utilities, Inc. Tariff

Rates and Charges For Service

1. Domestic Service: all classifications of service will be billed monthly in arrears

	Monthly
(a) Residential (User):	
(1) 0-500 gallons	\$11.81 flat charge
(2) Over 500 gallons	\$ 5.00 customer charge
(3) 1-4,000 gallons	.948 per 100 gallons
(4) Over 4,000 gallons	.884 per 100 gallons
(b) Yard Hydrant	\$13.28
(c) Availability	\$11.81
(d) Irregular Customer	
To be agreed upon between the Company and customer at the time of contract and that a copy of the contract must be filed with and approved by the Public Utilities Commission of Ohio to be valid.	
(e) Purchased water charge: the monthly cost of bulk water purchased from Malvern at \$3.25 per 1000 gallons will be divided by the number of residential customers.	

2. Service other than Domestic Service.

To be agreed upon between the Company and customer at the time of contract and a copy of the contract must be filed with and approved by the Public Utilities Commission of Ohio to be valid.

3. If any bill remains unpaid for fifteen (15) days after it becomes payable, it shall be subject to a five percent (5%) additional charge. Such late payment charge will not be compounded on future delinquencies, is based on current charges only, and is not imposed during any billing period in which payments made exceed the customer's current charges
4. If customer service has been discontinued for non-payment of tariff charges, or for violation of or failure to comply with the regulations of the Company, a fee of thirty-three dollars and thirty cents (\$33.30) will be charged for reconnection during normal business hours. The fee of fifty-eight dollars and thirty cents (\$58.30) will be charge for a reconnection after normal business hours.
5. If a customer's payment for a bill is returned by the financial institution unpaid, a charge of twenty-two dollars and fifty cents (\$22.50) will be made to the customer's account.
6. Trip Charge: The Company will bill the customer \$25 per trip to the customer's premise: to collect payment(s) in lieu of disconnection of service; emergency service call(s), when the emergency is not a result of Company property or actions; meter test(s) or calibrations(s) unless such meter test is provided without charge, meter readings during non-business hours when customer can not provide access to the meter during Company's regular business hours, as specified by Rule 4901:1-15-19 (B)(3), O.A.C.

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EXHIBIT C

- (G) All Company water service lines, curb valves and boxes are to be buried a minimum of 4 feet not to exceed 4 1/2 feet in depth. The customer shall keep the curb box location at original grade and provide access to the Company for operation and maintenance of the curb valve and box. If the curb valve and box become buried deeper than the 4 1/2 feet depth it will be the customer's responsibility to revert back to original grade at his/her expense.

3. Bills and Payment for Service:

- (A) The Company bills monthly. Billing for water service is based on metered service, and will be billed in arrears. A customer charge will be billed monthly and is independent of any usage. The bill will also include a purchased water charge, which is the monthly cost of bulk water purchased from Malvern at \$3.25 per 1000 gallons divided by the number of residential customers.
- (B) The Company will bill the customer \$25 per trip to the customer's premise: to collect payment(s) in lieu of disconnection of service; emergency service call(s), when the emergency is not a result of Company property or actions; meter test(s) or calibrations(s) unless such meter test is provided without charge, meter readings during non-business hours when customer can not provide access to the meter during Company's regular business hours, as specified by Rule 4901:1-15-19 (B)(3), O.A.C.
- (C) Each customer is liable for the payment of all water supplied and for the availability of water service provided to his premises until he has paid his final bill for all charges of any kind.
- (D) All bills and charges due to the Company shall be paid to the Company's office or to any duly authorized agent of the Company.
- (E) Bills will be mailed or delivered to the customer at the address of the premises serviced unless the customer shall, in writing, request that they shall be sent to some other address specified. The failure to receive a bill shall not relieve the customer from the obligation to pay the bill when due.
- (F) All charges for water service are due and payable monthly as stated on the bill.
- (G) A customer bill becomes delinquent if not paid within fifteen (15) days after the billing date. Water service may be discontinued not less than fifteen (15) days after the Company mails a disconnection notice informing the customer of the delinquent bill.
- (H) When a customer desires water service to be discontinued, either temporarily or permanently, he shall so notify the Company at the Company's office.
- (I) No rebates from rates will be allowed because a customer obtains a part of his water or water service from any well, cistern or other source.
- (J) If any bill remains unpaid for fifteen (15) days after it becomes payable, it shall be subject to a five percent (5%) additional charge. Such late payment charge will not be compounded on future delinquencies, is based on current charges only, and is not imposed during any billing period in which payments made exceed the customer's current charges.
- (K) If a customer's payment presented in payment for a bill is returned by the financial institution unpaid, a charge of twenty-two dollars and fifty cents (\$22.50) will be made to the customer account.

