

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Del Mar Water Company)
)
Petition pursuant to Section 9-220.2 of the Illinois)
Public Utilities Act and 83 Illinois Administrative) Docket No. _____
Code 200 for the approval of the annual)
reconciliation for and the resulting decrease in)
the surcharge for purchased water.)

PETITION

To the Illinois Commerce Commission:

Del Mar Water Company. (“Del Mar” or the “Company”) hereby requests, pursuant to Section 9-220.2 of the Public Utilities Act (the “Act”), 220 ILCS 5/9-220.2, that the Illinois Commerce Commission (the “Commission”) enter an order approving the annual reconciliation for the surcharge for purchased water, and thereby approving a decrease in the surcharge for purchased water. In support of its Petition, the Company states as follows:

1. Utilities, Inc. is the parent company of Del Mar. Utilities, Inc. is a corporation duly incorporated under the laws of the State of Illinois and is duly authorized to transact business in the State of Illinois. Del Mar is a public utility within the meaning of the Act and is engaged in the business of furnishing water public utility service to the public in a subdivision near Lake Forest, Illinois.

2. The Company’s schedule ILL.C.C. No. 11, Second Revised Information Sheet No. 1 provides a surcharge for water service to compensate the Company for the amount payable to the City of Lake Forest for purchased water for the Del Mar subdivision. This schedule was filed on April 18, 2005 and the respective surcharge for purchased water (the “effective surcharge”) was effective as of May 1, 2005.

3. Pursuant to Section 655.5 (d) of 83 Illinois Administrative Code (the “Code”), the annual reconciliation year for the effective surcharge begins on January 1, 2005 and ends on December 31, 2005.

4. The effective surcharge was calculated based on estimated costs of purchased water from the City of Lake Forest and estimated customer consumption in gallons. The actual costs of purchased water and actual customer consumption in gallons for the reconciliation year are documented on Schedule 1, which is attached hereto.

5. The revenue arising from the effective surcharge in the reconciliation year, as indicated on Schedule 2 attached hereto, was not sufficient to cover all costs of purchased water.

6. The 2005 annual reconciliation includes a Commission ordered “O” factor of (\$258), which was approved and accepted in Docket No. 05-0173 to be included in the 2005 annual reconciliation. This was due to the 2004 over recovery balance of the purchased water cost.

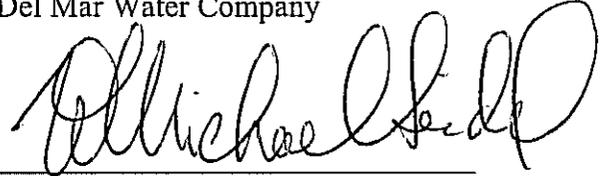
7. The difference between the revenue collected through the effective surcharge and the cost of the purchased water is documented on Schedule 3, which is attached hereto. Pursuant to Section 655.50(b)(3) of the Code, this difference is the reconciliation component (R) of the surcharge calculation.

8. Therefore, it is in the public interest that there is a proper match of expense and revenue recovery. Schedule 4, which is attached hereto, is a revised surcharge calculation that includes the reconciliation component derived from the annual reconciliation. The City of Lake Forest surcharge will decrease from \$6.02 per 1,000 gallons to \$5.83 per 1,000 gallons.

Wherefore, Del Mar respectfully requests that the Commission approve the annual reconciliation of the surcharge for purchased water pursuant to Section 9-220.2 of the Act, which thereby decreases the surcharge for purchased water.

Respectively submitted,

Del Mar Water Company

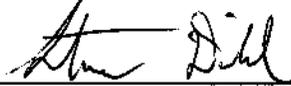
A handwritten signature in black ink, appearing to read "W. Michael Seidel". The signature is written in a cursive style with a large, looping initial "W".

One of Its Attorneys

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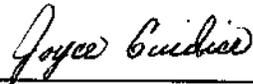
VERIFICATION

I, Steven Dihel, hereby affirm that the information contained in the Petition is true and accurate to the best of my knowledge and belief.



Steven Dihel
Regulatory Accountant

SWORN TO and subscribed before me
this 29th day of March, 2006.



Notary Public



DeI-Mar Water Company
Purchased Water Costs

Schedule 1

A: For the 12 months ended 12/31/05

<u>Date</u>	<u>Invoice Number</u>	<u>Invoice Period</u>	<u>Charge per 100 Cf</u>		<u>Consumption (CF)</u>	<u>Consumption (Gal)</u>	<u>Amount</u>
Mar-05	75617	1/1/05-3/16/05	\$	3.85	175,661	1,313,944	\$ 6,762.95
			\$	0.09	175,661	1,313,944	\$ 158.09
							<u>\$ 6,921.04</u>
Jun-05	82400	3/17/05-6/14/05	\$	4.04	236,071	1,765,811	\$ 9,537.27
			\$	0.09	236,071	1,765,811	\$ 212.46
							<u>\$ 9,749.73</u>
Sep-05	89276	6/15/05-9/12/05	\$	4.04	311,288	2,328,434	\$ 12,576.04
			\$	0.09	311,288	2,328,434	\$ 280.16
							<u>\$ 12,856.19</u>
Dec-05	95687	9/13/05-12/02/05	\$	4.04	204,412	1,529,002	\$ 8,258.24
			\$	0.09	204,412	1,529,002	\$ 183.97
							<u>\$ 8,442.22</u>
Dec-05		12/03/05-12/31/05	\$	4.04	67,273	503,198	\$ 2,717.81
			\$	0.09	67,273	503,198	\$ 60.55
							<u>\$ 2,778.35</u>
Total						7,440,390	\$ 40,747.54

Del-Mar Water Company
Purchased Water Revenue Recovered
A: For the 12 months ended 12/31/05

Schedule 2

<u>Date</u>	<u>Revenue Recovered</u>
Jan-05	2,784.90
Feb-05	3,008.44
Mar-05	2,249.24
Apr-05	3,359.34
May-05	2,547.43
Jun-05	3,694.85
Jul-05	5,063.27
Aug-05	3,624.70
Sep-05	3,894.96
Oct-05	3,423.94
Nov-05	3,188.80
Dec-05	3,033.17
	<u>39,873.04</u>

Del-Mar Water Company
Purchased Water Surcharge Reconciliation
A: For the 12 months ended 12/31/05

Schedule 3

<u>Date</u>	<u>Purchased Water Costs</u>	<u>Revenue Recovered</u>	<u>Difference</u>
Jan-05		2,784.90	
Feb-05		3,008.44	
Mar-05	6,921.04	2,249.24	
Apr-05		3,359.34	
May-05		2,547.43	
Jun-05	9,749.73	3,694.85	
Jul-05		5,063.27	
Aug-05		3,624.70	
Sep-05	12,856.19	3,894.96	
Oct-05		3,423.94	
Nov-05		3,188.80	
Dec-05	11,220.57	3,033.17	
	<u>40,747.54</u>	<u>39,873.04</u>	<u>-874.50</u>

Del-Mar Water Company
Revised Purchased Water Surcharge
(including reconciliation component)
A: For the 12 months ended 12/31/05

$$VC = VSC + Rv + Ov / VBU$$

VSC = 40,747.54

Rv= 874.50

Ov= -258.00

VBU= 7,098

VC= 5.83