

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Harbor Ridge Utilities, Inc.)	
)	
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 sewer.)	

PETITION

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

1. Harbor Ridge is a public utility within the meaning of the Act and is engaged in the business of furnishing sewer public utility service to the public in a subdivision near Antioch, Illinois.

2. The Company’s schedule ILL.C.C. No. 11, Fourth Revised Information Sheet No. 1 provides a surcharge for sewer service to compensate the Company for the amount payable to the Lake County Public Works for purchased sewer for the Harbor Ridge subdivision. This schedule was filed on March 29, 2006 and the respective surcharge for purchased sewer (the “effective surcharge”) was effective as of May 1, 2006.

3. Pursuant to Section 655.50(d) of 83 Illinois Administrative Code (the “Code”), the annual reconciliation year for the effective surcharge begins on January 1, 2006 and ends on December 31, 2006.

4. The effective surcharge was calculated based on estimated costs of purchased sewer from Lake County Public Works and estimated customer consumption in gallons. The actual costs of

purchased sewer and actual customer consumption in gallons for the reconciliation year are documented on Schedule 1, which is attached hereto.

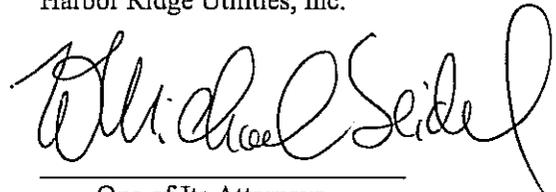
5. The revenue arising from the effective surcharge in the reconciliation year, as indicated on Schedule 2 attached hereto, exceeded the costs of purchased sewer.

6. The difference between the revenue collected through the effective surcharge and the cost of the purchased sewer 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.

7. 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 Lake County surcharge will decrease from \$3.67 per 1,000 gallons to \$3.52 per 1,000 gallons.

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

Harbor Ridge Utilities, Inc.

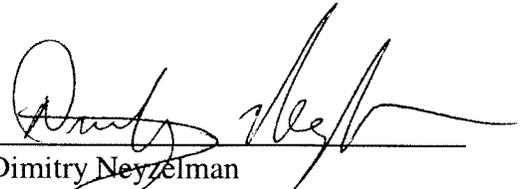


One of Its Attorneys

W. Michael Seidel (wmseidel@defrees.com)
Defrees & Fiske LLC
200 South Michigan Ave., Suite 1100
Chicago, Illinois 60604
(312) 372- 4000 (voice)
(312) 939-5617 (facsimile)

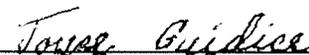
V E R I F I C A T I O N

I, Dimitry Neyzelman, hereby affirm that the information contained in the Petition is accurate to my knowledge and belief.

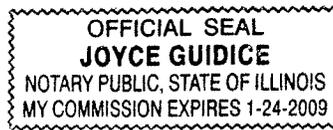


Dimitry Neyzelman
Senior Regulatory Accountant

SWORN TO and subscribed before me this 15th day of March, 2007.



Notary Public



Dimitry Neyzelman
Senior Regulatory Accountant
Utilities, Inc.
2335 Sanders Road
Northbrook, IL 60062
phone 847-498-6440
fax 847-498-6711

Harbor Ridge Utilities, Inc.
Purchased Sewer Costs
A: For the 12 months ended 12/31/06

