

DIRECT TESTIMONY
OF
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RATES DEPARTMENT
FINANCIAL ANALYSIS DIVISION
ILLINOIS COMMERCE COMMISSION

Great Northern Utilities, Inc.
Proposed General Increase in Water Rates

Camelot Utilities, Inc.
Proposed General Increase in Water and Sewer Rates

Lake Holiday Utilities Corporation
Proposed General Increase in Water Rates

Docket Nos. 11-0059/11-0141/11-0142 (Cons.)

April 26, 2011

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1 **WITNESS IDENTIFICATION**

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

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

5

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

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

12

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

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

15

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

17 A. I received a BS in Economics/Business Administration from Knox College in
18 1987. In my work as a Rates Analyst I have testified in several rate cases on

19 issues including tariff language, miscellaneous fees and rates. Prior to my
20 employment at the ICC, I worked more than 16 years in mortgage finance and
21 mortgage operations management. I was employed by Illini Bank, Norwest
22 Mortgage, and Illinois National Bank.

23

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

25 A. The purpose of my direct testimony is to discuss Lake Holiday Utilities Corp.'s
26 ("Lake Holiday" or "Company"), which is a wholly owned subsidiary of Utilities,
27 Inc. ("UI"), proposed general increase in water rates and present testimony and
28 exhibits that address my proposed rate design. I will also discuss Lake
29 Holiday's, Great Northern Utilities, Inc.'s ("Great Northern") and Camelot Utilities,
30 Inc.'s ("Camelot") (or collectively "Companies") proposed miscellaneous charges
31 and tariff language changes.

32

33 **Q. Are you sponsoring any schedules with your testimony?**

34 A. Yes, I have attached the following schedules:

35 **Schedules 6.1** - Class Cost of Service Study (Bill Factor Computation)

36 **Schedules 6.2** - Class Cost of Service Study (Revenue Requirement &
37 Calculation of Rates)

38 **Schedules 6.3** - Calculation of Proposed Rates

39 **Schedule 6.4** - Comparison of Company Proposed and Staff Proposed Water
40 Rates.

41 **Schedules 6.5, 6.6 and 6.7** - Typical Bill Comparisons.

42

43 **BILLING UNITS**

44 **Q. What billing units does the Company propose for the Base Facilities**
45 **Charges?**

46 A. The Company has proposed 17,802 annual billing units in Schedule E for the
47 5/8" meter Base Facilities Charge, which is a per month charge. The billing units
48 are used to determine the rates that will recover the approved revenue
49 requirement. Currently, there are 5,136 annual billing units with meter sizes
50 ranging from 3/4" – 2", so Staff used the numbers of billing units for those larger
51 meters when determining the respective Base Facilities Charge for each meter
52 size. Throughout the rest of my testimony I will refer only to the 5/8" Meter Base
53 Facilities Charge unless otherwise stated because 5/8" customers represent the
54 largest portion (78%) of the customer base.

55

56 **Q. Do you find the Company's proposed billing units for the Base Facilities**
57 **Charge to be reasonable?**

58 A. Yes. The Base Facilities Charge billing units should be based on the number of
59 bills that are sent out. This provides the number of times that a Base Facilities
60 Charge is billed to full-time customers in the test year. The Company's Schedule
61 E has indicated there are approximately 1,911 full-time customers in the test year
62 (2009). In order to calculate the number of bills per year, I multiplied 1,911
63 customers times 12-months in a year, which results in 22,932 billing units (i.e.,
64 1,911 x 12). Because, the Company's proposal is based on actual bills sent out
65 during the test year ending December 31, 2009, 22,932 is the appropriate
66 number of billing units to determine the Base Facilities Charge.

67

68 **Q. What billing units does the Company propose for the Usage Charge?**

69 A. The Company has used 106,006,000 gallons as the billing units in Schedule E
70 for the Usage Charge, which is a per 1,000 gallons of water used charge.

71

72 **Q. Do you find the Company's proposed billing units for the Usage Charge to**
73 **be reasonable?**

74 A. Yes. In response to Staff Data Request CB 1.11, the Company states that the
75 gallons used in each metered class were taken from actual consumption data.
76 The Company has provided workpapers to support its data. The billing units the
77 Company proposed are based on actual gallons of water billed during the
78 December 31, 2009, test year. Therefore, this data is appropriate to use in
79 setting rates in this docket.

80

81 **COST OF SERVICE STUDY (“COSS”)**

82 **Q. Briefly describe the importance of a COSS as the basis for determining**
83 **rates for utility service.**

84 A. In general, a COSS is performed to assist in the development and design of cost
85 based rates. A COSS is performed to allocate costs among all customer classes
86 to determine each customer class’ respective responsibility for the costs imposed
87 on the utility. The various costs on the utility system are allocated among the
88 customer classes according to cost causation principles. The COSS determines
89 the cost to serve customers and thus provides the basis of designing rates for a
90 utility.

91
92 **Q. Did the Company provide a COSS upon which the water rates proposed in**
93 **this docket are based?**

94 A. No, it did not. In response to Staff Data Request CB 1.17, the Company states
95 that the estimated cost of a COSS is approximately \$15,000 to \$25,000, which
96 would be far too expensive for its customers. The Company further states that UI
97 has not hired a COSS expert for its rate cases in the past.

98
99 **Q. Do you agree with the Company’s argument for not preparing a COSS for**
100 **this docket?**

101 A. Yes. I understand the Company’s concern that a traditional COSS would provide
102 minimal benefits at best and would be too expensive for ratepayers because the
103 cost would have to be allocated over a relatively small number of customers and

104 could result in an adverse impact on rates. I believe that it would not be in the
105 best interests of the customers to incur the expense of a COSS.

106

107 **Q. Since there has not been a COSS provided as a basis for rates in this case,**
108 **how do you recommend setting rates in this docket?**

109 A. I recommend setting rates by increasing the Base Facilities Charge based on
110 AWWA meter factors, where the allocation of costs among customer types is
111 done through the application of meter factors. I recommend setting the Usage
112 Charge so that the Company can collect 74% of Staff's proposed revenue
113 requirement through this charge. The Company currently collects the same
114 percentage of its revenue through the Usage Charge and I will discuss why this
115 is the preferred approach later in my testimony. My proposed rates should
116 recover Staff's recommended revenue requirement as shown in Staff Ex. 6.0,
117 Schedule 6.4.

118

119 **Rate Design for Lake Holiday Utilities Corp.**

120 **Q. Please describe the Company's present rate structure.**

121 A. The Company's present rate structure consists of a flat customer charge, a
122 usage charge, and an availability charge, which are billed quarterly and can be
123 found on ICC Staff Exhibit 6.0, Schedule 6.4. Specifically, these charges are:
124 the Base Facilities Charge, which is a flat per month charge; the Usage Charge,
125 which is a charge per 1,000 gallons of water; and a flat Availability Charge. The

126 Company's Availability Charge is a charge for water availability service to the
127 approximately 55 customers who are not full time residents of Lake Holiday.
128 These customers typically tend to occupy the area for recreational purposes and
129 need to have water service available to them upon demand.

130
131 The Base Facilities Charge recovers the fixed costs to serve customers, which
132 are the costs that do not vary with the amount of water consumed. The fixed
133 costs typically include costs for meter reading, billing, customer accounts,
134 collection expenses, and maintenance and capital costs related to meters.
135 (American Water Works Association ("AWWA") Manual, M54, First Edition, p.
136 35.)

137
138 The Usage Charge recovers the costs that are variable based on usage and not
139 recovered through the fixed charge. The Usage Charge varies in proportion to
140 the level of a customer's consumption. (*Id.*)

141
142 **Q. Does the Company propose to change the water rate structure?**
143 A. No. The Company does not propose to change the current rate structure that
144 has been in place since a Final Order was entered in Docket No. 92-0420.

