

Response to Illinois Commerce Commission's
Post-Hearing Data Requests to All Parties ICC DR 1.01
Docket No. 11-0561cons.

ICC Person Responsible: Philip Rukosuev
Title: Rates Analyst, Rates Department, Financial Analysis
Division
Business Address: Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

Post Record Data Request ICC DR 1.01:

Please provide in detail the specifics of Staff's rate mitigation phase-in plan in the instant proceeding, including, but not limited to: opt-in participation, annual rate caps, length of deferral periods, identification of which utilities should be subject to phase-in, appropriate interest rate, etc. The Staff proposed rate mitigation phase-in plan should, to the greatest extent possible, be consistent with the Commission's May 2, 2012 Order on Rehearing in Docket Nos. 11-0059, et al. (Cons.). If there are inconsistencies, please explain. Please provide all relevant calculations and analyses, including rate impact schedules.

Staff Response:

Attached are Schedules which detail the specifics of Staff's rate mitigation phase-in plan in the instant proceeding. Staff also includes Appendix A, which was attached to Staff's Initial Brief in Docket No. 11-0059/11-0141/11-0142 (Cons.) on Rehearing, and discussed in depth in Staff's Direct Testimony, ICC Staff Ex. 17.0, p. 22-23. In Staff's view, these are essential requirements in a phase-in plan, and what the Commission adopted in the Order in Docket No. 11-0059 (Cons.)

Staff has provided schedules to illustrate a rate mitigation plan in each of the 6 companies included in this consolidated docket, for both water and sewer, where appropriate. In Staff's opinion, a phase-in would be most appropriate in Charmar, and somewhat appropriate in Ferson Creek and Claredon, as described in Schedules 17.1-17.6, 19.1-19.6, and 20.1-20.9. Please see next page for Staff's summary opinion.

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Charmar Water Company				Is Phase-In Needed?
Current Rates	Un-capped	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)	Yes
\$ 39.48	\$142.79	\$103.31	262%	
Ferson Creek Utilities Company (Water & Sewer)				
Current Rates	Un-capped	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)	Maybe
\$ 50.94	\$90.35	\$39.41	77%	
Cherry Hill Water Company				
Current Rates	Un-capped	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)	No
\$ 26.42	\$52.24	\$25.81	97.67%	
Harbor Ridge Utilities, Inc. (Water & Sewer)				
Current Rates	Un-capped	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)	No
\$ 26.88	\$51.69	\$24.81	92%	
Clarendon Water Company				
Current Rates	Un-capped	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)	Maybe
\$ 24.98	\$55.77	\$30.78	123%	
Killarney Water Company				
Current Rates	Un-capped	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)	NoMaybe
\$ 15.48	\$32.1847.67	\$16.7032.20	108208%	

