

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

APPLICATION OF VAN BUREN WATER,)
INC. FOR A NEW SCHEDULE OF RATES) CAUSE NO. 46185-U
AND CHARGES FOR WATER SERVICE)
AND REQUEST FOR FINANCING)
AUTHORIZATION)

REPORT OF THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

In accordance with 170 Ind. Admin. Code 14-1-4(a), the Indiana Office of Utility Consumer Counselor ("OUCC"), by counsel, hereby submits its Report consisting of the testimonies, including attachments, of Margaret A. Stull (Public's Exhibit No. 1), Shawn Dellinger (Public's Exhibit No. 2), Scott A. Bell (Public's Exhibit No. 3), and Consumer Comments (Public's Exhibit No. 4).

Respectfully submitted,

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR



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CERTIFICATE OF SERVICE

This is to certify that a copy of the *Report of the Indiana Office of Utility Consumer Counselor* has been served upon the following counsel of record in the above captioned proceeding by electronic service on April 14, 2025.

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PUBLIC'S EXHIBIT NO. 1

TESTIMONY OF MARGARET A. STULL

ON BEHALF OF

THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

April 14, 2025

TESTIMONY OF OUCC WITNESS MARGARET A. STULL
CAUSE NO. 46185-U
VAN BUREN WATER, INC.

I. INTRODUCTION

1 **Q: Please state your name and business address.**

2 A: My name is Margaret A. Stull, and my business address is 115 West Washington
3 St., Suite 1500 South, Indianapolis, Indiana 46204.

4 **Q: By whom are you employed and in what capacity?**

5 A: I am employed by the Indiana Office of Utility Consumer Counselor (“OUCC”) as
6 a Chief Technical Advisor in the Water/Wastewater Division. My qualifications
7 and experience are set forth in Appendix A.

8 **Q: What is the purpose of your testimony?**

9 A: On January 13, 2025, Van Buren Water, Inc. (“Van Buren” or “Applicant”)
10 submitted a Small Utility Rate Application (“Application”) seeking an across-the-
11 board 38.79% rate increase to produce an additional \$358,169 of operating
12 revenues. I present the OUCC’s schedules and recommend an across-the-board rate
13 increase of 33.76% to produce an additional \$316,515 of operating revenues. I
14 discuss my recommended operating revenue adjustments to remove a test year
15 customer refund pertaining to prior year revenues and increase tap fee revenues to
16 reflect an update to Van Buren’s tap fee. I discuss my recommended operating
17 expense adjustments to (1) include the commercial revenue normalization in the
18 system delivery adjustment, (2) capitalize a flush hydrant replaced during the test
19 year, and (3) include test year payroll tax expense in the calculation of *pro forma*

1 payroll taxes. I explain my recommendation that Van Buren's tap fee be updated to
2 reflect current costs to connect a new customer to its water system.

3 **Q: Describe the review and analysis you performed.**

4 A: I reviewed Van Buren's application, including its accompanying schedules, and
5 workpapers. I reviewed Van Buren's 2021 - 2023 Annual Reports to the Indiana
6 Utility Regulatory Commission ("IURC" or "Commission"). I prepared both
7 formal and informal discovery questions and reviewed Van Buren's responses. I
8 participated in an on-site accounting review on March 21, 2025. I reviewed the
9 Commission's final order in Van Buren's last rate case (Cause No. 44566-U).

10 **Q: If your testimony does not address a specific topic, issue, or item, should it be**
11 **construed to mean you agree with Petitioner's proposal?**

12 A: No. My silence on any issue should not be construed as an endorsement. Excluding
13 any specific issues regarding Van Buren's proposal from my testimony is not an
14 indication of approval. Rather, the scope of my testimony is limited to the specific
15 items addressed.

16 **Q: What schedules are submitted with your testimony?**

17 A: OUCC Attachment MAS-1 includes the following schedules:

18	Schedule 1	Comparison of Revenue Requirements (page 1)
19		Comparison of Net Operating Income Adjustments (page 2)
20	Schedule 2	Comparative Balance Sheet as of December 31, 2023, 2022, and
21		2021
22	Schedule 3	Comparative Income Statement for the Twelve Months Ended --
23		December 31, 2023, 2022, and 2021.
24	Schedule 4	<i>Pro Forma</i> Net Operating Income Statement
25	Schedule 5	OUCC Revenue Adjustments
26	Schedule 6	OUCC Expense Adjustments
27	Schedule 7	Extensions & Replacements

1 Schedule 8 Working Capital
2 Schedule 9 Debt Service
3 Schedule 10 Debt Service Reserve
4 Schedule 11 Tariff

5 **Q: Do you sponsor any attachments or workpapers?**

6 A: Yes. My attachments and workpapers are listed in Appendix B and are referenced
7 throughout my testimony.

II. CASE SUMMARY

A. Van Buren's Proposal

8 **Q: Please describe Van Buren's proposed rate increase.**

9 A: Van Buren's proposed 38.79% rate increase is based on a historical test year ending
10 December 31, 2023 and includes a request for operating expenses, extensions and
11 replacements, working capital, and debt service. If approved, a residential customer
12 using 4,000 gallons of water per month will see their monthly bill increase from
13 \$31.60 to \$43.86.

14 **Q: Does Van Buren seek any other relief from the Commission in this Cause?**

15 A: Yes. Van Buren seeks Commission authority to borrow an additional \$310,000 to
16 be used to replace water mains on Mt. Zion Road and Rockport Road. Van Buren
17 also seeks retroactive approval of its existing water tower loan.

B. OUCC's Recommendation

18 **Q: What rate increase does the OUCC recommend?**

19 A: The OUCC recommends an across-the-board rate increase of 33.76% to produce
20 additional annual revenues of \$316,515. If approved, a residential customer using
21 4,000 gallons of water per month will see their monthly bill increase from \$31.60

1 to \$42.27. Table MAS-1 below compares the OUCC's recommended rate increase
 2 and underlying revenue requirement to that proposed by Van Buren.

Table MAS-1: Revenue Requirement Comparison

	<u>Per Applicant</u>	<u>Per OUCC</u>	<u>Sch Ref</u>	<u>OUCC More (Less)</u>
Operating Expenses	\$ 1,035,676	\$ 1,016,404	4	\$ (19,272)
Extensions and Replacements	246,573	246,573	7	-
Working capital	10,010	-	8	(10,010)
Debt Service	52,647	67,600	SD	14,953
Total Revenue Requirement	1,344,906	1,330,577		(14,329)
Less Revenue Requirement Offsets:				
Interest Income	-	(19,600)	3	(19,600)
Other Revenues	(63,934)	(57,373)	4	6,561
Net Revenue Requirements	1,280,972	1,253,604		(27,368)
Less Revenues at current rates subject to increase	(923,340)	(937,564)	4	(14,224)
Net Revenue Increase Required	357,632	316,040		(41,592)
Add: Additional IURC Fees	537	475		(62)
Recommended Increase	<u>\$ 358,169</u>	<u>\$ 316,515</u>		<u>\$ (41,654)</u>
Recommended Percentage Increase	<u>38.79%</u>	<u>33.76%</u>		<u>-5.03%</u>

3 **Q: Does the OUCC accept Van Buren's proposed borrowing authority for**
 4 **\$310,000 of new debt?**

5 A: Yes. OUCC witness Shawn Dellinger sets forth the OUCC's recommendations
 6 regarding Van Buren's financing proposals in this case.

7 **Q: Does the OUCC recommend any changes to Van Buren's non-recurring fees**
 8 **and charges?**

9 A: Yes. The OUCC recommends Van Buren's tap fee be updated to reflect its current
 10 cost to connect a new customer to its water system.

III. PRO FORAMA OPERATING REVENUE

1 **Q: What amount of *pro forma* operating revenue did Van Buren propose?**

2 A: Van Buren proposed *pro forma* present rate operating revenues of \$987,274, which
3 is a \$9,791 decrease from test year operating revenues of \$997,065.¹ Van Buren's
4 proposed \$9,791 revenue decrease consists of two adjustments: (1) a \$5,330
5 *increase* to normalize test year residential water sales and (2) a \$15,121 *decrease*
6 to normalize test year commercial water sales.

7 **Q: Do you accept Van Buren's proposed operating revenue adjustments?**

8 A: Yes. I accept Van Buren's proposed test year residential and commercial customer
9 growth adjustments.

10 **Q: Do you recommend any additional adjustments to Van Buren's *pro forma***
11 **operating revenues?**

12 A: Yes. I recommend two additional operating revenue adjustments. I recommend the
13 elimination of a customer refund recorded during the test year, which included an
14 adjustment to prior year water revenues. I also recommend an adjustment to
15 increase tap fee revenues to reflect a recommended increase in Van Buren's current
16 tap fee.

17 **Q: What amount of operating revenue do you recommend?**

18 A: I recommend *pro forma* operating revenue of \$994,937 which is a \$17,472 increase
19 over test year operating revenue of \$977,465.¹ Table MAS-2 below compares the

¹ Applicant incorrectly included \$19,600 of interest income in its other operating revenues. I reclassified interest income to be below-the-line. Both parties appropriately included interest income as an offset to its revenue requirement. See also OUCC Workpaper MAS-A.

1 OUCC's recommended operating revenue adjustments to those proposed by Van
2 Buren.

Table MAS-2: Revenue Comparison

	OUCC			VBW	OUCC More (Less)
	Test Year (A)	Adjust (B)	Total (A) + (B)		
Water Revenues					
Residential	\$ 870,967	\$ 5,330	\$ 876,297	\$ 876,297	\$ -
Commercial	62,164	(15,121)	56,771	47,043	9,728
		9,728			
Late Payment Fees	4,496		4,496	4,496	-
Other Operating revenues					
Interest Income	-		-	19,600	(19,600)
Tap Fees	30,765	17,535	48,300	30,765	17,535
Reconnections	3,450		3,450	3,450	-
Other	5,623		5,623	5,623	-
	<u>\$ 977,465</u>	<u>\$ 17,472</u>	<u>\$ 994,937</u>	<u>\$ 987,274</u>	<u>\$ 7,663</u>

A. Prior Year Customer Refund

3 **Q: Please explain your recommended decrease to water revenues to eliminate a**
4 **portion of a customer refund recorded during the test year.**

5 A: In September 2023, Van Buren refunded \$10,083 to a commercial customer. I
6 reviewed the support for this transaction and determined that only \$355 of this
7 refund was for payments made in the test year (2023). The remaining \$9,728 was a
8 refund for payments made from 2004 through 2022.²

9 **Q: Why is this adjustment necessary?**

10 A: The rates being set in this case are based on the expected operating revenues and
11 expenses the utility will experience going forward. These expectations are based
12 upon test year operating revenues and expenses adjusted for changes that are fixed,
13 known, and measurable. While this refund returned monies owed to a customer, it

² See OUCC Attachment MAS-2 – Calculation of Taylor Concrete refund.

1 does not represent a reduction to the operating revenues that are expected to occur
2 each year going forward. To accurately set rates based on projected annual
3 revenues, it is necessary to remove the portion of the adjustment that applied to
4 periods outside the test year. I recommend a \$9,728 increase to *pro forma* operating
5 revenues.³

B. Tap Fee Revenues

6 **Q: What is Van Buren's current authorized tap fee?**

7 A: Van Buren's current tap fee is \$1,465 and was approved in a 2015 thirty-day filing.⁴

8 **Q: How does Van Buren record the revenues it collects and the costs it incurs to**
9 **connect new customers to its system?**

10 A: Van Buren records the tap fees collected as operating revenues rather than
11 contributions in aid-of-construction. The costs incurred are recorded as operating
12 expenses rather than capitalized as utility plant in service.

13 **Q: Do you accept Van Buren's accounting treatment of its tap fee revenues and**
14 **costs?**

15 A: Yes. A tap fee is a non-recurring fee that should be cost based. While Applicant's
16 treatment is not the prescribed method according to the National Association of
17 Regulatory Utility Commissioners, its method is acceptable. Because Van Buren is
18 a not-for-profit utility, there is no ratemaking effect if Van Buren does not capitalize
19 its connection costs. Van Buren's method records both revenues and costs to the
20 income statement, and there is no ratemaking effect as long as tap fee revenues
21 recover the costs incurred.

³ See OUCC Attachment MAS-1, Schedule 5, Adjustment No. 1.

⁴ Van Buren's thirty-day filing #3301.

1 **Q: Does Van Buren's tap fee recover all the costs it incurs to connect new**
2 **customers to its system?**

3 A: No. The costs to connect new customers to Van Buren's system have increased
4 significantly since 2015. When the tap fee does not recover all the costs incurred,
5 any excess costs are included in the revenue requirement and included in the rates
6 paid by all customers.

7 **Q: What is Van Buren's current cost to connect a new customer to its system?**

8 A: According to Van Buren's calculations, its current cost to connect a new customer
9 is \$2,300.⁵ This represents an increase of \$835 or a 57% increase.

10 **Q: Please explain your recommended increase to test year tap fee revenues.**

11 A: I recommend an increase to Van Buren's test year tap fee revenues to reflect its
12 current costs. My adjustment ensures current customers will not subsidize new
13 customers' connections to the system. My adjustment was determined by
14 multiplying the increased fee (\$2,300) by the number of test year connections (21),
15 resulting in a \$17,535 increase to test year tap fee revenues.⁶ I explain my
16 recommended updates to Van Buren's tap fee in more detail later in my testimony.

IV. PRO FORMA OPERATING EXPENSE

17 **Q: What level of operating expense did Van Buren propose?**

18 A: Van Buren proposed *pro forma* operating expense of \$1,035,676, including payroll
19 taxes and property taxes, which is an increase of \$41,810 over test year operating
20 expense of \$993,866.⁷

⁵ See OUCC Attachment MAS-3 – Van Buren's response to OUCC Data Request No. 3-1.

⁶ See OUCC Attachment MAS-1, Schedule 5, Adjustment No. 2.

⁷ Total Operating expenses excludes depreciation expense.

1 **Q: What operating expense adjustments did Van Buren propose?**

2 A: Van Buren proposed adjustments to salaries and wages, periodic maintenance
3 expense, payroll taxes, and a system delivery adjustment to reflect the increase or
4 decrease in variable costs related to the revenue normalization adjustments
5 discussed above.

Table MAS-3: Van Buren Operating Expense Adjustments

Salaries and Wages - Employees	\$	18,480
Payroll Taxes		5,864
Periodic Maintenance		15,000
System Delivery Adjustment		
Purchased Water		2,288
Purchased Power		73
Postage		105
Total	\$	<u>41,810</u>

6 **Q: Do you accept any of Van Buren's operating expense adjustments?**

7 A: I accept all Van Buren's proposed operating expense adjustments except its system
8 delivery adjustment and its payroll tax expense adjustment.

A. System Delivery Expense

9 **Q: What is a system delivery expense adjustment?**

10 A: A system delivery expense adjustment captures the increase or decrease in variable
11 operating expenses related to an increase or decrease in the amount of water sold
12 or processed and the number of customer billings. For Van Buren, these variable
13 costs include purchased water, purchased power, and postage expense.

1 **Q: What system delivery expense adjustment did Van Buren propose?**

2 A: As shown in Table MAS-3 above, Van Buren proposed a total system delivery
3 adjustment expense of \$2,466 consisting of increases to purchased water expense,
4 purchased power expense, and postage expense.

5 **Q: Do you accept Van Buren's proposed system delivery adjustment?**

6 A: No. Van Buren's system delivery adjustment only calculated the increase to
7 variable costs related to its proposed *residential* customer growth adjustment.
8 However, Van Buren also proposed a decrease to its *commercial* customer
9 operating revenues and the effect of this adjustment also needs to be considered in
10 the system delivery adjustment.

11 **Q: What system delivery adjustment do you recommend?**

12 A: I recommend a net decrease to operating expenses of \$8,011, consisting of a
13 decrease to purchased water expense of \$7,802, a decrease of \$261 to purchased
14 power expense, and an increase to postage expense of \$52.⁸

15 **Q: How did you calculate your system delivery adjustment for purchased water
16 and purchased power expense?**

17 A: I calculated my system delivery adjustment for purchased water and purchased
18 power expense on a cost per gallon basis. I determined the *pro forma* cost per gallon
19 for each by dividing *pro forma* expense by total test year sales.⁹ I then multiplied
20 this cost by the total reduction in gallons (2,229, 831) resulting from Van Buren's
21 proposed customer growth normalization adjustments. This resulted in a decrease
22 to purchased water of \$7,802 and a decrease to purchased power of \$261.

⁸ See OUCC Attachment MAS-1, Schedule 6, Adjustment No. 1.

⁹ See OUCC Attachment MAS-4 –Van Buren 2023 Billing Report provided to OUCC during on-site accounting review and Page W-6 from Applicant's 2023 Annual Report to the Commission.

1 **Q: How did you calculate your system delivery adjustment for postage expense?**

2 A: To determine the increase in postage expense I multiplied the net increase in
3 customer billings by the average cost per billing during the test year (\$0.34) to
4 establish that an additional \$52 in postage expense would result from Van Buren's
5 proposed revenue normalization adjustments.

B. Payroll Tax Expense

6 **Q: What payroll tax expense adjustment did Van Buren propose?**

7 A: Van Buren proposed an increase to test year *pro forma* operating expenses to reflect
8 \$5,864 of additional payroll tax expense.

9 **Q: Do you accept Van Buren's proposed payroll tax expense adjustment?**

10 A: No. Van Buren's payroll tax expense adjustment assumed there were no payroll tax
11 expenses recorded during the test year. However, \$5,463 of payroll tax expense was
12 recorded during the test year.¹⁰ To determine the proper adjustment, Van Buren's
13 *pro forma* payroll tax expense should be reduced by the amount of test year payroll
14 tax expense.

15 **Q: What payroll tax expense adjustment do you propose?**

16 A: I propose an increase of \$401 to test year payroll tax expense of \$5,463, resulting
17 in *pro forma* payroll tax expense of \$5,864.¹¹

¹⁰ See OUCC Workpaper MAS-C – Test year trial balance.

¹¹ See OUCC Attachment MAS-1, Schedule 6, Adjustment No. 3.

C. Capitalization of Flush Hydrant Costs

1 **Q: Do you recommend any additional adjustments to Van Buren's *pro forma***
 2 **operating expenses?**

3 A: Yes. In addition to my proposed adjustments to payroll tax expense and system
 4 delivery expenses, I recommend a reduction to test year operating expenses to
 5 capitalize the cost of a replaced flush hydrant.

6 **Q: Please explain your adjustment to capitalize flush hydrant costs incurred**
 7 **during the test year.**

8 A: On September 11, 2023, Van Buren purchased a flush hydrant, including
 9 appurtenances, from Utility Supply at a total cost of \$3,332.¹² This transaction was
 10 recorded as an operating expense to Account No. 6006 "Vendor Materials" rather
 11 than as an addition to Applicants utility plant in service. Therefore, I recommend
 12 the cost of this hydrant be removed from test year *pro forma* operating expenses.¹³
 13 Table MAS-4 shows the general ledger transaction for the purchase of this flush
 14 hydrant.

Table MAS-4: Test Year Hydrant Transaction¹⁴

Transaction					
Account	Date	Account Description	Debit	Credit	Comment
6006	09/11/2023	Vendor Materials	3,332.32	0.00	UTILITY 1455726/Supplies

¹² See OUCC Attachment MAS-5 – Utility Supply Invoice No. 1455726.

¹³ See OUCC Attachment MAS-1, Schedule 6, Adjustment No. 2.

¹⁴ See also OUCC Attachment MAS-6 – Van Buren's 2023 General Ledger provided in response to OUCC Data Request No. 1-1.

1 **Q: What level of operating expense do you recommend?**

2 A: I recommend *pro forma* operating expense of \$1,016,404. This is an increase of
3 \$22,538 to test year operating expenses of \$993,866.¹⁵

Table MAS-5: Expense Adjustment Comparison

	VBW	OUC	More (Less)
Salaries & Wages	\$ 18,480	\$ 18,480	\$ -
Payroll Taxes	5,864	401	(5,463)
System Delivery	2,466	(8,011)	(10,477)
Periodic Maintenance	15,000	15,000	-
Capitalize Hydrant	-	(3,332)	(3,332)
	<u>\$ 41,810</u>	<u>\$ 22,538</u>	<u>\$ (19,272)</u>

V. EXTENSIONS AND REPLACEMENTS

4 **Q: What extensions and replacements (“E&R”) revenue requirement did Van**
5 **Buren request?**

6 A: Van Buren requested an annual E&R revenue requirement of \$246,573. Van
7 Buren’s planned E&R expenditures includes four projects: (1) main replacements;
8 (2) meter replacements; (3) hydrant replacements; and (4) lead & copper – fill &
9 record. OUC witness Scott A. Bell addresses Van Buren’s extensions and
10 replacements request.

11 **Q: Does the OUC accept Van Buren’s proposed E&R revenue requirement?**

12 A: Yes. OUC witness Scott A. Bell discusses Van Buren’s proposed E&R revenue
13 requirement.

¹⁵ Total Operating expenses excludes depreciation expense.

VI. WORKING CAPITAL

1 **Q: What working capital revenue requirement did Van Buren request?**

2 A: Van Buren calculated a \$30,029 net working capital deficit, which it proposed to
3 recover over a three-year period or \$10,010 annually.

4 **Q: Do you agree with Van Buren's proposal?**

5 A: No. Van Buren did not include all cash on hand in its calculation and, therefore,
6 overstated its net working capital need. My calculation of working capital,
7 including all available cash on hand as of December 31, 2023, shows that Van
8 Buren currently has enough cash available to meet its working capital needs.¹⁶

9 **Q: How did you determine that Van Buren has sufficient cash on hand to meet its**
10 **working capital needs?**

11 A: Van Buren has cash in a checking account and a savings account. I reviewed the
12 cash balances in Van Buren's bank statements as of December 31, 2023 and
13 January 31, 2025.¹⁷ According to Van Buren, a portion of the funds in the savings
14 account are restricted.¹⁸ As shown in Table MAS-6, even after taking into
15 consideration its restricts funds, Van Buren has sufficient cash on hand to meet its
16 working capital needs.

¹⁶ See OUCC Attachment MAS-1, Schedule 8.

¹⁷ See OUCC Attachment MAS-7 – 2023 and 2024 Van Buren Bank Statements.

¹⁸ See OUCC Attachment MAS-8 – Applicants response to OUCC Data Request No. 1-5. Van Buren explained that it maintains a \$250,000 balance in its accounts so Peoples State Bank will be willing to fund its planned improvements. Therefore, \$250,000 of the balance in Van Buren's savings account is restricted and unavailable for working capital needs.

Table MAS-6: Van Buren - Cash Balance Comparison

Available Cash:	2023	2025
Cash and Cash Equivalents	\$ 41,503	\$ 39,295
Certificates of Deposit	448,323	302,834
Less: Restricted Portion	(250,000)	(250,000)
Net Available Cash on Hand	\$ 239,826	\$ 92,129

1 **Q: What level of working capital do you recommend?**

2 **A:** I recommend no working capital revenue requirement.

TABLE MAS-7: Working Capital Comparison

	Applicant	OUC	OUC More (Less)
Operation & Maintenance Expense	\$ 1,029,812	\$ 1,010,273	\$ (19,539)
Plus: Payroll Taxes	-	5,864	5,864
Less: Purchased Water	(443,456)	(433,366)	10,090
Purchased Power	(14,101)	(14,506)	(405)
Adjusted O&M Expense	572,255	568,265	(3,990)
Time 45 Day Factor	0.125	0.125	
<i>Pro Forma</i> Working Capital Revenue	71,532	71,033	(499)
Less: Cash on Hand	41,503	239,826	198,323
Net Working Capital Revenue Required	30,029	-	(30,029)
Divi Amortization Period (Years)	3	3	3
Annual Working Capital Revenue Requirement	\$ 10,010	\$ -	\$ (10,010)

VII. TAP FEE

3 **Q: What is Van Buren's current cost to connect a new customer to its system?**

4 **A:** Van Buren's current tap fee of \$1,465 was authorized in a 2015 thirty-day filing.


5 Costs have increased significantly since 2015, and Van Buren's tap fee no longer

6 covers the cost of connecting a new customer to its system. Based on Van Buren's

7 calculations, and as shown in the table below, the current cost to connect a new

1 customer to its system is \$2,300, an increase of \$835 per connection or
 2 approximately 57 %.¹⁹

Table MAS-8: Tap Fee Calculation

	 <u>2025</u>	<u>2015</u>	<u>Variance</u>	
Cost of Materials	\$1,375	\$ 750	\$ 625	83.33%
Install Costs Fixed	700	485	215	44.33%
Install Costs Variable	225	230	(5)	-2.17%
Total Tap Fee Cost	<u>\$2,300</u>	<u>\$1,465</u>	<u>\$ 835</u>	57.00%

3 **Q: Do you recommend Van Buren's tap fee be increased based on Van Buren's**
 4 **calculation?**

5 A: Yes. The proposed tap fee was calculated in substantially the same manner with the
 6 same assumptions as the fee authorized in 2015. I was able to verify the material
 7 and labor costs included in the calculation.