145
146 **Q. What level of revenue increase does the Company propose?**

147 A. The Company proposes that Lake Holiday receive a revenue increase of
148 approximately 77% (i.e., \$342,075) from current water revenues to recover its
149 proposed revenue requirement. (Company filing, Schedule B, p. 1 of 2.)

150

151 **Q. Has the Company proposed new rates to recover these increased revenues**
152 **from customers?**

153 A. Yes. The Company proposes new rates for all customers and proposes changes
154 to other miscellaneous charges. The review of miscellaneous charges will be
155 discussed later in this testimony.

156

157 **Q. Please describe the Company's current and proposed water rates.**

158 A. The Company's current and proposed Base Facilities Charges for residential
159 customers are shown below.

160

BASE FACILITIES CHARGES			
Meter size	Current rate	Proposed rate	% Increase
5/8" Meter	\$ 3.75	\$ 8.87	137%
3/4" Meter	\$ 3.75	\$ 8.87	137%
1" Meter	\$ 3.75	\$ 8.87	137%
2" Meter	\$ 3.75	\$ 8.87	137%

161

162 The Company's current Usage Charge is \$3.07 per 1,000 gallons of water and
163 the Company's proposed Usage Charge is \$5.45 per 1,000 gallons of water. The
164 Company's proposed Usage Charge combined with its proposed Base Facilities
165 Charges and Availability Charge result in a proposed overall revenue increase of
166 77.5%.

167

168 **Q. How did the Company determine its proposal for the Base Facilities Charge**
169 **and the Usage Charge?**

170 A. The Company did not provide any narrative in its direct testimony on how the
171 Company's proposed rates were calculated. In the responses to Staff Data
172 Requests CB 1.09 and 1.10, the Company refers Staff to Schedules D and E of
173 the original docket filing.

174

175 My review of the filing indicates the proposed Usage Charge revenue is 74% of
176 the total proposed revenue of \$785,653 shown on Schedule E, which leaves
177 approximately 26% for the Base Facilities Charge revenue.

178

179 **Q. What is your opinion of how the Company developed the specific Base**
180 **Facilities Charge and Usage Charge it proposes in this proceeding?**

181 A. I agree with the proposal to recover a greater percent of the revenue requirement
182 from the Usage Charge as customers are more able to control their monthly bill
183 by adjusting their usage to match their budget. However, the Company did not
184 develop a COSS for this case as previously discussed; consequently, there is no

185 cost foundation for the Company's proposed 5/8", 3/4", 1", 1 1/2" and 2" meter size
186 Base Facilities Charges or the proposed Usage Charge.

187

188 **Q. Please describe your proposed method used for the development of rates.**

189 A. I increased the Base Facilities Charges based on AWWA meter factors, where
190 the allocation of costs among customer types was done through the application
191 of meter factors. This approach relates the flow for meters larger than 5/8" to
192 that of the volume of flow for 5/8" meter^[1]. In other words, I used equivalent
193 meter ratios expressed in terms of the ratio of related meter capacity for each
194 meter size relative to a 5/8" meter size.^[2] The remaining revenue requirement
195 increase will be recovered through the Usage Charge, which I recommend
196 should be \$4.66 per 1,000 gallons. This causes a 51.79% increase in the Usage
197 Charge. This approach provides the customers with some measure of
198 opportunity to control their water bills by using less water.

199

200 **Q. Do you recommend the Company's proposal for water rates be approved?**

201 A. No. First, the Company is proposing rates based on its proposed revenue
202 requirement. Second, there is no cost foundation for the Company's proposed
203 rates. I recommend the Commission set rates based on my methodology which
204 follows AWWA meter factors and recovers the proposed revenue requirement

^[1] See Schedule 3 - Bill Factor Computation.

^[2] American Water Works Association, AWWA Manual M1, 2000, p. 202.

205 presented in Staff witness Michael Ostrander's direct testimony. (Staff Ex. 1.0,
206 Schedule 1.1 LH, column (i), line 1.)

207

208 **Q. Have you developed a set of proposed rates to recover Staff's proposed**
209 **revenue requirement?**

210 A. Yes, I have. I have adjusted the Base Facilities Charge and Usage Charge as
211 further discussed below.

212

213 **Q. Please describe Staff Exhibit 6.0, Schedules 6.1, 6.2 and 6.3.**

214 A. Staff Exhibit 6.0, Schedule 6.1 shows the computation of Factored Bills for Lake
215 Holiday. The computation is derived from the number of bills from each of the
216 Company's meter sizes multiplied by the corresponding AWWA Meter Factor.
217 The result is the number of Factored Bills. Factored Bills are then used to
218 determine the monthly Base Facilities Charge ("BFC") for 5/8" meter customers
219 in Schedule 6.2. As discussed above, I determined the increase for the monthly
220 BFC and the Usage Charge based on approximately a 26/74 split.¹ Once the
221 5/8" meter BFC is established, Staff's proposed BFC's for each of the other

¹ My review of Company's Exhibit 1.1 Schedule D indicates that the proposed Usage Charge revenue is approximately 73% (i.e., \$325,438) of the total proposed water revenue of \$443,578 shown on Schedule D, which leaves approximately 26% (i.e., 114,870) for the Base Facilities Charge revenue and .8% (3,270) for Availability Charge revenue.

222 meter sizes can be calculated using the AWWA Meter Factor multipliers as
223 shown in Schedule 6.3.

224

225 **Q. Please describe Staff Exhibit 6.0, Schedule 6.4.**

226 A. Staff Exhibit 6.0, Schedule 6.4 shows a comparison between the Company's
227 proposed rates and Staff's proposed rates for this rate case. Column C, line 6 in
228 Schedule 6.4 shows the Company's proposed total revenue requirement taken
229 from the Company's Schedule E. Column E, line 6 in Schedule 6.4 shows Staff's
230 proposed total revenue requirement while Column G, line 6 shows the difference
231 between the Company's proposed dollar increase in total revenues versus Staff's
232 proposed dollar increase in total revenues. Finally, Column H, line 6 in Schedule
233 6.4 shows the percentage difference in total revenue increase between the
234 Company and Staff.

235

236 **Q. What are the Base Facilities and Usage Charges that you are**
237 **recommending in this case?**

238 A. My proposed Base Facilities Charges and Usage Charges are shown on ICC
239 Staff Exhibit 6.0, Schedule 6.4.

240

241 **Q. Does the Company propose to increase the Availability Charge for Lake**
242 **Holiday's availability service?**

243 A. Yes. The Company states that it is proposing to increase the Availability Charge
244 to Lake Holiday customers by 40% and that the increase is in consideration for
245 future consolidation of the Illinois systems of Utilities, Inc, which is the parent
246 Company of Lake Holiday. Lake Holiday further states that this proposal
247 attempts to minimize the disparity in charges between the individual systems. As
248 entity subsidiary of Utilities, Inc., the Company believes that, in some instances,
249 consolidation may be an opportunity for improving operational efficiency by
250 realizing economies of scale. (Company Ex. 1.0, p. 11.)

251

252 **Q. Do you recommend approval of the Company's proposed Availability**
253 **Charge?**

254 A. Yes, I do. Availability customers should contribute to the overall revenue
255 increase. The 40% increase is reasonable because Availability customers are
256 not full time residents and they do not benefit from full water service the
257 Company provides as much as a full-time customer does. This increase would
258 generate approximately one-half of 1% of the overall yearly revenue for the
259 Company and would represent a fair portion of the contribution to revenues
260 based on their part-time occupancy status and the costs to serve these
261 customers.

262 Also, the increase would make the charge similar to Lake Wildwood Utilities
263 Corporation's and Apple Canyon Utility Company's (the two other Utilities, Inc.
264 systems that currently have Availability Charges) Availability Charges. This
265 would make UI's contemplated move to consolidate systems more seamless to
266 customers.

