

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
CHRISTI WATER SYSTEM, INC. FOR AN
INCREASE IN RATES AND CHARGES.

CASE NO. 24-798-WW-AIR

ENTRY

Entered in the Journal on October 15, 2024

I. SUMMARY

{¶ 1} The Commission approves Christi Water System, Inc.'s test year, date certain, and request for waivers in its application to increase its rates for water service.

II. DISCUSSION

{¶ 2} Christi Water System, Inc. (Applicant) is a water-works company as defined by R.C. 4905.03(G) and a public utility as defined by R.C. 4905.02, and as such, is subject to the jurisdiction of this Commission pursuant to R.C. 4905.04, 4905.05, and 4905.06.

{¶ 3} An application for an increase in rates is governed by, and must meet, the requirements of R.C. 4909.17, 4909.18, 4909.19, and 4909.42.

{¶ 4} R.C. 4909.15(C)(1) provides that, unless otherwise ordered by the Commission, the test period for determining the revenues and expenses of a utility shall be any twelve-month period beginning not more than six months prior to the date the application is filed and ending not more than nine months subsequent to that date. The section also requires that for a water-works company, the date certain shall not be later than the end of the test period. R.C. 4909.15(C)(2)

{¶ 5} In order for Staff to evaluate an application for an increase in rates, applicants must provide specific standard information, as required by Ohio Adm.Code 4901-7-01, Appendix A. These standard filing requirements (SFR) contain the minimum information public utilities are required to submit with their applications.

{¶ 6} On August 8, 2024, Applicant filed an application to increase its rates for water service, pursuant to R.C. 4909.18.

{¶ 7} On August 29, 2024, Applicant filed an amended application. In the amended application, Applicant indicates it is a water-works company providing utility service to 196 customers in the area of Noble Township, Defiance County, Ohio. Applicant requests that the Commission establish the test period as January 1, 2023, to December 31, 2023, and the date certain as December 31, 2023, for the purposes of examining the reasonableness of current rates and the determination of rate base.

{¶ 8} On September 3, 2024, Ohio Consumers' Counsel (OCC) filed a motion to intervene in the proceeding pursuant to R.C. 4903.221 and Ohio Adm.Code 4901-1-11. No memoranda contra were filed. The Commission finds that the motion for intervention filed by OCC is reasonable and should be granted.

{¶ 9} On September 5, 2024, Staff filed a review and recommendation (Staff report). In the Staff report, Staff states that a water-works system with fewer than 7,500 customers may choose to either make an abbreviated filing, under Chapter IV of the SFR, or apply for rate adjustments by complying with the SFR for small utilities, under Chapter III of the SFR. Staff states that Applicant chose to make an abbreviated filing.

{¶ 10} Staff indicates that it reviewed the August 29, 2024 amended application. According to Staff, Applicant's current rates include a base rate charge and purchased water rate approved in *In re Christi Water System, Inc.*, Case No. 20-1428-WW-AIR, Entry (Nov. 3, 2021) and *In re Christi Water System, Inc.*, Case No. 24-232-WW-PWA, Finding and Order (May 15, 2024), respectively. Staff states that Applicant proposes to increase rates and set a new rate structure. Staff further notes that a customer using 400 cubic feet (c.f.) of water would see an 18.5 percent billing increase under the proposed rates.

{¶ 11} Staff states that the procedures in an abbreviated filing assume that an applicant has maintained adequate financial records pursuant to the Uniform Systems of

Accounts prescribed by the Commission and requires that the applicant have on file with the Commission fully completed annual reports for the most recent calendar year and at least two prior years. Staff recognizes that the Applicant filed its 2021, 2022, and 2023 annual reports with the Commission, but Staff has noted discrepancies within them. During the course of this review, Staff proposes to work with Applicant to address these discrepancies. Staff concludes that Applicant's application substantively conforms to the SFR, and Staff recommends that the Commission accept the application for filing as of August 29, 2024.

{¶ 12} Upon review of the August 29, 2024 amended application and the Staff report, the Commission finds that Applicant's application meets the SFR. Further, the Commission finds that Applicant's request to establish the test period as January 1, 2023, to December 31, 2023, and the date certain as December 31, 2023, is reasonable and should be granted. As such, the application is accepted as of the filing date of August 29, 2024.