8 **Q: Have you recommended an adjustment to operating revenues to reflect the**
 9 **updated tap fee?**

10 A: Yes. As I discussed above in the *pro forma* operating revenues section, I
 11 recommend an adjustment to include the additional revenues Van Buren will collect
 12 on a going forward basis. This adjustment synchronizes tap fee revenues with the
 13 costs incurred to connect new customers.²⁰

14 **Q: Why is it preferable to update Van Buren's tap fee in this case?**

15 A: First, Van Buren's current tap fee does not recover \$17,535 of tap fee costs.
 16 Therefore, without an increase to Van Buren's tap fee, \$17,535 of costs incurred
 17 during the test year will be included in Van Buren's revenue requirement and paid

¹⁹ See OUCC Attachment MAS-3 – Van Buren's Response to OUCC Data request No. 3-1.

²⁰ See OUCC Attachment MAS-1, Schedule 5, Adjustment No. 2.

1 through higher water rates charged to all customers. Second, if the tap fee is updated
2 *after* this case, Van Buren would be allowed to charge these excess costs twice,
3 once through increased water rates and then again through the updated tap fee.
4 Third, by addressing this issue as part of this case, the total rate increase proposed
5 will be reduced, thereby making rates more affordable for Van Buren's customers.
6 Finally, it is more efficient to address the tap fee as a part of this case rather than to
7 require Van Buren to submit an additional, separate filing to update its tap fee.

8 **Q: Is there a consequence of not updating Van Buren's tap fee in this case?**

9 A: Yes. The excess costs associated with connecting new customers are included in
10 Van Buren's proposed test year operating expenses. If not addressed, existing
11 customers will be subsidizing the cost of connecting new customers to the system.
12 Authorizing an increase to Van Buren's tap fee as a part of this case provides a
13 means to eliminate any subsidization through an adjustment that synchronizes tap
14 fee revenues with tap fee costs. Also, if the tap fee is increased between rate cases
15 through a thirty-day filing, the increased revenues associated with a higher tap fee
16 does not result in a decrease in general operating revenues resulting in double
17 recovery.

18 **Q: What is your recommendation?**

19 A: I recommend Van Buren be directed to increase its tap fee to \$2,300.

VIII. RECOMMENDATIONS

20 **Q: Please summarize your recommendations to the Commission.**

21 A: I recommend the Commission accept my adjustments to revenues and expenses as
22 set forth above. I recommend the Commission approve a 33.76% increase to Van

1 Buren's rates to produce an additional \$316,515 of operating revenue per year. I
2 also recommend the Commission approve an increase of \$835 to Van Buren's
3 current \$1,465 tap fee resulting in a \$2,300 tap fee per EDU.

4 **Q: Does this conclude your testimony?**

5 A: Yes.

APPENDIX A - QUALIFICATIONS

1 **Q: Please describe your educational background and experience.**

2 A: I graduated from the University of Houston at Clear Lake City in August 1982 with
3 a Bachelor of Science degree in Accounting. From 1982 to 1985, I held the position
4 of Gas Pipeline Accountant at Seagull Energy in Houston, Texas. From 1985 to
5 2001, I worked for Enron in various positions of increasing responsibility and
6 authority. I began in gas pipeline accounting, was promoted to a position in
7 financial reporting and planning for both the gas pipeline group and the
8 international group and finally was promoted to a position providing accounting
9 support for infrastructure projects in Central and South America. In 2002, I moved
10 to Indiana, where I held non-utility accounting positions in Indianapolis. In August
11 2003, I accepted a utility analyst position with the OUCC. I was promoted to Senior
12 Utility Analyst in 2011. In 2018, I was promoted to my current position as Chief
13 Technical Advisor.

14 Since joining the OUCC I have attended the National Association of
15 Regulatory Utility Commissioners ("NARUC") Eastern Utility Rate School in
16 Clearwater Beach, Florida, and the Institute of Public Utilities' Advanced
17 Regulatory Studies Program in East Lansing, Michigan. I have also attended several
18 American Water Works Association and Indiana Rural Water Association
19 conferences as well as the National Association of Utility Consumer Advocates
20 ("NASUCA") Water Committee Forums. I have been a member of the NASUCA

1 Water Committee and the NASUCA Tax and Accounting Committees and served
2 as chair for the Tax and Accounting Committee from 2016 – 2021.

3 **Q: Have you previously testified before the Indiana Utility Regulatory**
4 **Commission?**

5 A: Yes. I have testified before the Commission as an accounting witness in various
6 causes involving water, wastewater, electric, and gas utilities.

7 **Q: Have you held any professional licenses?**

8 A: Yes. I passed the CPA exam in 1984 and was licensed as a CPA in the State of
9 Texas until I moved to Indiana in 2002.

APPENDIX B – ATTACHMENTS AND WORKPAPERS

OUCG Attachment MAS-1 – OUCG Rate Schedules

OUCG Attachment MAS-2 – Calculation of Taylor Concrete refund for the period 2004 through 2023.

OUCG Attachment MAS-3 – Van Buren response to OUCG Data Request No. 3-1 regarding current tap fee costs.

OUCG Attachment MAS-4 – Van Buren 2023 Billing Report provided to OUCG during on-site accounting review regarding test year billing determinants and Page W-6 of Van Buren's 2023 Annual Report to the Commission.

OUCG Attachment MAS-5 – Utility Supply invoice for flush hydrant and appurtenances.

OUCG Attachment MAS-6 – Van Buren 2023 General Ledger (submitted electronically)

OUCG Attachment MAS-7 – Van Buren 2023 and 2025 bank statements.

OUCG Attachment MAS-8 – Van Buren response to OUCG Data Request No. 1-5 regarding restricted cash balances.

OUCG Workpaper MAS-A – Reclassified 2023 Income Statement

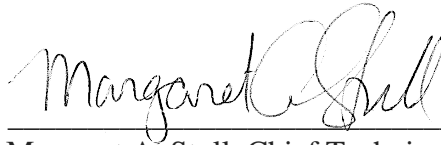
OUCG Workpaper MAS-B – Test Year Trial Balance

OUCG Workpaper MAS-B-1 – Income Statement Trial Balance

OUCG Workpaper MAS-B-2 – Balance Sheet Trial Balance

AFFIRMATION

I affirm the representations I made in the foregoing testimony are true to the best of my knowledge, information, and belief.

A handwritten signature in cursive script, reading "Margaret A. Stull", written in black ink.

By: Margaret A. Stull, Chief Technical Advisor

Cause No. 46185-U

Office of Utility Consumer Counselor (OUCC)

Date: April 14, 2025

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

**Comparison of Petitioner's and OUCC's
Revenue Requirements**

	<u>Per Petitioner</u>	<u>Per OUCC</u>	<u>Sch Ref</u>	<u>OUCC More (Less)</u>
1 Operating Expenses	\$ 1,035,676	\$ 1,016,404	4	\$ (19,272)
2 Extensions and Replacements	246,573	246,573	7	-
3 Working Capital	10,010	-	8	(10,010)
4 Debt Service	52,647	67,600	SD	14,953
5 Debt Service Reserve	-	-		-
6 Total Revenue Requirements	1,344,906	1,330,577		(14,329)
7 Revenue Requirement Offsets:				
8 Interest Income	(19,600)	(19,600)	3	-
9 Tap Fees	(30,765)	(48,300)	4	(17,535)
10 Reconnections	(3,450)	(3,450)	4	-
11 Late Fees	(4,496)	-		4,496
12 Other Revenues	(5,623)	(5,623)	4	-
13 Net Revenue Requirements	1,280,972	1,253,604		(27,368)
14 Less: Revenues at current rates subject to increase	(923,340)	(937,564)	4	(14,224)
15 Net Revenue Increase Required	357,632	316,040		(41,592)
16 Add: Additional IURC Fees	537	475		(62)
17 Recommended Increase	<u>\$ 358,169</u>	<u>\$ 316,515</u>		<u>\$ (41,654)</u>
18 Recommended Percentage Increase	<u>38.79%</u>	<u>33.76%</u>		<u>-5.03%</u>

<u>Current Rate for 4,000 Gallons</u>	<u>Proposed</u>		<u>OUCC More (Less)</u>
	<u>Petitioner</u>	<u>OUCC</u>	
Current Rate = \$31.60	\$ 43.86	\$ 42.27	\$ (1.59)

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

Reconciliation of Net Operating Income Statement Adjustments

Pro-forma Present Rates

	<u>Per Petitioner</u>	<u>Per OUCC</u>	<u>OUCC More (Less)</u>
1 Operating Revenues			
2 Residential normalization	\$ 5,330	\$ 5,330	\$ -
3 Commercial normalization	(15,121)	(15,121)	-
4 Customer Refund	-	9,728	9,728
	-	17,535	17,535
5 Total Operating Revenues	<u>(9,791)</u>	<u>17,472</u>	<u>27,263</u>
6 O&M Expense			
7 Salaries and Wages - Add PT Employee	18,480	18,480	-
8 Payroll Taxes	5,864	401	(5,463)
9 System Delivery	2,466	(8,011)	(10,477)
10 Periodic Maintenance (tank painting)	15,000	15,000	-
11 Capitalization of Hydrant	-	(3,332)	(3,332)
12 Total Operating Expenses	<u>41,810</u>	<u>22,538</u>	<u>(19,272)</u>
13 Net Operating Income	<u>\$ (51,601)</u>	<u>\$ (5,066)</u>	<u>\$ 46,535</u>

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

COMPARATIVE BALANCE SHEET
As of December 31,

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Utility Plant:			
Utility Plant in Service	\$ 6,692,224	\$ 6,640,499	\$ 6,370,549
Less: Accumulated Depreciation	(3,680,224)	(3,513,544)	(3,350,646)
Net Utility Plant in Service	<u>3,012,000</u>	<u>3,126,955</u>	<u>3,019,903</u>
Other Investments			
Certificates of deposit	448,323	471,811	502,300
Current Assets:			
Cash and Cash Equivalents	41,503	106,788	168,917
Customer Accounts Receivable	72,759	59,462	48,345
Materials and Supplies	20,000	20,000	20,000
Other Current Assets	-	-	-
Total Current Assets	<u>134,262</u>	<u>186,250</u>	<u>237,262</u>
Total Assets	<u><u>\$ 3,594,585</u></u>	<u><u>\$ 3,785,016</u></u>	<u><u>\$ 3,759,465</u></u>
<u>LIABILITIES</u>			
Equity			
Retained Earnings	\$ 1,927,706	\$ 2,113,756	\$ 2,137,787
Paid in Capital	-	-	-
Total Equity	<u>1,927,706</u>	<u>2,113,756</u>	<u>2,137,787</u>
Contributions in Aid of Construction			
Contributions in Aid of Construction, net	1,164,773	1,164,773	1,164,773
Accumulated Amortization of CIAC	-	-	-
Net Contributions-in-aid of Construction	<u>1,164,773</u>	<u>1,164,773</u>	<u>1,164,773</u>
Long-term Debt			
Note Payable	352,069	361,771	310,970
Current Liabilities			
Accounts Payable	3,954	1,824	4,173
Customer Deposits	139,081	137,156	136,026
Accrued Taxes Payable	7,002	5,736	5,736
Other Current Liabilities	-	-	-
Total Current Liabilities	<u>150,037</u>	<u>144,716</u>	<u>145,935</u>
Total Liabilities	<u><u>\$ 3,594,585</u></u>	<u><u>\$ 3,785,016</u></u>	<u><u>\$ 3,759,465</u></u>

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

COMPARATIVE INCOME STATEMENT
Twelve Months Ended December 31,

	<u>2,023</u>	<u>2022</u>	<u>2021</u>
Operating Revenues			
Water Sales			
Residential	870,967	\$ 853,102	\$ 792,138
Commercial	62,164	82,342	33,006
Late Payment Fees	4,700	5,430	3,640
Other Water Revenues	39,634	41,439	31,315
Total Operating Revenues	<u>977,465</u>	<u>982,313</u>	<u>860,099</u>
Operating Expenses			
Salaries and Wages	58,170	38,047	38,617
Salaries and Wages - Directors	55,500	9,000	43,200
Employee Benefits	-	-	-
Purchased Water	441,168	376,388	318,574
Purchased Power	14,767	11,073	11,213
Chemicals	-	-	-
Materials and Supplies	55,004	-	-
Contractual Services			
Accounting	29,400	9,300	9,300
Engineering	450	-	-
Legal	9,600	9,300	9,300
Management Fees	157,754	134,986	131,051
Testing	-	-	-
Other	81,746	-	-
Rental of Building/Real Property	-	-	-
Rental of Equipment	-	-	-
Transportation Expense	-	-	-
Insurance	14,502	11,785	13,171
Advertising Expense	-	-	-
Rate Case Expense	-	-	-
Bad Debt Expense	-	-	-
Miscellaneous Expense	70,075	224,347	187,233
Total O&M Expense	<u>\$ 988,136</u>	<u>\$ 824,226</u>	<u>\$ 761,659</u>

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

COMPARATIVE INCOME STATEMENT
Twelve Months Ended December 31,

	<u>2,023</u>	<u>2022</u>	<u>2021</u>
Depreciation Expense	\$ 166,680	\$ 162,898	\$ 143,838
Amortization Expense			
Taxes Other than Income			
Payroll Taxes	5,463	-	-
Property Taxes	267	-	-
Total Operating Expenses	<u>1,160,546</u>	<u>987,124</u>	<u>905,497</u>
Net Of Net Operating Income	(183,081)	(4,811)	(45,398)
Other Income (Expense)			
Interest Income	19,600	-	-
Gain (Loss) on Sale of Assets	-	-	-
Revenue from Jobbing	-	-	12,595
Non-Utility Income	-	-	-
Total Other Income (Expenses)	<u>19,600</u>	<u>-</u>	<u>12,595</u>
Interest Expenses			
Interest Expense	22,569	19,220	2,209
Amortization of Debt Discount	-	-	-
amortization of Debt Premium	-	-	-
Total Interest Expense	<u>22,569</u>	<u>19,220</u>	<u>2,209</u>
Net Income	<u><u>\$ (186,050)</u></u>	<u><u>\$ (24,031)</u></u>	<u><u>\$ (35,012)</u></u>

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

***Pro Forma* Net Operating Income Statement**

	Test Year Ended 12/31/2023	Adjustments	Sch Ref	<i>Pro Forma</i> Present Rates	Adjustments	Sch Ref	<i>Pro Forma</i> Proposed Rates
1 Operating Revenues							
2 Water Sales							
3 Residential	\$ 870,967	\$ 5,330	APP	\$ 876,297	\$ 295,832		\$ 1,172,129
4 Commercial	62,164	(15,121)	APP	56,771	19,165		75,936
5 Taylor Concrete Refund		9,728	5-1				
6 Late Payment Fees	4,496			4,496	1,518		6,014
7 Other Operating Revenues							
8 Tap Fee Revenues	30,765	17,535	5-2	48,300			48,300
9 Reconnections	3,450			3,450			3,450
10 Other	5,623			5,623			5,623
11 Total Operating Revenues	<u>977,465</u>	<u>17,472</u>		<u>994,937</u>	<u>316,515</u>	1	<u>1,311,452</u>
12 O&M Expense							
13 Salaries and Wages	58,170	18,480	APP	76,650			76,650
14 Salaries and Wages - Directors	55,500			55,500			55,500
15 Employee Benefits	-			-			-
16 Purchased Water	441,168	(7,802)	6-1	433,366			433,366
17 Purchased Power	14,767	(261)	6-1	14,506			14,506
18 Materials and Supplies	55,004	(3,332)	6-2	51,672			51,672
19 Contractual Services							
20 Accounting	29,400			29,400			29,400
21 Engineering	450			450			450
22 Legal	9,600			9,600			9,600
23 Management Fees	157,754			157,754			157,754
24 Testing	-			-			-
25 Other Contractual Services	81,746			81,746			81,746
26 Tank Maintenance Contract	-	15,000	APP	15,000			15,000
27 Insurance	14,502			14,502			14,502
28 Miscellaneous Expense	70,075			70,127	475	1	70,602
29 System Delivery Adjustment		52	6-1				
30 Depreciation Expense	166,680			166,680			166,680
31 Amortization Expense	-			-			-
32 Taxes Other than Income							
33 Payroll Taxes	5,463	401	6-3	5,864			5,864
34 Property Taxes	267			267			267
35 Total Operating Expenses	<u>1,160,546</u>	<u>22,538</u>		<u>1,183,084</u>	<u>475</u>		<u>1,183,559</u>
36 Net Operating Income	<u>\$ (183,081)</u>	<u>\$ (5,066)</u>		<u>\$ (188,147)</u>	<u>\$ 316,040</u>		<u>\$ 127,893</u>

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

OUCC Revenue Adjustments

(1)

Customer Refund

To reduce test year adjustment to water revenues for the amount related to prior years (2004 - 2022).

Total refund recorded during the test year	\$ 10,083
Less: Portion Attributable to 2023	<u>(355)</u>
Portion of refund related to 2004 - 2022 revenues	<u>\$ 9,728</u>

Adjustment Increase (Decrease) \$ 9,728

(2)

Tap Fee Revenues

To increase tap fee revenues to reflect current costs to connect a customer to the system.

Current costs to connect new customer	\$ 2,300	\$ 835
Times: Number of Test Year Connections	<u>21</u>	17535
Pro forma Tap Fee Revenue	48,300	
Less: Test Year Tap Fee Revenues	<u>(30,765)</u>	

Adjustment Increase (Decrease) \$ 17,535

Test Year Tap Fee Revenues	30,765
Divided by Current Tap Fee	<u>1,465</u>
Number of Test Year Connections	<u>21.0</u>

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

OUCC Expense Adjustments

(1)

System Delivery Adjustment

To adjust variable operating expenses due to revenue normalization adjustments.

	Purchased Water	Purchased Power	Total
Variable Production Costs	\$ 441,168	\$ 14,767	\$ 455,935
Divided by Test Year Water Sales (W-6, 2023 IURC Report)	126,093,554	126,093,554	126,093,554
Variable Production Cost per Gallon	0.003499	0.000117	0.003616
Times Decreased Sales Volumes	(2,229,831)	(2,229,831)	(2,229,831)
Total Decreased Variable Production Costs	\$ (7,802)	\$ (261)	\$ (8,063)
Test Year Postage Costs	\$ 10,180		
Divided by Total Test Year Billings	29,690		
Postage Cost per Billing		\$ 0.34	
Times: Increased Billings		154	
Increased Postage Costs			\$ 52
Adjustment Increase (Decrease)			<u>\$ (8,011)</u>

Increase/Decrease in Sales Volumes:

<u>Residential Sales</u>	Residential	Commercial	Total
Test Year Sales Volumes	114,057,164	12,036,390	
Divided by Test Year Billings	29,579	111	
Average Sales Volume per Billing	3,856.02	108,435.95	
Times: Increase in Billings	181	(27)	
Net Decrease in Sales Volumes	697,940	(2,927,771)	(2,229,831)

(2)
Capital Costs

Adjustment Increase (Decrease)	\$ 3,332
---------------------------------------	-----------------

<i>Pro forma</i> Payroll Expense	(per Petitioner)	\$	76,650
Times: Payroll Tax Rate			<u>7.65%</u>
Pro forma Payroll Tax Expense	(per Petitioner)	\$	5,864
Less: Test Year Payroll Tax Expense			<u>(5,463)</u>
Adjustment Increase (Decrease)			<u>\$ 401</u>

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

Extensions and Replacements

Not applicable as the OUCC accepts Applicant's proposed extensions and replacements.

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

Working Capital

	Applicant	OUCC	OUCC More (Less)
1 Operation & Maintenance Expense	\$ 1,029,812	\$ 1,010,273	\$ (19,539)
2 Plus: Payroll Taxes	-	5,864	5,864
3 Less: Purchased Water	(443,456)	(433,366)	10,090
4 Purchased Power	(14,101)	(14,506)	(405)
5 Adjusted Operation & Maintenance Expense	572,255	568,265	(3,990)
6 Times: 45 Day Factor	0.125	0.125	
7 <i>Pro Forma</i> Working Capital Revenue Requirement	71,532	71,033	(499)
8 Less: Cash on Hand	41,503	239,826	198,323
9 Net Working Capital Revenue Requirement	30,029	-	(30,029)
10 Divide by: Amortization Period (Years)	3	3	3
11 Annual Working Capital Revenue Requirement	\$ 10,010	\$ -	\$ (10,010)
12 Available Cash:	2023	2024	
13 Cash and Cash Equivalents	\$ 41,503	\$ 39,295	
14 Certificates of Deposit	448,323	302,834	
15 Less: Restricted Portion	(250,000)	(250,000)	
16 Net Available Cash on Hand	239,826	92,129	

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

Please see testimony of OUCC witness Shawn Dellinger
for the OUCC's recommendations regarding debt service.

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

Debt Service Reserve

Not Applicable. Applicant did not request a debt service reserve revenue requirement.

Van Buren Water, Inc.
CAUSE NUMBER 46185-U

Current and Proposed Rates and Charges

	<u>Current</u>	<u>Water Tracker</u>	<u>Adjusted Current</u>	<u>Petitioner Proposed</u>	<u>OUCG Proposed</u>	<u>OUCG More (Less)</u>
<u>Metered Water Rates</u>						
First 5,000 Gallons	\$ 6.63	\$ 1.27	\$ 7.90	\$ 10.96	\$ 10.57	\$ (0.40)
Next 5,000 Gallons	5.91	1.27	7.18	9.97	7.18	(2.79)
Next 15,000 Gallons	5.02	1.27	6.29	8.73	6.29	(2.44)
Over 25,000 Gallons	4.12	1.27	5.39	7.48	5.39	(2.09)

YEAR	5/8 RATE	AMOUNT	1" RATE	AMOUNT	DIFFERENCE
2004	\$8.90	\$106.80	\$41.90	\$502.80	\$396.00
2005	\$8.90	\$106.80	\$41.90	\$502.80	\$396.00
2006	\$8.90	\$106.80	\$41.90	\$502.80	\$396.00
2007	\$8.90	\$106.80	\$41.90	\$502.80	\$396.00
2008	\$8.90	\$106.80	\$41.90	\$502.80	\$396.00
2009	\$8.90	\$106.80	\$41.90	\$502.80	\$396.00
2010	\$8.90	\$106.80	\$41.90	\$502.80	\$396.00
2011	\$10.31	\$123.72	\$48.55	\$582.60	\$458.88
2012	\$11.22	\$134.64	\$53.05	\$636.60	\$501.96
2013	\$11.22	\$134.64	\$53.05	\$636.60	\$501.96
2014	\$11.22	\$134.64	\$53.05	\$636.60	\$501.96
2015	\$13.26	\$159.12	\$62.70	\$752.40	\$593.28
2016	\$13.26	\$159.12	\$62.70	\$752.40	\$593.28
2017	\$14.26	\$171.12	\$67.70	\$812.40	\$641.28
2018	\$14.26	\$171.12	\$67.70	\$812.40	\$641.28
2019	\$14.26	\$171.12	\$67.70	\$812.40	\$641.28
2020	\$14	\$171.12	\$67.70	\$812.40	\$641.28
2021	\$14.26	\$171.12	\$67.70	\$812.40	\$641.28
2022	\$14.92	\$179.04	\$71.00	\$852.00	\$672.96
2023	\$14.92	\$74.60	\$71.00	\$355.00	\$280.40
TOTAL AMOUNT		\$2,702.72		\$12,785.80	\$10,083.08

Make check payable to
Taylor Concrete Services Inc

#103936
Taylor Concrete
Service Inc
c/o Scott Taylor
3526 S. Duncan Rd
Bloomington Ind

VAN BUREN WATER INC.
RESPONSE TO OUCC DATA REQUEST
CAUSE NO. 46185-U

OUCC Data Request Set No. 3

Emailed 4-1-2025

Q-3-1: Current Cost to connect a new customer (tap fee) to Van Buren Water Inc's water system.

See Separate Document titled:

1. Current cost of Tap Fee 3-31-2025 Van Buren Water cost worksheet(pdf and xls)
2. Non-Meter Materials
3. Meter \$310 per Meter when purchasing 144 meters@\$44,640
4. 2025 Exhibit B to the Operators Contract

Provided by Utility Supply Company (by Brandon Correll, Operator Clearwater)

and Witness by Todd Carpenter and Craig Koons

Van Buren Water, Inc.
4385 W State Road 45
Bloomington, IN 47403
812-824-9760

Description	Units	Price	Actual Cost
<u>Materials:</u>			
Plastic Pit 20x36	1	\$ 86.83	\$ 86.83
Vestal Cover	1	\$ 121.06	\$ 121.06
Copper Meter Yoke	1	\$ 399.87	\$ 399.87
Service Tubing	1	\$ 97.78	\$ 97.78
Hinged Saddle For PVC	1	\$ 94.69	\$ 94.69
Comp Corp Stop	1	\$ 137.48	\$ 137.48
Female Adapter	2	\$ 51.53	\$ 103.06
10 Ga Tracer Wire		\$ 23.58	\$ 23.58
Meter 5/8"	1	\$ 310.00	\$ 310.00
Total Materials (see attached Quotation)			\$ 1,374.35
<u>Install Costs:</u>			
<u>Install Costs Fixed:</u>			
Installation fee	1	\$ 575.00	\$ 575.00 *
Trenching \$3.00 per 25 feet	3	\$ 25.00	\$ 75.00 *
Yard Repair	1	\$ 50.00	\$ 50.00 *
Total Install Costs Fixed			\$ 700.00
<u>Install Costs Variable: Average(50% of the time there is a road-bore)</u>			
Add Road-Bore \$10 per 40 feet (Min charge)	40	\$ 10.00 \$ 400.00	\$ 200.00 *
2nd Yard Repair	1	\$ 50.00 \$ 50.00	\$ 25.00 *
Total Install Costs Fixed			\$ 225.00
Total			
Total Materials and Install Costs			\$ 2,299.35

* These rates are the contracted Van Buren Water, Inc. has only administrative employees and subcontracts out all of its outside operational work.