267

268 **Q. How should your proposed rates be revised if the Commission adopts a**
269 **revenue requirement that differs from Staff's proposal?**

270 A. If the Commission decides to adopt a revenue requirement other than that
271 proposed by Staff, the Commission's revenue requirement should be plugged
272 into Staff Ex. 6.0, Schedule 6.2, Line No. A1. This will determine the monthly
273 BFC for 5/8" customers as well as the Usage Charge. The rates for the
274 remaining meter sizes will then automatically calculate and will appear in Staff
275 Ex. 6.0, Schedule 6.3.

276

277 **Bill Impacts**

278 **Q. Have you developed a typical bill comparison to illustrate the impact of**
279 **current vs. proposed rates?**

280 A. Yes, I have. The results are illustrated in Schedules 6.5, 6.6 and 6.7. Schedule
281 6.5 shows the Company's current water rates compared to Staff's proposed

282 water rates. Schedule 6.6 shows the Company's current water rates compared
283 to the Company's proposed water rates. Schedule 6.7 shows Staff's proposed
284 water rates compared to the Company's proposed water rates.

285

286 **Q. Did you consider rate shock in developing your proposed rates?**

287 A. Yes, I did.

288

289 **Q. Please explain "rate shock."**

290 A. Rate shock occurs when a customer purchasing a commodity, such as water,
291 must pay a significantly higher amount for comparable service. While customers
292 generally do not expect prices to remain unchanged forever, they also typically
293 do not expect an abrupt and extreme change in prices that could cause them
294 significant financial distress.

295

296 **Q. Does the typical bill comparison table show that customers may**
297 **experience rate shock?**

298 A. Yes. Based on the Company's proposed percent increases to the rates, it
299 appears that customers may experience rate shock. In response to Staff Data
300 Request CB 1.20, the Company states: "[c]ustomers may experience rate shock,
301 however, the Company has not had a rate increase since 1992 and Lake Holiday

302 customers have benefited from capital improvements without rate increases
303 while the Company's costs have increased annually." As indicated in Schedules
304 6.5 and 6.6, the monthly bill to a typical customer with usage of 4,394 gallons²,
305 the percentage increase is 48.36% (\$8.34) and 90.36% (\$15.58) under Staff's
306 and Company's proposed rates, respectively.

307 However, the Company's previously filed rate case dates back to October 8,
308 1992, and customers have not had a rate increase since. Although the
309 customers of Lake Holiday may experience rate shock under either proposal, the
310 rates that I propose for this rate case are based on Staff's revenue requirement
311 and are substantially lower than the Company's proposed rates. Thus, although
312 average increases of 48.36% (5/8")³ and 92.73% (1")⁴ might be considered steep
313 in some circumstances, they are necessary in order for the Company to recover
314 the cost of service.

315

316 **Miscellaneous Tariff Changes for Great Northern, Lake Holiday and Camelot**

317 **Q. Please discuss the Companies' proposal to change their Non-Sufficient**
318 **Funds Check Charge.**

319 **A. The Companies' first proposed tariff change is to increase the Non-Sufficient**
320 **Funds (NSF) Check Charge from \$10 to \$25.**

² According to its Public Notice, the Company illustrated the impact of its rate increase based on an assumed average monthly consumption of 4,394 gallons.

³ Represents approximately 75% of the total customer count.

⁴ Represents approximately 20% of the total customer count.

321

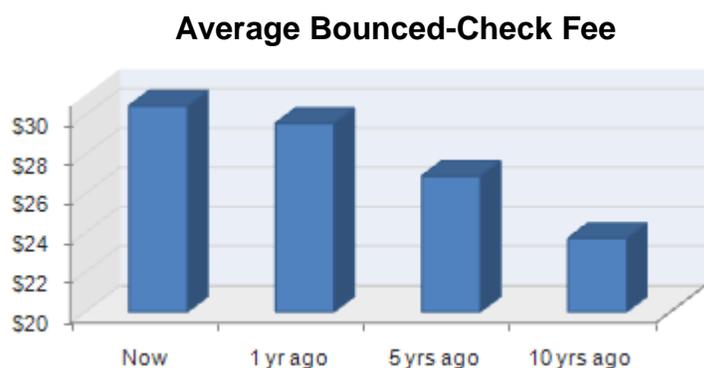
322 **Q. Why do the Companies propose the NSF Check Charge increase from \$10**
323 **to \$25?**

324 A. In response to Staff Data Requests (“DR”) CB 1.01, CLH 1.01 and PR 1.01, the
325 Companies state that the increase is intended to enable each respective utility to
326 cover costs associated with NSF checks in addition to becoming up to date with
327 industry standards. In the same DR responses, the Companies state that banks
328 generally charge NSF fees of \$25-\$35 and that each Company is proposing
329 more consistent fees throughout the organization, presumably referring to UI.
330 The Companies also referred to Section 3-806 of the Illinois Commercial Code
331 (810 ILCS 3-806) which provides for a \$25 fee or “costs and expenses, including
332 reasonable attorneys fees, incurred by any person in connection with the
333 collection in the amount for which the check or other draft was written whichever
334 is greater” for NSF checks.

335

336 **Q. How do you respond to the Companies’ proposed NSF Check Charge**
337 **increase?**

338 A. The Commission has approved a \$25 NSF Check Charge in previous rate cases⁵
339 to allow companies to cover employee costs and act as a deterrent to customers
340 issuing NSF checks. In addition, the \$25 fee is consistent with Section 3-806 of
341 the Illinois Commercial Code. Moreover, according to bankrate.com, NSF fees
342 rose 3 percent to an average \$30.47 based on its 2010 Checking Study. The
343 following table⁶ represents the average NSF fee growth over the years in the
344 United States:



345
346 According to the Companies' response to Staff DR CB 1.02, Lake Holiday only
347 had fourteen NSF checks combined in the years 2007-2009. The response to
348 Staff DR CLH 1.02 indicated that Great Northern had only 7 NSF checks
349 combined in the years 2007-2010 and in response to Staff DR PR 1.02, Camelot

⁵ People's Gas and North Shore Gas Docket Numbers 07-0421 and 07-0242, Nicor Gas 08-0363, Apple Canyon Utility Company 09-0548, Lake Wildwood Utilities Corp. 09-0549, Northern Hills Water and Sewer Company 10-0298, Whispering Hills Water Company 10-0110 and Galena Territory Utilities, Inc. 10-0280.

⁶ <http://www.bankrate.com/finance/checking/bounced-check-fees-break-the-30-threshold.aspx>

350 had only 3 NSF checks in the years 2007- 2009. Due to minimal occurrences in
351 the last three years, a \$25 NSF charge would not produce a significant revenue
352 source for any of the three companies. Nevertheless, it will allow the Companies
353 to recover costs associated with processing NSF checks. Furthermore, for
354 comparison purposes, the following table presents examples of NSF fees
355 charged by other water utilities:

356

Utility Name	NSF Fee
Aqua IL - University Park	\$ 15.00
Aqua IL - Oak Run	\$ 15.00
Cedar Water Company, Inc.	\$ 30.00
Sundale Utilities, Inc.	\$ 15.00
Lake Wildwood	\$ 25.00
Apple Canyon	\$ 25.00
Peoples Gas	\$ 25.00
North Shore Gas	\$ 25.00

357

358 Based on the information available, the \$25 NSF fee proposed by the Companies
359 is reasonable and, therefore, should be approved.

360

361 **Q. Please discuss the Companies' proposal to increase their New Customer**
362 **Charge.**

363 A. The Companies conducted a cost analysis to determine the average cost to add
364 a new customer for water and, also, in Camelot's case, sewer service. In
365 supplemental, confidential responses to Staff DRs CB 1.16, CLH 1.16 and PR
366 1.19 the Companies state, "[t]he Company would like to recover the current
367 average cost of labor to provide these services. It takes approximately one to
368 two hours for an operator to add a new customer. It takes approximately 1/6th of
369 an hour for a customer service representative to add a new customer." In
370 confidential Attachments CB-1.16, CLH-1.16 and PR-1.19 the Companies
371 provide average labor costs for hourly customer service staff, hourly field staff,
372 and mileage to support the proposed increase.