Schedule 1

Date	Invoice Number	Invoice Period	Charge per 1000 Gal	Consumption (Gal)	Amount	Billing Adjustments	Adjusted Total
Jan-06	7326	1/1/06-1/15/06	\$ 3.60	518,893	\$ 1,868.01	\$ (23.54)	\$ 1,844.47
Feb-06							
Mar-06	12379	1/16/06-3/15/06	\$ 3.73	2,116,355	\$ 7,901.30	\$ 198.96	\$ 8,100.26
Apr-06							
May-06	18142	3/16/06-5/15/06	\$ 3.78	2,045,327	\$ 7,731.34	\$ 866.43	\$ 8,597.77
Jun-06							
Jul-06		5/16/06-7/15/06	\$ 3.78	2,124,124	\$ 8,029.19	\$ (1,630.15) *	\$ 6,399.04
Aug-06							
Sep-06		7/16/06-9/15/06	\$ 3.78	2,190,542	\$ 8,280.25		\$ 8,280.25
Oct-06							
Nov-06		9/16/06-11/15/06	\$ 3.78	2,246,933	\$ 8,493.41		\$ 8,493.41
Dec-06							
Jan-07		11/16/06-12/31/06	\$ 3.78	1,576,701	\$ 5,959.93		\$ 5,959.93
Total				<u>12,818,875</u>	<u>48,263</u>		<u>\$ 47,675</u>

Jan-06 consumption is calculated by taking the total consumption for the period of 11/16/05-1/15/06 and multiplying by the amount of days in January divided by the total days for the period, which is 60.

Jan-07 consumption is calculated by taking the total consumption for the period of 11/16/06-1/15/07 and multiplying by the amount of days from Nov'16 to Dec'31, divided by the total days for the period, which is 60.

* This and the following invoices listed were paid on March 16th, 2007. Please note that this is an adjustment for overpayment in prior periods in the amount of \$1,630.15. Please reference supporting invoices for a reconciliation schedule.

Harbor Ridge Utilities, Inc.
Purchased Sewer Revenue Recorded
A: For the 12 months ended 12/31/06

Schedule 2

<u>Date</u>	<u>Revenue Recovered</u>
Jan-06	
Feb-06	7,875.93
Mar-06	
Apr-06	7,620.21
May-06	
Jun-06	10,460.87
Jul-06	
Aug-06	8,342.05
Sep-06	
Oct-06	8,227.52
Nov-06	
Dec-06	7,652.84
	<u>50,179.42</u>

Harbor Ridge Utilities, Inc.
Purchased Sewer Surcharge Reconciliation
A: For the 12 months ended 12/31/06

Schedule 3

<u>Date</u>	<u>Purchased Sewer Costs</u>	<u>Revenue Recovered</u>	<u>Difference</u>
Jan-06	1,844.47		
Feb-06			
Mar-06	8,100.26	7,875.93	-2,068.80
Apr-06			
May-06	8,597.77	7,620.21	-977.56
Jun-06			
Jul-06	6,399.04	10,460.87	4,061.83
Aug-06			
Sep-06	8,280.25	8,342.05	61.80
Oct-06			
Nov-06	8,493.41	8,227.52	-265.89
Dec-06			
Jan-07	5,959.93	7,652.84	1,692.91
	<u>47,675.13</u>	<u>50,179.42</u>	<u>2,504.29</u>

Harbor Ridge Utilities, Inc.
Revised Purchased Sewer Surcharge
(including reconciliation component)
A: For the 12 months ended 12/31/06

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

VSC = 47,675.13

Rv= -2,504.29

Ov= -

VBU= 12,819

VC= 3.52

Officer Verification

I, Larry N. Schumacher, hereby verify that: (1) I am the President of Harbor Ridge Utilities, Inc.; (2) the accompanying reconciliation of operation of the purchased sewer surcharge rider during 2006 for the Harbor Ridge Utilities, Inc. area ("Schedules 1 - 4") was prepared by me or under my supervision; (3) I am familiar with the facts set forth in the 2006 reconciliation ("Schedules 1 - 4"); and (4) the 2006 reconciliation ("Schedules 1 - 4") is true and correct to the best of my knowledge.



Larry N. Schumacher
President
Utilities, Inc.

State of: Illinois County of: Cook

Subscribed and sworn to before me this 16th day of March, 2007.

Notary Public: Joyce Guidice

My Commission expires: Jan 24, 2009

