

DIRECT TESTIMONY
OF
JONATHAN M. SPERRY
WATER DEPARTMENT
FINANCIAL ANALYSIS DIVISION
ILLINOIS COMMERCE COMMISSION

ILLINOIS-AMERICAN WATER COMPANY

**APPLICATION FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY
TO PROVIDE WATER AND/OR SANITARY SEWER SERVICE TO PARCELS IN
COOK, DUPAGE AND WILL COUNTIES, ILLINOIS, PURSUANT TO SECTION 8-406
OF THE PUBLIC UTILITIES ACT**

DOCKET NO. 08-0542

January 30, 2009

1 **WITNESS IDENTIFICATION**

2 **Q. Please state your name, your employer, and your business address.**

3 A. My name is Jonathan M. Sperry. I am employed by the Illinois Commerce
4 Commission (“ICC” or “Commission”). My business address is 527 East Capitol
5 Avenue, Springfield, Illinois 62701.

6
7 **Q. Please describe your current position and its responsibilities.**

8 A. I have been employed by the Commission since February 2007 as a Water
9 Engineer in the Water Department of the Financial Analysis Division. My
10 responsibilities include reviewing and analyzing the planning and operations
11 information of water/sewer utility systems as it relates to rates, rules, regulations,
12 and conditions of utility service; conducting inspections of water and sewer
13 utilities and preparing reports; reviewing information regarding the prudence of
14 Qualifying Infrastructure Plant investment costs; reviewing applications for
15 certificates of public convenience and necessity; and presenting expert witness
16 testimony at Commission hearings.

17
18 **Q. Please briefly state your qualifications and professional experience in the
19 regulatory field.**

20 A. I received a Bachelor of Science degree in Chemical Engineering from the
21 University of Illinois at Urbana/Champaign in May 1996. Prior to my employment
22 at the ICC, I worked at the Illinois Environmental Protection Agency from
23 November 1996 to February 2007 as an Environmental Protection Engineer in

24 the Bureau of Air Permits Section. My responsibilities included reviewing air
25 pollution permit applications to determine applicability of and compliance with air
26 pollution regulations, writing specific and general permit conditions to enforce
27 those regulations, and generating reports on Title V (Clean Air Act Permit
28 Program) activity to the United States Environmental Protection Agency.

29

30 **Q. Have you previously testified before the Commission?**

31 A. Yes. I have previously provided testimony before the Commission on numerous
32 issues related to my responsibilities.

33

34 **INTRODUCTION**

35 **Q. What is the purpose of this proceeding?**

36 A. The purpose of this proceeding is to consider Illinois-American Water Company's
37 ("IAWC" or the "Company") Petition for Certificates of Public Convenience and
38 Necessity ("Certificates") to provide water and sanitary sewer service to parcels
39 in Cook, DuPage, and Will Counties, Illinois. The Petition was filed pursuant to
40 Section 8-406 of the Illinois Public Utilities Act ("Act"), 220 ILCS 5/8-406.

41

42 **Q. What is the purpose of your testimony?**

43 A. The purpose of my testimony is to present Staff's positions regarding whether
44 IAWC has satisfied the requisite conditions for justifying the issuance of the
45 Certificates pursuant to Section 8-406 of the Act. I will also be addressing
46 general requirements and conditions for receiving a Certificate, the proposed

47 certified service areas, the Company's adherence to the Commission's rules,
48 and IAWC's Chicago-Metro Division current Rules, Regulations, and Conditions
49 of Service tariffs for water and sanitary sewer service.

50

51 **Q. Have you reviewed IAWC's testimony and documentation in this**
52 **proceeding?**

53 A. Yes, I have. I have reviewed the Company's Petition and Exhibits attached
54 thereto, the Direct Testimonies of Company Witnesses Mr. Kevin F. Hillen (IAWC
55 Exhibit No. KFH-1.0) and Mr. Michael J. Hoffman (IAWC Exhibit No. MJH-2.0
56 through 2.2 revised), the Company's correspondence to the Commission's Chief
57 Clerks Office regarding easements, and the Company's responses to various
58 Staff data requests.

