

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application)
of Christi Water System, Inc. for)
a Purchased Water Adjustment to)
its Rates under Section 4909.171,)
Revised Code.)

Case No. 10-2834-WW-PWA

FINDING AND ORDER

The Commission finds:

- (1) The Applicant, Christi Water System, Inc. (Christi), is a public utility and a waterworks company as defined in Sections 4905.02 and 4905.03(A)(7), Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) Section 4909.171, Revised Code, 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 November 29, 2010, Christi filed a "Submission" pursuant to Section 4909.171, Revised Code. This filing included a copy of Ordinance No. 7161 passed June 22, 2010, by the City of Defiance with an effective date of January 1, 2011, setting the cost of water for Christi. The filing also included a proposed tariff incorporating a purchased water rate reflecting the current cost of water to Christi and a proposed customer notice. Christi uses water supplied by the City of Defiance to provide water service for approximately 193 residential customers.
- (4) The Commission has reviewed the proposed tariff and finds that the Applicant's proposed tariff is reasonable. Additionally, the Commission finds that the purchased water rate component

contained therein would not generate revenues in excess of the cost of water purchased from the City of Defiance pursuant to Ordinance No. 7161.

- (5) The Commission has reviewed the proposed customer notice and finds it reasonable.
- (6) 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. The Commission shall continue to monitor the operations of the Applicant to assure that there is not a more reasonable alternative source of supply than the City of Defiance.
- (7) 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 the 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 89-7005-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,

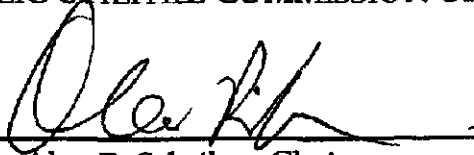
ORDERED, That the proposed customer notice be approved. It is, further,

ORDERED, That Applicant immediately commence mailing of the customer notice to its 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.

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

THE PUBLIC UTILITIES COMMISSION OF OHIO



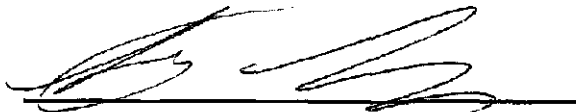
Alan R. Schriber, Chairman



Paul A. Centolella



Valerie A. Lemmie



Steven D. Lesser



Cheryl L. Roberto

VSD:js

Entered in the Journal

DEC 29 2010



Renee J. Jenkins
Secretary