373 Additionally, the Companies' proposed charge is uniform with the New Customer
374 Charges previously approved by the Commission in other recent UI rate cases
375 (Docket Nos. 10-0110, 10-0280 and 10-0298).

376

377 **Q. Do you recommend approval of the Companies' proposals to increase their**
378 **New Customer Charges from \$15 to \$25?**

379 A. Yes, I do. Through their responses to Staff DRs CB-1.16, CLH-1.16 and PR
380 1.19, the Companies demonstrated that an increase to each of their respective
381 New Customer Charges is appropriate and will allow the Companies to recover
382 costs associated with such service. Thus, I find the proposed increase to be
383 reasonable and recommend that the Companies' proposal to increase their New
384 Customer Charges to \$25 to recover costs be approved.

385

386 **Q. Please discuss the Companies' proposal to change their Reconnection**
387 **Charge.**

388 A. The Companies propose to increase their respective Reconnection Charges from
389 \$20 to \$37.50. In response to Staff DRs CB 1.07, CLH 1.07 and PR 1.10 the
390 Companies state that each would like to recover the current average cost of labor
391 for one hour of employee time to provide the reconnection service. In
392 confidential responses to Staff DRs CB 1.07, CLH 1.07 and PR 1.10,
393 Attachments CB 1.05, CLH 1.05 and PR 1.19, respectively provide average labor
394 costs for hourly customer service staff, hourly field staff and mileage to support
395 the proposed increase.

396 Additionally, the Companies' proposed charge is uniform with the Reconnection
397 Charges previously approved by the Commission in other recent UI rate cases
398 (Docket Nos. 09-0548, 09-0549, 10-0280 and 10-0298).

399

400 **Q. Do you recommend approval of the Companies' proposal to increase their**
401 **reconnection fee to \$37.50?**

402 A. Yes, I do. Based on my review of the data provided by the Companies and the
403 discussion above, I find the proposed increase to be reasonable and recommend
404 that the Companies' proposal to increase their reconnection fees to \$37.50 to
405 recover costs be approved.

406

407 **Q. Please discuss the Companies' proposal to change their After Hour Call-**
408 **Out Charge.**

409 A. The Companies propose to establish an After Hour Call-Out Charge as described
410 in the direct testimonies of Lena Georgiev (Great Northern Ex. 1.0, p. 13;
411 Camelot Ex. 1.0, p. 18; and Lake Holiday Ex. 1.0, p. 18). The Companies'
412 proposed minimum rate is equal to two hours of current labor rate or \$106. For
413 all time accumulated above the two hour minimum, the Companies propose to
414 bill customers at the rate of \$53 per hour. The Companies, in response to Staff
415 DRs CB 1.08, CLH 1.08 and PR 1.11, documented the average operator
416 overtime costs, customer service costs to process the overtime request and
417 roundtrip mileage to premises. Furthermore, in those same DR responses, the
418 Companies stated that such a minimum charge would act as a deterrent in
419 instances when a customer calls and requests service to an issue that can be
420 otherwise handled during normal business hours. Based on my review of the

421 data provided by the Companies, the proposed after hour rates reflect a
422 reasonable amount needed to recover those costs and would prevent the cost
423 from being passed on to the other rate payers of the system.

424 Additionally, the Companies' proposed charge is uniform with the After Hours
425 Call-Out Charge previously approved by the Commission in other recent UI rate
426 cases (Docket Nos. 09-0548, 09-0549, 10-0280 and 10-0298).

427

428 **Q. Do you recommend approval of the Companies' proposal to establish their**
429 **minimum After Hour Call-Out Charge at \$106?**

430 A. Yes. The Companies sufficiently demonstrated in confidential Attachments CB-
431 1.05, CLH 1.05 and PR 1.08 that the \$106 charge is reasonable for the reasons
432 discussed above, and I recommend that this charge be approved.

433

434 **Q. Do Lake Holiday and Camelot propose any changes to their billing cycles?**

435 A. Yes, they do. Lake Holiday is proposing to change the billing cycle for usage
436 customers from quarterly to monthly. However, Lake Holiday wants to keep
437 billing Availability customers on a quarterly basis as is currently the case.
438 Camelot is proposing to change the billing cycle for all Camelot customers from
439 bi-monthly to monthly.

440

441 **Q. Why are Lake Holiday and Camelot proposing the billing cycle change?**

442 A. In her direct testimonies, Lake Holiday and Camelot witness Georgiev (Lake
443 Holiday Ex. 1.0, p. 12; Camelot Ex. 1.0, p. 12) states that a monthly billing cycle
444 will enable these utilities to provide better service to customers. She lists the
445 advantage of customers being able to properly budget for water and wastewater
446 utility expenses, expeditious detection of customer concerns and resolution of
447 system problems, and shorter response times to unaccounted for water and
448 water loss issues because those issues could be looked into and resolved on a
449 monthly basis versus a quarterly or bi-monthly basis, as the primary reasons for
450 the proposed change.

451

452 **Q. How do you respond to Lake Holiday's and Camelot's proposals to change**
453 **the billing cycle?**

454 A. I do not take issue with the Lake Holiday's and Camelot's proposals. I agree with
455 Lake Holiday's and Camelot's witness Georgiev that a switch to a monthly billing
456 cycle will allow customers to better budget for their monthly water utility
457 expenses. I also agree that customer service representatives will also be able to
458 address and resolve customer concerns more quickly because customer billing
459 problems and consumption data will be available on a more frequent basis, thus,
460 not allowing problems to go undetected for months. Additionally, these two
461 utilities could more efficiently respond to unaccounted for water and water loss

462 issues that could increase operating costs to these Companies and subsequently
463 be passed on to customers.

464 Because the Availability customers for Lake Holiday and Camelot would have
465 minimal monthly bills, continuing quarterly billing would be more cost effective for
466 Lake Holiday and Camelot and would allow their customers the convenience of
467 writing four checks a year instead of twelve.

468

469 **Q. Do you recommend approval of the proposals by Lake Holiday and**
470 **Camelot to change its billing cycle from quarterly to monthly?**

471 A. Yes, I do. The benefits of the billing cycle changes listed above will improve the
472 efficiency of the quality of service Lake Holiday and Camelot provide to each of
473 their respective customers.

474

475 **Customer Bill Form**

476 **Q. Do you have any other concerns with the Companies' tariffs?**

477 A. Yes. Camelot and Lake Holiday currently have bill forms on file as tariff sheets,
478 although they will be outdated at the conclusion of this consolidated rate case.
479 Great Northern, however, does not have a bill form on file currently as a tariff
480 sheet.

481

482 **Q. Are there any requirements in Title 83 of the Ill. Adm. Code regarding the**
483 **provision of copies of the Companies' bill forms as a filed tariff sheet?**

484 A. Yes, there is. 83 Ill. Adm. Code Part 600.160(d) provides:

485 In addition to the above, each utility shall file with the Commission
486 Water Engineering Staff within 30 days from the date of this order,
487 two copies of the bill form presently in use. Each time said form is
488 changed, the utility shall file 2 copies of the new form with the staff
489 and, if required, file a copy with the Commission.
490

491 **Q. What concerns arise when a bill form is not filed as a tariff sheet?**

492 A. Currently, water and sewer utilities are required to provide their bill forms to
493 the Commission's Water Department only when the form changes, per 83 Ill.
494 Adm. Code Part 600.160(d). However, under this rule, there is no public notice
495 and no oversight of the process pertaining to the bill form. If a customer, or other
496 person, were to ask questions about the bill, Staff has no public or approved bill
497 form to reference. Having the bill form as a filed tariff sheet is desirable because
498 it would provide openness and transparency of billing information to the utility
499 customers, to the Commission and the general public.