Van Buren Water, Inc.
4385 W State Road 45
Bloomington, IN 47403
812-824-9760

Engineering Minutes

The Board of Directors of Van Buren Water, Inc. proposes a change of tap fee from \$1,540 to \$2,300

The Board cites the increase in the cost of labor, automated meter reading equipment, and increased cost of other materials as the reason for the change.

Cost support for the change has been provided and attached.



UTILITY SUPPLY COMPANY
6310 SOUTH HARDING STREET
INDIANAPOLIS, IN 46217
US
1-317-783-4196

Order Number	
1545475	
Order Date	Page
03/25/2025 13:55:53	1 of 2

Quote Expires On: 04/04/2025

Bill To:

VAN BUREN WATER INC.
4385 WEST STATE ROAD 45
BLOOMINGTON, IN 47403
US

812-825-9760

Attn: ACCOUNTS PAYABLE

Customer ID: 101548

Ship To:

VAN BUREN WATER INC.
4385 WEST STATE ROAD 45
BLOOMINGTON, IN 47403
US

Requested By: BRANDON CORRELL

PO Number					Ship Route	Taker		
						TPELHAM		
Quantities					Item ID Item Description	Pricing UOM	Unit Price	Extended Price
Ordered	Allocated	Remaining	UOM Unit Size	Disp.		Unit Size		
1.00	0.00	1.00	EA		20X36H	EA	86.8300	86.83
				1.0	20X36 PLASTIC PIT	1.0		
1.00	0.00	1.00	EA		20VSR900	EA	121.0600	121.06
				1.0	20 VESTAL COVER S/N W/ FIG 8 HOLE	1.0		
1.00	0.00	1.00	EA		240B24104299008N	EA	399.8700	399.87
				1.0	5/8 X 3/4 X 18 MUELLER COPPER METER YOKE WITH 15 EXTENDED LEG WITH CHECK VALVE LLB	1.0		
1.00	0.00	1.00	EA		1CB2001CP	EA	97.7800	97.78
				1.0	1 X 100 CTS 250PSI SERVICE TUBING SDR9 #4710 BLUE	1.0		
1.00	0.00	1.00	EA		S13428-330	EA	94.6900	94.69
				1.0	4 X 1 CC HINGED SADDLE FOR PVC 4.50 OD	1.0		
1.00	0.00	1.00	EA		H15008-330N	EA	137.4800	137.48
				1.0	1 MUELLER CC X CTS COMP CORP STOP LLB	1.0		
1.00	0.00	1.00	EA		H15451-333N	EA	51.5300	51.53
				1.0	1 CTS MUELLER COMP X 3/4 FEMALE ADAPTER	1.0		
1.00	0.00	1.00	EA		10PEWIRE	EA	117.9200	117.92
				1.0	10 GAUGE TRACER WIRE POLY JACKET 500' COPPER CLAD BLUE	1.0		
1.00	0.00	1.00	EA		ED2B31RPWG11SG89	EA	350.0000	350.00
				1.0	METER 5/8X3/4 P/C R900i GALLON PIT WITH 6 FOOT ANTENNA	1.0		



UTILITY SUPPLY COMPANY
6310 SOUTH HARDING STREET
INDIANAPOLIS, IN 46217
US
1-317-783-4196

Order Number	
1545475	
Order Date	Page
03/25/2025 13:55:53	2 of 2

Quote Expires On: 04/04/2025

Quantities					Item ID	Pricing	Unit Price	Extended Price
Ordered	Allocated	Remaining	UOM	Disp.	Item Description	UOM		
			Unit Size			Unit Size		

Total Lines: 9

SUB-TOTAL: 1,457.16

TAX: 0.00

AMOUNT DUE: 1,457.16

U.S. Dollars



UTILITY SUPPLY COMPANY
6310 SOUTH HARDING STREET
INDIANAPOLIS, IN 46217
US
1-317-783-4196

Order Number	
1546040	
Order Date	Page
03/31/2025 10:51:12	1 of 1

Quote Expires On: 04/10/2025

Bill To:

VAN BUREN WATER INC.
4385 WEST STATE ROAD 45
BLOOMINGTON, IN 47403
US

812-825-9760

Attn: ACCOUNTS PAYABLE

Customer ID: 101548

Ship To:

VAN BUREN WATER METERS
221 N. SALE ST.
ELLETTSVILLE, IN 47429

Requested By: BRANDON CORRELL

PO Number					Ship Route	Taker		
2025 METERS						AMPELHAM		
Quantities					Item ID Item Description	Pricing UOM Unit Size	Unit Price	Extended Price
Ordered	Allocated	Remaining	UOM Unit Size	Disp.				
144.00	0.00	144.00	EA		ED2B31RPWG11SG89	EA	310.0000	44,640.00
				1.0	METER 5/8X3/4 P/C R900i GALLON PIT WITH 6 FOOT ANTENNA	1.0		

Total Lines: 1

SUB-TOTAL: 44,640.00

TAX: 0.00

AMOUNT DUE: 44,640.00

U.S. Dollars

2025 RATES

EXHIBIT B

New Meter Installation	\$ 575.00
Yard Repair	\$ 50.00
Meter Change Out	\$ 25.00

NORMAL BUSINESS HOURS

Manhour with service Truck (8:00 am to 5:00 pm Monday-Friday	\$ 100.00
Additional Laborer	\$ 90.00
Backhoe with Operator	\$ 125.00

OVERTIME RATES

Manhour with Service Truck	\$ 135.00
Additional Laborer	\$ 115.00
Backhoe with Operator	\$ 160.00

ADDITIONAL WORK

Road Bore Up to 2"	\$ 10.00 Foot
Trenching Up to 2"	\$3.00 Foot
Disconnects	\$ 30.00
Rock Removal Backhoe Mounted	\$ 160.00 Cubic Yd
Trac-Hoe	Rental Rate and Mobilization

2023

Water Sold PER VBW OFFICE:

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Water Sold-Gal. Residential	114,057,164	10,184,859	8,329,139	8,082,138	8,425,552	8,264,782	10,877,190	11,700,374	10,398,934	9,856,659	10,488,322	8,819,549	8,629,666
Water Sold-Gal. Commercial	12,036,390	349,880	387,260	448,010	517,890	2,028,040	1,574,690	1,399,100	849,200	1,145,190	1,167,930	1,139,900	1,029,300
Water Sold total	126,093,554	10,534,739	8,716,399	8,530,148	8,943,442	10,292,822	12,451,880	13,099,474	11,248,134	11,001,849	11,656,252	9,959,449	9,658,966
Rogers		62,190	79,710	164,120	146,480	1,772,700	999,250	779,640	400,860	667,900	697,780	749,080	576,050
		0	0	0	0	0	0	0	0	0	0	0	0
Summary AS PER VBW:	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Water Sold total	126,093,554	10,534,739	8,716,399	8,530,148	8,943,442	10,292,822	12,451,880	13,099,474	11,248,134	11,001,849	11,656,252	9,959,449	9,658,966
Water Purchased-Gal.	168,423,000	13,359,000	12,262,000	12,353,000	12,202,000	15,360,000	15,745,000	14,881,000	15,333,000	15,141,000	15,168,000	13,476,000	13,143,000
Water Loss as Percentage	25.1328%	21.1413%	28.9154%	30.9467%	26.7051%	32.9894%	20.9153%	11.9718%	26.6410%	27.3374%	23.1523%	26.0949%	26.5087%

Comparison of CBU vs VBW GAL. PURCHASES:

Water Purchased PER CBU:		Per City Water Bill												
(1 unit = 1000 GAL)		Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Units of water	33316 6"	-												
Units of water	33316 4"	79,537	6,841	5,945	4,992	4,824	7,643	7,848	7,256	7,316	7,309	6,849	6,370	6,344
Units of water	41485 4"	29,575	2,355	2,210	2,999	2,774	2,495	2,289	2,348	2,539	2,555	2,518	2,446	2,047
Units of water	46024 6"	10,381	492	595	715	774	823	1,177	937	1,043	886	1,322	586	1,031
Units of water	46901 4"	17,885	1,474	1,326	1,183	1,222	1,668	1,864	1,656	1,660	1,662	1,465	1,299	1,406
Units of water	54474 6"	31,045	2,197	2,186	2,464	2,608	2,731	2,567	2,684	2,775	2,729	3,014	2,775	2,315
Water Purchased-Gal.		168,423	13,359	12,262	12,353	12,202	15,360	15,745	14,881	15,333	15,141	15,168	13,476	13,143

Van Bure Water Inc
NAME OF UTILITY

YEAR OF REPORT
December 31, 2023

PUMPING AND PURCHASED WATER STATISTICS

INSTRUCTIONS: Enter Number "1" if the units of measurement are 100 cu. ft.or "2" if the units of measurement are 1,000 gallons: 2

(a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	WATER PUMPED FROM SOURCES OTHER THAN PURCHASED WATER (Omit 000's) (c)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [b+c] (d)	WATER SOLD TO CUSTOMERS (Omit 000's) (e)
January.....	13,359		13,359	10,535
February.....	12,262		12,262	8,716
March.....	12,353		12,353	8,530
April.....	12,202		12,202	8,943
May.....	15,360		15,360	10,293
June.....	15,745		15,745	12,452
July.....	14,881		14,881	13,100
August.....	15,333		15,333	11,248
September.....	15,141		15,141	11,002
October.....	15,168		15,168	11,656
November.....	13,476		13,476	9,959
December.....	13,143		13,143	9,659
Total for year.....	168,423		168,423	126,093
Total Non-revenue Water ((d)-(e))				42,330
Less: Backwash water				
Main flushing				
Street cleaning/sewer flushing				
Fire fighting				
Other Authorized consumption				
Water Loss				42,330
% Water Loss				25.13%
If real losses are greater than 10%, please explain efforts the utility has taken to mitigate losses (i.e., leak detection survey, meter replacement or calibration, AWWA Water Audit Completed). Leak detection survey				
Does the utility currently maintain a database that identifies when, where and why a main break occurred on the system, the estimated water lost and the cost of repair? Yes or No No				
If yes, please provide the number of main breaks that occurred during the year and the estimated lost water.				
If no, when does the utility plan to implement such a database? 12/31/2024				
Do water interconnections exist (Y/N)?	No	You may skip the table below		
Customer	Buy (B) or Sell (S)		Size of Connection (meter)	Contractual Availability (gallons) (Omit 000's)

INVOICE



UTILITY SUPPLY COMPANY

Branch: 01 USC INDY
6310 SOUTH HARDING STREET
INDIANAPOLIS, IN 46217
US

1-317-783-4196

INVOICE	
1455725	
Invoice Date	Page
9/11/2023 15:25:15	1 of 1
ORDER NUMBER	
1482635	

Bill To:

VAN BUREN WATER INC.
4385 WEST STATE ROAD 45
BLOOMINGTON, IN 47403
US

Ship To:

VAN BUREN WATER INC.
4385 WEST STATE ROAD 45
BLOOMINGTON, IN 47403
US

Attn: ACCOUNTS PAYABLE

Ordered By: BRANDON CORRELL

Customer ID: 101548

PO Number	Term Description	Net Due Date	Disc Due Date	Discount Amount
	Net 30 DAYS	10/11/2023	10/11/2023	0.00

Order Date	Pick Ticket No	Primary Salesrep Name	Taker
8/30/2023 14:58:07	1512793	BRIAN WALKER	AMPELHAM

Quantities					Item ID	Pricing UOM	Unit Price	Extended Price
Ordered	Shipped	Remaining	UOM Unit Size	Disp.	Item Description	Unit Size		

Carrier: SALESMAN'S TRUCK

Tracking #:

8.00	8.00	0.00	EA		240B24104299008N	EA	371.5000	2,972.00
			1.0		5/8 X 3/4 X 18 MUELLER COPPER METER	1.0000		
					YOKE			
					WITH 15 EXTENDED LEG WITH CHECK			
					VALVE LLB			

Contract Name: 1

Line Number: 1

Total Lines: 1

SUB-TOTAL: 2,972.00

TAX: 0.00

AMOUNT DUE: 2,972.00

A FINANCE CHARGE computed at a periodic rate of 1 1/2 % per month (18% ANNUAL PERCENTAGE RATE) is applied to PAST DUE ACCOUNTS OVER 30 DAYS.

ORIGINAL

INVOICE



UTILITY SUPPLY COMPANY

Branch: 01 USC INDY
6310 SOUTH HARDING STREET
INDIANAPOLIS, IN 46217
US

1-317-783-4196

INVOICE	
1455726	
Invoice Date	Page
9/11/2023 15:25:32	1 of 1
ORDER NUMBER	
1483043	

Bill To:

VAN BUREN WATER INC.
4385 WEST STATE ROAD 45
BLOOMINGTON, IN 47403
US

Ship To:

VAN BUREN WATER INC.
4385 WEST STATE ROAD 45
BLOOMINGTON, IN 47403
US

Attn: ACCOUNTS PAYABLE

Ordered By: BRANDON CORRELL

Customer ID: 101548

PO Number	Term Description	Net Due Date	Disc Due Date	Discount Amount
	Net 30 DAYS	10/11/2023	10/11/2023	0.00

Order Date	Pick Ticket No	Primary Salesrep Name	Taker
9/5/2023 13:49:53	1513752	BRIAN WALKER	AMPELHAM

Quantities					Item ID	Pricing UOM	Unit Price	Extended Price
Ordered	Shipped	Remaining	UOM Unit Size	Disp.	Item Description	Unit Size		

Carrier: SALESMAN'S TRUCK

Tracking #:

1.00	1.00	0.00	EA		A41143	EA	2,099.7800	2,099.78
				1.0	21/8 MUELLER HYD 4BURY 3SHOE L/ACC	1.0000		
1.00	1.00	0.00	EA		564SCI	EA	151.6900	151.69
				1.0	5-1/4 #564-S CI VALVE BOX W/LID 39 TO 48	1.0000		
1.00	1.00	0.00	EA		3MJGATE	EA	736.7700	736.77
				1.0	3 MJ R/W GATE VALVE L/ ACC OPEN LEFT	1.0000		
1.00	1.00	0.00	EA		3X12HC	EA	296.8800	296.88
				1.0	3 X 12" SWIVEL X SWIVEL HYDRANT ADAPTER	1.0000		
2.00	2.00	0.00	EA		3MJGAS	EA	7.8800	15.76
				1.0	3" M.J. GASKET	1.0000		
8.00	8.00	0.00	EA		5/8X5TB	EA	3.9300	31.44
				1.0	5/8 X 5 TEE HEAD BOLT AND NUT	1.0000		

Total Lines: 6

SUB-TOTAL: 3,332.32

TAX: 0.00

AMOUNT DUE: 3,332.32

A FINANCE CHARGE computed at a periodic rate of 1 1/2 % per month (18% ANNUAL PERCENTAGE RATE) is applied to PAST DUE ACCOUNTS OVER 30 DAYS.

ORIGINAL

*OUCC ATTACHMENT MAS-6
VBW 2023 GENERAL LEDGER
IS FILED AS AN EXCEL DOCUMENT
CAUSE NO. 46185-U*



RETURN SERVICE REQUESTED

VAN BUREN WATER INC
4385 W STATE ROAD 45
BLOOMINGTON IN 47403-5129

Statement Ending 12/29/2023

VAN BUREN WATER INC

Page 1 of 12

Customer Number:

Managing Your Accounts

	Main Branch	The Peoples State Bank
	Phone Number	812-876-2228
	Customer Service	812-876-2229
	Mailing Address	P.O. Box 128 Ellettsville, IN 47429
	Website	www.psbanywhere.com

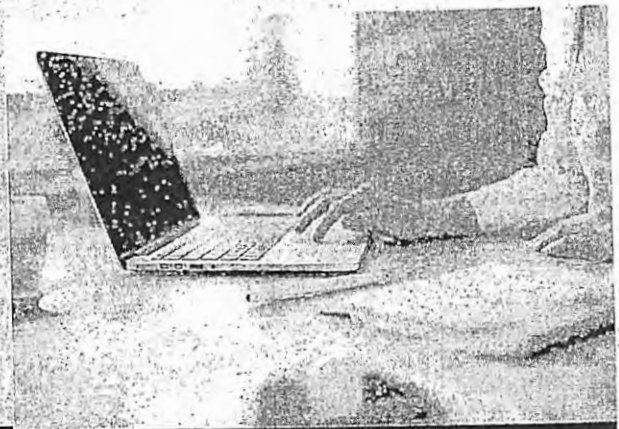
Access Your Accounts From Home or On-The-Go!

*We have many tools that allow you to
access your accounts and conduct most of
your banking transactions from home!*



These Include:

- > Online Banking
- > PSBAnywhere Mobile App
- > Mobile Deposit
- > Online Bill Pay
- > Telephone Banking



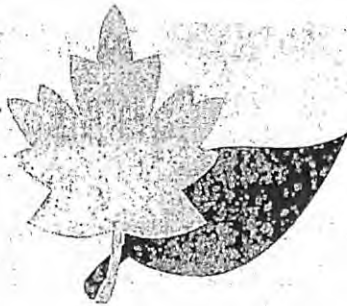
www.psbanywhere.com

Summary of Accounts

Managing your account at The Peoples State Bank has never been easier! You can check your account balances, transfer funds between your accounts, sign up for our Bill Pay service, and so much more using our Online Banking service.

Create an online account today by going to www.psbanywhere.com, finding the Online Banking box on the left hand side, and selecting Enroll.

Account Type	Account Number	Ending Balance
INT BEARING NON-PERS		\$42,173.81



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- Environmentally Friendly!
- Have access to your bank statements anywhere!

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INT BEARING NON-PERS-

Account Summary

Date	Description	Amount
12/01/2023	Beginning Balance	\$54,676.26
	71 Credit(s) This Period	\$79,176.88
	87 Debit(s) This Period	\$91,679.33
12/29/2023	Ending Balance	\$42,173.81

Interest Summary

Description	Amount
Interest Earned From 12/01/2023 Through 12/29/2023	
Annual Percentage Yield Earned	0.35%
Interest Days	29
Interest Earned	\$19.58
Interest Paid This Period	\$19.58
Interest Paid Year-to-Date	\$267.93
Minimum Balance	\$34,553.55
Average Ledger Balance	\$70,402.50



Statement Ending 12/29/2023

VAN BUREN WATER INC

Page 1 of 4

Customer Number:

RETURN SERVICE REQUESTED

VAN BUREN WATER INC
CRAIG KOONS
JASON Z CLARK
4385 W STATE ROAD 45
BLOOMINGTON IN 47403-5129

Managing Your Accounts

	Main Branch	The Peoples State Bank
	Phone Number	812-876-2228
	Customer Service	812-876-2229
	Mailing Address	P.O. Box 128 Ellettsville, IN 47429
	Website	www.psbanywhere.com

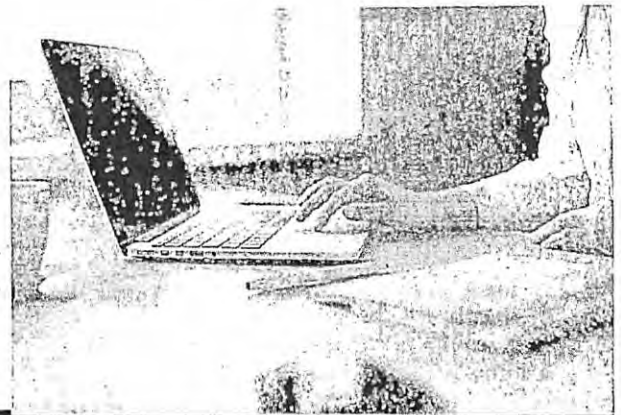
Access Your Accounts From Home or On-The-Go!

We have many tools that allow you to access your accounts and conduct most of your banking transactions from home!



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- > PSBAnywhere Mobile App
- > Mobile Deposit
- > Online Bill Pay
- > Telephone Banking



www.psbanywhere.com

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Account Type	Account Number	Ending Balance
REPO SWEEP ACCOUNT		\$448,323.41





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REPO SWEEP ACCOUNT

Account Summary

Date	Description	Amount
12/01/2023	Beginning Balance	\$446,900.94
	1 Credit(s) This Period	\$1,422.47
	0 Debit(s) This Period	\$0.00
12/29/2023	Ending Balance	\$448,323.41

Interest Summary

Description	Amount
Interest Earned From 12/01/2023 Through 12/29/2023	
Annual Percentage Yield Earned	4.08%
Interest Days	29
Interest Earned	\$1,422.47
Interest Paid This Period	\$1,422.47
Interest Paid Year-to-Date	\$17,421.61
Minimum Balance	\$446,900.94
Average Ledger Balance	\$446,900.94

Account Activity

Post Date	Description	Debits	Credits	Balance
12/01/2023	Beginning Balance			\$446,900.94
12/29/2023	INTEREST		\$1,422.47	\$448,323.41
12/29/2023	Ending Balance			\$448,323.41



RETURN SERVICE REQUESTED

VAN BUREN WATER INC
4385 W STATE ROAD 45
BLOOMINGTON IN 47403-5129

Statement Ending 01/31/2025

VAN BUREN WATER INC

Page 1 of 10

Customer Number:

Managing Your Accounts



Main Branch The Peoples State Bank



Phone Number 812-876-2228



Customer Service 812-876-2229



Mailing Address P.O. Box 128
Ellettsville, IN 47429



Website www.psbanywhere.com

Access Your Accounts From Home or On-The-Go!

*We have many tools that allow you to
access your accounts and conduct most of
your banking transactions from home!*



These Include:

- > Online Banking
- > PSBAnywhere Mobile App
- > Mobile Deposit
- > Online Bill Pay
- > Telephone Banking



www.psbanywhere.com

Summary of Accounts

Managing your account at The Peoples State Bank has never been easier! You can check your account balances, transfer funds between your accounts, sign up for our Bill Pay service, and so much more using our Online Banking service.

Create an online account today by going to www.psbanywhere.com, finding the Online Banking box on the left hand side, and selecting Enroll.

Account Type	Account Number	Ending Balance
INT BEARING NON-PERS		\$39,294.72

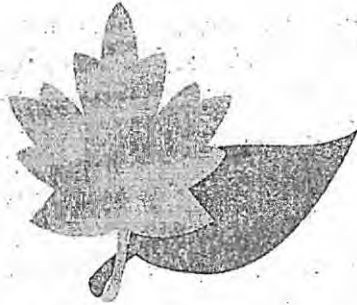


Statement Ending 01/31/2025

VAN BUREN WATER INC

Page 3 of 10

Customer Number:



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INT BEARING NON-PERS - 1

Account Summary

Date	Description	Amount
01/01/2025	Beginning Balance	\$114,360.02
	77 Credit(s) This Period	\$88,915.12
	78 Debit(s) This Period	\$163,980.42
01/31/2025	Ending Balance	\$39,294.72

Interest Summary

Description	Amount
Interest Earned From 01/01/2025 Through 01/31/2025	
Annual Percentage Yield Earned	0.35%
Interest Days	31
Interest Earned	\$24.90
Interest Paid This Period	\$24.90
Interest Paid Year-to-Date	\$24.90
Minimum Balance	\$32,095.61
Average Ledger Balance	\$83,781.39



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REPO SWEEP ACCOUNT -

Account Summary

Date	Description	Amount
01/01/2025	Beginning Balance	\$302,024.49
	1 Credit(s) This Period	\$809.07
	0 Debit(s) This Period	\$0.00
01/31/2025	Ending Balance	\$302,833.56

Interest Summary

Description	Amount
Interest Earned From 01/01/2025 Through 01/31/2025	
Annual Percentage Yield Earned	3.20%
Interest Days	31
Interest Earned	\$809.07
Interest Paid This Period	\$809.07
Interest Paid Year-to-Date	\$809.07
Minimum Balance	\$302,024.49
Average Ledger Balance	\$302,024.49

Account Activity

Post Date	Description	Debits	Credits	Balance
01/01/2025	Beginning Balance			\$302,024.49
01/31/2025	INTEREST		\$809.07	\$302,833.56
01/31/2025	Ending Balance			\$302,833.56

II. Data Request

Q-1-1: Please provide a copy of Applicant's general ledger for the period January – December 2023, in Excel format if available.

Q-1-2: Please provide a copy of Applicant's general ledger, in Excel format if available, for the period January – December 2024 or the most recent month available.

Q-1-3: Please provide a copy of Applicant's currently approved tariff, including any fees charged to customers for reconnections, bad checks, tap fees, etc.