59

60 **Q. Have you included any attachments with your testimony?**

61 A. Yes. Attachment 2.01 is a response to a Staff data request provided by the
62 Company.

63

64 **GENERAL DISCUSSION**

65 **Q. Please give a brief description of IAWC's Chicago Suburban and Santa Fe**
66 **Districts.**

67 A. The Chicago Suburban and Santa Fe Districts ("Districts") are two of the 28
68 service areas in IAWC's Chicago-Metro Division. (IAWC Exhibit No. KFH-1.0, p.

69 3, lines 41-45.) The Districts provide residential and commercial water service,
70 including fire protection service, and sanitary sewer service in Cook, DuPage,
71 and Will Counties.

72
73 The Districts' water supply is treated water from Lake Michigan, provided on a
74 wholesale basis. The Chicago Suburban District receives treated water from the
75 Village of Glenview, and the Santa Fe District receives treated water from
76 American Lake Water Company, an affiliate of IAWC. (IAWC Exhibit No. KFH-
77 1.0, p. 8, lines 153-54; p. 16, lines 323-24.) The water systems are also served
78 by emergency wells at various locations in the Districts' service areas. The
79 maximum capacity of the Chicago Suburban District is 11.45 million gallons per
80 day ("mgd") and the maximum capacity of the Santa Fe District is 2.16 mgd.
81 (IAWC response to Staff data request JMS 1.02.)

82
83 The Company collects and treats sewage within the Santa Fe District at its
84 sewage treatment plant on Davey Road, in Lemont, Illinois. (IAWC Exhibit No.
85 KFH-1.0, p. 16, lines 327-28.) In addition, a portion of the sewage from this
86 district is treated by the Village of Romeoville. (IAWC Exhibit No. KFH-1.0, p. 20,
87 lines 408-09.) For the Chicago Suburban District, the Company provides only
88 sewage collection service; sewer treatment service is provided by the
89 Metropolitan Water Reclamation District of Greater Chicago ("MWRDGC").
90 (IAWC Exhibit No. KFH-1.0, p. 8, lines 155-57; p. 9, lines 176-77; p. 10, lines
91 181-82; p. 13, line 252 and lines 262-63.)

92

93 **Q. What is the Company requesting in this docket?**

94 A. According to the Company's Petition and Mr. Hillen's direct testimony, the
95 Company is requesting Certificates to provide water and sanitary sewer service
96 to two parcels in each of the Districts ("proposed certificated service areas"). All
97 four parcels are adjacent and contiguous to the Company's existing Chicago
98 Suburban or Santa Fe District certificated service areas. The Company is
99 requesting sanitary sewer service in all four parcels and water service in three of
100 the four parcels. (Petition, pp. 3-4; IAWC Exhibit No. KFH-1.0, p. 4, lines 55-58
101 and lines 60-63; p. 9, line 169; p. 12, lines 246-47; p. 17, lines 340-42; p. 19,
102 lines 391-93.)

103

104 On December 17, 2008, the Commission issued an Interim Order in this docket,
105 granting the Company Temporary Certificates of Public Convenience and
106 Necessity ("Temporary Certificates") authorizing it to provide water and sanitary
107 sewer service to the proposed certificated service areas. The granting of the
108 Temporary Certificates does not create any presumptions with respect to the
109 Certificates now being requested.

110

111 **CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

112 **Q. What is required of IAWC to be granted a Certificate?**

113 A. According to Section 8-406(b) of the Act, a utility must show that its services are
114 required, that construction is necessary to provide adequate, reliable, and

115 efficient service, and that the utility is proposing the least-cost means of providing
116 that service. The utility must also demonstrate that it is capable of efficiently
117 supervising and managing construction, and that it has the resources to finance
118 construction without significant adverse financial consequences for the utility or
119 its customers.

