

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
Columbia Park Water & Sewer System for a) Case No. 15-295-WW-PWA
Purchased Water Adjustment to its Rates)
Under R.C. 4909.171.)

FINDING AND ORDER

The Commission finds:

- (1) The Applicant, Columbia Park Water & Sewer System (Columbia), is a public utility and a waterworks company as defined in R.C. 4905.02 and R.C. 4905.03(A)(7) and, as such, is subject to the jurisdiction of this Commission.
- (2) R.C. 4909.171 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 R.C. 4909.18 and R.C. 4909.19. 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 February 9, 2015, Columbia filed an application pursuant to R.C. 4909.171. This filing included a copy of the Rates and Fees charged by the city of Cleveland, effective January 1, 2015, which listed the annual increases in the cost of water for Columbia. The filing also included a proposed tariff incorporating a purchased water rate reflecting the 2015 cost of water to Columbia and a proposed customer notice. Columbia uses water supplied by the city of Cleveland to provide water service for approximately 960 residential usage customers.
- (4) On April 6, 2015, Columbia filed amended exhibits B, D, E, as well as amended worksheets.
- (5) The Commission has reviewed the amended application and the proposed tariff and finds that the Applicant's proposed tariff is

reasonable, and should be approved. Following changes to the city of Cleveland water rates, the Applicant's purchased water rate was calculated in the following manner so as not to generate revenues in excess of costs. The city of Cleveland water rates, pursuant to its 2015 Rates and Fees schedule, are a quarterly fixed-cost recovery charge for a 6" meter of \$320, consumption charges of \$25.04 for 0-.6 thousand cubic feet (MCF) and \$42.56 for additional MCF. The Applicant receives quarterly bills for two meters. The fixed charge expense $[(\$320 \times 2) \times 4]$ was applied. Using the usage data supplied in the application, the minimum usage charge $[((.6\text{MCF} \times 2) \times 4) \times \$25.04]$ was added. The minimal usage was subtracted from total usage and the additional usage charge was calculated as $[(5168.1\text{MCF} - 4.8\text{MCF}) \times \$42.56]$. The sum of these three calculations was then divided by the total usage. The purchased water rate was adjusted so as not to over-recover revenue.

- (6) 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 Cleveland.
- (7) Additionally, the Commission has reviewed the amended proposed customer notice and finds it reasonable.
- (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 R.C. 4909.171 is not effective until forty-five days after the date the company has provided affected customers with notification of the increase and final tariffs have been filed, whichever is later.

It is, therefore,

ORDERED, That the amended application filed by Columbia be approved. It is, further,

ORDERED, That Columbia is authorized to file tariffs, in final form consistent with this Finding and Order. Columbia shall file one copy in this case docket and one copy in its TRF Docket No. 89-7049-WS-TRF. It is, further,

ORDERED, That the effective date of the new tariff shall be a date upon which 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 amended proposed customer notice be approved. It is, further,

ORDERED, That the 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,

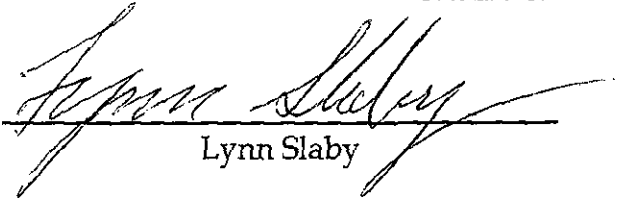
ORDERED, That nothing in this Finding and Order shall be deemed to be binding upon this Commission in any subsequent investigation or proceeding involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

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

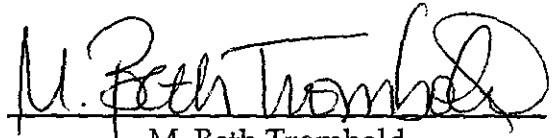
THE PUBLIC UTILITIES COMMISSION OF OHIO



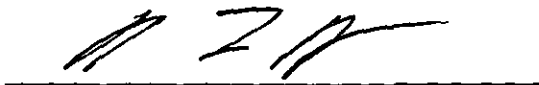
Andre T. Porter, Chairman



Lynn Slaby



M. Beth Trombold



Asim Z. Haque

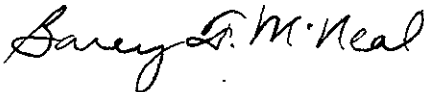


Thomas W. Johnson

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Entered in the Journal

APR 29 2015



Barcy F. McNeal
Secretary