Q-1-4: Please reference the "Schedule 2 Bal. Sh. – E+L" tab of the Application. Please answer the following questions regarding each note in the current year notes payable of \$352,069 as of 12/31/2023:

- a. Source of funding (who loaned the money).
- b. Original borrowing amount.
- c. Interest rate and whether interest is fixed or variable throughout the term of the note.
- d. Are payments the same amount every month during the term of the note? If yes, please state the monthly payment made. If no, please provide a 20-year debt amortization schedule showing the principal and interest payments to be made during the term of the note.
- e. Why is this note payable considered a current liability rather than a long-term debt?

Q-1-5: According to Applicant's 2023 IURC annual report, it has other investments of \$448,323 as of 12/31/2023.

- a. Please state whether these funds are restricted for a specific purpose or otherwise earmarked for a particular purpose.
- b. If restricted, please state the amount that is restricted and the purpose for which these funds are restricted.
- c. Does this investment(s) earn interest? Please explain.
- d. If the investment earns interest, please state the amount of interest income earned during the test year (2023) and how that interest was recorded to the general ledger.

Q-1-6: On the Case Summary Description page of its Application, Van Buren Water indicated that a Strategic & Capital Plan was developed. Please provide a copy of the Strategic & Capital Plan.

Q-1-7: On the Case Summary Description page of its Application, Van Buren Water indicated that "The plan enjoyed the successful completion of ten plus projects, including a water tank, and a meter replacement program." Please list all of the

Q-1-5:

- A. \$250,000 of these funds are restricted
- B. Lending institutions usually require a 1) 20% downpayment 2) DSC of 1.2 and 3) collateral to secure the loan. If we maintain \$250,000 in funds and DSC of 1.2, Peoples State Bank is willing to fund our improvements to the system.
- C. Yes, these monies are invested in an interest-bearing account at Peoples State Bank
- D. \$19,600.49 of interest income was earned and recorded in General ledger 7004 i

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

Q-1-6 & 7: See separate document titled:

Q-1-6 & 7 VBW - Capital Improvements Program 2016-2029

The Board of Directors meet annually to decide and update the above list. This meeting serves as our unwritten strategic plan by defining a path to follow. The written product is the attached list of Capital Improvements.

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

Q-1-8:

Van Buren Water Inc considered 10-11% water loss normal:

2024	27.54%
2023	25.13%
2022	11.29%
2021	12.69%
2020	10.64%

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

Q-1-9:

BFU Inc.

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

Q-1-10: Same loan as Q-1-4

- A. The Peoples State Bank
- B. October 28, 2022
- C. \$362,308

Q-1-5:

- A. \$250,000 of these funds are restricted
- B. Lending institutions usually require a 1) 20% downpayment 2) DSC of 1.2 and 3) collateral to secure the loan. If we maintain \$250,000 in funds and DSC of 1.2, Peoples State Bank is willing to fund our improvements to the system.
- C. Yes, these monies are invested in an interest-bearing account at Peoples State Bank
- D. \$19,600.49 of interest income was earned and recorded in General ledger 7004 i

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

Q-1-6 & 7: See separate document titled:

Q-1-6 & 7 VBW - Capital Improvements Program 2016-2029

The Board of Directors meet annually to decide and update the above list. This meeting serves as our unwritten strategic plan by defining a path to follow. The written product is the attached list of Capital Improvements.

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

Q-1-8:

Van Buren Water Inc considered 10-11% water loss normal:

2024	27.54%
2023	25.13%
2022	11.29%
2021	12.69%
2020	10.64%

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

Q-1-9:

BFU Inc.

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

Q-1-10: Same loan as Q-1-4

- A. The Peoples State Bank
- B. October 28, 2022
- C. \$362,308

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

APPLICATION OF VAN BUREN WATER,)	
INC. FOR A NEW SCHEDULE OF RATES)	
AND CHARGES FOR WATER SERVICE)	
AND REQUEST FOR FINANCING)	CAUSE NO. 46185-U
AUTHORIZATION)	

PUBLIC'S EXHIBIT NO. 2

TESTIMONY OF SHAWN DELLINGER

ON BEHALF OF

THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

April 14, 2025

TESTIMONY OF OUCC WITNESS SHAWN DELLINGER
CAUSE NO. 46185-U
VAN BUREN WATER INC.

I. INTRODUCTION

1 **Q: Please state your name and business address.**

2 A: My name is Shawn Dellinger, and my business address is 115 West Washington Street,
3 Suite 1500 South, Indianapolis, Indiana 46204.

4 **Q: By whom are you employed and in what capacity?**

5 A: I am employed by the Indiana Office of Utility Consumer Counselor (“OUCC”) as a Senior
6 Utility Analyst in the Water/Wastewater division. My focus is on financing and other
7 financial matters. My educational background and experience is set forth in Appendix A.

8 **Q: What is the purpose of your testimony?**

9 A: My testimony addresses financing issues in Van Buren Water Inc.’s (“Van Buren” or
10 “Applicant”) January 13, 2025 Application. These issues include debt authorization, debt
11 service revenue requirement, debt service reserve revenue requirement, and appropriate
12 true-up mechanisms. Van Buren proposes a debt authorization of \$310,000 to be used for
13 the repair of the Mt. Zion and Rockport Road Water Lines, retroactive approval of existing
14 debt for a water tower, a debt service revenue requirement of \$52,647, and a debt service
15 reserve revenue requirement of \$0.00.

16 **Q: What did you do to form the opinions in your testimony?**

17 A: I reviewed the Application, Applicant’s previous orders, and Applicant’s responses to
18 OUCC discovery questions.¹ I also spoke with Mr. Todd Carpenter, who is a consultant
19 for Van Buren, about the financing.

¹ Applicant’s relevant responses to OUCC discovery questions are included as OUCC Attachment SD-1.

1 **Q: If your testimony does not address a specific topic, issue, or item, should it be**
2 **construed to mean you agree with Petitioner's proposal?**

3 A: No. My silence on any issue should not be construed as an endorsement. Excluding any
4 specific issues regarding Petitioner's proposal from my testimony is not an indication of
5 approval. Rather, the scope of my testimony is limited to the specific items addressed.

II. DEBT AUTHORIZATION

6 **Q: Please describe Van Buren's requested debt in this cause.**

7 A: Van Buren requests authority to borrow \$310,000 to repair its Mt. Zion and Rockport Road
8 Water lines.² The anticipated terms are for 15 years at 7% interest with no required debt
9 service reserve. Van Buren also requests retroactive approval of an existing \$465,000 loan,
10 which closed on July 12, 2021 and was used to finance a water tower. The existing loan
11 was refinanced on October 28, 2022 in the amount of \$362,308. As of December 31, 2023
12 the balance was \$352,069. The terms of the existing loan are currently a 6.75% interest rate
13 and a remaining term of approximately 16 ½ years. Interest rates, and thus monthly
14 payments, are only fixed until November 1, 2031, at which point they will reset.³ This
15 means the payments are fixed through the life of these rates. This loan will also reset in
16 2036.

17 **Q: Do you support the request for \$310,000 for debt authorization to finance the repair**
18 **of the Mt. Zion and Rockport Road Water Lines?**

19 A: Yes.

² Van Buren lists its requested debt authority amount as \$315,000 in the case summary description tab and as \$310,000 in the schedule 9-Debt Service tab of the Application. I discussed this discrepancy with representatives of Van Buren, and they clarified Van Buren requests \$310,000 of debt authority.

³ The specifics are enumerated in section 4.D of the Promissory Note (OUCC Attachment SD-2). To summarize and simplify, the variable rate will be based on the average yield of the 5-year US Treasury, plus 2.75%, but in no case less than 4.625%.

1 **Q: Do you support the retroactive approval of the loan for the water tower?**

2 A: No. While I support setting rates that provide sufficient funds for Applicant to meet its debt
3 service obligations – including those related to the water tower loan – I do not support
4 retroactive approval of this loan. Granting retroactive approval accomplishes nothing
5 positive and, moreover, risks endorsing a practice that should be discouraged: entering into
6 long-term debt without prior Commission approval. Typically, to recommend approval of
7 debt, the OUCC would have reviewed the project for which the debt is to be incurred in
8 advance of its construction and found that it is a prudent use of funds. In this case, no such
9 review occurred, and as a result, the OUCC cannot assess whether the debt for the water
10 tower was appropriately incurred. Since Van Buren has already undertaken the debt, any
11 after-the-fact review would be somewhat meaningless. The OUCC does not suggest Van
12 Buren knowingly ignored the requirement for Commission approval of debt. I believe Van
13 Buren did not seek Commission approval prior to the debt issuance due to a lack of
14 awareness of a requirement, not because of an intentional avoidance of this prudence
15 review. Nonetheless, granting debt authority under these circumstances conveys a level of
16 scrutiny that did not occur.

III. DEBT SERVICE REVENUE REQUIREMENT

17 **Q: What is Van Buren's requested debt service revenue requirement?**

18 A: Van Buren requests a debt service revenue requirement of \$52,647.

19 **Q: What are the components of this debt service revenue requirement?**

20 A: Van Buren includes \$2,529.70 per month (or \$30,356 annually) for the water tower loan,
21 which has already existed for three years. Van Buren also requests \$2,786 per month (or
22 \$33,436 annually) for the proposed Mt. Zion/Rockport Water Line loan for years 2 and 3

1 of the life of these rates.

2 **Q: Do you agree with Van Buren's requested annual debt service of \$52,647?**

3 A: No. In calculating its annual debt service costs, Applicant has understated the annual cost
4 of the existing debt. Also, I do not I agree with Applicant's assumption of when the debt
5 service costs begin on the new loan, which will understate that cost during the life of the
6 rates.

7 **Q: What is the cost for the existing loan?**

8 A: This loan costs \$34,162.44 annually. This is verified by both Applicant's response to
9 OUCC Data Request 1-4⁴ and the promissory note, which was included as an attachment
10 to Van Buren's response to OUCC Data Request 1-10.⁵ This is higher than the \$30,356
11 requested in the application.

12 **Q: Please explain your disagreement with Applicant's assumption about the timing of**
13 **the new loan.**

14 A: For purposes of calculating its debt service revenue requirements for its new debt, Van
15 Buren assumes both that its rates will be in effect for three years and that it will not incur
16 any debt service costs on the new debt until Year 2. This can be seen in the relevant section
17 of the Sch 9 -Debt Service Tab of the Application inset below.

⁴ See OUCC Attachment SD-1.

⁵ See OUCC Attachment SD-2.

<i>Enter Description of Debt Below</i>	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Water Tower 2,529.70@PSB	\$30,356	\$30,356	\$30,356			\$91,068
\$2,529.70/Mo at PSB						
Repair Mt Zion&Rockport		33,436	33,436			66,872
\$2,786/Mo 310k 7%, 15Y						
260k+162.5k-310=112,500						
	\$30,356	\$63,792	\$63,792			\$157,940
Divide by: Proposed Life of Rates*						3
Average Annual Debt Service						\$52,647

Q: Does Van Buren intend to wait for one year after the order to incur the new debt?

A: No. Discussions with Van Buren's representatives indicate Van Buren does not intend to wait this long. Although the exact timing is unknown, and may be affected by seasonality, Van Buren may incur this debt shortly after the issuance of the order. Applicant's new debt service cost in Year 1 is likely going to be greater than zero. Therefore, Applicant's three year average of debt service costs for the new debt is understated.

Q: Does Van Buren's proposed revenue requirement for new debt create any other potential problems?

A: Yes. Unless Van Buren secures a new rate order by the end of Year 3, Van Buren will under-collect for debt service on the new loan until its next rate order is implemented. Because as proposed the collected revenue for the debt service revenue requirement would be less than the annual cost of debt in Years 2 and 3, it would be understated as well in Year 4 and thereafter.

Q: What is your proposal to address these concerns?

A: Van Buren's rates should reflect the full annual cost of both its existing and prospective debt. This will avoid any shortfall within the life of these rates and beyond. Although this may result in a short-term initial overcollection, a restricted account should be set up in which to place the anticipated cost of the new loan from the time of the order through the

1 date of issuance, and this balance should be used to reduce the ultimate borrowing. In that
2 event, ongoing debt service costs would be established through a true-up of rates.

3 **Q: What is your recommended debt service revenue requirement?**

4 A: I recommend an annual debt service revenue requirement of \$67,600.⁶ This reflects the
5 corrected \$34,162.44 annual cost of the existing loan and the projected \$33,436 annual cost
6 of the new loan.

7 **Q: Is there a debt service reserve revenue requirement?**

8 A: No. Van Buren did not request a payment to fund a debt service reserve, and that is
9 appropriate as none will be required.

IV. TRUE-UP

10 **Q: Should Applicant be required to true-up its proposed annual debt service once the**
11 **interest rates and actual borrowing amount on its proposed debt are known?**

12 A: Yes. The precise interest rates, borrowing amount and annual debt service will not be
13 known until Applicant's debt has been issued. Therefore, Applicant's rates should be trued-
14 up to reflect the actual cost of the debt. Applicant shall file a report within thirty days of
15 closing its debt issuance explaining the terms of the new loan and the actual balance
16 borrowed. The report should include a revised tariff, amortization schedule and a
17 calculation of the rate impact in a form similar to the OUCC's schedules to the best of the
18 Applicant's ability. Collection of revenues for the debt will be immediate with the
19 implementation of rates authorized by the order in this Cause. However, the debt may not
20 be issued promptly, and this would cause a misalignment of costs with revenues. Therefore,
21 if new debt is not issued within sixty days of the issuance of the order, an amount of \$2,786

⁶ Rounded from \$67,598.44.

1 should be placed in a restricted account monthly and used to reduce the ultimate borrowing.
2 If the borrowing has not taken place within two years of the final order, the amount in this
3 restricted fund should be refunded to ratepayers and the tariff adjusted to remove the debt
4 service revenue requirement.

5 **Q: How should disputes regarding Applicant's true up report be identified?**

6 A: The OUCC Should have twenty-one days to challenge Applicant's proposed true-up once
7 Applicant has served its proposed true-up to the OUCC. Applicant should similarly have
8 twenty-one days to file a response to the OUCC. Thereafter, the Commission should
9 resolve any issue raised through a process it deems appropriate. Any true-up report should
10 state the time frames for objections or responses.

11 **Q: Should there be any exceptions to the requirement for a true-up?**

12 A: Yes. The true-up need not be implemented if both parties state in writing to the Commission
13 that the increase or decrease indicated by the report need not occur.

V. OUCC RECOMMENDATIONS

14 **Q: Please summarize your recommendations to the Commission in this Cause.**

15 A: I recommend an annual debt service revenue requirement of \$67,600. I recommend a debt
16 authorization of \$310,000. I also recommend the establishment of a restricted fund for the
17 placement of \$2,786 monthly until such time as the new debt is issued as discussed above.
18 Finally, I recommend the true-up process as discussed above be implemented.

19 **Q: Does this conclude your testimony?**

20 A: Yes.

Appendix A

1 **Q: Please describe your educational background.**

2 A: I graduated from Indiana University with a degree in Biology, a minor in Economics and
3 a certificate from the Liberal Arts and Management Program (LAMP) which is an honors
4 certificate program through the Kelley School of Business and the College of Arts and
5 Sciences. I received my MBA from Indiana University with a concentration in finance. I
6 am a member of Phi Beta Kappa honor society for my undergraduate studies and Beta
7 Gamma Sigma honor society for my master's program. I have a certificate from Stanford
8 University for the Energy Innovation and Emerging Technologies Program. I am a certified
9 rate of a return analyst (CRRA designation) from the Society of Utility Regulatory
10 Financial Analysts. Although not specifically related to my educational background, I am
11 a member of Mensa.

12 **Q: Please describe your work experience.**

13 A: Upon graduating college, I moved to New York and worked at Grant's Interest Rate
14 Observer, which is a financial newsletter and Lebenthal and Co., which was a municipal
15 bond brokerage. I moved back to Indianapolis and worked at RCI Sales in Indianapolis,
16 which was a manufacturer's representative/distributor in commercial and institutional
17 construction. I became an owner and ultimately sold the company. I then worked at
18 Amazon as a financial analyst in its fulfillment division.

19 **Q: How long have you been at the OUCC?**

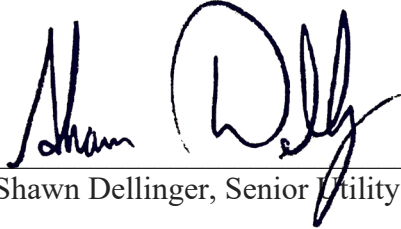
20 A: I started at the OUCC in the Water/Wastewater Division in December 2019 as a Utility
21 Analyst II and was promoted to a Senior Utility Analyst in May 2022. My focus is financial
22 issues, such as ROEs, Capital Structures, Debt Issuances, Cost of Debt, etc.

1 **Q: Have you previously testified before the Indiana Utility Regulatory Commission?**

2 **A:** Yes, I have testified before the Commission regarding various aspects of finance in
3 multiple cases.

AFFIRMATION

I affirm the representations I made in the foregoing testimony are true to the best of my knowledge, information, and belief.

A handwritten signature in black ink, appearing to read 'Shawn Dellinger', written over a horizontal line.

By: Shawn Dellinger, Senior Utility Analyst

Cause No. 46185-U

Office of Utility Consumer Counselor (OUCC)

Date: April 14, 2025

Q-1-4: Please reference the “Schedule 2 Bal. Sh. – E+L” tab of the Application. Please answer the following questions regarding each note in the current year notes payable of \$352,069 as of 12/31/2023:

- a. Source of funding (who loaned the money).
- b. Original borrowing amount.
- c. Interest rate and whether interest is fixed or variable throughout the term of the note.
- d. Are payments the same amount every month during the term of the note? If yes, please state the monthly payment made. If no, please provide a 20-year debt amortization schedule showing the principal and interest payments to be made during the term of the note.
- e. Why is this note payable considered a current liability rather than a long-term debt?

Q-1-4:

- A. The Peoples State Bank
- B. \$362,308
- C. 6.75% Fixed
- D. Monthly Payment amount is fixed. (the same amount)
- E. \$2,846.87
- F. The note is Long-term and incorrectly presented.

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

Q-1-5: According to Applicant's 2023 IURC annual report, it has other investments of \$448,323 as of 12/31/2023.

- a. Please state whether these funds are restricted for a specific purpose or otherwise earmarked for a particular purpose.
- b. If restricted, please state the amount that is restricted and the purpose for which these funds are restricted.
- c. Does this investment(s) earn interest? Please explain.
- d. If the investment earns interest, please state the amount of interest income earned during the test year (2023) and how that interest was recorded to the general ledger.

Q-1-5:

- A. \$250,000 of these funds are restricted
- B. Lending institutions usually require a 1) 20% downpayment 2) DSC of 1.2 and 3) collateral to secure the loan. If we maintain \$250,000 in funds and DSC of 1.2, Peoples State Bank is willing to fund our improvements to the system.
- C. Yes, these monies are invested in an interest-bearing account at Peoples State Bank
- D. \$19,600.49 of interest income was earned and recorded in General ledger 7004 i

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

LOAN NUMBER	LOAN NAME	ACCT. NUMBER	NOTE DATE	INITIALS
2820347197	VAN BUREN WATER INC.	121734	10/28/22	AB
NOTE AMOUNT	INDEX (w/Margin)	RATE	MATURITY DATE	LOAN PURPOSE
\$362,308.00	5 Year Treasury Index plus 2.750%	6.750%	11/01/41	Commercial

Creditor Use Only

PROMISSORY NOTE
(Commercial - Single Advance)

DATE AND PARTIES. The date of this Promissory Note (Note) is October 28, 2022. The parties and their addresses are:

LENDER:

THE PEOPLES STATE BANK
801 E Temperance St
PO Box 128
Ellettsville, IN 47429-0128
Telephone: (812) 876-2228

BORROWER:

VAN BUREN WATER INC.
an Indiana NON-PROFIT CORPORATION
4385 W STATE ROAD 45
BLOOMINGTON, IN 47403-5129

1. DEFINITIONS. As used in this Note, the terms have the following meanings:

- A. Pronouns.** The pronouns "I," "me," and "my" refer to each Borrower signing this Note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this Note. "You" and "Your" refer to the Lender, any participants or syndicators, successors and assigns, or any person or company that acquires an interest in the Loan.
- B. Note.** Note refers to this document, and any extensions, renewals, modifications and substitutions of this Note.
- C. Loan.** Loan refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction such as applications, security agreements, disclosures or notes, and this Note.
- D. Loan Documents.** Loan Documents refer to all the documents executed as a part of or in connection with the Loan.
- E. Property.** Property is any property, real, personal or intangible, that secures my performance of the obligations of this Loan.
- F. Percent.** Rates and rate change limitations are expressed as annualized percentages.
- G. Dollar Amounts.** All dollar amounts will be payable in lawful money of the United States of America.

2. REFINANCING. This Note will pay off the following described note(s):

Note Date	Note Number	Note Amount
July 12, 2021	# 2820347197	\$465,000.00

The remaining balance of the note listed in the table above is \$362,308.00.

3. PROMISE TO PAY. For value received, I promise to pay you or your order, at your address, or at such other location as you may designate, the principal sum of \$362,308.00 (Principal) plus interest from October 28, 2022 on the unpaid Principal balance until this Note matures or this obligation is accelerated.

4. INTEREST. Interest will accrue on the unpaid Principal balance of this Note at the rate of 6.750 percent (Interest Rate) until November 1, 2031, after which time it may change as described in the Variable Rate subsection.

A. Post-Maturity Interest. After maturity or acceleration, interest will accrue on the unpaid Principal balance of this Note at the Interest Rate in effect from time to time, until paid in full.

B. Maximum Interest Amount. Any amount assessed or collected as interest under the terms of this Note will be limited to the maximum lawful amount of interest allowed by applicable law. Amounts collected in excess of the maximum lawful amount will be applied first to the unpaid Principal balance. Any remainder will be refunded to me.

C. Accrual. Interest accrues using an Actual/360 days counting method.

D. Variable Rate. The Interest Rate may change during the term of this transaction.

- (1) Index. Beginning with the first Change Date, the Interest Rate will be based on the following index: the weekly average yield on United States Treasury securities adjusted to a constant maturity of five years (the "Benchmark").

The Benchmark is the most recent index value available as of 10 days before each Change Date. You do not guaranty by selecting this Benchmark, or the Margin, that the Interest Rate on this Note will be the same rate you charge on any other loans or class of loans you make to me or other borrowers. If this Index is no longer available, I agree and consent to you selecting a substitute Benchmark and an alternative Margin - all at your sole discretion. You will give me advance notice of your selection. As used in this subsection, "no longer available" includes, but is not limited to, when a Benchmark is terminated, becomes deregulated, or becomes unacceptable for use by a regulator.

If the Benchmark is deemed to be no longer available it will be replaced if any of the following events (each, a "Replacement Event") occur: (i) the administrator, including any successor administrator of the Benchmark, has stopped providing the Benchmark to the general public; (ii) the administrator or its regulator issues a public statement indicating that the Benchmark is no longer reliable or representative; or (iii) the effective date of an applicable federal or state law, or applicable federal or state regulation that prohibits use of the Benchmark. If a Replacement Event occurs, you will select a new benchmark (the "Replacement Benchmark") and may also select a new margin (the "Replacement Margin"), as follows:

- (a) If a replacement benchmark and margin has been selected or recommended by the Federal Reserve Board, the Federal Reserve Bank of New York, or a committee endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York at the time of a Replacement Event, you shall select that benchmark and margin as the Replacement Benchmark and Replacement Margin.

- (b) If (a) is not available at the time of a Replacement Event, you will make a reasonable, good faith effort to select a Replacement Benchmark and a Replacement Margin that, when added together, you reasonably expects will minimize any change in the cost of the loan, taking into account the historical performance of the Benchmark and the Replacement Benchmark.

The Replacement Benchmark and Replacement Margin, if any, will be operative immediately upon a Replacement Event and will be used to determine the interest rate and payments on Change Dates that are more than 0 days after a Replacement Event. The Benchmark and Margin could be replaced more than once during the term of the Note. After a Replacement Event, all references to the "Benchmark" and "Margin" shall be deemed to be references to the "Replacement Benchmark" and "Replacement Margin." You will also give me notice of the Replacement Benchmark and Replacement Margin, if any, and such other information required by applicable law and regulation.

- (2) Change Date. Each date on which the Interest Rate may change is called a Change Date. The Interest Rate may change November 1, 2031 and every 60 months thereafter.

- (3) Calculation Of Change. Before each Change Date you will calculate the Interest Rate, which will be the Benchmark plus 2.750 percent (the "Margin"). The result of this calculation will be rounded to the nearest .125 percent. Subject to any limitations, this will be the Interest Rate until the next Change Date. The new Interest Rate will become effective on each Change Date. The Interest Rate and other charges on this Note will never exceed the highest rate or charge allowed by law for this Note.

- (4) Limitations. The Interest Rate changes are subject to the following limitations:

VAN BUREN WATER INC.
Indiana Promissory Note
IN/4XXAMANDA0000000002894023102722N

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Page 1

(a) Lifetime. The Interest Rate will never be less than 4.625 percent.