120

121 **Q. Are you generally familiar with the water and sanitary sewer systems and**
122 **proposed service areas for which IAWC is requesting a Certificate?**

123 A. Yes, I am familiar with the water and sanitary sewer systems, having inspected
124 them on January 13, 2009. At that time, I viewed the Company's water and
125 sanitary sewer system property, the Santa Fe District sewage treatment plant,
126 and the proposed certificated service areas.

127

128 **Q. Has the Company received any requests to provide water and sanitary**
129 **sewer service?**

130 A. Yes. IAWC has received requests for water and sanitary sewer service from
131 Terraco, Inc., Nicholas & Associates, Bridge Point Woodridge LLC, and Bluff
132 Pointe LLC ("developers"). (Petition, ¶5, p. 2; IAWC Exhibit No. KFH-1.0, p. 5,
133 lines 73-79; p. 9, line 168; p. 12, line 246; p. 13, lines 259-60; p. 17, line 340; and
134 p. 19, lines 391 and 397.) For Parcel B in the Chicago Suburban District, the
135 developer has only requested sewer collection service, because water service
136 will be provided by the Village of Mt. Prospect. (IAWC Exhibit No. KFH-1.0, pp.
137 12-13, lines 246-50.)

138

139 **Q. Have any other ICC regulated water or sewer utilities been certified to serve**
140 **customers in the proposed certificated service areas?**

141 A. There are no ICC regulated utilities that currently have a Certificate to provide
142 water or sanitary sewer service in the vicinity of the proposed certificated service
143 areas. Clarendon Water Company is approximately 7 miles away from the
144 proposed certificated service areas in the Santa Fe District. Del-Mar Water
145 Company is approximately 8 miles away from the proposed certificated service
146 areas in the Chicago Suburban District. Neither of these Commission-regulated
147 utilities provides sanitary sewer service, and neither has the capacity or ability to
148 extend their systems to the proposed certificated service areas.

149

150 **Q. Do you know if any other utilities have interest or capacity to serve water or**
151 **sewer customers in the proposed certificated service areas?**

152 A. No, I am not aware of any entity that has interest in or is currently capable of
153 providing water or sanitary sewer service in the proposed certificated service
154 areas. According to the Company, no other public water or sanitary sewer
155 system is willing and able to provide water or sanitary sewer service in the
156 proposed certificated service areas. (IAWC Exhibit No. KFH-1.0, p. 11, lines 203-
157 05; p. 14, lines 284-85; p. 17, lines 355-56; pp. 19-20, lines 405-09.)

158

159 **Q. What is your opinion regarding the Company's ability to supply adequate**
160 **water service to the proposed certificated service areas?**

161 A. Based on my inspection of the water distribution system and the well systems
162 that supply these areas, it is my opinion that they are well maintained and
163 capable of producing adequate and safe water to serve the needs of IAWC's
164 customers in the proposed certificated service areas.

165

166 Mr. Hillen declares that peak demand on the Company's Chicago Suburban
167 District water system is approximately 5.32 mgd and average demand is 1.93
168 mgd. (IAWC response to Staff data request JMS 1.02.) The estimated peak and
169 average demands for water service from new commercial customers in the
170 proposed certificated service area is less than 0.01 mgd. (IAWC Exhibit No. KFH-
171 1.0, p. 11, lines 221-23.) As stated earlier in this testimony, the capacity of the
172 Company's Chicago Suburban District water distribution system is 11.45 mgd, so
173 it is my opinion that the Company has adequate capacity to serve new customers
174 in the proposed certificated service area.