4. Disconnection of Service:

- (A) The Company may, without notice, discontinue all or any part of its service to any customer for any of the following reasons:

EXHIBIT D

MOHAWK UTILITIES, INC. – Subject Index

Section 1-A
Sixth Revised Sheet No. 3

Subject	Section No.	Sheet No.	Effective Date
Maps	10	1-6	10/29/92; 07/06/04
Main Ext. Agreement Method	6	2	10/29/92; 07/06/04
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MOHAWK UTILITIES, INC.

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- (F) All charges for water service are due and payable monthly as stated on the bill.
- (G) A customer bill becomes delinquent if not paid within fifteen (15) days after the billing date. Water service may be discontinued not less than fifteen (15) days after the Company mails a disconnection notice informing the customer of the delinquent bill.
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- (A) The Company may, without notice, discontinue all or any part of its service to any customer for any of the following reasons:

EXHIBIT E

MOHAWK UTILITIES, INC.
P.O. Box 566
7326 Canton Road NW
Malvern, Ohio 44644

RE: Cost of supplemental water purchased from the Village of Malvern

Mohawk Utilities Customers:

Ohio Revised Code Section 4909.171 provides that when a water company such as Mohawk Utilities, which is under the jurisdiction of the Public Utilities Commission of Ohio, purchases water from a municipal corporation or other local government, the water company can pass the charge for purchased water to its customers. This charge is based solely on the cost of the purchased water to Mohawk Utilities. The charge does not include any administrative cost, transportation expenses, or other fees, and is only the cost of purchased water.

In order to provide a reliable source of water, which can meet the peak demand requirements of our customers, the Village of Malvern has passed an ordinance allowing Mohawk Utilities, Inc. to purchase supplemental water from Malvern. The ordinance does not require Mohawk Utilities to have a minimum purchase per year. The new rate will be \$3.62 per 1000 gallons as of July 1, 2009.

This is not a new charge to the customer. It is an increase in the rate charged by the Village of Malvern instituted in the Ordinance No. 2008-10 passed by the village council June 2, 2008. Ordinance 2008-10 section 2 states the sale of water to Mohawk Utilities, Inc. shall be at the rate of \$3.25 per thousand gallons beginning July 1, 2008, \$3.62 per thousand gallons beginning July 1, 2009 and \$3.87 per thousand gallons beginning July 1, 2010.

The supplemental water charges will be a separate line item on the monthly water bills that you receive from Mohawk Utilities and will be only for water that has already been purchased from Malvern. Based on a purchase of 90,000 gallons per month the monthly charge to each residential customer would be \$.34 (assuming 949 residential customers). However, please note that the actual cost to the residential customer per month will vary from this amount depending upon the actual amount of supplemental water purchased during the preceding month.

Average Monthly Bulk water Charge

<u>Monthly</u> <u>Bulk Water</u> <u>Purchased Usage</u>	<u>Rate Per</u> <u>1,000 Gallons</u>	<u>Monthly</u> <u>Charge to Mohawk</u> <u>Utilities</u>	<u>Total</u> <u>Residential</u> <u>Customers</u>	<u>Monthly Charge</u> <u>Per Residential</u> <u>Customer</u>
90.000	\$3.62	\$325.80	949	\$.34

EXHIBIT E

Mohawk Utilities has taken the steps to ensure we can meet the ongoing, as well as peak, usage demands of our customers. This agreement with Malvern will ensure that our customers will have sufficient water available to them. Please note again that this monthly charge will be for only the cost of the water purchased from Malvern.

If you have any questions about the above information of about your bill, please feel free to call between the hours of 8:00 AM and 4:30 PM weekdays at (330) 863-0613.

Sincerely,

Jon D. Robertson, President
Mohawk Utilities, Inc.