(5) Effect Of Variable Rate. A change in the Interest Rate will have the following effect on the payments: The amount of scheduled payments will change.

5. **ADDITIONAL CHARGES.** As additional consideration, I agree to pay, or have paid, the fees and charges listed on the APPENDIX: FEES AND CHARGES, which is attached to and made part of this Note.

6. **REMEDIAL CHARGES.** In addition to interest or other finance charges, I agree that I will pay these additional fees based on my method and pattern of payment. Additional remedial charges may be described elsewhere in this Note.

A. **Late Charge.** If a payment is more than 10 days late, I will be charged 5.000 percent of the Amount of Payment. However, this charge will not be less than \$50.00. I will pay this late charge promptly but only once for each late payment.

B. **Minimum Finance Charge - Commercial/Ag.** A(n) Minimum Finance Charge - Commercial/Ag equal to \$45.00.

7. **GOVERNING AGREEMENT.** This Note is further governed by the Commercial Loan Agreement executed between you and me as a part of this Loan, as modified, amended or supplemented. The Commercial Loan Agreement states the terms and conditions of this Note, including the terms and conditions under which the maturity of this Note may be accelerated. When I sign this Note, I represent to you that I have reviewed and am in compliance with the terms contained in the Commercial Loan Agreement.

8. **PAYMENT.** I agree to pay this Note on demand, but if no demand is made, I agree to pay this Note in 228 payments. A payment of \$2,846.87 will be due December 1, 2022, and on the 1st day of each month thereafter. I will make 108 scheduled payments of this amount. The scheduled payment amount may then change every 60 payments thereafter. Changes in the Interest Rate will not affect the scheduled payment amount during these periods. With each scheduled payment change the payment amount will be adjusted to reflect changes in the Interest Rate during the remaining term of this Note. In addition, changes to the scheduled payment amounts are subject to changes in the Interest Rate as described in the Variable Rate subsection of this Note. A final payment of the entire unpaid balance of Principal and interest will be due November 1, 2041.

Payments will be rounded to the nearest \$.01. With the final payment I also agree to pay any additional fees or charges owing and the amount of any advances you have made to others on my behalf. Payments scheduled to be paid on the 29th, 30th or 31st day of a month that contains no such day will, instead, be made on the last day of such month.

Each payment I make on this Note will be applied first to any charges that I owe other than principal and interest, then to interest that is due, and finally to principal that is due. If you and I agree to a different application of payments, we will describe our agreement on this Note. You may change how payments are applied in your sole discretion without notice to me. The actual amount of my final payment will depend on my payment record.

9. **PREPAYMENT.** I may prepay this Loan in full or in part at any time. Any partial prepayment will not excuse any later scheduled payments until I pay in full.

10. **LOAN PURPOSE.** The purpose of this Loan is CONVERT CONSTRUCTION DRAW NOTE TO TERM DEBT..

11. **SECURITY.** The Loan is secured by separate security instruments prepared together with this Note as follows:

Document Name	Parties to Document	Date of Security Document
Security Agreement - VAN BUREN WATER INC.	VAN BUREN WATER INC.	JULY 12, 2021
Mortgage - 7315 S HARMONY RD, BLOOMINGTON, IN 47403	VAN BUREN WATER INC.	JULY 12, 2021

12. **LIMITATIONS ON CROSS-COLLATERALIZATION.** The cross-collateralization clause on any existing or future loan, but not including this Loan, is void and ineffective as to this Loan, including any extension or refinancing.

The Loan is not secured by a previously executed security instrument if a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by federal law governing unfair and deceptive credit practices. The Loan is not secured by a previously executed security instrument if you fail to fulfill any necessary requirements or fail to conform to any limitations of the Real Estate Settlement Procedures Act, (Regulation X), that are required for loans secured by the Property or if, as a result, the other debt would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

The Loan is not secured by a previously executed security instrument if you fail to fulfill any necessary requirements or fail to conform to any limitations of the Truth in Lending Act, (Regulation Z), that are required for loans secured by the Property.

13. **DUE ON SALE OR ENCUMBRANCE.** You may, at your option, declare the entire balance of this Note to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law, as applicable. However, if I am in default under this Agreement, I may not sell the inventory portion of the Property even in the ordinary course of business.

14. **WAIVERS AND CONSENT.** To the extent not prohibited by law, I waive protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor.

A. **Additional Waivers By Borrower.** In addition, I, and any party to this Note and Loan, to the extent permitted by law, consent to certain actions you may take, and generally waive defenses that may be available based on these actions or based on the status of a party to this Note.

(1) You may renew or extend payments on this Note, regardless of the number of such renewals or extensions.

(2) You may release any Borrower, endorser, guarantor, surety, accommodation maker or any other co-signer.

(3) You may release, substitute or impair any Property securing this Note.

(4) You, or any institution participating in this Note, may invoke your right of set-off.

(5) You may enter into any sales, repurchases or participations of this Note to any person in any amounts and I waive notice of such sales, repurchases or participations.

(6) I agree that any of us signing this Note as a Borrower is authorized to modify the terms of this Note or any instrument securing, guarantying or relating to this Note.

(7) I give up any rights I may have under any valuation and appraisal laws which apply to me.

B. **No Waiver By Lender.** Your course of dealing, or your forbearance from, or delay in, the exercise of any of your rights, remedies, privileges or right to insist upon my strict performance of any provisions contained in this Note, or any other Loan Document, shall not be construed as a waiver by you, unless any such waiver is in writing and is signed by you.

15. **COMMISSIONS.** I understand and agree that you (or your affiliate) will earn commissions or fees on any insurance products, and may earn such fees on other services that I buy through you or your affiliate.

16. **APPLICABLE LAW.** This Note is governed by the laws of Indiana, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located, except to the extent such state laws are preempted by federal law.

17. **JOINT AND SEVERAL LIABILITY AND SUCCESSORS.** My obligation to pay the Loan is independent of the obligation of any other person who has also agreed to pay it. You may sue me alone, or anyone else who is obligated on the Loan, or any number of us together, to collect the Loan. Extending the Loan or new obligations under the Loan, will not affect my duty under the Loan and I will still be obligated to pay the Loan. This Note shall inure to the benefit of and be enforceable by you and your successors and assigns and shall be binding upon and enforceable against me and my successors and assigns.

18. **AMENDMENT, INTEGRATION AND SEVERABILITY.** This Note may not be amended or modified by oral agreement. No amendment or modification of this Note is effective unless made in writing. This Note and the other Loan Documents are the complete and final expression of the agreement. If any provision of this Note is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable. No present or future agreement securing any other debt I owe you will secure the payment of this Loan if, with respect to this loan, you fail to fulfill any necessary requirements or fail to conform to any limitations of the Truth in Lending Act (Regulation Z) or the Real Estate Settlement Procedures Act (Regulation X) that are required for loans secured by the Property or if, as a result, this Loan would become subject to Section 670 of the John Warner National Defense Authorization Act for Fiscal Year 2007.

19. **INTERPRETATION.** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Note.

20. **NOTICE, FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Borrower will be deemed to be notice to all Borrowers. I will inform you in writing of any change in my name, address or other application information. I agree to sign, deliver, and file any additional documents or certifications that you may consider necessary to perfect, continue, and preserve my obligations under this Loan and to confirm your lien status on any Property. Time is of the essence.

VAN BUREN WATER INC.
Indiana Promissory Note
IN/4XXAMANDA0000000000002894023102722N

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Page 2

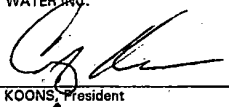
21. **CREDIT INFORMATION.** I agree to supply you with whatever information you reasonably request. You will make requests for this information without undue frequency, and will give me reasonable time in which to supply the information.

22. **ERRORS AND OMISSIONS.** I agree, if requested by you, to fully cooperate in the correction, if necessary, in the reasonable discretion of you of any and all loan closing documents so that all documents accurately describe the loan between you and me. I agree to assume all costs including by way of illustration and not limitation, actual expenses, legal fees and marketing losses for failing to reasonably comply with your requests within thirty (30) days.

23. **SIGNATURES.** By signing, I agree to the terms contained in this Note. I also acknowledge receipt of a copy of this Note.

BORROWER:

VAN BUREN WATER INC.

By  Date 10/28/22
CRAIG KOONS, President

By  Date 10/28/22
JASON CLARK, Secretary

APPENDIX: FEES AND CHARGES

As described in the ADDITIONAL CHARGES section of the attached Note, I agree to pay, or have paid these additional fees and charges.

Nonrefundable Fees and Charges. The following fees are earned when collected and will not be refunded if I prepay this Note before the scheduled maturity date.

Underwriting. A(n) Underwriting fee of \$400.00 payable from separate funds on or before today's date.

Loan Origination. A(n) Loan Origination fee of \$250.00 payable from separate funds on or before today's date.

Interest due 10/28/22. A(n) Interest due 10/28/22 fee of \$5,027.01 payable from separate funds on or before today's date.

Recording - Mortgage. A(n) Recording - Mortgage fee of \$29.25 payable from separate funds on or before today's date.

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

APPLICATION OF VAN BUREN WATER,)	
INC. FOR A NEW SCHEDULE OF RATES)	
AND CHARGES FOR WATER SERVICE)	
AND REQUEST FOR FINANCING)	CAUSE NO. 46185-U
AUTHORIZATION)	

PUBLIC'S EXHIBIT NO. 3

TESTIMONY OF SCOTT A. BELL

ON BEHALF OF

THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

April 14, 2025

**TESTIMONY OF OUCC WITNESS SCOTT A. BELL
CAUSE NO. 46185-U
VAN BUREN WATER, INC.**

I. INTRODUCTION

1 **Q: Please state your name and business address.**

2 A: My name is Scott A. Bell, and my business address is 115 West Washington Street, Suite
3 1500 South, Indianapolis, Indiana 46204.

4 **Q: By whom are you employed and in what capacity?**

5 A: I am employed by the Indiana Office of Utility Consumer Counselor ("OUCC") as the
6 Director of the Water/Wastewater Division. My qualifications and experience are set forth
7 in Appendix A.

8 **Q: What relief does Van Buren Water, Inc. seek in this case?**

9 A: Van Buren Water, Inc. ("Van Buren" or "Applicant") seeks approval from the Indiana
10 Utility Regulatory Commission ("Commission" or "IURC") to increase its rates for water
11 utility service by 38.79% to generate \$358,169 of additional revenues.¹ Van Buren also
12 seeks Commission authority to issue \$310,000 of debt to be used for the replacement of
13 water mains on Mt Zion Road and Rockport Road. Van Buren also seeks retroactive
14 approval of a loan it took out in 2021 and refinanced in 2022 to fund the completion of
15 Water Tower No. 2.²

16 **Q: What is the purpose of your testimony?**

17 A: I discuss Van Buren's request for an extensions and replacements revenue requirement to
18 fund several capital improvement projects. I discuss Van Buren's request for additional

¹ Van Buren Water, Inc. Small Utility Rate Application, Schedule 1 Revenue Requirements.

² Van Buren Water, Inc. Small Utility Rate Application, Case Summary Description.

operating expense to pay the annual cost of a maintenance contract for its newly constructed Water Tank No. 2. Finally, I discuss Van Buren's increased water loss and recommend several actions it can take to address the water losses.

Q: What have you done to prepare your testimony?

A: I reviewed the Small Utility Rate Application that Van Buren filed in this case. I reviewed the OUCC's Report and the Commission's Order in Cause No. 44566-U, Van Buren's last rate order. On March 21, 2025, I met with Mr. Tanner Taylor, Clear Water Utilities³, and conducted an on-site review of the water facilities. I prepared discovery questions and reviewed Van Buren's responses. Finally, I compiled the attachments listed in Appendix B, which consist of documents I reviewed to investigate the facts and form my opinions.

Q: If your testimony does not address a specific topic, issue, or item, should it be construed to mean you agree with Applicant's proposal?

A: No. My silence on any issue should not be construed as an endorsement. Excluding any specific issues regarding Applicant's proposal from my testimony is not an indication of approval. Rather, the scope of my testimony is limited to the specific items addressed.

II. BACKGROUND INFORMATION

Q: Please describe Van Buren's basic characteristics.

A: Van Buren is an Indiana not-for-profit water utility serving approximately 2,471 residential customers and twenty-one (21) commercial customers in Monroe and Greene Counties.⁴ Van Buren serves no industrial customers. Van Buren purchases all its water, already treated, from the City of Bloomington, Indiana through five interconnection points. Van Buren operates two water storage tanks, two booster stations, and approximately 105 miles

³ Clear Water Utilities is the contracted operator of Van Buren Water, Inc.

⁴ Van Buren's 2023 IURC Annual Report, dated December 31, 2023, p. W-1.

1 of mains to deliver water to its customers.⁵ According to its 2023 IURC Annual Report,
2 Van Buren purchased 168,423,000 gallons of water and sold 126,093,000 gallons to its
3 customers in 2023. Therefore, Van Buren lost 42,330,000 gallons of water or
4 approximately 25.13% of the water it purchased in 2023.

5 **Q: Please describe the results of Van Buren's last rate case (Cause No. 44566-U).**

6 A: In Cause No. 44566-U, Van Buren sought a rate increase of 30.96% to generate an
7 additional \$204,884 in revenues. The Commission granted Van Buren an 18.17% rate
8 increase for an annual net revenue increase of \$120,308.⁶ In that order, the Commission
9 addressed several OUCC recommendations affecting Van Buren's Operations. The
10 Commission approved the OUCC's recommendation that "through 2020 Van Buren
11 include in its IURC Annual Report the completion status of all projects included in its
12 2015-2019 capital improvement program."⁷ The Commission approved the OUCC
13 recommendation that Van Buren "purchase a sufficient quantity of meters to obtain
14 quantity-discount pricing and establish a working inventory of meters for new connections
15 and to replace defective meters."⁸ The Commission also approved the OUCC
16 recommendation that "Van Buren should then establish a systematic replacement program
17 of AMR meters over a longer time period of at least 15 years."⁹

⁵ Van Buren's 2023 IURC Annual Report.

⁶ Cause No. 44566-U, Final Order, p. 6 (Aug. 26, 2015).

⁷ *Id.* at p. 5.

⁸ *Id.*

⁹ *Id.*

1 **Q: What did Van Buren provide to the Commission to comply with the Order in Cause**
2 **No. 44566-U?**

3 A: On October 25, 2016, Van Buren submitted a Capital Improvement Program update for
4 projects completed by September 8, 2016.¹⁰ In response to OUCC Data Request Set No. 1,
5 Questions 6 and 7 in this case, Van Buren provided an updated Capital Improvement
6 Program for 2024, which documents the projects it completed between 2016 - 2024.¹¹

7 **Q: Does Van Buren purchase new water meters in bulk so that it receives quantity-**
8 **discount pricing?**

9 A: Yes. In response to an IURC Data Request Set No. 1, Question 5, Van Buren indicated it
10 “annually buys and internally installs a minimum of 144 new water meters.”¹² Van Buren
11 indicated that it replaces its water meters at a rate of at least every fifteen years.¹³

III. EXTENSIONS AND REPLACEMENTS

12 **Q: What extensions and replacements revenue requirement has Van Buren requested?**

13 A: Yes. Van Buren requests a \$246,573 revenue requirement to fund its extensions and
14 replacements (“E&R”) projects. In Schedule 7 of its Application, Van Buren provided a
15 Capital Improvement Plan to support its request for its \$246,573 E&R revenue
16 requirement.

17 **Q: What projects are included in the Capital Improvement Plan?**

18 A: Van Buren identified four projects in its Capital Improvement Plan to be completed over
19 three years. Those projects include: (1) main replacements on Mt. Zion Road and Rockport

¹⁰ See OUCC Attachment SAB-1.

¹¹ See OUCC Attachment SAB-2.

¹² See OUCC Attachment SAB-3.

¹³ See *Id.*

1 Road, (2) meter replacements, (3) flush hydrant replacements, and (4) excavations of
2 service connections to comply with the EPA's 2021 Lead and Copper Rule Revisions.

1. Water Main Replacements – Mt. Zion Road and Rockport Road

3 **Q: Please describe the main replacement projects on Mt. Zion Road and Rockport Road.**

4 A: Van Buren plans to fund a portion of the total cost for two water main replacement projects.

5 The first project, titled "Mt Zion – Harmony," replaces 4,000 feet of 3-inch water main
6 with a 6-inch water main at an estimated cost of \$260,000 (4,000 ft. X \$65/ft. = \$260,000).

7 The second project, titled "Rockport Road – Harmony," replaces 2,500 feet of 3-inch water
8 main with a 6-inch water main at an estimated cost of \$162,500 (2,500 ft. X \$65/ft. =

9 \$162,500). The total cost of these two projects is \$422,500 (\$260,000 + \$162,500 =

10 \$422,500). Van Buren proposes to fund \$112,500 of these two projects from its E&R

11 revenue requirement and debt fund the remaining balance of \$310,000 (\$422,500 -

12 \$112,500 = \$310,000).

13 **Q: Is it reasonable for Van Buren to complete the proposed water main replacement**
14 **projects?**

15 A: Yes. The projects will replace approximately 6,500 ft of undersized 3" water main with 6"

16 water main. The 3" water mains were originally installed around 1968 and are a source of

17 water leaks. Applicant estimates the cost to install the new 6" water mains to be \$65 per

18 foot, which is a reasonable cost. Therefore, I recommend the Commission approve the

19 E&R revenue requirement related to the proposed water main replacement projects.

2. Meter Replacement Program

20 **Q: Please describe Van Buren's meter replacement program.**

21 A: Over three years, Van Buren proposes to use funds from its E&R revenue requirement to

1 replace a total of 360 existing 5/8" water meters (i.e., 120 meters per year for three years)
2 with new AMR meters at a total cost of \$108,000 (360 meters X \$300/meter = \$108,000).

3 **Q: Is Van Buren's frequency of meter replacement appropriate?**

4 A: Yes. Since Van Buren has approximately 2,471 residential customers, the replacement of
5 120 water meters per year represents a twenty-year replacement cycle, which is reasonable.
6 Therefore, I recommend the Commission approve the E&R revenue requirement related to
7 the replacement of 120 water meters per year for three years.

3. Flush Hydrants

8 **Q: Please describe Van Buren's flush hydrant replacement program.**

9 A: Over a three year period, Van Buren proposes to use funds from its E&R revenue
10 requirement to install fifteen new flush hydrants (i.e., five hydrants per year for three years)
11 at a total cost of \$89,100 (15 hydrants X \$5,920.83 = \$89,100).

12 **Q: How many hydrants does Van Buren have in its distribution system?**

13 A: During my on-site visit, Mr. Taylor indicated that Van Buren had approximately 15
14 standard hydrants and approximately 70-75 flush hydrants. While touring Van Buren's
15 distribution system, I examined several hydrants that were scheduled to be replaced over
16 the next three years. The hydrants I examined need to be replaced.

17 **Q: Is it reasonable for Van Buren to replace five flush hydrants per year for the next**
18 **three years?**

19 A: Yes. Due to the age and functionality of the existing flush hydrants, it is prudent and
20 reasonable to replace five flush hydrants per year. I recommend the Commission approve
21 the E&R revenue requirement related to hydrant replacements. At that rate of replacement,
22 Van Buren will have replaced all its flush hydrants in fifteen years.

4. Lead & Copper, Fill & Record

1 Within three years, Van Buren plans to excavate 1,462 service connections to determine
2 whether lead is present in compliance with EPA's 2021 Lead and Copper Rule Revisions
3 ("LCRR"). The LCRR requires water utilities to create a service line inventory and
4 determine whether lead is present. Van Buren estimated the cost to hydro-vac each service
5 connection to be \$262.59 and an additional \$100 per service connection to back fill with
6 gravel, then soil and seed. The estimated total cost is \$530,120. Van Buren was awarded a
7 \$100,000 grant that will offset the cost of this project. Therefore, Van Buren only requested
8 \$430,120 be paid for through the E&R revenue requirement. Given the requirements set
9 forth by EPA's 2021 LCRR, it is reasonable for Van Buren to complete this project.

10 **Q: What is the total amount Van Buren proposes to receive through its E&R revenue**
11 **requirement for the four projects?**

12 A: Van Buren proposes to use \$739,720 over a three year period, or \$246,573 per year from
13 its E&R funds to complete the four projects described above.

14 **Q: Do you recommend Van Buren's requested E&R revenue requirement be approved?**

15 A: Yes. Because Van Buren's proposed projects are reasonable and prudent, I recommend that
16 the Commission approve Van Buren's proposed E&R revenue requirement of \$246,573.

IV. PERIODIC MAINTENANCE EXPENSE

17 **Q: Does Van Buren have facilities that require periodic maintenance?**

18 A: Yes. Van Buren has two water storage facilities that require maintenance periodically.
19 Water Tank No. 1 is a 300,000 gallon standpipe and Tank No. 2 (Harmony Road) is a
20 150,000 gallon elevated storage tank. Periodic maintenance would include professionally
21 inspecting the tanks, cleaning and disinfecting the tank, and keeping the water storage tanks
22 painted and protected.

1 **Q: Has Van Buren entered into a contract for the repainting and maintenance of Water**
2 **Tank No. 1?**

3 A: Yes. In response to OUCC discovery, Van Buren provided a copy of a 1997 Long Term
4 Repainting and Maintenance Contract with Phoenix Tank Services. However, it appears
5 that USG Water Solutions is now providing maintenance services for Water Tank No. 1 at
6 a cost of \$5,800 per year.¹⁴ This cost is included in Van Buren's test year expense, and no
7 adjustment has been proposed.

8 **Q: Has USG Water Solutions recently inspected Water Tank No. 1?**

9 A: Yes. Van Buren provided the OUCC with a copy of a Condition Assessment Report of
10 Tank No. 1 performed by USG Water Solutions, dated May 21, 2024.¹⁵

11 **Q: Is Van Buren seeking funds for periodic maintenance of Water Tank No. 2?**

12 A: Yes. On Schedule 6(f) of its Application, Van Buren seeks \$15,000 per year for
13 maintenance of Water Tank No. 2. In response to IURC Data Request, Question No. 2,
14 Van Buren indicated that Water Tank No. 2 was completed in 2022 and therefore, was last
15 inspected and painted in 2022.¹⁶

16 **Q: Has Van Buren entered into a long-term contract to maintain Water Tank No. 2?**

17 A: No. In response to IURC Data Request Question No 2, Van Buren indicated that it is
18 waiting for an official inspection by USG Water Solutions before it can enter into a
19 maintenance contract.¹⁷

¹⁴ See OUCC Attachment SAB-4.

¹⁵ See OUCC Attachment SAB-5.

¹⁶ See OUCC Attachment SAB-3.

¹⁷ See *Id.*

1 **Q: How did Van Buren determine the \$15,000 annual cost for the maintenance contract**
2 **for Water Tank No. 2?**

3 A: In response to IURC Data Request Question No 2, Van Buren indicated that “the annual
4 \$15,000 expense is an educated verbal estimate, by the same contractor as with Tank 1.”¹⁸
5 However, during my on-site inspection, Applicant’s accounting consultant indicated that
6 the \$15,000 annual cost had been confirmed by USG Water Solutions.

7 **Q: Do you recommend that Van Buren be allowed to include \$15,000 as a revenue**
8 **requirement to maintain Water Tank No. 2?**

9 A: Yes.

V. WATER LOSS

10 **Q: What is “water loss” as it pertains to a utility’s operations?**

11 A: As used in annual reports to the IURC, “water loss” means the difference between the total
12 volume of water pumped and purchased by the water utility and the total volume of water
13 sold to customers or used for backwash, flushing mains, street cleaning/sewer flushing, or
14 other authorized consumption. Water loss may generally be attributed to leaks or inaccurate
15 measurement of consumption.

16 **Q: How does water loss affect a utility’s costs and operations?**

17 A: Whether finished water is metered, used for operations or lost through leaks, the cost to
18 produce the water is included in the utility’s test year expenses. The cost to produce water
19 that is lost through leaks is a cost paid by all customers through higher rates. Lowering
20 water loss would reduce operating expenses resulting in more affordable rates for Van
21 Buren’s customers in the future.

¹⁸ See OUCC Attachment SAB-3.

Q: What is Van Buren's current water loss?

A: According to its last four IURC annual reports (2020 through 2023), Van Buren's water loss has ranged from a low of 10.64% in 2020 to a high of 25.13% in 2023. This is shown in Table 1 below.

Table 1: Water Losses 2020 - 2023¹⁹

Year	Water Pumped / Purchased (1,000 gals.)	Water Sold (1,000 gals.)	Percentage Water Loss
2020	134,475	120,171	10.64%
2021	127,474	111,292	12.69%
2022	140,634	124,755	11.29%
2023	168,423	126,093	25.13%
Total	571,006	482,311	15.53%

Q: Did Van Buren provide the water loss for 2024?

A: Yes. In response to OUCC Data Request Question No. 1-8, Van Buren indicated that its water loss for 2024 was 27.54%.²⁰

Q: Do you have any concerns about Van Buren's level of water loss?