{¶ 13} The Applicant has requested waivers of R.C. 4909.18(A) through (E). Considering the size of the Applicant, the Commission finds that the request is reasonable and should be granted.

{¶ 14} R.C. 4909.19 requires publication of the substance of the application once a week for two consecutive weeks in a newspaper published and in general circulation throughout the territory affected by the matters referred to in the application and in which the Applicant operates. The Commission specifies that Applicant should begin publication of the following form of notice, pursuant to R.C. 4909.19, within 30 days of the date of this Entry and such notice shall not appear in the legal notices section of the newspaper.

NOTICE TO CUSTOMERS
CHRISTI WATER SYSTEM, INC.
PUCO CASE NO. 24-798-WW-AIR

Pursuant to R.C. 4909.19, Christi Water System, Inc. (Applicant) hereby gives notice that, on August 29, 2024, it filed an application with the Public

Utilities Commission of Ohio (Commission) in Case No. 24-798-WW-AIR requesting authority to increase the rates it charges.

Any interested party seeking detailed information with respect to all affected rates, charges, regulations, and practices may inspect a copy of the application, including supporting schedules and present and proposed rate sheets, by any of the following methods: by visiting the Commission's web site at puco.ohio.gov, selecting "What is DIS?", then selecting "Visit DIS", selecting "Launch Docketing Information System (DIS)", then inputting 24-798 in the case lookup box and selecting the date the application was filed; or by contacting the Commission's call center at 1-800-686-PUCO (7826) or the Commission's Docketing Division at docketing@puco.ohio.gov.

The current base rates were approved in 2021 in Case No. 20-1428-WW-AIR, and the current purchased water rate was approved in 2024 in Case No. 24-232-WW-PWA. Applicant alleges that, based on current expense levels, the existing rates and charges do not provide it with reasonable compensation and return for the utility service it renders. Based on this allegation, the Applicant requests that the Commission grant the Applicant authorization to charge the proposed rates and charges set forth in the rate chart below.

Any person, firm, corporation, association, or other entity may file, pursuant to R.C. 4909.19, an objection to such increase which may allege that such application contains proposals that are unjust and discriminatory or unreasonable. Recommendations which differ from the application may be made by the Staff of the Commission or by intervening parties and may be adopted by the Commission.

Rate Chart
Current Rates and Charges for Water Service

| <u>Usage Bracket</u> | <u>Base Rate</u> | <u>Purchased Water Rate</u> |
|----------------------|------------------|-----------------------------|
| 0-50 c.f./month | \$34.34/month | \$0.47/month |
| Over 50 c.f. | 0.123070/c.f. | .0095/c.f. |

Proposed Rates and Charges for Water Service

| <u>Usage Bracket</u> | <u>Base Rate</u> |
|----------------------|------------------|
| 0-50 c.f./month | \$45.43/month |
| Over 50 c.f. | .145153/c.f. |

(Purchased Water Rates will be eliminated)

III. ORDER

{¶ 15} It is, therefore,

{¶ 16} ORDERED, That OCC's motion to intervene be granted. It is, further,

{¶ 17} ORDERED, That Applicant's application be accepted for filing as of August 29, 2024. It is, further,

{¶ 18} ORDERED, That the request for waivers made by the Applicant be granted as set forth in Paragraph 13. It is, further,

{¶ 19} ORDERED, That Applicant shall begin publication of the notice to customers presented in Paragraph 14 above, pursuant to R.C. 4909.19, within thirty days of the date of this Entry. It is, further,

{¶ 20} ORDERED, That a copy of this Entry be served upon all parties of record.

COMMISSIONERS:

Approving:

Jenifer French, Chair
Daniel R. Conway
Lawrence K. Friedeman
Dennis P. Deters
John D. Williams

ISK/js

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10/15/2024 12:32:53 PM

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Case No(s). 24-0798-WW-AIR

Summary: Entry approving Christi Water System, Inc.'s test year, date certain, and request for waivers in its application to increase its rates for water service electronically filed by Ms. Mary E. Fischer on behalf of Public Utilities Commission of Ohio.