175

176 Mr. Hillen declares that peak demand on the Company's Santa Fe District water
177 system is approximately 1.98 mgd and average demand is 0.89 mgd. (IAWC
178 response to Staff data request JMS 1.02.) The estimated peak and average
179 demands for water service from new commercial customers in the proposed
180 certificated service areas is less than 0.04 mgd. (IAWC Exhibit No. KFH-1.0, p.
181 18, lines 368-70; p. 20, lines 424-26.) As stated earlier in this testimony, the

182 capacity of the Company's Santa Fe District water distribution system is 2.16
183 mgd, so it is my opinion that the Company has adequate capacity to serve new
184 customers in the proposed certificated service areas.

185

186 **Q. What is your opinion regarding the Company's ability to supply adequate**
187 **sanitary sewer service to the proposed certificated service areas?**

188 A. Based on my inspection of the sanitary sewer systems, it is my opinion that they
189 are well maintained and capable of serving the needs of IAWC's customers in the
190 proposed certificated service areas.

191

192 The Company will provide sewage collection and treatment service in only one
193 parcel of the Santa Fe District in the proposed certificated service areas. The
194 estimated daily demand for sanitary sewer service from new commercial
195 customers in this parcel is less than 0.01 mgd. (IAWC Exhibit No. KFH-1.0, p. 18,
196 lines 371-72.) The rated capacity of the Company's Santa Fe District sewage
197 treatment plant is 1.44 mgd, so it is my opinion that the Company has adequate
198 capacity to serve new customers in the proposed certificated service area.

199

200 The Company will only provide sewage collection service in the other three
201 parcels in the proposed certificated service areas. In these parcels, it is my
202 opinion that the Company's sewage lift stations have adequate capacity to collect
203 sewage and transfer it to the treating entity (MWRDGC or the Village of
204 Romeoville).

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Q. Is IAWC proposing the least-cost means for providing water and sanitary sewer service in the proposed certificated service areas?

A. Yes. The proposed areas are contiguous and adjacent to the existing certificated service areas of the Company's Chicago Suburban and Santa Fe Districts. The cost of serving the proposed certificated service areas includes the construction of water main extensions, water service lines, sanitary sewer main extensions, and sanitary sewer service lines into the proposed areas. It is far more cost-efficient for an existing utility in the area to extend its water or sanitary sewer mains than it is for a new entity to come into the area and construct new facilities to establish water or sanitary sewer service. By thus making use of existing facilities and capacity, duplication of water and sanitary sewer facilities and unnecessary costs would be avoided. (IAWC Exhibit No. KFH-1.0, p. 6, lines 91-95.)

The Company will take steps to assure that the construction costs are the least-cost means of providing the required water and sanitary sewer service. The Company will not pay for any investment up front and will make refunds to the developers as customers attach to the facilities (Petition, ¶9, p. 3; IAWC Exhibit No. KFH-1.0, p. 8, lines 139-43; IAWC Exhibit No. MJH-2.0 revised, p. 3, lines 54-58.)

227 Based on information currently available to me, including, as mentioned above,
228 the fact that no other entity is currently capable of providing water or sanitary
229 sewer service to IAWC's potential customers, it is my opinion that IAWC's
230 proposal represents the least-cost option of providing water and sanitary sewer
231 service in the proposed certificated service areas.

232

233 **Q. Is it your opinion that IAWC is capable of efficiently managing and**
234 **supervising the construction of the proposed water main and sanitary**
235 **sewer main extensions?**

236 A. Yes. Based on my inspection of the water and sanitary sewer systems, and my
237 review of the Company's testimony and responses to various Staff data requests,
238 it is my opinion that the Company is capable of efficiently managing and
239 supervising construction of the proposed water main and sanitary sewer main
240 extensions. IAWC has consistently demonstrated that its water and sanitary
241 sewer systems in Illinois are well operated, efficiently managed and supervised,
242 and its equipment is well maintained. IAWC has many years of experience
243 managing and supervising this type of construction.