A: Yes. As shown in Table 1 and the response to OUCC discovery, Van Buren's water losses in 2023 and 2024 are more than double the losses for years 2020 – 2022. Typically, a large increase in water loss is attributed to a water leak or leaks rather than meters under-recording. During my on-site review of the Van Buren's operations, I spoke with Mr. Taylor about the increased water loss in 2023 and 2024. He explained that the utility has

¹⁹ See OUCC Attachment SAB-6, Van Buren's IURC Annual Report for the years 2020-2023, p. W-6.

²⁰ See OUCC Attachment SAB-7.

1 attempted to locate water leaks but has not found a significant leak that would cause such
2 an increase in water loss.

3 **Q: Does the American Water Works Association (“AWWA”) have resources that could**
4 **assist Van Buren with its water loss?**

5 A: Yes. The AWWA Water Loss Control website provides a link to the AWWA Free Water
6 Audit Software (v6.0 2020), which “is the industry standard tool for conducting the annual
7 water audit and using the results to guide a program for cost-effective water loss control
8 and revenue recovery.”²¹ The AWWA also published the M36 Water Audits and Loss
9 Control Programs (Fifth Edition), which explains the AWWA water audit methodology in
10 a user-friendly manner and provides an overview of some of the best loss control
11 techniques used to implement a sustainable Non-Revenue Water management program.

12 **Q: Does the Indiana Finance Authority (“IFA”) have resources that could assist Van**
13 **Buren with water loss audits?**

14 A: Yes. Additional information can be found on the Indiana Finance Authority’s (“IFA” or
15 “Authority”) website regarding Water Loss Audits (www.in.gov/ifa/water-loss-audits/).

16 **Q: Are not-for-profit water utilities, such as Van Buren, required to perform a water**
17 **audit on an annual basis?**

18 A: Yes. Ind. Code § 8-1-30.8-5 requires water utilities (including not-for-profit utilities like
19 Van Buren) to at least once in each calendar year “perform an audit of its water distribution
20 system through the use of the latest version of American Water Works Association’s free
21 water audit software, or other methodology software as the authority may direct, to
22 determine the causes of the water utility’s non-revenue water.”

23 **Q: Do you have any recommendations with respect to water loss?**

24 A: Yes. I recommend Van Buren continue to search for leaks in its distribution system. I

²¹ www.awwa.org/resources/water-loss-control/.

1 recommend Van Buren continue to change out meters on an annual basis to limit under-
2 recording of water usage. I recommend Van Buren comply with Ind. Code § 8-1-30.8-5,
3 which requires water utilities to perform a water audit on an annual basis. Finally, to
4 determine whether more aggressive leak detection methods are prudent, cost-effective and
5 appropriate for this utility, I recommend Van Buren discuss leak detection options with a
6 professional consulting firm experienced in water audits.

VI. RECOMMENDATIONS

7 **Q: What are your recommendations?**

8 A: I recommend the Commission approve Van Buren's proposed E&R revenue requirement
9 of \$246,573. I also recommend the Commission approve Van Buren's request to receive
10 \$15,000 annually as a revenue requirement to maintain Water Tank No. 2.

11 **Q: Does this conclude your testimony?**

12 A: Yes.

APPENDIX A

1 **Q: Please describe your educational background and experience.**

2 A: I have a Bachelor of Science degree in Industrial Management, with a minor in Industrial
3 Engineering from Purdue University. I began working for the Indiana Utility Regulatory
4 Commission ("Commission") in 1988 as a Staff Engineer. In 1990, I transferred to the
5 OUCC at the time of the reorganization of the Commission and the OUCC. In 1999, I was
6 promoted to the position of Assistant Director and in 2005 I was promoted to the position
7 of Director of the Water / Wastewater Division. During my term as Director, I have served
8 on the Water Shortage Task Force, created by SEA 369 in the 2006 General Assembly and
9 the Water Resources Task Force, created by HEA 1224 in the 2009 General Assembly. I
10 am a member of the American Water Works Association ("AWWA") and have attended
11 numerous utility related seminars and workshops including the Western Utility Rate
12 Seminar sponsored by the National Association of Regulatory Utility Commissioners
13 ("NARUC"). I also completed additional coursework regarding water and wastewater
14 treatment at Indiana University-Purdue University at Indianapolis ("IUPUI").

15 **Q: Have you previously testified before the Commission?**


16 A: Yes. I have testified in many causes relating to telecommunications, natural gas, electric,
17 water, and wastewater utilities. During the past twenty-five (25) years, I have testified
18 exclusively on water and wastewater utility issues. Some of those issues included the
19 reasonableness of cost-of-service studies, rate design, fair value, Replacement Cost New
20 Less Depreciation ("RCNLD") studies, engineering-related operation and maintenance
21 expenses, environmental compliance, capital improvement projects, non-revenue water
22 and water conservation.

APPENDIX B

- Attachment SAB-1: Van Buren's Capital Improvement Program 2016 update for projects completed by September 8, 2016.
- Attachment SAB-2: Van Buren's Capital Improvement Program 2024 update.
- Attachment SAB-3: Van Buren's Response to IURC Data Request Questions.
- Attachment SAB-4: December 7, 2023 Letter from USG Water Solutions regarding the maintenance contract cost for Water Tank No. 1.
- Attachment SAB-5: USG Water Solutions Condition Assessment Report, dated May 21, 2024, for Van Buren's Water Tank No. 1.
- Attachment SAB-6: Van Buren's IURC Annual Report for the years 2020-2023, p. W-6.
- Attachment SAB-7: Van Buren's response to OUCC Data Request Question No. 1-8, indicating its water loss for 2024 was 27.54%.

AFFIRMATION

I affirm the representations I made in the foregoing testimony are true to the best of my knowledge, information, and belief.

A handwritten signature in black ink that reads "Scott A. Bell". The signature is written in a cursive style with a large, stylized 'S' and 'B'.

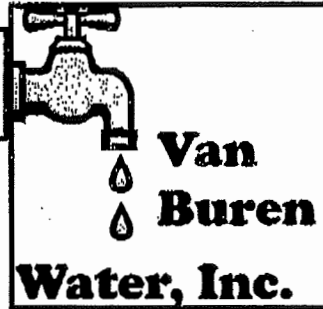
By: Scott A. Bell, Division Director of Water/Wastewater

Cause No. 46185-U

Office of Utility Consumer Counselor (OUCC)

Date: April 14, 2025

4385 West State Road 45
Bloomington, IN 47403



Phone: 812-825-9760
Fax: 812-825-1188

To: *Michelle Furk* From: VBW, Inc.

Karen
per Todd Carpenter
Accountant

- ☐ Urgent
- ☒ For Review
- ☐ Please Comment
- ☐ Please Reply

Date sent: *10-25-16*

Number of pages including cover page: *2*

Cause # 44566

Van Buren Water Capital Improvement Program 2016 Updated 9-8-16						
Project	Year	Unit	Cost Per Unit	Total Cost	Comments	Completed
May Road - Provides secondary water source for Zone 3 - Phase One	2015	3600	\$22.00	\$79,200.00	Replaces 3 Inch Line with a 6 Inch Line	2016
Leak Detection Survey	2015	107	\$425.00	\$42,900.00	Leak Detection to reduce water loss	2015
Installation of Sampling Sites	2016	3	\$2,200.00	\$6,600.00	Install sampling sites to conform with RTCR	2016
Portable Generator and Transfer Switches for Booster Pumps	2016			\$100,000.00	Backup Power for Booster Stations & Office	Updating Estimate
Replace or install Flush Hydrants	2016-2019	40	\$3,750.00	\$150,000.00	Replace aging & broken flush hydrants	Updating Estimate
Woodbine Line Relocation	2016	500	\$20.00	\$10,000.00	Relocate water line that is 16 feet deep in fill material	Planning Phase
Oard Road Line Relocation	2017	500	\$20.00	\$10,000.00	Relocate water line that is 30 feet deep in fill material near	
May Road - Provides secondary water source for Zone 3 - Phase Two	2017	4600	\$22.00	\$101,200.00	Replaces 3 Inch Line with a 6 Inch Line	
Rockport Road - From Harmony Rd to 2500 Ft North	2017	2500	\$22.00	\$55,000.00	Replaces 3 Inch Line with 6 inch Line	
Mt Zion Road - From Harmony Rd to 4200 Ft Southwest	2018	4200	\$22.00	\$92,400.00	Replaces 3 Inch Line with 6 inch Line	
Vernal Pike - From Thomas Rd to 2000 Feet East	2018	2000	\$22.00	\$44,000.00	Replaces 6 Inch Line SDR 26 with 6 inch Line SDR 21	
Thomas Road - From Vernal Pike to 4000 feet North	2018	4000	\$19.50	\$78,000.00	4 inch Water Line Expansion to serve 20 Customers	
West Evans Road	2019	1300	\$30.00	\$39,000.00	4 inch line extension for looping includes road repair	
Harmony Road - From 3500 Feet South to Rockport Road	2019	5800	\$22.00	\$127,600.00	Replaces 6 Inch Line SDR 26 with 6 inch Line SDR 21	
Leonard Springs	2020	7000	\$22.50	\$157,500.00	Replaces 3 Inch Lines with 8 Inch Line	
Elevated Storage Tank	2017-2020	1	\$557,500.00	\$650,000.00	Replace Standpipe Tank # 2 with 150,000 Gallon Elevated	
Meter Replacement Program	2017-2021	1200	\$250.00	\$300,000.00	Replace Existing 1200 Meters with AMR Meters	
Total				\$2,043,400.00		
Note: Per foot costs do not include rock						
Expenditures by Year			Total Per Year	Meter Replacement per Year	Reserve for Tank Replacement	Annual E & R Budget
	2015		\$122,100.00		\$67,500.00	\$189,600.00
	2016		\$154,100.00	\$60,000.00	\$116,500.00	\$330,600.00
	2017		\$203,700.00	\$60,000.00	\$116,500.00	\$380,200.00
	2018		\$251,900.00	\$60,000.00	\$116,500.00	\$428,400.00
	2019		\$204,100.00	\$60,000.00	\$116,500.00	\$380,600.00
	2020		\$157,500.00	\$60,000.00	\$116,500.00	\$334,000.00
			\$1,093,400.00	\$300,000.00	\$650,000.00	\$2,043,400.00

Van Buren Water						
Capital Improvement Program 2024 Update						
Project	Year	Unit	Cost Per Unit	Total Cost	Comments	Completed
May Road - Provides secondary water source for Zone 3 - Phase One	2015	3600	\$20.97	\$75,476.00	Replaces 3 Inch Line with a 6 Inch Line	2016-2017
Leak Detection Survey	2015	107	\$425.00	\$30,030.00	Leak Detection to reduce water loss	2016
Rockport Road - Duval Road Relocation for Independent Limestone	2016	700	\$30.00	\$21,000.00	Replaces 3 Inch Line with a 6 Inch Line	2016
Installation of Sampling Sites	2016	3	\$2,200.00	\$6,600.00	Install sampling sites to conform with RTCR	2016
Portable Generator and Transfer Switches for Booster Pumps	2017			\$60,000.00	Backup Power for Booster Stations & Office	2017
May Road - Provides secondary water source for Zone 3 - Phase Two	2018	4600	\$32.00	\$147,200.00	Replaces 3 Inch Line with a 6 Inch Line	2018
Admin Software Upgrade	2019			\$15,930.00	Replace onsite sotware to cloud billing and accounting	Start 2019, complete 2020
Relocate Line at Stanford Fire Station Costruction	2020			\$55,835.00	Relocate Line at Stanford Fire Station Costruction	2020
Thomas Road - From Vernal Pike to 4000 feet North	2020	1000	\$24.50	\$24,500.00	4 Inch Water Line Expansion to serve 20 Customers	2020
Woodbine Line Relocation	2021	500	\$60.00	\$30,000.00	Relocate water line that is 16 feet deep in fill material	2021
Harmony Road Elevated Storage Tank	2017-2021	1	\$750,000.00	\$880,753.00	Replace Standpipe Tank # 2 with 150,000 Gallon Elevated Tank	2019-2023
Harmony Road Booster Pumps	2021	2		\$15,000.00	Pump replacement in conjunction with new tank	2021
Mt Zion Road - From Harmony Rd to 4200 Ft Southwest	2024	4000	\$65.00	\$260,000.00	Replaces 3 Inch Line with 6 inch Line	
Office Parking Lot Resurfacing	2025			\$12,000.00	Paving of graveled area adjacent to maint. building	
Oard Road Line Relocation	2025	500	\$60.00	\$30,000.00	Relocate water line that is 30 feet deep in fill material near quarry	
Rockport Road - From Harmony Rd to 2500 Ft North	2025	2500	\$65.00	\$162,500.00	Replaces 3 Inch Line with 6 inch Line	
Replace or install Flush Hydrants	2023-2028	40	\$4,950.00	\$198,000.00	Replace aging & broken flush hydrants	
Thomas Road - From Vernal Pike to 4000 feet North	2026	3000	\$60.00	\$180,000.00	4 Inch Water Line Expansion to serve 20 Customers	2020 complete 1000ft

Van Buren Water						
Capital Improvement Program 2024 Update						
Project	Year	Unit	Cost Per Unit	Total Cost	Comments	Completed
Vernal Pike - From Thomas Rd to 2000 Feet East	2027	2000	\$65.00	\$130,000.00	Replaces 6 Inch Line SDR 26 with 6 inch Line SDR 21	
Harmony Road - From 3500 Feet South to Rockport Road	2028	5800	\$65.00	\$377,000.00	Replaces 6 Inch Line SDR 26 with 6 inch Line SDR 21	
Leonard Springs	2029	7000	\$75.00	\$525,000.00	Replaces 3 Inch Lines with 8 Inch Line	
Meter Replacement Program	2018-2028	1200	\$300.00	\$360,000.00	Replace Existing 1200 Meters with AMR Meters	
Note: Per foot costs do not include rock removal						
			Total	\$3,596,824.00		
Expenditures by Year		Actual Project Total Per Year	Meter Replacement per Year	Proposed Project Expenditures	Proposed Annual Budget Amount	
	2015	\$30,030.00	\$3,675.00		\$33,705.00	
	2016	\$65,338.00	\$5,250.00		\$70,588.00	Includes Half of May Rd 1
	2017	\$97,738.00	\$7,078.00		\$104,816.00	Includes Half of May Rd 1
	2018	\$147,200.00	\$29,520.00		\$176,720.00	
	2019	\$33,430.00	\$39,330.00		\$72,760.00	Includes Water Storage Tank
	2020	\$138,186.00	\$77,595.00		\$215,781.00	Includes Water Storage Tank
	2021	\$657,251.00	\$3,097.00		\$660,348.00	Includes Water Storage Tank
	2022	\$193,150.00	\$64,800.00		\$257,950.00	Includes Water Storage Tank
	2023		\$30,000.00		\$30,000.00	
	2024		\$30,000.00	\$260,000.00	\$290,000.00	
	2025		\$30,000.00	\$244,100.00		
	2026		\$30,000.00	\$219,600.00		
	2027		\$30,000.00	\$130,000.00		
	2028		\$30,000.00	\$377,000.00		
	2029		\$30,000.00	\$525,000.00		
		\$1,362,323.00	\$346,670.00	\$260,000.00	\$1,912,668.00	

VAN BUREN WATER INC.
RESPONSE TO IURC DATA REQUEST
CAUSE NO. 46185-U

FILED
February 18, 2025
INDIANA UTILITY
REGULATORY COMMISSION

IURC Data Request Set No. 1

Uploaded February 13, 2025

(1) Support for Wage Increase

Annual approved budget and amount being paid to employees year 2025 for:

Full Time Employee is 1800 hours

Part time Employee is 1150 hours

FT: \$43,200 for 2024 (\$24.00 * 1800 hours); \$54,000 for 2025 (\$30.00 * 1800 hours)

FT: \$21,850 for 2024 (\$19.00 * 1150 hours); \$23,000 for 2025 (\$20.00 * 1150 hours)

(2) Estimate for the tank painting located in periodic maintenance

Tank 2 was a new installation completed in 2022. Therefore, last painting and inspection was 2022.

The annual \$15,000 expense is an educated verbal estimate, by the same contractor as with Tank 1.

We have to wait for an official inspection, by the contractor, before we can receive an official maintenance contract.

Tank 1 is covered by a Long-Term Repainting and Maintenance Contract.

Summary: 40yr annual expense of \$5,800 fixed until 2039. In 2039, we have the right to indefinite coverage, but the Annual expense can be adjusted by the contractor.

See attached Q-1-16 Tank 1 Proof of 2025 Expense

The \$5,800 is in the 2023 totals and adjusting to increase expenses of \$15,000 is only for the new tank

See attached Q-1-16 Tank 1 Condition Assessment Report May 21, 2024 Inspection date

Provided by Todd Carpenter and Craig Koons

(3) Support for the proposed capital improvements listed on Schedule 7 (Extensions and Replacements)

See separate document titled:

Q-1-6 & 7 VBW - Capital Improvements Program 2016-2029

The Board of Directors meet annually to update the above list. This meeting serves as our unwritten strategic plan by defining a path to follow. The written product is the attached list of Capital Improvements.

Schedule 7 (Extensions and Replacements) Projects titled:

Rockport Road-Harmony 2500ft *\$65=\$162,500 Total Cost

Mt Zion Road-From Harmony Rd 4000ft *\$65=\$260,000 Total Cost

Total of both projects =\$422,500-112,500 cash paid down=\$310,000 funded by bank loan

We are going to start and finish these projects with our operator.

The above \$112,500 cash paid down is included in Schedule 7 (E&R)

The above \$310,000 is to be funded by bank loan

Seeking approval for this Estimated Loan

- A. The Peoples State Bank
- B. 4-1-2025
- C. \$310,000
- D. 15-year term
- E. 7.0% Currently, 2.75% over the 5Year Treasury Index, plus
- F. Monthly Payment amount is adjustable every 60 payments.
- G. \$2,786.33
- H. The Bank has an annual reporting requirement to be satisfied by inhouse financials and the annual report provided to the IURC. The Bank will use the approved version of the Small Utility Rate application to provide funding of the improvements.
The Restricted funds calculations will not be included as a loan requirement, but is assumed a company policy and is instrumental in providing liquidity and stability of the approved plan.

(4) Restricted Funds Calculations:

On December 31, 2024, the balance of checking and Savings was \$355,180.71.

The Board has restricted a balance of \$200,000 to secure the Capital Improvement Funding and provide liquidity for the organization.

Members Escrow had a \$140,568.34 balance of the members money and the Board of Directors always restricts the use of these funds.

$\$355,180.71 - \$140,568.34 - \$200,000.00 = \$14,612.37$ the Total unrestricted Cash Available

The Board of Directors and accountant calculates the Capital Improvement Funding amount by adding the following, but not to exceed Total unrestricted Cash available:

Average Annual Replacements (see Schedule 7 E&R) \$246,573

Average Debt Service (see Schedule 9 Debt Service) \$ 52,647

Provided by Todd Carpenter and Craig Koons

(5) **Meter Replacement Program**

The utility annually buys and internally installs a minimum of 144 new water meters and the meter cost is currently \$285 each meter or \$41,040. Operator charges \$25 each to install.

Schedule 7(E&R) Should state \$44,640.00 in Years 1,2 and 3

Status of our Oldest active Neptune meters is 357 meters, so we have roughly 2100 newer active radio read meters that are less than ten years old.

Our Minimum turnover rate of Meters is 17 years.

Provided by Brandon Correll, Todd Carpenter and Craig Koons

(6) **Hydrants:**

The utility annually plans to buy and internally install five water Hydrants ever year and the amount has been revised to \$5,920.83 each.

Provided by Craig Koons

(7) **Lead and Copper Rule**

Lead and Copper Rule Implementation

EPA's 2021 LCRR Implementation describes the 2021 Lead and Copper Rule Revisions (LCRR) requirements that public water systems must comply with starting on October 16, 2024 as outlined in the Lead and Copper Improvement (LCRI) proposal. These requirements include the initial service line inventory, notification to persons served of known or potential lead service line, Tier 1 public notification of a lead action level exceedance, and associated reporting requirements.

We had an average of 2465 members in 2024 and 1,462 have to be dug up and identified

\$262.59 is our Estimated cost to Vac out the soil to inventory

\$100.00 is our Estimated cost to back fill with gravel, then soil and seed.

$(1462 \times 262.59 = 383,920)$

$(1462 \times 100 = \$146,200)$

Provided by Todd Carpenter and Craig Koons

(8) Existing Tank Loan See Attached Note payable to Peoples State Bank

- A. The Peoples State Bank
- B. \$362,308
- C. 6.75% Currently, 2.75% over the 5Year Treasury Index, plus
- D. Monthly Payment amount is adjustable every 60 payments.
- E. \$2,846.87

Corrections needed on the Rate application, schedule 9 Debt Service:

The Loan payment Text needs to be corrected on Schedule 9 change \$2,529.70 to 2846.87 line 13.

The total amounts for columns Year 1,2,3 loan payments of \$30,356 need to be changed to \$34,162.44

Provided by Todd Carpenter and Craig Koons



December 7, 2023

Mike Farmer
Van Buren Water Inc
4385 West State Road 45
Bloomington, IN 47403

Dear Mike Farmer:

The purpose of this letter is to provide you with projected costs for your upcoming fiscal year. ~~THIS IS NOT AN INVOICE.~~ The respective invoice(s) for our services will be provided in accordance with your maintenance contract(s). While it is unlikely, in the event of significant unforeseen circumstances, the actual amount of the invoice(s) may differ from the projected fees mentioned herein. We have recently experienced unprecedented inflationary pressures but are committed to providing you with the most accurate information currently available so you can budget accordingly. Please note that all applicable taxes are the responsibility of the owner and are in addition to these stated fees.

Our maintenance program provides you with peace of mind that your asset(s) will be regularly and systematically maintained as outlined in your maintenance contract(s). We deliver these services in a cost-effective manner to provide value to you and your community. We appreciate your continued trust in the maintenance of your water asset(s), and we strive to consistently deliver exceptional customer service.

Asset Name	Asset Type	Fee	Effective From	Effective To
Tank # 116949	300,000 Standpipe	\$5,800.00	01-JAN-24	31-DEC-24

Thank you very much for your business, if you have any questions please contact Customer Service at 800-568-6043 or at beth.watson@usgwater.com

Sincerely,

A handwritten signature in cursive script that reads "Beth Watson".

Beth Watson
North Region Customer Account Specialist



USG is proud to celebrate our 60th Anniversary.
Thank you for your support in helping us reach this milestone!
Scan our QR code to watch our special anniversary video.
We look forward to serving you in the future.



USG WATER
SOLUTIONS

Van Buren Water Inc

CONDITION ASSESSMENT REPORT



Tank Name:

Tank 1

Location:

Bloomington

Tank Size and Style:

300,000 Standpipe

Project Number:

116949

Inspection Date:

May 21, 2024

Inspected By:

Manuel Borrego

Van Buren Water Inc Contact Information:

Administrative:

Mike Farmer

Address:

4385 West State Road 45
Bloomington, IN 47403

Phone/Email:

812-327-8030
mfarmer@bynumfanyo.com

Job:

Michael Farmer

Utility Service Co., Inc.

Address

135 Courtney Hodges Blvd
PO Box 1350
Perry, GA 31069

Email and Website

Website: www.usgwater.com
Email: customerservice@usgwater.com

Customer Service Information

Elena Hampton
800-568-6043

Summary

All interior tank surfaces were inspected with a submersible remotely operated vehicle (ROV) to assess the overall coatings and structural conditions while allowing the tank to remain in-service. The ROV unit is strictly used for potable water use and was disinfected consistent with AWWA C652-Method 2 prior to entry into the tank.

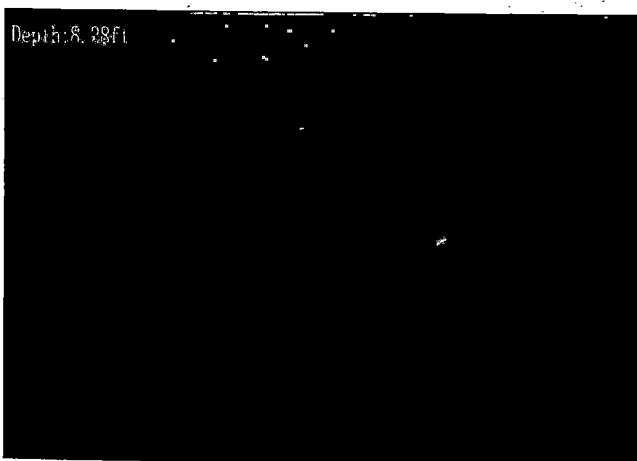
The tank will be scheduled for a Visual Inspection in 2025.

Coating Type & Conditions

- **Interior Coating Condition:** Interior coating is in overall good condition and continues to protect the substrate. Minor deficiencies noted from the ROV on the roof and sidewall at the high-water level. Areas will continue to be monitored
- **Exterior Coating Condition:** Exterior coating has a minor area of spot corrosion and paint flaking on the roof. Most of the coating has chalked and faded but continues to provide protection. Areas will be addressed at the tentatively scheduled renovation.
- **Logo Condition:** Logo is faded and will be retraced with the tentatively scheduled renovation.



Interior Roof/Sidewall Coating (R.O.V.)



