By the Commission:

On August 29, 2007, the Petitioner, Ellwood Greens Utility Corporation, ("Petitioner" or the "Company" or "Ellwood") a public utility within the meaning of an Act, filed its Petition in this Docket pursuant to Sections 6-102(b) of the Illinois Public Utilities Act ("Act"). The Company is engaged in providing sewer service to the residents of Elwood Greens subdivision and the surrounding area.

The Company seeks authority from the Commission to borrow $40,000.00 from the Belvidere Bank, The purpose of the loan is to expend $30,000.00 for the cost of pond cleanup; and the remaining $10,000.00 to be used to purchase a lift station and related up-grading equipment necessary for the successful management of the Company.

The Company’s proposal is subject to Section 6-101, which requires the Commission to provide proper identification numbers on the proposed indebtedness when issued.

Section 6-102 of the Act provides that prior to the issuance of stocks, notes and other evidences of indebtedness payable at periods of more than 12 months the public utility shall first receive a Commission order authorizing the issue stating the amount and the purpose for the financing and that in the opinion of the Commission the money, property, or labor to
be procured or paid for by such issue is reasonably required for the purpose or purposes specified in the order.

The Company completed the financing described in its Petition, and therefore seeks ratification of its November 2, 2005 borrowing of $40,000 from the Bank and the execution of the Promissory Note ("Note") in that same amount, in favor of the Bank. The Note executed by the Company is for a period of five years and bears interest at 7.40%. The repayment schedule includes a principal payment of $8,000 due on or before November 1, of each of year for the succeeding five years, with a final maturity date of November 2, 2010. In Staff’s opinion, the proceeds of the borrowing were reasonably required to finance the cost of pond cleanup and the purchase of the lift station and related upgrading equipment necessary for the successful management of the Company.

The Company’s proposal is subject to Section 6-102(b), which requires the Petition filed by Ellwood and a Commission Order in conformance with Section 6-102(a). The Company’s proposal is subject to Section 6-108. The Company shall be required to pay an amount equal to 24 cents for every $100 of the maximum principal amount of indebtedness authorized by the Commission. Staff of the Illinois Commerce Commission recommends that the Commission issue an Order, pursuant to Sections 6-102(a) of The Act, authorizing the indebtedness. Staff further recommends that the Commission order the Company to pay a $96 fee pursuant to Section 6-108 of the Act.

The Company’s proposal is also subject to 83 Illinois Administrative Code Part 240, which requires the petitioner to file reports relative to the indebtedness and application of the proceeds, unless the Commission Order provides otherwise (Section 240.30).

Staff recommends the Commission waive the filing of the reports relating to the issuance of the securities approved in this Order pursuant to 83 Ill. Adm. Code 240 ("Part 240 Reports"). Because the Company has already incurred the indebtedness that is the subject of this proceeding and applied the proceeds from that indebtedness to the purposes described in its petition, Staff believes that Part 240 Reports will not provide additional useful information concerning that indebtedness. As there were no matters at issue a hearing was waived by the Administrative Law Judge.

Commission Findings and Ordering Paragraphs

The Commission, having considered the entire record herein and being fully advised in the premises, is of the opinion and finds that:

1) Ellwood Greens Utility Corporation is an Illinois corporation engaged in providing sewer service to the residents of Elwood Greens subdivision
and the surrounding area and, as such, is a public utility as defined by Section 3-105 of the Act;

2) the Commission has jurisdiction over Ellwood and of the subject matter of this proceeding;

3) the recitals of fact and law and the conclusions reached in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact and conclusions of law;

4) entry into Loan Agreements and incurring loans thereunder, is subject to the provisions of Section 6-102(b) of the Act and is hereby approved nunc pro tunc in accordance with Section 6-102(d) of the Act;

5) the funds to be obtained from entry into the Loan Agreement are reasonably required for the purpose of to finance the cost of pond cleanup and the purchase of the lift station and related upgrading equipment necessary for the successful management of the Company;

6) in accordance with Section 6-101 of the Act, Ellwood should cause the Identification No. 6445 to be placed upon the face of the Loan Agreement and Note, entered into or issued pursuant to the consent and approval granted herein;

7) the reporting requirements of 83 Ill. Admin. Code 240 are hereby waived;

8) Ellwood Greens Utility Company shall pay a fee of $96 in connection with this transaction pursuant to Section 6-108 of the Act.

IT IS THEREFORE ORDERED that consent, authorization and approval is granted to Ellwood Greens Utility Company to undertake the $40,000.00 loan described herein.

IT IS FURTHER ORDERED that Ellwood shall fully comply with Findings (6) and 8.

IT IS FURTHER ORDERED that approval is granted to Ellwood to do any and all other things not contrary to law that are necessary and appropriate for the performance of the acts authorized herein.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 26th day of September, 2007.
(SIGNED) CHARLES E. BOX

Chairman