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PUCO

October 7, 2010

Renee Jenkins Chief of Docketing Public Utilities Commission of Ohio 180 E. Broad Street, 11th Floor Columbus, Ohio 43215

> In the Matter of the Application of Agua Ohio, Inc. for Re:

Authority to Assess a Purchased Water Charge in The Lake Erie Division

PUCO Case No. 10-1254-WW-PWA

Dear Ms. Jenkins:

Please docket the attached revised Purchased Water Application Exhibits A, C, D. E. and F in the above-referenced case.

Do not hesitate to contact me with any questions or concerns.

Very truly yours,

Enclosures

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4836-5566-4903, v. 1

EXHIBIT A

Purchased Water Calculation

PURCHASED WATER CALCULATION

Aqua Ohio, Inc. Case No. 10-1254-WW-PWA

The current rate structure for the Aqua Ohio, Inc. Lake Erie Division customers, formerly the Lake Erie East Division, is a monthly metered charge that is billed in arrears. The Lake Erie Division purchases all of its water for the customers in the former Lake Erie East Division from the Ohio American Water Company. Ohio American was awarded a rate increase from the Public Utility Commission of Ohio in Case No. 09-391-WS-AIR on May 19, 2010. This award increased the rate for the water Aqua Ohio purchases to serve Lake Erie Division customers from Ohio American from \$1.74020 per 1,000 gallons to \$1.97180 per 1,000 gallons. The additional cost of purchased water will be equally distributed to metered customers by applying a 13.97% surcharge to metered customers. The purchased water adjustment will result in an additional \$.96 per month for an average residential customer using 4,000 gallons of water per month.

EXHIBIT C

Purchased Water Adjustment

Exhibit C

AQUA OHIO, INC.
Lake Erie Division
Case No. 10-1254-WW-PWA
Purchase Water Adjustment
FOR THE FORMER LAKE ERIE EAST DIVISION

WORK PAPER

		Increase in Rate	0.18190	0.01819	0.02432	33.82	32.86	98.0			
		⊆	ļ i			⇔	49				
AMOUNT		ProposedPurchased Water Rate	1,48360	0.14836	0.19834	per month including increase	per month current	22			
PURPOSE AND DESCRIPTION		Current Purchased Water Rate	1.30170	0.13017	0.17402	Residential bill for a customer using 4,000 gallons per month including Increase	Residential bill for a customer using 4,000 gallons per month current	Monthly increase to a customer using 4,000 gallons			
PURPOSE AND			Rate per 100 ccf	Rate per 10 CCF	Rate per 100 gallons			Monthly increase			
			Rate p	Rate p	Rate o	æi	æ				
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a Rates are from Case No. 09-1044

EXHIBIT D

Calculation of Effect on Average Bill

Exhibit D

AQUA OHIO INC Lake Erie Division Case No 10-1254-WW-PW Purchase Water Adjustment FOR THE FORMER LAKE ERIE EAST DIVISION

×	*	

	R	ourrent ate per 00 Gall	Tax Gross Up	P. Water Inc.		
Consumption Rate		0.41697			O	.41697
Purchased Water Rate	_	0.17402	0.00116	0.02316	0	.19834
Total Rate		0.59099	0.00116	0.02316	0	.61531
Fixed Charge	\$	9.21			\$	9.21
Average Bill 4,000 Gall					\$	33.82
	Inci	ease				0.96

^{**} Rates are from Case No. 09-1044

EXHIBIT E

Proposed Tariff Sheets

P.U.C.O. TARIFF NO. 1

Rates for customers in the former Aqua Ohio, Inc. Lake Erie East Division

DIVISION A - MEASURED OR METERED SERVICE RATE SCHEDULE

CUSTO	OMER CHARGE PER MONTH			Per
Customer Charge for a 5/8" meter				Month \$9,21
Customer Charge for a 5/8" x 3/4" meter				\$9.21
Customer Charge for a 1" meter	****** ********************************	********		\$17.18
Customer Charge for a 1 1/2" meter	****** ********************************	***************		\$33.63 \$56.50
Customer Charge for a 3" meter	,,,, ,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		\$122.40
Customer Charge for a 4" meter	4(44)4 })9814844994944949444	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		\$214.47 \$477.81
Customer Charge for a 6" meter	ers regardless of consumption.	***************	************	\$477.01
	-	_	Purchased	
	VOLUMETRIC RATES	Base Rate	Water Rate	Total Volumetric Rate
		Vale	Vare	Per 10 Cu. Ft.
For the first 2,000 cubic feet or any part thereof per month		0.31189	0.14836	\$0.46025
For the next 8,000 cubic feet per month For all consumption over 10,000 cubic feet per month		0.30101 0.13583	0.14836 0.14836	\$0.44937 \$0.28419
1 of all consumption over 10,000 capto leet per minimi		g. 10000	0.14000	40.20-15
				Dec 400 College
For the first 14,960 gallons or any part thereof per month		0.41697	0.19834	Per 100 Gallon \$0.61531
For the next 59,840 gallons per month		0.40242	0.19834	\$0.60076
For all consumption over 74,800 gallons per month		0.18159	0.19834	\$ 0.3 799 3

LATE PAYMENT FEE

The customer will be charged a 5% late payment fee, on current billing amounts, if payment is made after the due date as specified on the customer bill.

DISHONORED PAYMENTS

When a payment for service is returned by the financial institution unpaid, a charge of twenty-one dollars and thirty-seven cents (\$21.37) will be assessed to cover the cost of processing this transaction, provided the payment is properly processed by the company. The charge for the dishonored payment may be reflected at the company's option, when the company returns the dishonored payment or may be included on the customer's next billing.