500

501 **Q. What are you recommending with regard to the bill form?**

502 A. I recommend that the Commission require Great Northern to provide a copy of its
503 bill form as a filed tariff sheet. Electric and gas utilities are already required to
504 have their bill forms filed as a tariff sheet. It is logical that water and sewer

505 utilities should do likewise because it would be useful to customers, Staff, and
506 the Commission.

507 I would like to point out, also, that in Docket No. 10-0194, the Commission
508 considered this same issue for Aqua Illinois Inc. (“Aqua”). In that docket, the
509 Commission ordered Aqua to provide a sample bill form as a filed tariff (Docket
510 No. 10-0194, Final Order, pg. 24).

511
512 Additionally, I request that the Companies provide a copy of each of their
513 respective proposed bill forms with each of their rebuttal testimonies in these
514 proceedings so that I can review it and make recommendations for any
515 suggested changes in my rebuttal testimony.

516

517 **Tariff Updates**

518 **Q. Have you reviewed the Schedule of Rates for Water Service tariffs that are**
519 **currently in effect for Lake Holiday, Great Northern and Camelot?**

520 A. Yes, I have. Lake Holiday’s current Schedule of Rates for Water Service tariff
521 sheets have various effective dates that include August 31, 1966, August 31,
522 1981, and August 11, 1993. Great Northern’s current Schedule of Rates for
523 Water Service tariff sheets have various effective dates that include December 5,
524 1975, November 14, 1998 and February 12, 2007. Camelot’s current Schedule of

525 Rates for Water Service tariff sheets have various effective dates that include
526 April 12, 1977, April 15, 1977, October 24, 1980, September 21, 1984, July 19,
527 1993, and February 12, 2007.

528

529 **Q. Has each of the Companies proposed changes to their Schedule of Rates**
530 **for Water and/or Sewer Service tariffs?**

531 A. Yes, they have. Lake Holiday's testimony indicated that it proposes changes that
532 are related to water rates and billing cycles (Lake Holiday Ex. 1.0, pp.10-12).
533 Great Northern's testimony indicated that it proposes changes that are related to
534 water rates (Great Northern Ex. 1.0, p. 8). Camelot's testimony indicated that it
535 proposes changes that are related to water rates, sewer rates and billing cycles
536 (Camelot Ex. 1.0, pp. 9-12).

537

538 **Q. Are you recommending any changes to Lake Holiday's Schedule of Rates**
539 **for Water Service tariffs?**

540 A. Yes, I recommend that all tariff sheets included in Lake Holiday's Schedule of
541 Rates for Water Service be filed as part of its compliance filing. It's current
542 Schedule of Rates for Water Service tariffs (ILL. C.C. No. 1, Eighth Revised
543 Sheet No. 1) should be replaced with updated rates and the miscellaneous tariff
544 charges described above in my testimony. I also recommend that all filed tariff

545 sheets have a uniform and standard presentation. For example all headers and
546 footers should look identical, and the tariff sheets should have consistent fonts,
547 font size, and spacing.

548

549 **Q. Are you recommending any changes to Great Northern’s Schedule of Rates**
550 **for Water Service tariffs?**

551 A. Yes, I recommend that all tariff sheets included in Great Northern’s Schedule of
552 Rates for Water Service be filed as part of its compliance filing. It’s current
553 Schedule of Rates for Water Service tariffs (ILL. C.C. No. 3, Eleventh Revised
554 Sheet No. 1) should be replaced with updated rates and the miscellaneous tariff
555 charges described above in my testimony. I also recommend that all filed tariff
556 sheets have a uniform and standard presentation. For example all headers and
557 footers should look identical, and the tariff sheets should have consistent fonts,
558 font size, and spacing.

559

560 **Q. Are you recommending any changes to Camelot’s Schedule of Rates for**
561 **Water Service tariffs?**

562 A. Yes, I recommend that all tariff sheets included in Camelot’s Schedule of Rates
563 for Water Service and Schedule of Rates for Sewer Service be filed as part of its
564 compliance filing. It’s current Schedule of Rates for Water Service tariffs (ILL.

565 C.C. No. 3, Seventh Revised Sheet No. 1) should be replaced with updated rates
566 and the miscellaneous tariff charges described above in my testimony. In
567 addition, I recommend Camelot's current Schedule of Rates for Sewer Service
568 tariffs (ILL. C.C. No. 3, Sixth Revised Sheet No. 1) also be replaced with
569 appropriate updated rates and miscellaneous tariff charges described above in
570 my testimony. I also recommend that all tariff sheets have a uniform and
571 standard presentation. For example all headers and footers should look
572 identical, and the tariff sheets should have consistent fonts, font size, and
573 spacing.

574

575 **Q. Are you proposing any changes to the tariffs that apply only to Lake**
576 **Holiday?**

577 A. Yes, I am. Lake Holiday currently lists an installation fee of \$400 in its Rules,
578 Regulations, and Conditions of Service tariffs, and a \$20 charge that customers
579 must pay before water will again be furnished as the result of having water shut
580 off due to bill delinquency. I recommend that these charges and fees be moved
581 to Lake Holiday's Schedule of Rates for Water Service as part of its compliance
582 filing. This recommendation is consistent with Staff witness Bill Johnson's
583 recommendation that all of the Company's rate charges be placed in the
584 Company's water rate tariffs (Staff Ex. 9.0, p. 25).

585

586 **Q. Are you proposing any changes to the tariffs that apply only to Great**
587 **Northern?**

588 A. Yes, I am. Staff witness Jonathan Sperry's testimony states, "Currently the
589 Company (Great Northern) has a construction fee that is described in their Rules
590 tariffs for water service. This fee is not addressed on their current or proposed
591 rate tariff sheet, and is not included in Staff's proposed Rules tariffs for water
592 service. In my opinion, rates should be separately stated on rate tariff sheets for
593 the convenience of customers and so there is no confusion about what water
594 rates apply." (Staff Ex. 7.0 p. 6.) Based on Mr. Sperry's recommendation, I
595 propose that this \$10 charge be included within Great Northern's Schedule of
596 Rates for Water Service as part of its compliance filing.

597

598 **Q. Are you proposing any changes to the tariffs that apply only to Camelot?**

599 A. Yes, I am. Camelot currently lists a \$200 connection charge per PE ("Population
600 Equivalent") in its Rules, Regulations, and Conditions of Service tariffs. I
601 recommend that this charge be included within Camelot's Schedule of Rates for
602 Sewer Service as part of its compliance filing. This recommendation is
603 consistent with Staff witness Tom Smith's recommendation that all of the
604 Company's rate charges be placed in the Company's water rate tariffs (Staff Ex.
605 8.0, p. 3).

606

607 **Q. Do any of the Companies have tariff sheet Riders that should be removed**
608 **in conjunction with the above proposed updates?**

609 A. Yes. Lake Holiday Rider 1 “General Rate Reduction for Consideration of Tax
610 Reform Act of 1986” which is located on Ill. C.C. No.1, First Revised Supplement
611 No. 1 has been cancelled pursuant to the Order in Docket No. 87-0601, which
612 dismissed the proceeding investigating the ratemaking impact of the Tax Reform
613 Act of 1986. Camelot Rider 1 “General Rate Reduction for Consideration of Tax
614 Reform Act of 1986” which is located on Ill. C.C. No.3, First Revised Supplement
615 No. 1 for Water Service and Camelot Rider 1 “General Rate Reduction for
616 Consideration of Tax Reform Act of 1986” which is located on Ill. C.C. No.3, First
617 Revised Supplement No. 1 for Sewer Service have likewise been cancelled
618 pursuant to the Order in Docket No. 87-0556, which dismissed the proceeding
619 investigating the ratemaking impact of the Tax Reform Act of 1986.