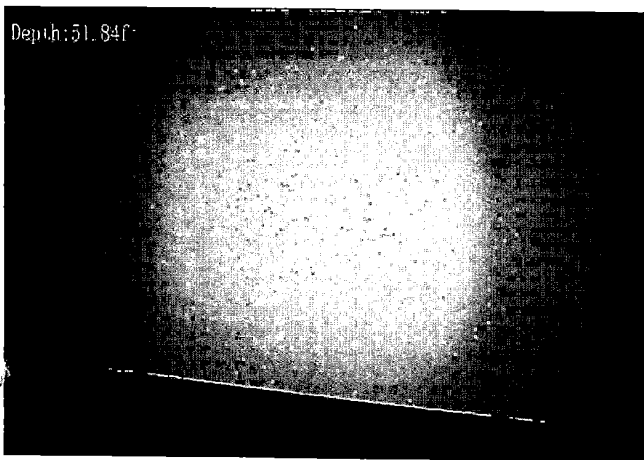
Interior Sidewall Coating (R.O.V.)



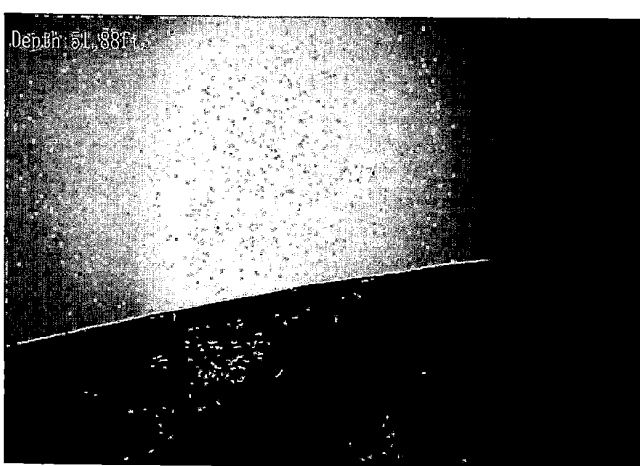
Interior Sidewall Coating (R.O.V.)



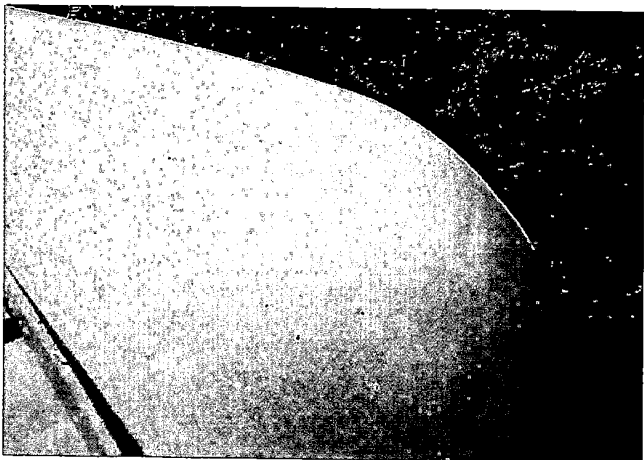
Interior Sidewall Coating (R.O.V.)



Interior Sidewall Coating (R.O.V.)



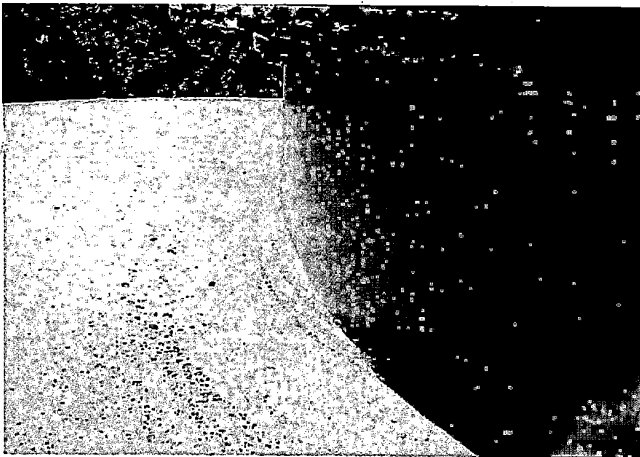
Interior Sidewall Coating (R.O.V.)



Exterior Roof Coating



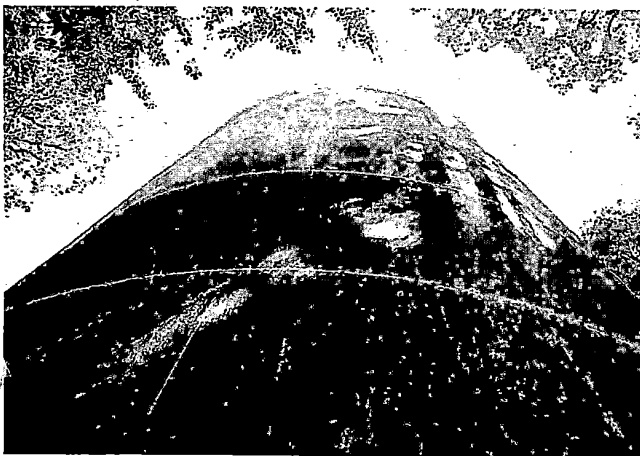
Exterior Roof Coating



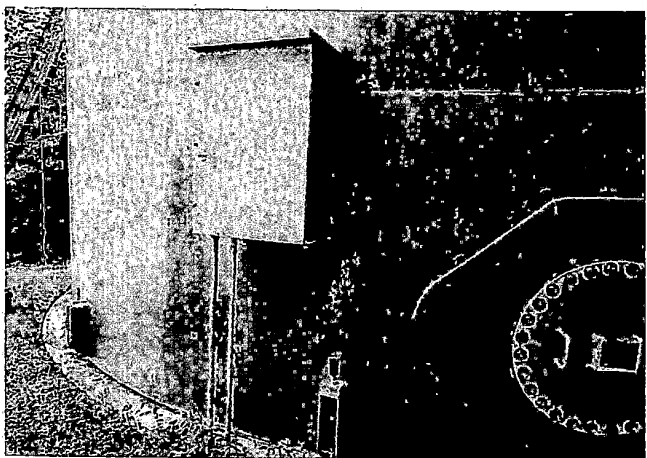
Exterior Roof Coating



Exterior Sidewall Coating



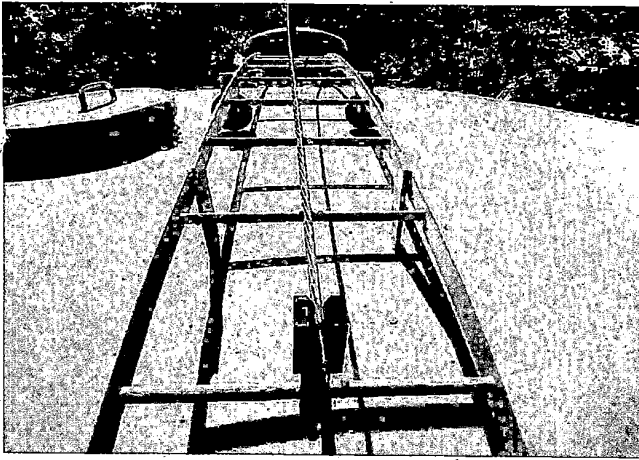
Exterior Sidewall Coating



Exterior Sidewall Base Coating

Safety

- **Safety Climbing Devices:** Ladders are equipped with secured safety climb devices.
- **Access Hatch:** Main wet interior roof access hatch is showing paint flaking on the exterior lid and minor corrosion on the interior portion of the lid. Areas will be addressed at the tentatively scheduled renovation.



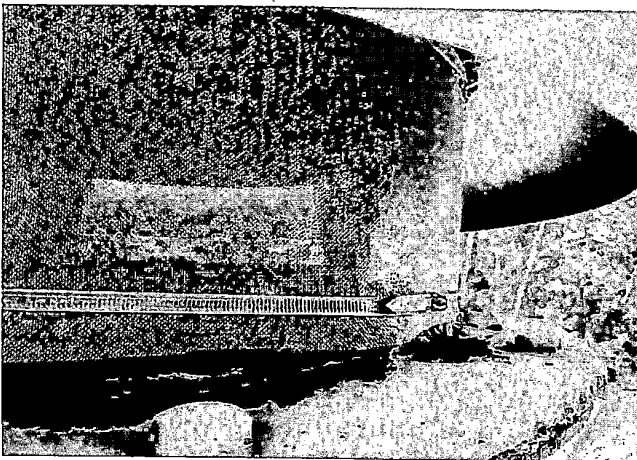
Access Ladder with Safety Climb Device



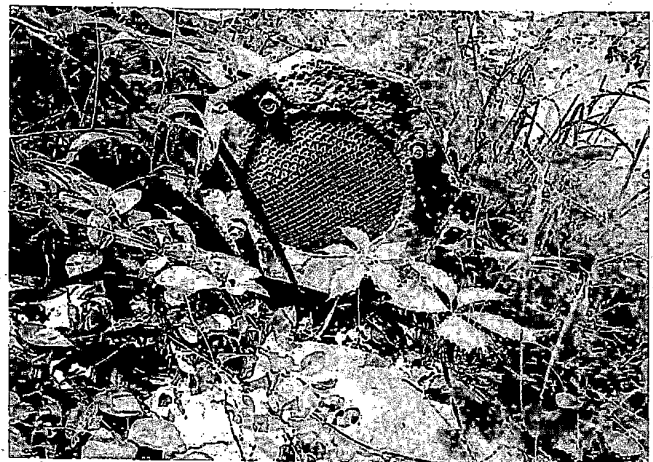
Roof Access Hatch

Sanitary

- **Vent Screen:** No deficiencies noted with vent screen.
- **Overflow Pipe Screen Flapper:** Overflow pipe is equipped with screen. No deficiencies noted with screen.
- **Evidence of Foreign Matter:** No evidence of foreign matter observed.
- **Sediments:** Sediment is present in bottom of tank. Tank will be cleaned at next scheduled washout.



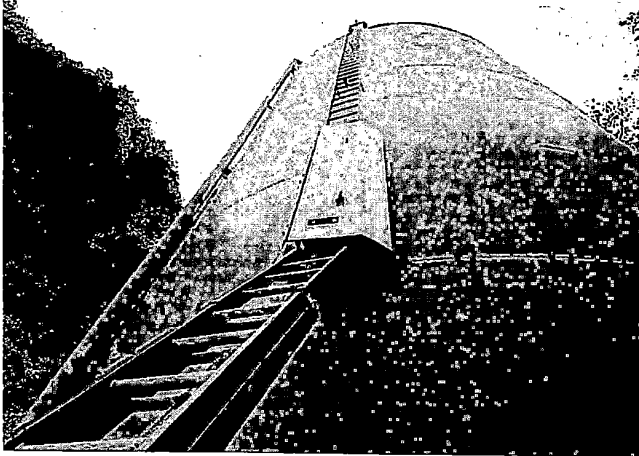
Roof Vent Screen



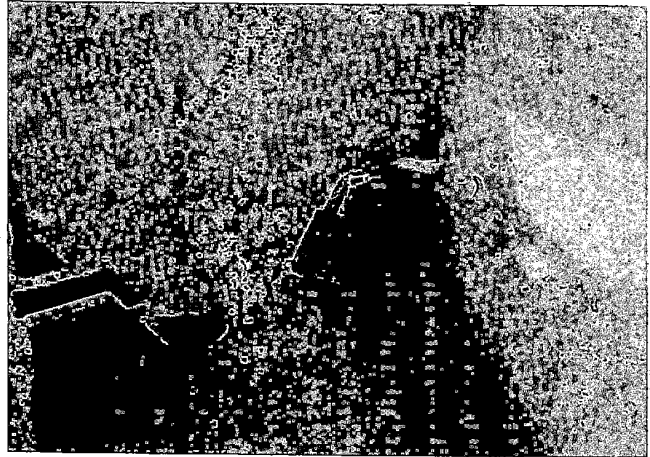
Overflow Pipe Screen

Security

- **Fence Around Site:** Tank is located inside a fenced-in area that is secure.
- **Ladder Gate/Access Door:** Exterior ladder has a ladder gate installed and is locked.
- **Access Hatch Locked:** Access hatch is locked and secured.
- **Evidence of Vandalism:** No evidence of vandalism was found.



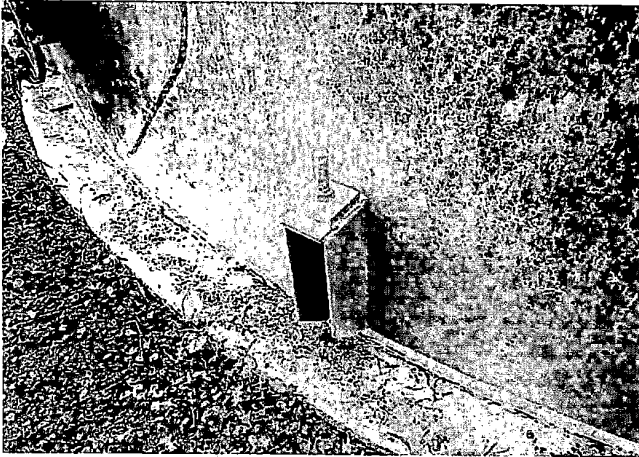
Ladder Gate Locked



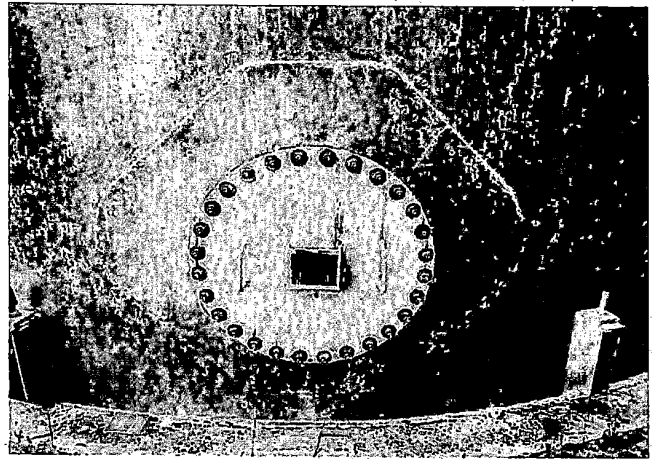
Roof Hatch Locked

Structural

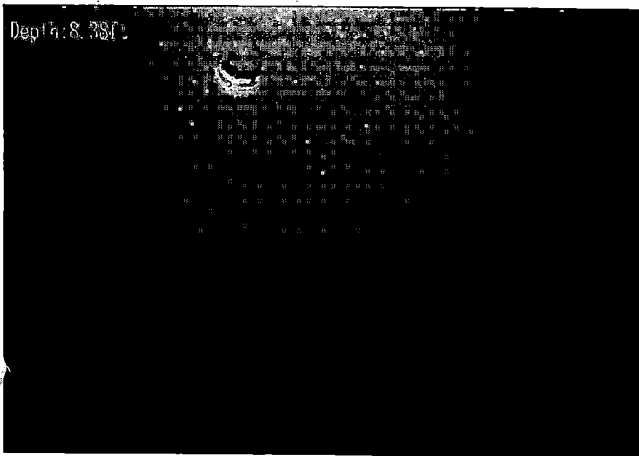
- **Foundation:** Foundation appears in good condition. No deficiencies noted.
- **Access Ladders:** No deficiencies noted for dry-side access ladder stiles, rungs and connections.
- **Anchor Bolts:** Anchor bolts are protected and show no rust or corrosion.
- **Watertight Conditions:** There are no visible leaks at the time of the inspection.
- **Roof:** Minor rust streaking/staining and spot corrosion was present on the roof. Areas will continue to be monitored.
- **Vents:** Roof vent is showing minor corrosion and will be tentatively scheduled for repair with renovation.
- **Overflow Pipe:** No deficiencies noted. Overflow pipe extends to ground level.
- **Welds:** No deficiencies noted with weld seams.



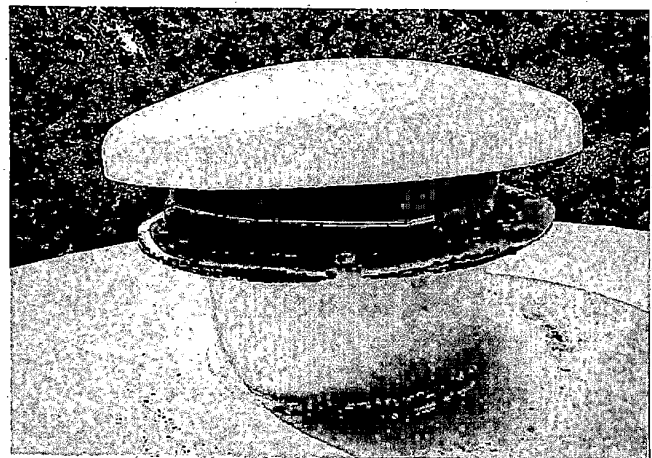
Foundation with Anchor Bolt



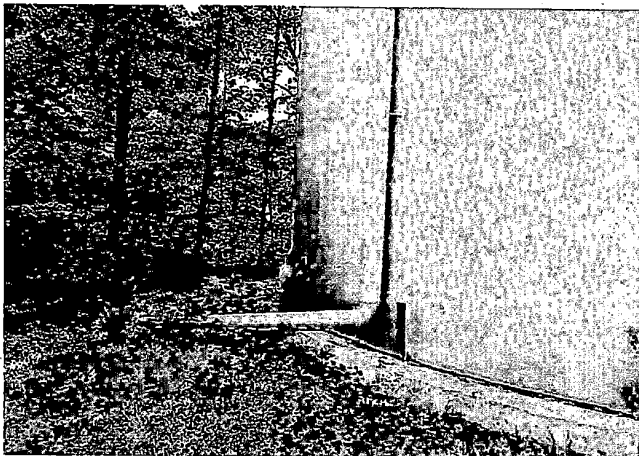
Multi-Bolt Manway



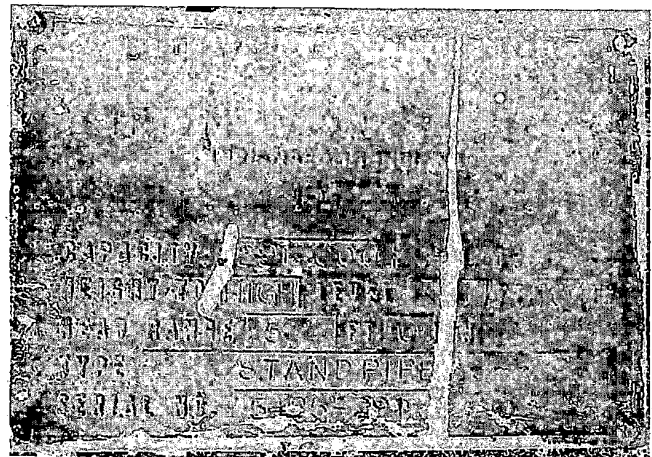
Interior Roof Structure (R.O.V.)



Roof Vent Structure



Overflow Pipe Termination



Tank Identification Plate

Van Buren Water Inc
ATTN: Michael Farmer
4385 West State Road 45
Bloomington, IN 47403

Steel Tanks

The determinations and recommendations made within this report with respect to the condition of the steel structure, integrity, or other surface defects are based upon visual observations made during the inspection. Extensive testing or investigation of the steel to determine the extent of the metal loss or capacity of the structure was not completed.

Van Buren Water Inc
NAME OF UTILITY

YEAR OF REPORT
December 31, 2020

PUMPING AND PURCHASED WATER STATISTICS

INSTRUCTIONS: Enter Number "1" if the units of measurement are 100 cu. ft or "2" if the units of measurement are 1,000 gallons:

2

Unit of measurement is 1,000 gallons

(a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	WATER PUMPED FROM SOURCES OTHER THAN PURCHASED WATER (Omit 000's) (c)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [b+c] (d)	WATER SOLD TO CUSTOMERS (Omit 000's) (e)
January.....	11,632		11,632	9,133
February.....	9,820		9,820	14,076
March.....	9,372		9,372	7,438
April.....	9,272		9,272	9,162
May.....	11,423		11,423	8,507
June.....	13,992		13,992	9,142
July.....	13,469		13,469	13,182
August.....	12,458		12,458	11,327
September.....	12,148		12,148	9,697
October.....	10,787		10,787	11,385
November.....	9,655		9,655	8,956
December.....	10,447		10,447	8,166
Total for year.....	134,475	-	134,475	120,171
Total Non-revenue Water ((d)-(e))				14,304
Less: Backwash water				
Main flushing				
Street cleaning/sewer flushing				
Fire fighting				
Other Authorized consumption				
Water Loss				14,304
% Water Loss				10.64%
If real losses are greater than 10%, please explain efforts the utility has taken to mitigate losses (i.e., leak detection survey, meter replacement or calibration, AWWA Water Audit Completed). Leak Detection Survey				
Does the utility currently maintain a database that identifies when, where and why a main break occurred on the system, the estimated water lost and the cost of repair? Yes or No No				
If yes, please provide the number of main breaks that occurred during the year and the estimated lost water.				
If no, when does the utility plan to implement such a database? 2021				
Do water interconnections exist (Y/N)? Yes Please fill out table below:				
Customer	Buy (B) or Sell (S)	Point of Delivery	Size of Connection (meter)	Contractual Availability (gallons) (Omit 000's)
City of Bloomington	B	Pipe	4"	N/A
City of Bloomington	B	Pipe	4"	N/A
City of Bloomington	B	Pipe	6"	N/A
City of Bloomington	B	Pipe	6"	N/A

Van Buren Water Inc

YEAR OF REPORT
December 31, 2021

PUMPING AND PURCHASED WATER STATISTICS

INSTRUCTIONS: Enter Number "1" if the units of measurement are 100 cu. ft. or "2" if the units of measurement are 1,000 gallons:

ERROR! Please enter unit of measurement above

(a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	WATER PUMPED FROM SOURCES OTHER THAN PURCHASED WATER (Omit 000's) (c)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [b+c] (d)	WATER SOLD TO CUSTOMERS (Omit 000's) (e)
January.....	10,083		10,083	9,919
February.....	9,875		9,875	8,895
March.....	9,673		9,673	9,007
April.....	10,171		10,171	9,018
May.....	11,805		11,805	8,267
June.....	11,020		11,020	10,323
July.....	10,748		10,748	10,873
August.....	11,997		11,997	9,557
September.....	8,285		8,285	9,519
October.....	13,423		13,423	9,685
November.....	9,791		9,791	8,487
December.....	10,603		10,603	7,742
Total for year.....	127,474		127,474	111,292
Total Non-revenue Water ((d)-(e))				16,182
Less: Backwash water				
Main flushing				
Street cleaning/sewer flushing				
Fire fighting				
Other Authorized consumption				
Water Loss				16,182
% Water Loss				12.69%
If real losses are greater than 10%, please explain efforts the utility has taken to mitigate losses (i.e., leak detection survey, meter replacement or calibration, AWWA Water Audit Completed).				
Leak Detection Survey				
Does the utility currently maintain a database that identifies when, where and why a main break occurred on the system, the estimated water lost and the cost of repair? Yes or No No				
If yes, please provide the number of main breaks that occurred during the year and the estimated lost water.				
If no, when does the utility plan to implement such a database? 12/31/2023				
Do water interconnections exist (Y/N)?	Yes	Please fill out table below:		
Customer	Buy (B) or Sell (S)		Size of Connection (meter)	Contractual Availability (gallons) (Omit 000's)
City of Bloomington	B		4"	N/A
City of Bloomington	B		4"	N/A
City of Bloomington	B		6"	N/A
City of Bloomington	B		6"	N/A

Van Buren Water Inc
NAME OF UTILITY

YEAR OF REPORT
December 31, 2022

PUMPING AND PURCHASED WATER STATISTICS

INSTRUCTIONS: Enter Number "1" if the units of measurement are 100 cu. ft. or "2" if the units of measurement are 1,000 gallons:

2

Unit of measurement is 1,000 gallons

(a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	WATER PUMPED FROM SOURCES OTHER THAN PURCHASED WATER (Omit 000's) (c)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [b+c] (d)	WATER SOLD TO CUSTOMERS (Omit 000's) (e)
January.....	9,668		9,668	9,243
February.....	8,670		8,670	9,190
March.....	8,956		8,956	8,064
April.....	9,113		9,113	8,772
May.....	10,615		10,615	8,324
June.....	11,771		11,771	9,802
July.....	12,580		12,580	12,384
August.....	12,593		12,593	10,765
September.....	12,221		12,221	9,784
October.....	21,422		21,422	17,414
November.....	10,529		10,529	12,767
December.....	12,496		12,496	8,246
Total for year.....	140,634	-	140,634	124,755
Total Non-revenue Water ((d)-(e))				15,879
Less: Backwash water				
Main flushing				
Street cleaning/sewer flushing				
Fire fighting				
Other Authorized consumption				
Water Loss				15,879
% Water Loss				11.29%
If real losses are greater than 10%, please explain efforts the utility has taken to mitigate losses (i.e., leak detection survey, meter replacement or calibration, AWWA Water Audit Completed). Leak Detection Survey				
Does the utility currently maintain a database that identifies when, where and why a main break occurred on the system, the estimated water lost and the cost of repair? Yes or No No				
If yes, please provide the number of main breaks that occurred during the year and the estimated lost water.				
If no, when does the utility plan to implement such a database? 12/31/2023				
Do water interconnections exist (Y/N)?	Yes	Please fill out table below:		
Customer	Buy (B) or Sell (S)		Size of Connection (meter)	Contractual Availability (gallons) (Omit 000's)
City of Bloomington	B		4"	N/A
City of Bloomington	B		4"	N/A
City of Bloomington	B		6"	N/A
City of Bloomington	B		6"	N/A

Van Bure Water Inc

NAME OF UTILITY

YEAR OF REPORT

December 31, 2023

PUMPING AND PURCHASED WATER STATISTICS

INSTRUCTIONS: Enter Number "1" if the units of measurement are 100 cu. ft. or "2" if the units of measurement are 1,000 gallons:

2

(a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	WATER PUMPED FROM SOURCES OTHER THAN PURCHASED WATER (Omit 000's) (c)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [b+c] (d)	WATER SOLD TO CUSTOMERS (Omit 000's) (e)
January.....	13,359		13,359	10,535
February.....	12,262		12,262	8,716
March.....	12,353		12,353	8,530
April.....	12,202		12,202	8,943
May.....	15,360		15,360	10,293
June.....	15,745		15,745	12,452
July.....	14,881		14,881	13,100
August.....	15,333		15,333	11,248
September.....	15,141		15,141	11,002
October.....	15,168		15,168	11,656
November.....	13,476		13,476	9,959
December.....	13,143		13,143	9,659
Total for year.....	168,423	-	168,423	126,093
Total Non-revenue Water ((d)-(e))				42,330
Less: Backwash water				
Main flushing				
Street cleaning/sewer flushing				
Fire fighting				
Other Authorized consumption				
Water Loss				42,330
% Water Loss				25.13%
If real losses are greater than 10%, please explain efforts the utility has taken to mitigate losses (i.e., leak detection survey, meter replacement or calibration, AWWA Water Audit Completed).				
Leak detection survey				
Does the utility currently maintain a database that identifies when, where and why a main break occurred on the system, the estimated water lost and the cost of repair? Yes or No No				
If yes, please provide the number of main breaks that occurred during the year and the estimated lost water.				
If no, when does the utility plan to implement such a database? 12/31/2024				
Do water interconnections exist (Y/N)?	No	You may skip the table below		
Customer	Buy (B) or Sell (S)		Size of Connection (meter)	Contractual Availability (gallons) (Omit 000's)

Q-1-8: On the Case Summary Description page of its Application, Van Buren Water indicated that “In the fall 2022, our water loss percentage began to rise and remains higher than normal.” Please provide the water loss percentage for the year 2024. Also, what does Van Buren Water consider to be a “normal” water loss percentage?