244

245 **Q. What is your assessment of the Company's compliance with the**
246 **Commission's rules and regulations at 83 Ill. Adm. Code 600.370, "Service**
247 **to New Customers"?**

248 A. Based on Company responses to Staff data requests, as well as my review of the
249 Petition and the Company's direct testimony, the Company appears to be in
250 general compliance with the water main extension rules contained in 83 Ill. Adm.
251 Code 600.370. Although these rules only apply to water main extensions, the
252 Company's analysis includes both water and sanitary sewer main extensions
253 together. The estimated cost of the water and sanitary sewer main extensions is
254 \$927,811, and the Company's estimate of the first year's revenue is \$14,743.
255 (IAWC Exhibit No. MJH-2.2 revised.)

256

257 Because the cost of the extensions is greater than 1-½ times the annual revenue,
258 the construction of new facilities will be financed by the developers, as set forth in
259 various Service Agreements with those developers. IAWC will refund the
260 developer's cost as customers attach, in accordance with the water main
261 extension rules of 83 Ill. Adm. Code 600.370, and the Company's Rules,
262 Regulations, and Conditions of Service tariffs for water service (ILL. C. C. No. 4,
263 Sheet Nos. 25-30) and sanitary sewer service (ILL. C. C. No. 5, Sheet Nos. 25-
264 27) for the Chicago-Metro Division, and the sanitary sewer main extension
265 stipulation in Docket No. 01-0645. (Petition, ¶9, p. 3; IAWC Exhibit No. KFH-1.0,
266 p. 6, lines 105-11; p. 7, line 116; p. 8, lines 139-43; IAWC Exhibit No. MJH-2.0
267 revised, p. 3, lines 52-58.)

268

269 **PROPOSED CERTIFICATED SERVICE AREAS**

270 **Q. Please describe the proposed certificated service areas.**

271 A. The proposed certificated service areas are legally described in Exhibit B of the
272 Company's Petition. The proposed certificated service areas include
273 approximately 7.654 acres in the Chicago Suburban District and approximately
274 63 acres in the Santa Fe District. Parcel A of the Chicago Suburban District
275 consists of a commercial building currently under construction in the Village of
276 Mt. Prospect, Illinois in Cook County. Parcel B of the Chicago Suburban District
277 consists of four completed commercial buildings in the Village of Mt. Prospect,
278 Illinois in Cook County. Parcel A of the Santa Fe District consists of two
279 warehouse buildings in the Village of Woodridge, Illinois in DuPage County.
280 Parcel B of the Santa Fe District consists of two warehouse buildings to be
281 constructed in the Village of Romeoville, Illinois in Will County.

282
283 **Q. Do you believe that it is reasonable for the Commission to approve a**
284 **Certificate for IAWC to provide water and sanitary sewer service to Parcel A**
285 **in the Chicago Suburban District and Parcels A and B in the Santa Fe**
286 **District, as identified in Exhibit B of the Petition?**

287 A. Yes, I do.

288

289 **Q. Do you believe that it is reasonable for the Commission to approve a**
290 **Certificate for IAWC to provide sanitary sewer service to Parcel B in the**
291 **Chicago Suburban District, as identified in Exhibit B of the Petition?**

292 A. Yes, I do.

293

294 **Q. Do you have a recommendation regarding the Company's proposed legal**
295 **descriptions?**

296 A. I recommend that the Company provide in its rebuttal testimony a revised legal
297 description for Parcel A in the Santa Fe District and for any other parcels it
298 deems necessary to correct. In response to Staff data request JMS 1.05 (see
299 Attachment 2.01), the Company noted that the legal description provided in the
300 Petition for this parcel was incorrect, and provided a correction. However, the
301 corrected legal description also appears to be insufficient, because it describes
302 an area in Will County directly south of Parcel B. According to the map provided
303 in Exhibit A of the Petition, as well as my inspection of the proposed certificated
304 service areas, Parcel A is in DuPage County a few miles northeast of Parcel B.

