

Direct Testimony

Of

Christopher L. Boggs

Financial Analysis Division

Rates Department

Illinois Commerce Commission

Illinois-American Water Company

Certificate of Convenience and Necessity

Docket No. 08-0542

January 30, 2009

1 **Q. Please state your name and business address.**

2 A. My name is Christopher L. Boggs and my business address is 527 E. Capitol
3 Avenue, Springfield, IL 62701.

4

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by the Illinois Commerce Commission (“Commission”) as a Rate
7 Analyst in the Rates Department of the Financial Analysis Division. My
8 responsibilities include rate design and cost of service analyses for electric, gas,
9 water and sewer utilities and the preparation of testimony on rates and rate related
10 matters.

11

12 **Q. How long have you been employed by the Illinois Commerce Commission?**

13 A. I have been employed by the Commission since April of 2008.

14

15 **Q. Please discuss your educational and professional background.**

16 A. I received a BS in Economics/Business Administration from Knox College in 1987.
17 Since then, I have spent over 16 years in mortgage finance and mortgage
18 operations management. I have been employed by Illini Bank, Norwest Mortgage,
19 and most recently was the Mortgage Operations Manager at Illinois National Bank.

20

21 **Q. What is the purpose of your direct testimony?**

22 A. The purpose of my testimony is to analyze the water and sewer rates that will be
23 applicable to customers within the area requested to be certificated in this
24 proceeding. In its Petition, Illinois American Water Company states that these
25 customers are located in parcels of land in Cook, DuPage and Will Counties.

26

27 **Q. What water and sewer rates does the Illinois-American Water Company**
28 **("Company") propose to be applied to customers within the proposed**
29 **certificated service areas for water and sanitary sewer service?**

30 A. The Company has proposed that these customers will be subject to the rates for
31 water and sanitary sewer service on file with the Commission and in effect and
32 applicable to the Chicago Metro District of Illinois-American Water Company.

33

34 **Q. Why is the Company proposing to use the Chicago Metro District water and**
35 **sewer rates for these customers?**

36 A. The Company is proposing to use the Chicago Metro District rates because the
37 Company states that these new service areas are contiguous to areas that are
38 already in the Chicago Metro District. (AWC Ex. No. KFH-1.0, pg.4.) The Company
39 indicates that these customers would, therefore, be using the existing infrastructure

40 that is currently being used to serve other Illinois-American Water Company
41 customers in the Chicago Metro District. Company witness Hillen states that “It is
42 most cost-efficient for an existing utility in the area to extend its mains rather than
43 have a new entity to come into to the area to establish service.” (AWC Ex. No. KFH-
44 1.0, pg. 6.)

45

46 **Q. What is your conclusion regarding the rates to be charged in the areas being**
47 **proposed for certification?**

48 A. I have reviewed the three most recent Certificate of Convenience and Necessity
49 cases that the Company has filed (Docket Numbers 04-0522, 03-0362 and 01-0259)
50 for the Chicago Metro District and have verified that customers in those certificated
51 areas, which are contiguous to the areas to be certificated, are charged the Chicago
52 Metro District rates. Therefore, it is reasonable for the Company to charge the
53 customers in these areas to be certificated the same Chicago Metro District rates.

54

55 **Q. Do you recommend approval of the Company’s proposal to apply the Chicago**
56 **Metro District rates to customers within the proposed certificated service**
57 **areas for water and sanitary sewer service?**

58 A. Yes. I recommend approval of this proposal because the proposed certificated area
59 will be directly attached to the Chicago Metro District water/sewer lines. Thus, I

60 believe that it is appropriate to charge the same rates that apply to the other
61 customers in the Chicago Metro District service area.

62

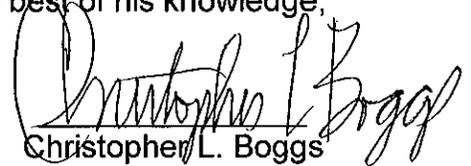
63 **Q. Does this conclude your testimony?**

64 A. Yes, it does.

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS.

VERIFICATION

Mr. Christopher L. Boggs, on oath, states that he is a Rate Analyst in the Rates Department of the Financial Analysis Division of the Illinois Commerce Commission; that he has read the foregoing Direct Testimony of Christopher L. Boggs (Staff Ex. 5.0), and is familiar with the contents thereof; and that the matters set forth in Staff Ex. 5.0 are true and correct to the best of his knowledge, information and belief.


Christopher L. Boggs

Subscribed and sworn before me
This 30th day of January


Notary Public