**Comparison of Proposed Order's Un-Capped and Staff's Phase-In Capped Bills for Utilities, Inc.
Docket Nos. 11-0561c**

Approximate Month for First Bill ¹	Charmar Water Company					Cherry Hill Water Company					Clarendon Water Company				
	Current Rates	Un-capped	Capped, Staff ²	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)	Current Rates	Un-capped	Capped, Staff ²	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)	Current Rates	Un-capped	Capped, Staff ²	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)
TBA - 2012	\$ 39.48	\$142.79	\$85.68	\$103.31	262%	\$ 26.42	\$52.24	\$31.36	\$25.81	97.67%	\$ 24.98	\$55.77	\$33.44	\$30.78	123%
Jan-13		\$142.79	\$107.10				\$52.24	\$39.19				\$55.77	\$41.82		
Jan-14		\$142.79	\$128.53				\$52.24	\$47.02				\$55.77	\$50.21		
Jan-15		\$142.79	\$167.91				\$52.24	\$61.42				\$55.77	\$65.57		
Jan-16		\$142.79	\$167.91				\$52.24	\$61.42				\$55.77	\$65.57		
Jan-17		\$142.79	\$167.91				\$52.24	\$61.42				\$55.77	\$65.57		
Jan-18		\$142.79	\$142.79				\$52.24	\$52.24				\$55.77	\$55.77		
Jan-19		\$142.79	\$142.79				\$52.24	\$52.24				\$55.77	\$55.77		
Jan-20		\$142.79	\$142.79				\$52.24	\$52.24				\$55.77	\$55.77		
Approximate Month for First Bill ¹	Ferson Creek Utilities Company (Water & Sewer)					Harbor Ridge Utilities, Inc. (Water & Sewer)					Killarney Water Company				
	Current Rates	Un-capped	Capped, Staff ²	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)	Current Rates	Un-capped	Capped, Staff ²	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)	Current Rates	Un-capped	Capped, Staff ²	\$ Increase (Current vs. Un-Capped)	% Increase (Current vs. Un-Capped)
TBA - 2012	\$ 50.94	\$90.35	\$54.20	\$39.41	77%	\$ 26.88	\$51.69	\$31.02	\$24.81	92%	\$ 15.48	\$47.67	\$28.62	\$32.20	208%
Jan-13		\$90.35	\$67.79				\$51.69	\$38.79				\$47.67	\$35.75		
Jan-14		\$90.35	\$81.30				\$51.69	\$46.53				\$47.67	\$42.90		
Jan-15		\$90.35	\$106.24				\$51.69	\$80.90				\$47.67	\$56.06		
Jan-16		\$90.35	\$106.24				\$51.69	\$80.90				\$47.67	\$56.06		
Jan-17		\$90.35	\$106.24				\$51.69	\$80.90				\$47.67	\$56.06		
Jan-18		\$90.35	\$90.35				\$51.69	\$51.69				\$47.67	\$47.67		
Jan-19		\$90.35	\$90.35				\$51.69	\$51.69				\$47.67	\$47.67		
Jan-20		\$90.35	\$90.35				\$51.69	\$51.69				\$47.67	\$47.67		

Notes:

- Staff's capped rates are implemented for the first billing period of each calendar year (starting January), except for the first year (i.e. 2012), when rates are implemented as directed by the Final Order. Assuming that Rider BSA will go into effect 90 days (plan's sign-up window) after the Final Order, as a result, in 2012, there are approximately 4 months left for Rider BSA to accrue deferrals.
- For interest calculations, Staff uses annual short-term debt cost of 3.41%, which equals to the application of the Companies average cost of short-term and long-term debt weighted by their respective maturities' proximity to the average period for the deferrals (i.e., three years), to the deferral balances. Staff used the 3.08% cost of short-term debt and 6.65% cost of long-term debt that the Commission adopted in this proceeding (Proposed Order, Docket No. 11-0561c, p. 23).

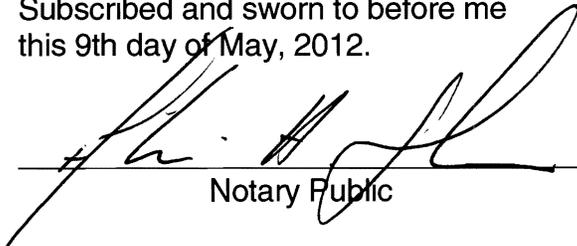
VERIFICATION

I, PHILIP RUKOSUEV, being first duly sworn, depose and state that I am a Rates Analyst in the Rates Department of the Financial Analysis Division of the Illinois Commerce Commission; that I sponsor the foregoing Response to Commission's Post-Record Data Request ("Response") and Attachments and/or Schedules; that I have personal knowledge of the information stated in the foregoing Response and Attachments and/or Schedules; and that such information is true and correct to the best of my knowledge, information and belief.



PHILIP RUKOSUEV
Illinois Commerce Commission

Subscribed and sworn to before me
this 9th day of May, 2012.



Notary Public