305

306 **RULES, REGULATIONS, AND CONDITIONS OF SERVICE TARIFFS**

307 **Q. Has the Company proposed Rules, Regulations, and Conditions of Service**
308 **tariffs for water and sanitary sewer service that will be applicable to**
309 **customers in the proposed certificated service areas?**

310 A. Yes, it has. The Company proposes to serve the customers in the proposed
311 certificated service areas under its Chicago-Metro Division's Rules, Regulations,
312 and Conditions of Service tariffs for water service (ILL. C. C. No. 4) and sanitary
313 sewer service (ILL. C. C. No. 5) as now in effect and updated from time to time.

314 (Petition, ¶8, pp. 2-3; IAWC Exhibit No. KFH-1.0, pp. 7-8, lines 133-37; IAWC
315 Exhibit No. MJH-2.0 Revised, p. 3, lines 74-75.)

316

317 **Q. Do you agree with these Rules, Regulations, and Conditions of Service**
318 **tariffs for water and sanitary sewer service?**

319 A. Yes, I do. These tariffs are consistent with tariffs that have recently been
320 approved by the Commission for other utilities. The Company's current Rules,
321 Regulations, and Conditions of Service tariffs for water and sanitary sewer
322 service for the Chicago-Metro Division were last updated in their entirety in
323 September 1995. The new customers will be attached directly to the existing
324 Districts within this Division. (Petition, ¶4 and ¶8, pp. 2-3; IAWC Exhibit No.
325 MJH-2.0 Revised, p. 4, line 77.) Therefore, the new customers will be subject to
326 these existing Rules, Regulations, and Conditions of Service tariffs for water and
327 sanitary sewer service for the Chicago-Metro Division. Staff witness Christopher
328 Boggs will be addressing the water and sewer rates and the Rate tariffs.

329

330 **MISCELLANEOUS REQUIREMENTS**

331 **Q. Do you know if IAWC has obtained all required permits from the Illinois**
332 **Environmental Protection Agency ("IEPA") for the construction of the**
333 **proposed water main or sanitary sewer main extensions?**

334 A. All necessary permits will be obtained by the developers of the extensions or the
335 property owners. (IAWC Exhibit No. KFH-1.0, p. 7, lines 123-26.)

336

337 **Q. Has the Company acquired needed easements, pursuant to 83 Ill. Adm.**

338 **Code Part 300?**

339 A. It is my understanding, based on review of the Company's direct testimony, that

340 mains and facilities will be installed in right-of-ways or developer-granted

341 easements. IAWC will acquire all required easements from third-party property

342 owners, if necessary, and will follow the provisions of 83 Ill. Adm. Code Part 300

343 of the Commission's rules. (IAWC Exhibit No. KFH-1.0, p. 7, lines 127-32.)

344

345 **CONCLUSION**

346 **Q. Has the Company provided adequate evidence that it is in compliance with**

347 **the requirements for issuance of Certificates to provide water and sanitary**

348 **sewer service to the proposed certificated service areas?**

349 A. Yes. It is my opinion that IAWC has adequately met its burden. It is my opinion

350 that the Company has demonstrated that there is a need for water and sanitary

351 sewer service and that the Company can provide that service on a least-cost

352 basis.

353

354 **Q. What are your recommendations to the Commission in this proceeding?**

355 A. I recommend that the Company be issued the requested Certificates, authorizing

356 it to own, operate and maintain the necessary facilities and to transact the

357 business of furnishing water and/or sanitary sewer service. I recommend that the

358 area covered by the Certificates include all of the proposed certificated service
359 areas for the Chicago Suburban District, as set forth in Exhibit B of the Petition.
360 As noted above in my testimony, the Company should provide a correction to the
361 legal description of Parcel A in the Santa Fe District. Therefore, I am withholding
362 a recommendation regarding the legal description of the Santa Fe District until an
363 accurate legal description is submitted.