620

621 **Q. What do you recommend regarding Rider 1 for Lake Holiday’s water**
622 **services and for Camelot’s water and sewer services?**

623 A. I recommend the Commission order Lake Holiday to remove Ill. C.C. No.1, First
624 Revised Supplement No. 1 (Rider 1) for Lake Holiday water service, order
625 Camelot to remove Ill. C.C. No.3, First Revised Supplement No. 1 (Rider 1) for
626 water service and order Camelot to remove Ill. C.C. No.3, First Revised
627 Supplement No. 1 (Rider 1) for sewer Service. These respective Riders have all

628 been cancelled pursuant to the Commission's prior Orders so including them in

629 Lake Holiday's or Camelot's updated tariff sheets serve no practical purpose.

630

631 **Q. Does this conclude your direct testimony?**

632 **A. Yes, it does.**

**Lake Holiday Utilities Corp.
 Class Cost of Service Study
 Bill Factor Computation
 Test Year Ended December 31, 2009**

<u>Line No.</u>	<u>Water</u>	(A)	(B)	(C)	(D)
1	Water Residential				
2	Meter Size		# of bills	AWWA Meter Factor	Factored Bills
3	5/8"		17694	1	17,694.00
4	3/4"		450	1.5	675.00
5	1"		4623	2.5	11,557.50
6	1 1/2"		0	5	-
7	2"		12	8	96.00
8	3"		0	15	-
9	4"		0	25	-
10	6"		0	50	-
11	Total				30,022.50
12					
13	Water Commercial		# of bills	AWWA Meter Factor	Factored Bills
14	Meter Size				
15	5/8"		108	1	108.00
16	3/4"		0	1	-
17	1"		21	2.5	52.50
18	1 1/2"		18	5	90.00
19	2"		12	8	96.00
20	3"		0	15	-
21	4"		0	25	-
22	6"		0	50	-
23	Total				346.50
24					
25	Total Factored Bills				30,369.00

Notes:

Column (A) - Company Exhibit 1.1 Schedule D

Column (B) - Company Exhibit 1.1 Schedule D

Column (C) - American Water Works Association, AWWA Manual M1, 2000, p. 202.

Column (D) - (C)*(B)

Lake Holiday Utilities Corp.
Class Cost of Service Study
Revenue Requirement & Calculation of Rates
Test Year Ended December 31, 2009

Water Revenue Requirements & Calculation of Water Rates

Line No.	Account Name	(A) Projected	(B) Allocation Basis BFC	(C) Gallage	(D) Allocation Amount BFC	(E) Gallage
1	Total Operating Revenue Requirements	667,284.00	26%	74%	\$ 173,494	493,790.16
2	Less Miscellaneous Income	(14,001.00)	100.00%		(14,001)	
3	Less Availability Income	(4,578.00)			\$ (4,578)	
4	Revenue Requirement From Rates	\$ 648,705			\$ 154,915	\$ 493,790
5	Factored Bills				30,369	
6	Gallons Sold (000)					106,006
7	Monthly BFC for 5/8" customers				\$ 5.10	
8	Gallage Charge (per 1,000)				\$ 4.66	

Notes:

- (B)(1) ICC Staff Exhibit 1.0 Schedule 1.01 LH (i)(3)
- (B)(3) ICC Staff Exhibit 1.0 Schedule 1.01 LH (i)(2)
- (A)(4) (A)(1) + ((A)(2)+(A)(3))
- (B)(1) Company's BFC share of water revenues from rates
- (C)(1) Company's Usage share of water revenues from rates
- (D)(5) ICC Staff Exhibit 6.0; Schedule 6.1 (D)(25)
- (F)(8) Company Exhibit 1.1 Schedule D
- (D)(7) (D)(4) / (D)(5)
- (E)(8) (E)(4) / (E)(6)

Lake Holiday Utilities Corp.
 Calculation of Proposed Rates
 Test Year Ended December 31, 2009

Proforma Revenue at Proposed Rates										
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
	Water Residential									
Line No.	Meter Size	# of bills	AWWA Meter Factor	BFC	Proposed Base Charge	Base Charge Revenue	Gallage	Proposed Gallage Charge	Gallage Charge Revenue	Total Revenue
1	5/8"	17694	1	\$ 5.10	\$ 5.10	\$ 90,258.86	77,747,136	\$ 4.66	\$ 362,153.93	\$ 452,412.80
2	3/4"	450	1.5	\$ 5.10	\$ 7.65	\$ 3,443.24	2,509,900	\$ 4.66	\$ 11,691.37	\$ 15,134.61
3	1"	4623	2.5	\$ 5.10	\$ 12.75	\$ 58,955.96	24,605,721	\$ 4.66	\$ 114,615.91	\$ 173,571.87
4	1 1/2"	0	5	\$ 5.10	\$ 25.51	\$ -	-	\$ 4.66	\$ -	\$ -
5	2"	12	8	\$ 5.10	\$ 40.81	\$ 489.71	87,000	\$ 4.66	\$ 405.25	\$ 894.96
6	3"	0	15	\$ 5.10	\$ 76.52	\$ -	-	\$ 4.66	\$ -	\$ -
7	4"	0	25	\$ 5.10	\$ 127.53	\$ -	-	\$ 4.66	\$ -	\$ -
8	6"	0	50	\$ 5.10	\$ 255.06	\$ -	-	\$ 4.66	\$ -	\$ -
9										
10	Total Residential Water									\$ 642,014.24
11										
12										
13	Water Commercial									
14	Meter Size									
15	5/8"	108	1	\$ 5.10	\$ 5.10	\$ 550.92	541,282	\$ 4.66	\$ 2,521.35	\$ 3,072.26
16	3/4"	0	1.5	\$ 5.10	\$ 7.65	\$ -	-	\$ 4.66	\$ -	\$ -
17	1"	21	2.5	\$ 5.10	\$ 12.75	\$ 267.81	75,400	\$ 4.66	\$ 351.22	\$ 619.03
18	1 1/2"	18	5	\$ 5.10	\$ 25.51	\$ 459.10	74,100	\$ 4.66	\$ 345.17	\$ 804.26
19	2"	12	8	\$ 5.10	\$ 40.81	\$ 489.71	365,289	\$ 4.66	\$ 1,701.55	\$ 2,191.26
20	3"	0	15	\$ 5.10	\$ 76.52	\$ -	-	\$ 4.66	\$ -	\$ -
21	4"	0	25	\$ 5.10	\$ 127.53	\$ -	-	\$ 4.66	\$ -	\$ -
22	6"	0	50	\$ 5.10	\$ 255.06	\$ -	-	\$ 4.66	\$ -	\$ -
23										
24	Total Commercial Water									\$ 6,686.82
25										
26	Total Water									\$ 648,701
27	Water Revenue Requirement from Rates									\$ 648,705
28	Difference									\$ (4)

* Rounding
 Billing Units from Lake Holiday Utilities Corp. Schedule D
 Present Rates from Lake Holiday Utilities Corp. Current Tariffs. ILL.C.C No. 1, Eighth Revised Sheet No. 1
 Company Proposed Rates from Company Proposed Tariff Pages. ILL.C.C No. 1, Ninth Revised Sheet No. 1

