

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Aqua)
Ohio, Inc. for Approval of the Issuance and) Case No. 13-441-WW-AIS
Sale of a Series of First Mortgage Bonds.)

FINDING AND ORDER

The Commission finds:

- (1) Applicant, Aqua Ohio, Inc., is an Ohio corporation and a public utility as defined in Section 4905.02, Revised Code, and is subject to the jurisdiction of this Commission.
- (2) On February 15, 2013, Applicant filed an application and exhibits, as amended on April 2, 2013, (the Application), pursuant to the provisions of Sections 4905.40, and 4905.41, Revised Code.
- (3) Applicant is requesting Commission authorization to issue and sell a series of First Mortgage Bonds (the "New Bonds") for an aggregate principal amount of \$85 million pursuant to the terms and conditions as set forth in the Application.
- (4) The New Bonds will have a maturity not to exceed 30 years and will bear annual interest rates in the range of 3.8 percent to 4.25 percent, as described in the Application.
- (5) The proceeds from the New Bonds will be used for reducing the outstanding short-term debt and for the redemption of Applicant's Ohio Water Development Authority bonds, all pursuant to Section 4905.40, Revised Code.
- (6) The aggregate amount of the New Bonds, the terms thereof, and the probable cost to Applicant, as set forth in the Application, do not appear to be unjust or unreasonable.

- (7) The effect on Applicant's revenue requirements resulting from the New Bonds will be considered in rate proceedings in which all factors affecting rates will be taken into account according to law.
- (8) Based on information contained in the Application and Exhibits thereto, Applicant's proposal to issue the New Bonds appears to be reasonably required by the Applicant to meet its present and prospective obligations to provide utility service, and the Commission is satisfied that consent and authority should be granted.

It is, therefore,

ORDERED, That Applicant, Aqua Ohio, Inc., is authorized to issue and sell a series of First Mortgage Bonds for an aggregate principal amount of \$85 million pursuant to the terms and conditions as set forth in the Application and Exhibits. It is, further,

ORDERED, That Applicant shall apply the proceeds from the New Bonds for the purposes set forth in this Order and otherwise pursuant to the provisions of Section 4905.40, Revised Code. It is, further,

ORDERED, That Applicant shall file a written report with this Commission with the terms and full particulars of the New Bonds, as promptly as possible. It is, further,

ORDERED, That the authorization granted by this Order shall not be construed as limiting the Commission's determination of the appropriateness of the New Bonds for future rate making treatment. It is, further,

ORDERED, That nothing in this Order shall be construed to imply any guaranty or obligation as to the New Bonds, or the interest thereon, on the part of the State of Ohio. It is, further,

ORDERED, That nothing in this Order shall be construed to imply any guaranty or obligation by the Commission to assure completion of any specific construction project of the Applicant. It is, further,

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

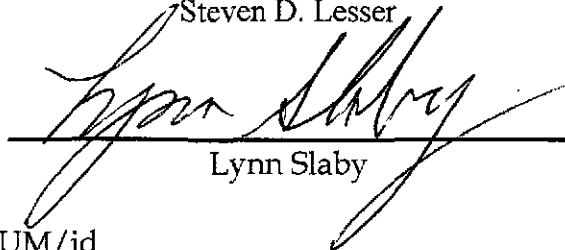
ORDERED, That a copy of this Order be served upon all parties of record.

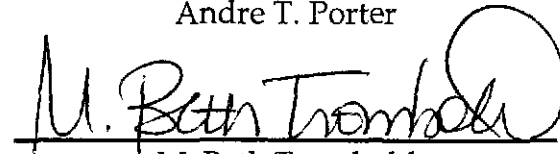
THE PUBLIC UTILITIES COMMISSION OF OHIO


Todd A. Snitchler, Chairman


Steven D. Lesser

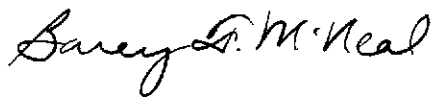

Andre T. Porter


Lynn Slaby


M. Beth Trombold

SUM/jd

Entered in the Journal
APR 10 2013


Barcy F. McNeal
Secretary