

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Illinois American Water Company)
Proposed Increase in Water and)
Sewer Rates) Docket No. 09-0319
)

PEOPLE OF THE STATE OF ILLINOIS'S
MOTION FOR LEAVE TO FILE CORRECTED REPLY BRIEF

The People of the State of Illinois, by Attorney General Lisa Madigan (the People or AG) request leave to file the attached Corrected Reply Brief in this docket. The Corrected Brief makes the following changes:

- Table of Contents adds spacing and renumbers the last two sections to be consecutive to the prior section.
- Page 1 adds the Introduction and Summary
- Page 12 replaces “43%” with “58%” and includes a citation for that number
- Page 13 inserts “the” as follows: “Company study, for which IAWC attempts to recover the most consultant revenue, was”
- Page 14 changes “charged” to “charges” at the top of the page: “litigate a general rate case filing.” General assertions of “cost control” are insufficient to justify the huge charges included in IAWC’s rate case expense.”
- Page 19 inserts “expense” as follows in the first sentence in Section E: “IAWC proposes a two-year amortization period for rate case expense because it”
- Page 29 inserts a citation as follows near the bottom of the page: “in IAWC’s proposed capital structure will push up the cost of capital by \$2 million to \$3 million. AG/JM Ex. 5.0 at 14-15. IAWC has not justified using such an unreasonably
- Pages 33-34 Full heading (V.C.) moved to page 34

The second half of the last paragraph on page 34 edited as follows to insert the term “master-metered”:

The Staff supports the Company’s proposal to eliminate the declining block rate structure for all residential customers. Staff Initial Brief at pages 83 – 84. The reasons given by the Staff (i.e. that the residential class has a poor load factor) ignore the differences between large residential customers and the typical, single-family residential customer. Although Staff and the Company state that the purpose of eliminating the declining usage block is to discourage excessive residential lawn watering, *id.* at 83, IAWC Initial Brief at 143, they do not address the different usage patterns of residential consumers who live in multi-unit, master-metered buildings and those that live in single family homes. As AG witness Scott Rubin testified, multi-unit, master-metered residential customers place different demands on the system and consistently ~~use~~ have substantially ~~more water~~ higher bills than the ordinary residential customers. AG Ex. 6.0 at 13-14. Often ~~they~~ master-metered buildings maintain commercial accounts for common usage, such as lawn watering, so the incentive to conserve that IAWC and Staff use as justification for increasing large residential customers’ bills is lost. AG Ex. 2.0 at 15-17.

- p. 36: Insert “of how much they use and delete as follows: more than their neighbors regardless ~~even if they conserve~~ of how much they use, there is no incentive to
- p. 36: renumber the heading from “V.” to “VI.”
- p. 38: renumber the heading from “VI” to “VII.”

These changes are necessary to make the People’s Reply Brief accurate and more

clear. The changes are shown on the Corrected Brief in Microsoft Word “track changes” format.

Wherefore, the People of the State of Illinois request leave to file their Corrected Reply Brief in place of their Reply Brief filed and served on January 21, 2010.

Respectfully submitted,

People of the State of Illinois
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