Lake Holiday Utilities Corporation Docket Nos. 11-0059, 0141 and 0142 (Cons.) Comparison of Company Proposed and Staff Proposed Rates								
All Customer Classifications			Company Proposed Total Revenue (C)	% of Revenue to Total (D)	Staff Proposed Total Revenue (E)	% of Revenue to Total (F)	Dollar Difference [(E)-(C)] (G)	Total Revenue % Difference [(G)/(C)] (H)
Line No.	Class/ Description (A)	Sales (CCF) (B)						
1	Residential	104,950	\$ 774,026.00	98.06%	\$ 642,014.00	96.21%	\$ (132,012.00)	-17.06%
2	Commercial	1,056	\$ 7,485.00	0.95%	\$ 6,687.00	1.00%	\$ (798.00)	-10.66%
3	Availability	-	\$ 4,578.00	0.58%	\$ 4,578.00	0.69%	\$ -	0.00%
4	Total Water Sales	<u>106,006</u>	\$ 786,089.00	99.59%	\$ 653,279.00	97.90%	\$ (132,810.00)	-16.90%
5	Other Operating Revenues		\$ 3,225.00	0.41%	\$ 14,001.00	2.10%	\$ 10,776.00	334.14%
6	Total Operating Revenues		<u>\$ 789,314.00</u>	<u>100.00%</u>	<u>\$ 667,280.00</u>	<u>100.00%</u>	<u>\$ (122,034.00)</u>	<u>-15.46%</u>

Lake Holiday Utilities Corporation Docket Nos. 11-0059, 0141 and 0142 (Cons.) Comparison of Company Proposed and Staff Proposed Rates								
Line No.	<u>Residential</u> (A)	Customer Meter Billings (B)	Proposed Sales 100 C. F. (C)	Company Proposed Rates (D)	Company Proposed Total Revenue (E)	Proposed Sales 100 C. F. (F)	Staff Proposed Rates (G)	Staff Proposed Total Revenue (H)
1	Customer Charges:							
2	5/8 inch	17,694.00		\$ 8.87	\$ 156,946.00		\$ 5.10	\$ 90,259.00
3	3/4 inch	450.00		\$ 8.87	\$ 3,992.00		\$ 7.65	\$ 3,443.00
4	1 inch	4,623.00		\$ 8.87	\$ 41,006.00		\$ 12.75	\$ 58,956.00
5	2 inch	12.00		\$ 8.87	\$ 106.00		\$ 40.81	\$ 490.00
					<u>\$ 202,050.00</u>			
6	Usage Charges:							
7	5/8 inch		77,747.14	\$ 5.45	\$ 423,722.00	77,747.14	\$ 4.66	\$ 362,154.00
8	3/4 inch		2,509.90	\$ 5.45	\$ 13,679.00	2,509.90	\$ 4.66	\$ 11,691.00
9	1 inch		24,605.72	\$ 5.45	\$ 134,101.00	24,605.72	\$ 4.66	\$ 114,616.00
10	2 inch		87.00	\$ 5.45	\$ 474.00	87.00	\$ 4.66	\$ 405.00
					<u>\$ 571,976.00</u>			
11	Residential Total	<u>22,779.00</u>	<u>104,949.76</u>		<u>\$ 774,026.00</u>	<u>104,949.76</u>		<u>\$ 642,014.00</u>
Source:		Company Schedule E ICC Staff Exhibit 6.0, Schedule 6.4						

Lake Holiday Utilities Corporation Docket Nos. 11-0059, 0141 and 0142 (Cons.) Comparison of Company Proposed and Staff Proposed Rates								
Line No.	Commercial (A)	Customer Meter Billings (B)	Proposed Sales 100 C. F. (C)	Company Proposed Rates (D)	Company Proposed Total Revenue (E)	Proposed Sales 100 C. F. (F)	Staff Proposed Rates (G)	Staff Proposed Total Revenue (H)
1	Customer Charges:							
2	5/8 inch	108.00		\$ 8.87	\$ 958.00		\$ 5.10	\$ 551.00
3	1 inch	21.00		\$ 12.42	\$ 261.00		\$ 12.75	\$ 268.00
4	1 1/2 inch	18.00		\$ 14.19	\$ 255.00		\$ 25.51	\$ 459.00
5	2 inch	12.00		\$ 21.29	\$ 255.00		\$ 40.81	\$ 490.00
					\$ 1,729.00			
6	Usage Charges							
7	5/8 inch		541.28	\$ 5.45	\$ 2,950.00	541.28	\$ 4.66	\$ 2,521.00
8	1 inch		75.40	\$ 5.45	\$ 411.00	75.40	\$ 4.66	\$ 351.00
9	1 1/2 inch		74.10	\$ 5.45	\$ 404.00	74.10	\$ 4.66	\$ 345.00
10	2 inch		365.29	\$ 5.45	\$ 1,991.00	365.29	\$ 4.66	\$ 1,702.00
					\$ 5,756.00			
11	Commercial Total	<u>159.00</u>	<u>1,056.07</u>		<u>\$ 7,485.00</u>	<u>1,056.07</u>		<u>\$ 6,687.00</u>
Source:		Company Schedule E ICC Staff Exhibit 6.0, Schedule 6.4						

Lake Holiday Utilities Corporation Docket Nos. 11-0059, 0141 and 0142 (Cons.) Comparison of Company Proposed and Staff Proposed Rates								
Line No.	Availability (A)	Customer Meter Billings (B)	Proposed Sales 100 C. F. (C)	Company Proposed Rates (D)	Company Proposed Total Revenue (E)	Proposed Sales 100 C. F. (F)	Staff Proposed Rates (G)	Staff Proposed Total Revenue (H)
1	Availability Charges:							
2		654		\$7.00	\$ 4,578.00		\$ 7.00	\$ 4,578.00
3	Availability total	<u>654</u>	<u>-</u>		<u>\$4,578</u>	<u>-</u>		<u>\$ 4,578.00</u>
Source: Company Schedule E ICC Staff Exhibit 6.0, Schedule 6.4								

Lake Holiday Utilities Corporation Docket Nos. 11-0059, 0141 and 0142 (Cons.) Comparison of Company Proposed and Staff Proposed Rates								
Line No.	<u>Other Operating Revenues</u> (A)	Customer Meter Billings (B)	Proposed Sales 100 C. F. (C)	Company Proposed Rates (D)	Company Proposed Total Revenue (E)	Proposed Sales 100 C. F. (F)	Staff Proposed Rates (G)	Staff Proposed Total Revenue (H)
1	Other Operating Revenues To	-	-		\$ 3,225.00	-		\$ 14,001.00
Source: Company Schedule E ICC Staff Exhibit 6.0, Schedule 6.4								

Lake Holiday Utilities Corp.
 Typical Bill Comparison
 Current Rates vs. Staff Proposed Rates

Docket Nos. 11-0059, 0141 and 0142 (Cons.)
 ICC Staff Exhibit 6.0
 Schedule 6.5

Lake Holiday Residential 5/8" meter size

Present Rates		Staff Proposed Rates		Percent Change
	Amount		Amount	
Usage Charge per 1,000 Gallons	\$ 3.07	Usage Charge per 1,000 Gallons	\$ 4.66	51.79%
Base Facilities Charge per month	\$ 3.75	Base Facilities Charge per month	\$ 5.10	36.00%