364

365 **Q. Are you expressing an opinion on the financial resources of IAWC relative**
366 **to its ability to construct water and sanitary sewer main extensions and**
367 **serve the needs of the water and sanitary sewer customers in the proposed**
368 **certificated service areas?**

369 A. No, I am not. Staff witness Sheena Kight-Garlich is addressing the financial
370 resources of IAWC.

371

372 **Q. Are you addressing accounting issues in this proceeding?**

373 A. No, I am not. Staff witness Larry H. Wilcox is addressing accounting issues.

374

375 **Q. Does this conclude your prepared direct testimony?**

376 A. Yes, it does.

ILLINOIS-AMERICAN WATER COMPANY
RESPONSE TO ILLINOIS COMMERCE COMMISSION
DATA REQUEST NUMBER JMS 1.05

Witness Responsible: Kevin Hillen
Title: Operations Manager of Field Services
Phone No.: (630) 739-8959
Date Received: December 5, 2008
Docket No.: 08-0542

JMS 1.05 On page 21, Line 436 of IAWC Exhibit No. KFH-1.0, the proposed certificated area of Parcel B in the Santa Fe District is listed as 62.98 acres. However, an analysis of the legal description in Exhibit B of the Application yields a total of only 28.7 acres. Please reconcile this difference.

RESPONSE: The correct legal description for Parcel A, Bridgepoint Woodridge, Woodridge, IL is attached to this response. The legal description for Bridgepoint Woodridge that was attached to the petition was incorrect. The total acreage for each property is stated below. The 62.98 acres referred to in my testimony mentioned above is the total acreage for both parcels A and B in the Santa Fe area. The correct acreage for each parcel is stated below.

| | |
|------------------------------|---------------------|
| Bluff Point III | 28.544 Acres |
| <u>Parcel A, Bridgepoint</u> | <u>34.437 Acres</u> |
| Total | 62.984 Acres |

**PARCEL A, Bridgepoint Woodridge, Woodridge, IL
(34.437 ACRES)**

**(PER BOUNDARY SURVEY PREPARED BY COMPASS, DATED
AUGUST 7, 1998)**

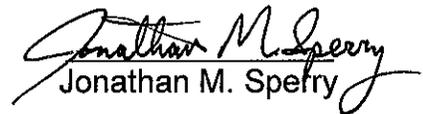
THAT PART OF THE NORTHEAST (sic) QUARTER OF SECTION 26, TOWNSHIP 37 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SECTION 26, THENCE WEST ALONG THE NORTH LINE OF SAID SECTION 2,646.08 FEET TO THE NORTHWEST CORNER OF SECTION 26, THENCE SOUTH ALONG THE WEST LINE OF SECTION 26, 1,106.16 FEET, THENCE NORTHEASTERLY ALONG THE NORTHERLY BOUNDARY LINE OF THE COMMONWEALTH EDISON COMPANY PROPERTY TO A POINT ON THE EAST LINE OF SECTION 26 THAT IS 28.44 FEET SOUTH OF THE NORTHEAST CORNER OF SECTION 26, THENCE NORTH ALONG THE EAST LINE OF SECTION 26, 28.44 FEET TO THE POINT OF BEGINNING, ALL IN WILL COUNTY, ILLINOIS.

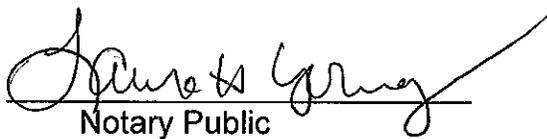
STATE OF ILLINOIS)
)
COUNTY OF COOK) SS.

VERIFICATION

Mr. Jonathan M. Sperry, on oath, states that he is a Water Engineer in the Water Department of the Financial Analysis Division of the Illinois Commerce Commission; that he has read the foregoing Direct Testimony of Jonathan M. Sperry (Staff Ex. 2.0), and is familiar with the contents thereof; and that the matters set forth in Staff Ex. 2.0 are true and correct to the best of his knowledge, information and belief.


Jonathan M. Sperry

Subscribed and sworn before me
This 30th day of January


Notary Public

