

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

APPLE CANYON UTILITY COMPANY,	§	
	§	Docket No. 12-0603
Proposed general increase in water rates.	§	
	§	

CONSOLIDATED WITH

LAKE WILDWOOD UTILITIES CORPORATION,	§	
	§	Docket No. 12-0604
Proposed general increase in water rates.	§	
	§	

**DIRECT TESTIMONY OF
PAULA A. LANGE
ON BEHALF OF APPLE CANYON LAKE PROPERTY OWNERS' ASSN.**

ACLPOA EXHIBIT 1.0

January 28, 2013

**DIRECT TESTIMONY OF
PAULA A. LANGE
ON BEHALF OF APPLE CANYON LAKE PROPERTY OWNERS' ASSN.**

1 **Q. PLEASE STATE YOUR NAME AND YOUR BUSINESS ADDRESS.**

2 A. My name is Paula A. Lange, ACLPOA, 14A147 Canyon Club Drive, Apple River, IL.
3 61001.

4 **Q. FOR WHOM ARE YOU OFFERING TESTIMONY?**

5 A. I am offering testimony on behalf of the Apple Canyon Lake Property Owners'
6 Association (ACLPOA or Association).

7 **Q. WHAT IS ACLPOA?**

8 A. ACLPOA is the homeowners association, a private year-round recreational community in
9 Jo Daviess County. The board meets once per month. The association operates the
10 marina on a 450-acre lake, a private campground, a public golf course, a private
11 community swimming pool, and fifteen miles of trails. It also maintains the roads and
12 common areas within the greenway areas of the community.

13 **Q. WHAT IS YOUR POSITION?**

14 A. I am General Manager for ACLPOA.

15 **Q. HOW LONG HAVE YOU BEEN GENERAL MANAGER?**

16 A. I have been with the association since March 1, 2006.

17 **Q. PLEASE DESCRIBE APPLE CANYON LAKE.**

18 A Apple Canyon Lake (ACL), a private, recreational lake community located in the center
19 of Jo Daviess County, northwestern Illinois, was created in 1969 by the Branigar
20 Organization, Inc. The developer acquired approximately 2,700 acres of land and
21 constructed a dam across the Hell's Branch creek to create Apple Canyon Lake.

22 Apple Canyon Lake Property Owners’ Association Inc. was created in 1969; in
23 1975, the developer sold all of its remaining financial interest to the Association.
24 ACLPOA is a not-for-profit Illinois Corporation, run by and for the benefit of all
25 property owners. Membership by the property owners in the ACLPOA is mandatory.
26 The Association is responsible for enforcement of covenants and restrictions, maintaining
27 common property and amenities, and enforcement of the rules and regulations.

28 Until 2001, residential development remained steady, averaging about 19 units
29 per year with the exception of a brief period of decline during the high inflation years in
30 the early 1980’s. Prior to 2008, ACL had a marked rise in the number of new residences
31 constructed here. However, in the past couple of years construction has decreased
32 significantly with only one or two homes per year. There are approximately 900 homes in
33 the development, and about 400 homeowners list ACL as their permanent residence.
34 However, almost half enjoy the winter in a southern climate.

35 Apple Canyon Lake includes 2,743 individual lots and living units surrounding
36 the 450-acre, spring-fed private lake, which is three miles long, has 15 miles of shoreline,
37 and reaches depths of 70 feet. Apple Canyon Lake offers a variety of recreational and
38 entertainment facilities. Access and use of ACL facilities are restricted exclusively to
39 property owners and their guests, with the exception of the golf course,
40 marina/concession store, marina service center, and restaurant, which are open to the
41 public.

42

43 **Q. HOW IS WATER PROVIDED TO ACLPOA?**

44 A. Water service is provided by Apple Canyon Utility Company (ACUC), the company
45 seeking a rate increase in this docket. The water is provided by wells located on the
46 property.

47 **Q. DOES APPLE CANYON UTILITY PROVIDE WASTEWATER TREATMENT**
48 **SERVICES?**

49 A. No. Sewage service is provided by private on-site septic systems.

50 **Q. ARE YOU OFFERING ANY EXPERT TESTIMONY?**

51 A. No. My testimony is only as the General Manager. Donna Ramas is offering expert
52 testimony on behalf of ACLPOA as well as Lake Wildwood Association and the Illinois
53 Attorney General.

54 **Q. ARE YOU MAKING ANY SPECIFIC RECOMMENDATIONS CONCERNING**
55 **ACUC'S REQUEST IN THIS DOCKET?**

56 A. No. Specific recommendations will be made by Ms. Ramas.

57 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

58 A. Yes, it does.