Level of Usage (1,000 Gal)	Current Monthly Bill	Staff Proposed Monthly Bill	Dollar Change	Percent Change	
0.000	\$3.75	\$5.10	\$1.35	36.00%	
1.000	\$6.82	\$9.76	\$2.94	43.11%	
1.200	\$7.43	\$10.69	\$3.26	43.83%	
1.400	\$8.05	\$11.62	\$3.58	44.43%	
1.600	\$8.66	\$12.56	\$3.89	44.95%	
1.800	\$9.28	\$13.49	\$4.21	45.41%	
2.000	\$9.89	\$14.42	\$4.53	45.80%	
2.200	\$10.50	\$15.35	\$4.85	46.15%	
2.400	\$11.12	\$16.28	\$5.17	46.47%	
2.600	\$11.73	\$17.22	\$5.48	46.74%	
2.800	\$12.35	\$18.15	\$5.80	46.99%	
3.000	\$12.96	\$19.08	\$6.12	47.22%	
3.200	\$13.57	\$20.01	\$6.44	47.43%	
3.400	\$14.19	\$20.94	\$6.76	47.62%	
3.600	\$14.80	\$21.88	\$7.07	47.79%	
3.800	\$15.42	\$22.81	\$7.39	47.95%	
4.000	\$16.03	\$23.74	\$7.71	48.10%	
4.200	\$16.64	\$24.67	\$8.03	48.23%	
Avg. Usage	4.394	\$17.24	\$25.58	\$8.34	48.36%
4.600	\$17.87	\$26.54	\$8.66	48.48%	
4.800	\$18.49	\$27.47	\$8.98	48.59%	
5.000	\$19.10	\$28.40	\$9.30	48.69%	
5.158	\$19.59	\$29.14	\$9.55	48.77%	
5.400	\$20.33	\$30.26	\$9.94	48.88%	
5.600	\$20.94	\$31.20	\$10.25	48.96%	
5.800	\$21.56	\$32.13	\$10.57	49.04%	
6.000	\$22.17	\$33.06	\$10.89	49.12%	
6.200	\$22.78	\$33.99	\$11.21	49.19%	
6.400	\$23.40	\$34.92	\$11.53	49.26%	
6.600	\$24.01	\$35.86	\$11.84	49.33%	
6.800	\$24.63	\$36.79	\$12.16	49.39%	
7.000	\$25.24	\$37.72	\$12.48	49.45%	
7.200	\$25.85	\$38.65	\$12.80	49.50%	
7.400	\$26.47	\$39.58	\$13.12	49.55%	
7.600	\$27.08	\$40.52	\$13.43	49.60%	
7.800	\$27.70	\$41.45	\$13.75	49.65%	
8.000	\$28.31	\$42.38	\$14.07	49.70%	
				Average	47.51%

Lake Holiday Utilities Corp.
 Typical Bill Comparison
 Current Rates vs. Company Proposed Rates

Lake Holiday Residential 5/8" meter size

Present Rates		Company Proposed Rates		Percent Change
	Amount	Usage	Amount	
Usage Charge per 1,000 Gallons	\$ 3.07	Usage Charge per 1,000 Gallons	\$ 5.45	77.52%
Base Facilities Charge per month	\$ 3.75	Base Facilities Charge per month	\$ 8.87	136.53%

Level of Usage (1,000 Gal)	Current Monthly Bill	Company Proposed Monthly Bill	Dollar Change	Percent Change
0.000	\$3.75	\$8.87	\$5.12	136.53%
1.000	\$6.82	\$14.32	\$7.50	109.97%
1.200	\$7.43	\$15.41	\$7.98	107.29%
1.400	\$8.05	\$16.50	\$8.45	105.02%
1.600	\$8.66	\$17.59	\$8.93	103.07%
1.800	\$9.28	\$18.68	\$9.40	101.38%
2.000	\$9.89	\$19.77	\$9.88	99.90%
2.200	\$10.50	\$20.86	\$10.36	98.59%
2.400	\$11.12	\$21.95	\$10.83	97.43%
2.600	\$11.73	\$23.04	\$11.31	96.39%
2.800	\$12.35	\$24.13	\$11.78	95.45%
3.000	\$12.96	\$25.22	\$12.26	94.60%
3.200	\$13.57	\$26.31	\$12.74	93.83%
3.400	\$14.19	\$27.40	\$13.21	93.12%
3.600	\$14.80	\$28.49	\$13.69	92.47%
3.800	\$15.42	\$29.58	\$14.16	91.88%
4.000	\$16.03	\$30.67	\$14.64	91.33%
4.200	\$16.64	\$31.76	\$15.12	90.82%
Avg. Usage	4.394	\$32.82	\$15.58	90.36%
4.600	\$17.87	\$33.94	\$16.07	89.91%
4.800	\$18.49	\$35.03	\$16.54	89.49%
5.000	\$19.10	\$36.12	\$17.02	89.11%
5.158	\$19.59	\$36.98	\$17.40	88.82%
5.400	\$20.33	\$38.30	\$17.97	88.41%
5.600	\$20.94	\$39.39	\$18.45	88.09%
5.800	\$21.56	\$40.48	\$18.92	87.79%
6.000	\$22.17	\$41.57	\$19.40	87.51%
6.200	\$22.78	\$42.66	\$19.88	87.24%
6.400	\$23.40	\$43.75	\$20.35	86.98%
6.600	\$24.01	\$44.84	\$20.83	86.74%
6.800	\$24.63	\$45.93	\$21.30	86.51%
7.000	\$25.24	\$47.02	\$21.78	86.29%
7.200	\$25.85	\$48.11	\$22.26	86.08%
7.400	\$26.47	\$49.20	\$22.73	85.88%
7.600	\$27.08	\$50.29	\$23.21	85.70%
7.800	\$27.70	\$51.38	\$23.68	85.51%
8.000	\$28.31	\$52.47	\$24.16	85.34%
Average				93.54%

Lake Holiday Utilities Corp.
 Typical Bill Comparison
 Staff Proposed Rates vs. Company Proposed Rates

Lake Holiday Residential 5/8" meter size

Staff Proposed Rates		Company Proposed Rates		Percent Change
	Amount		Amount	
Usage Charge per 1,000 Gallons	\$ 4.66	Usage Charge per 1,000 Gallons	\$ 5.45	16.95%
Base Facilities Charge per month	\$ 5.10	Base Facilities Charge per month	\$ 8.87	73.92%

Level of Usage (1,000 Gal)	Staff Proposed Monthly Bill	Company Proposed Monthly Bill	Dollar Change	Percent Change
0.000	\$5.10	\$8.87	\$3.77	73.92%
1.000	\$9.76	\$14.32	\$4.56	46.72%
1.200	\$10.69	\$15.41	\$4.72	44.13%
1.400	\$11.62	\$16.50	\$4.88	41.95%
1.600	\$12.56	\$17.59	\$5.03	40.09%
1.800	\$13.49	\$18.68	\$5.19	38.49%
2.000	\$14.42	\$19.77	\$5.35	37.10%
2.200	\$15.35	\$20.86	\$5.51	35.88%
2.400	\$16.28	\$21.95	\$5.67	34.79%
2.600	\$17.22	\$23.04	\$5.82	33.83%
2.800	\$18.15	\$24.13	\$5.98	32.96%
3.000	\$19.08	\$25.22	\$6.14	32.18%
3.200	\$20.01	\$26.31	\$6.30	31.47%
3.400	\$20.94	\$27.40	\$6.46	30.83%
3.600	\$21.88	\$28.49	\$6.61	30.23%
3.800	\$22.81	\$29.58	\$6.77	29.69%
4.000	\$23.74	\$30.67	\$6.93	29.19%
4.200	\$24.67	\$31.76	\$7.09	28.73%
Avg. usage 4.394	\$25.58	\$32.82	\$7.24	28.31%
4.600	\$26.54	\$33.94	\$7.40	27.90%
4.800	\$27.47	\$35.03	\$7.56	27.53%
5.000	\$28.40	\$36.12	\$7.72	27.18%
5.158	\$29.14	\$36.98	\$7.84	26.92%
5.400	\$30.26	\$38.30	\$8.04	26.55%
5.600	\$31.20	\$39.39	\$8.19	26.27%
5.800	\$32.13	\$40.48	\$8.35	26.00%
6.000	\$33.06	\$41.57	\$8.51	25.74%
6.200	\$33.99	\$42.66	\$8.67	25.50%
6.400	\$34.92	\$43.75	\$8.83	25.27%
6.600	\$35.86	\$44.84	\$8.98	25.06%
6.800	\$36.79	\$45.93	\$9.14	24.85%
7.000	\$37.72	\$47.02	\$9.30	24.66%
7.200	\$38.65	\$48.11	\$9.46	24.47%
7.400	\$39.58	\$49.20	\$9.62	24.29%
7.600	\$40.52	\$50.29	\$9.77	24.12%
7.800	\$41.45	\$51.38	\$9.93	23.96%
8.000	\$42.38	\$52.47	\$10.09	23.81%
Average				31.37%