

August 13, 2015

**Via e-Docket and Email**

Ms. Elizabeth A. Rolando  
Chief Clerk  
Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, Illinois 62701

Re: *Aqua Illinois, Inc.*, ICC Docket No. 15-0384  
Errata and Revised Testimony and Exhibits to Petition

Dear Ms. Rolando:

On July 31, 2015, Aqua Illinois, Inc. (“Aqua Illinois”) filed with the Illinois Commerce Commission its Direct Testimony in the above-referenced docket. These errata revise the testimony and exhibits, Aqua Ex. 2.0, Aqua Ex. 2.1, and Aqua Ex. 2.2. In sum, the revisions to the testimony and exhibits (Aqua Ex. 2.0 REV., Aqua Ex. 2.1 REV., and Aqua Ex. 2.2 REV.) are as follows:

**Aqua Ex. 2.0 REV:**

- In Aqua Ex. 2.0 header and footer, add “REV.” after “Aqua Ex. 2.0”
- On page 2, line 40, add “REV.” after “Aqua Exhibit (“Ex.”) 2.1”
- On page 2, line 42, add “REV.” after “Aqua Ex. 2.2”
- On page 3, line 49, add “REV.” after “Aqua Ex. 2.1” and “Aqua Ex. 2.2”
- On page 3, line 50, add “REV.” after “Aqua Ex. 2.1”
- On page 3, line 51, add “REV.” after “Aqua Ex. 2.2”
- On page 5, line 95, change “\$907,000” to “\$907,700”
- On page 6, line 116, change “\$815,156” to “\$814,156”
- On page 8, line 158, add:

“In addition, the average monthly bills for the existing customers of the Company will not increase by more than 2.5%, in compliance with Section 9-210.5(d) of the Act. As reflected in the schedules attached to my testimony, Aqua Exs. 2.1 Rev. and 2.2 Rev., the Company is projecting a stand-alone estimated revenue increase in 2018 (or three years after the Acquisition) compared to 2016 (one year after the Acquisition) of \$17,796 (\$212,023 - \$194,227) for Eastwood and \$69,641 (\$175,323 - \$105,682) for

Nunda. This combined revenue increase for the Systems of \$87,437 represents only 0.02% of the projected revenue of the Company's existing Consolidated Water Division for 2016. Therefore, and in accordance with Section 9-210.5(d) of the Act, the Company believes that the existing customers' bills will not increase by more than 2.5% as a result of this acquisition." after "rate case."

- On page 8, line 173, change "\$32.03" to "\$21.08"
- On page 8, line 173, change "Upon acquisition and" to "Following the Acquisition and upon"
- On page 8, line 175, change "49%" to "126%"
- On page 8, line 176, add "REV." after "Aqua Ex. 2.1"
- On page 9, line 179, change "\$40.04" to "\$25.67"
- On page 9, line, 179, change "Upon acquisition and" to "Following the Acquisition and upon"
- On page 9, line 181, add an "n" after "represents a"
- On page 9, line 181, change "19%" to "85%"
- On page 9, line 182, add "REV." after "Aqua Ex. 2.2"
- On page 9, line 183, change "rate increase" to "proposed bill"
- On page 9, line 193-194, change "rate increase" to "proposed bill"
- On page 10, line 214, add "REV." after "Aqua Ex. 2.1" and "Aqua Ex. 2.2"
- On page 11, line 222, add "REV." after "Aqua Ex. 2.1" and "Aqua Ex. 2.2"
- On page 11, line 238, add "and Section 7-204(c)(ii)" after "Section 9-210.5"
- On page 12, lines 243-244, add "and subject to the Commission's approval pursuant to Section 7-204(c)(ii) of the Act," after "acquisition of the Systems,"
- On page 12, line 258, add "REV." after "Aqua Ex. 2.1"
- On page 13, line 282, add "In compliance with Section 7-204(b)(1) of the Act, the" before "Acquisition of Eastwood Nunda"
- On page 14, line 291, add "Further, pursuant to Section 7-204(b)(7) of the Act, the proposed reorganization will not result in any adverse rate impacts on retail customers." after "throughout the state."
- On page 14, line 298, add "in compliance with Section 7-204(b)(2) of the Act." after "Aqua Illinois or its customers,"
- On page 14, line 301 add:
  - "Q. Does the Company believe that the proposed reorganization will likely have a significant adverse effect on competition in those markets over which the Commission has jurisdiction?
  - A. No, the Company does not believe that the proposed reorganization will have a significant adverse effect on competition. Although I am not an attorney, I understand that Section 7-204(b)(6) of the Act requires that the