RECONNECTION FEE:

Reconnection fees as defined by this tariff Section 3-2, First Revised Sheet No. 4, Item 13 (c), and Section 3-6, Original Sheet No. 4, Item 11 (a) are:

Reconnection Fee during regular business hours	\$48.28
Reconnection Fee other than during regular business hours	\$135.60

ACCOUNT ACTIVATION CHARGE

An account activation charge of twenty-five dollars and fifty-seven cents (\$25.57) will be charged for a service connection during the Company's regular business hours.

ISSUED:		EEEECTIVE:
ESSUIPTE.		PEPP : 117P.

Section 2 Sixth Revised Sheet No.3 Canceling Fifth Revised Sheet No. 3 P.U.C.O. TARIFF NO. 1

SUBJECT INDEX (Continued)

<u>Description</u> M	Section	Sheet No.	Effective Date
Meter Rates	4	"See Sch. Of Rates"	5/23/09 9/2/10 x/xx/10
Meter – Specifications for	3-6	1	11/8/02
Meter - Tampering Shut Off	3-6	4	11/8/02
Meter Tests	3-6	3	12/01/03 5/15/08
Meter - Types for Private Fire Protection	3-8	1	11/8/02
0			
Off Premises Use of Service	3-2	2	11/8/02
P			
Person – Definition	3-1	2	11/8/02
Premises Access to	3-2	2 3 2	11/8/02 12/01/03
Premises - Definition	3-1	2	11/8/02
Precedence	3-2	1A	5/15/08 9/26/08
Pressure, Water	3-2; 3-8	1; 1	11/8/02 12/01/03
Private Fire Protection – Application for			
Service	3-8	1	11/8/02
Private Fire Protection - Contracts for Service	3-4	1	11/8/02 12/01/03
Private Fire Protection - Definition	3-8	1	11/8/02
Private Fire Protection - Limitation of Use	3-8	1	11/8/02
Private Fire Protection – Regulations			
Governing	3-8	1	11/8/02
Purchased Water Adjustment (PWA)	4-4	1	5/23/09 xx/xx/10

Issued:

Effective:

P.U.C.O. TARIFF NO. 1

SUBJECT INDEX (Continued)

<u>Description</u>	<u>Section</u>	Sheet No.	Effective Date
Rates	4	See "Sch. of Rates"	5/23/09 9/2/10 x/xx/10
Reconnection of Service)	3-2	4	11/8/02 5/15/08
Requirements for }	3-6	4	11/8/02
Related Facilities	3-7	2	11/8/02 4/1/04
Repair of Customer Facilities	3-2	1	11/8/02 12/01/03
Restoring of Service – Requirements	3-2	4, 5	11/8/02 5/15/08
Restoring of Service - Requirements S	3-6	4	11/8/02
Schedule of Rates	4	1-8	5/23/09 9/2/10 x/xx/10
Service - Application	3-4	1	11/8/02 12/01/03
Service – Building Construction	3-2	1	11/8/02 12/01/03
Service - Calls After Hours	3-2	5	11/8/02 12/01/03
Service – Company Lines	3-5	1	11/8/02
Service - Company Operating Control	3-5	1	11/8/02
Service – Cross Connections	3-2	1	11/8/02 12/01/03
Service – Curb Stops	3-5	1	11/8/02
Service - Customer Lines	3-5	1	11/8/02
Service - Deficiency or Failure	3-2	1	11/8/02 12/01/03
Service – Discontinuance	3-2	2	11/8/02
Service – Emergency Call Charges	3-2	5	11/8/02 12/01/03
Service Installation Dates	3-5	2	11/8/02
Service – Maintenance and Repair	3-5	1	11/8/02
Service Private Fire	3-8	1	11/8/02
Service – Reconnection	3-2	1	11/8/02 12/01/03
Service – Regulations	3-5	All	11/8/02
Service – Separate Meter Requirement	3 -6	1	11/8/02
Service - Size and Type	3-5	1	11/8/02

Issued: Effective:

EXHIBIT F

Proposed Customer Notice

FORMER LAKE ERIE EAST DIVISION

CUSTOMER NOTICE: PURCHASED WATER ADJUSTMENT

Ohio Revised Code Section 4909.171 provides that when a water company which is under the jurisdiction of the Public Utilities Commission of Ohio (PUCO) purchases water from another utility under PUCO jurisdiction the water company can pass on the increased cost of purchasing water for its customers. The charge does not include any administrative cost or any other operating expenses and is only the cost of purchased water. This procedure saves Aqua Ohio customers from bearing the expense of a rate case whenever Ohio American Water Company changes its rates to Aqua Ohio.

Aqua Ohio, Inc. filed an application August XX, 2010 with the Public Utilities Commission of Ohio (PUCO) in Case No. 10-1254-WW-PWA seeking approval to assess a purchased water charge in its Lake Eric Division. The purpose of seeking authority to assess this charge is to recover costs related to an increase from Ohio American Water Company in the rate it charges for purchased water (Case No. 09-391-WS-AIR).

After conducting an investigation into the application, the PUCO approved Aqua Ohio's request on XXX X, 2010. The increase will appear on billings on or after XXX XX, 2010. The Purchased Water Charge approved by the PUCO will result in the average residential customer's bill being increased by an additional charge in the amount of \$.96 per month for an average residential customer using 4,000 gallons of water per month.

The new Aqua Ohio Lake Erie Division water rate represents only the change in the rates from the Ohio American Water Company. No other costs of Aqua Ohio have been figured into the rate. Should Aqua Ohio wish to have other costs reflected in its rates, such as an increase in expenses, or addition to plant, it will be required to file an application for an increase in rates, for which traditional ratemaking procedures, including a public hearing will be scheduled.

If you have any questions regarding the Purchased Water Adjustment please call Aqua Ohio at 877-987-2782.