

Aqua Illinois, Inc.
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March 1, 2016

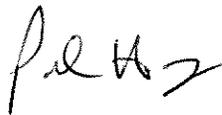
Elizabeth A. Rolando
Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62701

Re: Docket No. 15-0384 – Eastwood Manor and Nunda Water Systems Closing Notice

Dear Ms. Rolando:

Per the Findings and Ordering Paragraphs VII., (16) of the Final Order in Docket No. 15-0384, Aqua Illinois, Inc. has closed on the purchase of the Eastwood Manor and Nunda Water Systems. The closing of the Eastwood Manor and Nunda Water Systems occurred on February 23, 2016. If you have any further questions, I can be reached at (815) 614-2033.

Sincerely,



Paul Hanley
Controller
Aqua Illinois, Inc.

CC: Manager of the Commission's Water Engineering Program

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identified in the Company's applicable future rate case and the Company shall flow such reductions through to ratepayers;

- (11) Pursuant to Section 7-204(c)(ii) of the Act, any costs incurred in accomplishing the proposed reorganization shall not be recoverable from ratepayers;
- (12) In Aqua Illinois, Inc.'s next rate case for the Consolidated Water Division, Eastwood, Nunda, and Aqua Illinois, Inc.'s Consolidated Water Division and their costs of service shall be combined under the same rate tariff for ratemaking purposes, pursuant to Section 9-210.5(h) of the Act;
- (13) Pursuant to 220 ILCS 5/9-210.5(i), Aqua Illinois, Inc.'s post-acquisition improvements shall accrue a cost for financing set at the Company's rate for allowance for funds used during construction, inclusive of the debt, equity, and income tax gross up components, beginning on the date on which the expenditure was incurred by Aqua Illinois, Inc. until the investment has been in service for a 4-year period or, if a rate case is initiated prior to the end of the four-year period, until the time new rates are implemented;
- (14) Pursuant to 220 ILCS 5/9-210.5(i), Aqua Illinois, Inc.'s post-acquisition improvements shall not be depreciated for ratemaking purposes from the date on which the expenditure was incurred by Aqua Illinois, Inc. until the investment has been in service for a 4-year period or, if a rate case is initiated prior to the end of the four-year period, until the time the new rates are implemented;
- (15) Aqua Illinois, Inc. shall comply with Section 9-210.5(m) of the Act if Aqua Illinois, Inc. hires a contractor or subcontractor to perform work on the Eastwood or Nunda water systems;
- (16) Aqua Illinois, Inc. shall file a report with the Chief Clerk of the Commission, bearing Docket 15-0384, within seven days after the closing on the proposed acquisition, indicating the date on which the closing on the transaction occurred and shall provide a copy of the same to the Manager of the Commission's Water Engineering Program;
- (17) Aqua Illinois, Inc. shall file revised tariffs sheets for water service consistent with Aqua Exhibit 1.3, within fifteen (15) days prior to the closing of the acquisition, with an effective date of closing which shall not be less than five (5) working days after the date of filing, for service rendered on and after their effective date, with individual tariff sheets to be corrected within that time period, if necessary;
- (18) The Company shall file the final accounting entries for the reorganization, showing the actual dollar values of all involved accounts, as a filing on the Commission's e-Docket system in this docket and also as an email to AccountingMgr@icc.illinois.gov within sixty (60) days of the reorganization