Commission find that the proposed reorganization is not likely to have a significant adverse effect on competition in those markets over which the Commission has jurisdiction. The assets of the Systems are located entirely in unincorporated McHenry County, which is directly situated between Aqua Illinois' Boone County and Lake County operations and is near Aqua Illinois' recently purchased McHenry Shores operations. As such, the system is located in a region already served by the Company. Aqua Illinois does not foresee any adverse impact on competition in those markets over which the Commission has jurisdiction."

- On page 15, line 321, add "in compliance with Section 7-204(b)(3) of the Act, and to" after "and non-utility activities"
- On page 15, line 324, add:
  - "Q. Does the Company anticipate that any savings will result from the proposed reorganization?
  - A. No, the Company does not foresee any identifiable savings that will result from the acquisition. Thus, Section 7-204(c)(i) of the Act does not apply to this proceeding. However, the Company may have the ability to take advantage of some operating efficiencies, such as national purchasing contracts, in order to reduce both operating expenses and capital costs."
- On page 16, line 336, add "in compliance with Section 7-204(b)(4) of the Act," after "Furthermore,"

Aqua Ex. 2.1 REV.:

- In Aqua Ex. 2.1 header add, "REV." after "Aqua Ex. 2.1"
- On page 1, change "\$12 base charge, \$4/1000" to "\$12 base charge, \$1.8127/1000"
- On page 1, change "\$384" to "\$253"
- On page 1, change "\$32" to "\$21"
- On page 2, change "\$4.0000" to "\$1.8127"
- On page 2, change "\$20.00" to "\$9.06"
- On page 2, change "\$32.00" to "\$21.06"
- On page 2, change "\$0.03" to "\$0.02"
- On page 2, change "\$32.03" to "21.08"
- On page 2, change "3/4" Meter" to "5/8" Meter after changing out all meters"
- On page 2, change "Rate Increase: 49%" to "Rate Increase: 126%"

Aqua Ex. 2.2 REV.:

- In Aqua Ex. 2.2 header add, "REV." after "Aqua Ex. 2.2"
- On page 1, change "\$12 base charge, \$4/1000" to "\$10.84 base charge, \$2.96/1000"
- On page 1, change "\$480" to "\$308"
- On page 1, change "\$40" to "\$26"
- On page 2, change "Eastwood Manor" to "Nunda"
- On page 2, change "\$15.00" to "\$10.84"
- On page 2, change "\$5.0000" to "\$2.9600"
- On page 2, change "\$25.00" to "\$14.80"
- On page 2, change "\$40.00" to "\$25.64"
- On page 2, change "\$0.04" to "\$0.03"
- On page 2, change "\$40.04" to "\$25.67"
- On page 2, change "3/4" Meter" to "5/8" Meter after changing out all meters"
- On page 2, change "Rate Increase: 19%" to "Rate Increase: 85%"

For the benefit of the Commission, Administrative Law Judge, and parties, Aqua Illinois is refiling the revised testimony and exhibits in their entirety as Aqua Ex. 2.0 REV., Aqua Ex. 2.1 REV., and Aqua Ex. 2.2 REV.

Sincerely,



Maris J. Jager

Enclosures  
cc: Service List