Q-1-8:

Van Buren Water Inc considered 10-11% water loss normal:

2024 27.54%

2023 25.13%

2022 11.29%

2021 12.69%

2020 10.64%

Provided by Todd Carpenter and Witness by Todd Carpenter and Craig Koons

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

APPLICATION OF VAN BUREN WATER,)	
INC. FOR A NEW SCHEDULE OF RATES)	
AND CHARGES FOR WATER SERVICE)	
AND REQUEST FOR FINANCING)	CAUSE NO. 46185-U
AUTHORIZATION)	

PUBLIC'S EXHIBIT NO. 4

CONSUMER COMMENTS

COMPILED BY

THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

April 14, 2025

From: noreply@engage.in.gov
To: [UCC Consumer Info](#)
Subject: Form Submission - OUCC Contact Form: Debra Goodman
Date: Wednesday, March 26, 2025 3:05:58 PM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

A form has been submitted for: OUCC Contact Form
Please review the attached PDF for the submission information.

Title: Mrs.
Name: Debra Goodman
Email: 2debbiegoodman@gmail.com
Phone: (812) 606-4255
Address: 3822 S Westmont Ave
Bloomington
IN
47403

Utilities: Van Buren Water

Type of Inquiry: Case Comment

Comments: Regarding Cause No. 46185-U: I am writing to express my concern over the proposed approximately 40% water rate increase. As a Van Buren Water customer, and a resident in Westmont addition, we are already paying an extra amount for the sewer installation that was done 15+ years ago. As a household of two, our water bill is the minimum yet our sewer bill is over \$62. As a retired couple on a fixed income, an increase of 40% places an undue burden on our household as our fixed income will not increase. I understand if there needs to be a rate increase based on increased operating expenses... but 40% ??? Maybe in increase could be smaller and increase over a longer period instead of just hitting the 2,500 of us customers that will have to pay the increase since we have no other place to obtain water. Please consider a lower rate increase. Thank you.

From: noreply@engage.in.gov
To: [UCC Consumer Info](#)
Subject: Form Submission - OUCC Contact Form: Margaret Brinegar
Date: Thursday, March 27, 2025 10:28:02 AM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

A form has been submitted for: OUCC Contact Form
Please review the attached PDF for the submission information.

Title: Mrs.
Name: Margaret Brinegar
Email: margaretb@bluemarble.net
Phone: (812) 825-2583
Address: 8655 W Hinds Rd
Bloomington
IN
47403-9569

Utilities: Van Buren Water

Type of Inquiry: Case Comment

Comments: My husband (Jerry) and I are retired, senior citizens and live on Social Security (Fixed Income). This nearly 40% increase that Van Buren Water is asking for is going to hurt/damage our budget. Things are high enough as it is. This increase seems excessive. I understand some increase but nearly 40%? I have read that they need this increase for annual operating expenses and improvement to current water infrastructure. IURC # 44566. Please consider the many senior citizens that this will affect.

From: noreply@engage.in.gov
To: [UCC Consumer Info](#)
Subject: Form Submission - OUCC Contact Form: Susan Sammis
Date: Wednesday, March 26, 2025 11:07:37 AM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

A form has been submitted for: OUCC Contact Form
Please review the attached PDF for the submission information.

Title: Ms.
Name: Susan Sammis
Email: sammis@bluemarble.net
Phone: (812) 824-6731
Address: 8640 S Rockport Road
Bloomington
IN
47403
Utilities: VanBuren, Monroe Co.
Type of Inquiry: Case Comment
Comments: the increase they ask for needs to be questioned, if they get the increase i think they should be legally responsible for customers water line from their meter into their homes, at least partially responsible for customers who can't afford huge repair bills.

From: therron.thomas
To: [UCC Consumer Info](#)
Subject: Van Buren water bill increase
Date: Wednesday, March 26, 2025 3:52:42 PM

This is the first time you received an email from this sender (therron.thomas@att.net). Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

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Greetings,

I am a Monroe County Water district customer and live at 2704 South Danlyn Road
Bloomington Indiana 47403.

After reading the news of the proposed 40% increase due to 'increased operating expenses' I would like to request an inquiry into the behind the scenes dealing of Monroe County Water and Bloomington Utilities. This increase comes at a very suspicious time and feels much more like retaliation toward the residents of Van Buren who fought so hard to prevent annexation from Bloomington. In fact there were many times after the announcement of proposed annexation that Bloomington Utility vehicles were on my road with employees looking around and even some doing maintenance prior to the annexation I believe Bloomington officials were banking on. Therefore I believe there have been clandestine agreements between Monroe Water and Bloomington officials that are now going to cost more but without the expected tax revenue.

I oppose this increase without detailed examination of this unexplained 'operating expenses'. I understand things get more expensive over time but 40% higher water that is a necessity to human existence and using it as a retaliatory tool against the citizens is repulsive.

Therron Thomas

Sent via the Samsung Galaxy S24 Ultra, an AT&T 5G smartphone

From: [jennifer.collier](#)
To: [UCC Consumer Info](#)
Subject: Chris and Jennifer Collier - Van Buren Rate Increase
Date: Sunday, January 26, 2025 10:41:38 AM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

We received notice on January 24th that Van Buren has requested a 38.79% increase in water rates. We are currently renting a home on Elwren Rd while having our home built on Elwren Rd. We are very concerned about this increase as we are part of a co-op and there is no indication of what the additional funding will be used for.

We would hope that the funding would go for infrastructure improvements as our water pressure in the rental is low and requires a pump. My daughter also is on Elwren Road and was provided a pump for her water pressure. As customers we had to hire the plumber to install the pump. Unfortunately, the pump leaks and is very loud. With our home being built at the top of a hill we are concerned we will be required to put in a pressure tank at our own expense to ensure adequate pressure. It seems as though Van Buren should be improving their infrastructure to adequately serve their customers.

We are new in the area so are not sure when the last increase was approved however, a nearly 39% increase seems too much.

Chris and Jennifer Collier
Sent from my iPad

From: [Mark Paulin](#)
To: [UCC Consumer Info](#)
Subject: Krista Paulin - Opposition to Van Buren Water Proposed Rate Increase of 38.79%
Date: Sunday, January 26, 2025 6:51:18 PM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

January 26, 2025

Krista Paulin
Mark and Sandy Paulin
7121 W Cavewood Ct
Bloomington, IN 47403
Phone 812-361-1523
Email: mlp273@gmail.com

Utility Consumer Counselor (OUCC)
115 W Washington St Suite 1500 S,
Indianapolis, IN 46204

Subject: Opposition to Proposed 38.79% Water Rate Increase

Dear Van Buren Water Company,

We are writing to formally express our strong opposition to the proposed 38.79% increase in water rates, as outlined by the Van Buren Water Company, Bloomington Indiana. While we understand that operational costs may increase over time, this substantial hike places an undue financial burden on residents, particularly those who are already struggling with the rising costs of everyday living. Furthermore, inflation itself places an undue hardship on lower income families.

A 38.79% rate increase seems excessive and unrealistic. Such an increase will create hardships for families, seniors, and low-income residents who rely on affordable utilities. Many of us are already faced with increased costs for essential goods and services, including healthcare, food, and housing. Adding nearly 40% to our water bills would force us to make difficult decisions and compromise on other basic needs.

We urge the Van Buren Water Company and the Utility Consumer Counselor, to reconsider this rate adjustment and seek alternative measures that would minimize the financial impact on customers. We suggest exploring other funding options such as Federal and State Grants that would not place such a heavy burden on consumers. Additionally, we believe there should be more transparency regarding the justification for this increase and a clear breakdown of how these funds will be allocated to ensure they are being used effectively and responsibly. The letter we received didn't identify how the increased revenue would be used. Is the increase to improve current infrastructure, increase salaries, or expand utilities for contractors to build homes? Building contractors often expect the local utilities to foot the bill for expansion for new residential additions. It's time building contractors help pay for these new areas of development instead of having consumers foot the bill. Van Buren Water Company also spent millions of dollars installing new water lines to industrial areas under development. These

areas will take 20 to 30 years to develop and recoup any revenue. We assume this is the main reason for the price increase.

Water is a fundamental necessity, and access to it should not come at such a high cost. We ask that you take these concerns seriously and explore other avenues before implementing such a drastic price hike.

Respectfully,

Krista Paulin. Mark Paulin. Sandy Paulin.

From: noreply@engage.in.gov
To: [UCC Consumer Info](#)
Subject: Krista, Mark, and Sandy Paulin
Date: Sunday, January 26, 2025 7:00:24 PM

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A form has been submitted for: OUCC Contact Form
Please review the attached PDF for the submission information.

Title: Mr.
Name: Krista, Mark, and Sandy Paulin
Email: mlp273@gmail.com
Phone: (812) 361-1523
Address: 7121 W Cavewood Ct
Bloomington
IN
47403

Utilities: Opposition to water price increase of 38.79% by Van Buren Water Inc. Bloomington Indiana 47403

Type of Inquiry: General Inquiry

Comments: We are writing to formally express our strong opposition to the proposed 38.79% increase in water rates, as outlined by the Van Buren Water Company, Bloomington Indiana. While we understand that operational costs may increase over time, this substantial hike places an undue financial burden on residents, particularly those who are already struggling with the rising costs of everyday living. Furthermore, inflation itself places an undue hardship on lower income families.

A 38.79% rate increase seems excessive and unrealistic. Such an increase will create hardships for families, seniors, and low-income residents who rely on affordable utilities. Many of us are already faced with increased costs for essential goods and services, including healthcare, food, and housing. Adding nearly 40% to our water bills would force us to make difficult decisions and compromise on other basic needs.

We urge the Van Buren Water Company and the Utility Consumer Counselor, to reconsider this rate adjustment and seek alternative measures that would minimize the financial impact on customers. We suggest exploring other funding options such as Federal and State Grants that would not place such a heavy burden on consumers.

Additionally, we believe there should be more transparency regarding the justification for this increase and a clear breakdown of how these funds will be allocated to ensure they are being used effectively and responsibly. The letter we received didn't identify how the increased revenue would be used. Is the increase to improve current infrastructure, increase salaries, or expand utilities for contractors to build homes? Building contractors often expect the local utilities to foot the bill for expansion for new residential additions. It's time building contractors help pay for these new areas of development instead of having consumers foot the bill. Van Buren Water Company also spent millions of dollars installing new water lines to industrial areas under development. These areas will take 20 to 30 years to develop and recoup any revenue. We assume this is the main reason for the price increase.

Water is a fundamental necessity, and access to it should not come at such a high cost. We ask that you take these concerns seriously and explore other avenues before implementing and approving such a drastic price hike. Thank you for considering this price hike unrealistic and excessive.

From: [Sunta, Anthony \(URC\)](#)
To: [UCC Consumer Info](#)
Subject: Andrew Chandler
Date: Monday, January 27, 2025 1:50:17 PM

Customer Type: Residential
Customer: Andrew Chandler
Business Phone:
Home Phone: 812-825-6541
Contact Phone: 812-325-4678
Service Address: 6541 West May Road
City, State, ZIP: Bloomington , IN , 47403
Email: achandler@ymail.com

Case Description: Van Buren Municipal Water Works (hereafter, VBMWW) has provided a notice that they are taking an increase in rate. My household HIGHLY objects to said rate increase. The percentage suggested would be almost doubling our the monthly water bill. This seems like a very large rate increase, without input from customer, as we are offered NO other means of water services. We would highly recommend that 1) an investigation take place with regards to the amount of money the water board members are paid, and 2) a public hearing be held with regards to the rate increase. Per a former employee of VBMWW, that each Water Board members take home over \$300 per meeting. VBMWW seems to be exploiting their customers without reason. We have not been informed why such a large increase needs to take place. We appreciate your willingness to investigate this situation.

From: noreply@engage.in.gov
To: [UCC Consumer Info](#)
Subject: BEN SCHERSCHEL
Date: Wednesday, February 5, 2025 3:56:13 PM

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A form has been submitted for: OUCC Contact Form
Please review the attached PDF for the submission information.

Title: Mr.
Name: BEN SCHERSCHEL
Email: benjamin5002001@gmail.com
Phone: (574) 528-0991
Address: 6039 W Corral Way DR
BLOOMINGTON
IN
47403

Utilities: Van Buren Water Rate Increase 38.79%.

Type of Inquiry: Case Comment

Comments: I would like to know how a increase of 38.79% is justified unless Van Buren Water is being ran by mismanagement or someone is stealing money. I also want to know what is meant by " "Across the board" " means. Why is it in quotes? What are the reasons? infrastructure upgrades, maintenance costs, or regulatory compliance? I will also need to see what makes this up and why they have not been increasing over the years for this? It sounds like poor management if they need to increase 40% in one year. Will we be getting better service? I believe they just get the water from Bloomington so is Bloomington doing a 40% increase? Sounds like someone is not running the company correctly or money is greatly being mismanaged.

From: noreply@engage.in.gov
To: [UCC Consumer Info](#)
Subject: Charles T. GOAD
Date: Friday, January 24, 2025 7:46:25 PM

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A form has been submitted for: OUCC Contact Form
Please review the attached PDF for the submission information.

Title: Mr.
Name: Charles T. GOAD
Email: chucktg351n@gmail.com
Phone: (260) 450-3514
Address: 8748 W Elwren Rd
Bloomington
IN
47403

Utilities: Van Buren Water Inc.

Type of Inquiry: Case Comment

Comments: Greetings, I just received a letter from the Van Buren Water Inc for a 38.79% rate increase "across the board". I am hoping this is a tactic the Water companies use to negotiate because that rate request is ridiculous. I was thinking a 6 to 9% increase but not that much. Many people in Monroe County are on a fixed income and a 38.79% would be detrimental to their quality of life. Thank you, Chuck Goad

From: [Christian Chambre](#)
To: [UCC Consumer Info](#)
Cc: jbond@heraldt.com
Subject: Christian Chambre - Formal Request for Public Hearing – Van Buren Water Inc. Proposed Rate Increase
Date: Tuesday, January 28, 2025 12:58:36 PM

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Subject: Formal Request for Public Hearing – Van Buren Water Inc. Proposed Rate Increase

From: Christian Chambre

7200 W Ison Rd

Bloomington Indiana 47403

christian.chambre@live.com

812-322-0743

To: Secretary of the Commission

Indiana Utility Regulatory Commission

101 W. Washington Street, Suite 1500 East

Indianapolis, Indiana 46204

Dear Secretary of the Commission,

I am writing to formally request a public hearing regarding the proposed 38.79% water rate increase by Van Buren Water Inc., as filed with the Indiana Utility Regulatory Commission (IURC) on January 13, 2025. As a resident and customer of Van Buren Water Inc., I strongly oppose this substantial increase and urge the IURC to provide affected customers with an opportunity to voice our concerns.

Reasons for Opposition

1. Excessive Financial Burden on Residents

a. A nearly 40% rate increase is an unreasonable financial strain on households, particularly for families on fixed incomes, seniors, and low-income

residents.

b. The increase comes at a time when the cost of living, including food, utilities, and fuel, is already rising significantly.

2. Lack of Justification for the Increase. Van Buren Water Inc. has not sufficiently demonstrated why such a large increase is necessary all at once.

3. Customers deserve a transparent breakdown of how the increased revenue will be utilized and whether alternative, more gradual increases have been considered.

Alternative Solutions Should Be Explored

1. A phased-in increase over several years would allow customers to adjust while still providing the company with necessary revenue.

2. The company should explore cost-saving measures before shifting such a large financial burden onto customers.

Request for Public Hearing

As outlined in Ind. Code 8-1-2-61.5, I am submitting this formal request for a public hearing, along with other affected customers who share these concerns. We believe it is essential for the IURC to hear directly from the community before deciding on this proposal.

Please confirm receipt of this request and provide details on the next steps in scheduling a hearing. Additionally, I encourage the IURC to require Van Buren Water Inc. to provide detailed justification for their request and to consider alternative approaches that lessen the immediate financial impact on customers.

Thank you for your time and consideration. I look forward to your response.

Sincerely,

Christian Chambre

From: noreply@engage.in.gov
To: [UCC Consumer Info](#)
Subject: Christine S Griffin
Date: Monday, January 27, 2025 8:00:04 AM

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A form has been submitted for: OUCC Contact Form
Please review the attached PDF for the submission information.

Title: Mrs.
Name: Christine S Griffin
Email: griffin3830@yahoo.com
Phone: (812) 327-3609
Address: 7300 West Ison Road
Bloomington
IN
47403

Utilities: Van Buren Water Inc
Type of Inquiry: Case Comment

Comments: I was recently notified of a request for a nearly 40% rate increase, 'across the board', submitted by Van Buren Water, Inc. I would ask this request be given a formal hearing to allow Van Buren Water Inc the opportunity to provide detailed information on why the need to nearly double our water rates is required, and what, if approved, the additional funds will do to improve the product currently provided.

From: [Diana Ward](#)
To: [UCC Consumer Info](#)
Subject: Diana Ward - Water rate
Date: Wednesday, January 29, 2025 7:09:34 PM

This is the first time you received an email from this sender (dward9351@gmail.com). Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

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Have a hard time already paying the water bill alot of people is having problems just keeping up with the rising cost of everything .myself don't think you should rise this bill Diana ward

From: [Emily Klecka](#)
To: [UCC Consumer Info](#)
Subject: Emily Klecka - Van Buren Water Customer Complaint - Bloomington, IN
Date: Monday, January 27, 2025 9:38:33 AM

This is the first time you received an email from this sender (emily.a.klecka@gmail.com). Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

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Hello,

I am a homeowner in the Van Buren water township area in Bloomington, IN. I would like to file a formal complaint on the proposed water rate increase. I received a letter on 1/24/25, proposing a 38.79% increase. I would like to request / I am in favor of a public hearing.

Thank you,

Emily Klecka

From: noreply@engage.in.gov
To: [UCC Consumer Info](#)
Subject: Form Submission - OUCC Contact Form: Brenna Souza
Date: Thursday, February 13, 2025 1:17:28 PM

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A form has been submitted for: OUCC Contact Form
Please review the attached PDF for the submission information.

Title: Mrs.
Name: Brenna Souza
Email: peterandbrenna@gmail.com
Phone:
Address: 3870 S Eastmont Ave
Bloomington
IN
47403

Utilities: Van Buren Water Inc

Type of Inquiry: Case Comment

Comments: I am writing to common on the water rate increase by Van Buren Water Inc. As a resident affected by this rate adjustment, I have serious concerns about both the size of the increase and the lack of communication from the company regarding this change.

The proposed rate adjustment is quite high (38.79%), placing an unexpected financial burden on residents. Additionally, Van Buren Water has provided no communication or justification to its customers regarding the necessity of this increase, leaving many in the community without sufficient information to understand or plan for the impact. Transparency and public input are critical in matters that directly affect household expenses, and the absence of clear communication raises concerns about the process by which this decision was made.

From: [Frank Loar](#)
To: [UCC Consumer Info](#)
Subject: Frank Loar - Rate increase Van Buren Water
Date: Monday, January 27, 2025 3:53:34 PM

Caution: The sender name (Frank Loar) is different from their email address (goexpress0409@yahoo.com), which may indicate an impersonation attempt. Verify the email's authenticity with the sender using your organization's trusted contact list before replying or taking further action.

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

Ho did they arrive at 38.79%?

That's 3 times the inflation rate.

You need to request a public hearing!

They said they're trying to save money by not having a hearing. Sounds fishy to me

How much could it cost to put out some chairs and publish the date!

10-15 % would be more reasonable.

They already closed the window for public payment. That should save them a lot

[Sent from Yahoo Mail for iPhone](#)

From: jkrichard@bluemarble.net
To: [UCC Consumer Info](#)
Subject: James and Katherine Richardson - proposed increse Van Buren Water, Bloomington, IN
Date: Tuesday, February 4, 2025 4:06:39 PM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

We are concerned about the Water Bill hike. We understand evrything is increasing in price and expenses are high. However 38+ percent seems to be excessive. Please consider the customers proposed to get this huge increase which will pose a hardship for all of us. Thank you.
James and Katherine Richardson 7575 S Rockport Rd Bloomington

From: [Jill W](#)
To: [UCC Consumer Info](#)
Subject: Jill White - Rate Increase Van Buren Water
Date: Wednesday, January 29, 2025 1:47:54 PM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

Hello,

I received a notice from Van Buren Water, Inc., here in Monroe County, notifying its members that they are wanting an increase of 38.79% in the water rate. I think this is outrageous, as people are already having a hard time just paying for everyday expenses. Our utilities as well as real estate taxes just keep climbing.

What are people that are on fixed incomes supposed to do? Some have to go without just to make bills.

I do not understand why government does not have to figure out how to pay for things without always increasing costs from taxpayers/customers. I know how much money I make per month and spend accordingly. I don't just think, oh well, if I don't have enough money I can just go raise prices for others.

I hope this will not pass.

Thank you for your time,

Jill White

From: [John Ward](#)
To: [UCC Consumer Info](#)
Subject: John Ward - Water customers
Date: Wednesday, January 29, 2025 6:57:10 PM

Caution: This sender resembles a person within your organization (Ward, John L). Please exercise caution and validate the sender's identity before replying or taking further action.

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

I John ward would like to contest the rate increase of the water rate .The price of water bill is already to high and at a 38.79 increase all will be in a financial hardship to all .

[Yahoo Mail: Search, Organize, Conquer](#)

From: [Jon Day](#)
To: [UCC Consumer Info](#)
Subject: Jon Day - Van Buren Water Inc. Proposed Water Rate Increase
Date: Friday, January 31, 2025 2:57:50 PM

Caution: The sender name (Jon Day) is different from their email address (the8cutter@gmail.com), which may indicate an impersonation attempt. Verify the email's authenticity with the sender using your organization's trusted contact list before replying or taking further action.

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

Hello! My name is Jon Day and my family's home in Bloomington, IN is connected to Van Buren Water Inc. We received notice that they were proposing to increase the water rates, the amount my family must pay for this life-sustaining resource from God, by a whopping 38.79% via an application filed with the IURC on 13Jan2025. I wanted to write to make sure you all understand this is an egregiously steep increase, especially considering the lack of other realistic options for the water our family depends on to live, and we hope you will strike it down and disallow such unchecked excess. A more modest increase could potentially be negotiated and tolerated, but with more explanation and accounting of the apparent solvency concerns to justify the increase. The way this has been unilaterally presented to the "Dear Water Customers," with absurdly little explanation, substantiation, or recourse, is irresponsible and unacceptable. In fact, it is so ridiculous, I almost thought it was a joke or junk mail to be discarded. Please protect our citizenry from these flippant gouges. Thank you.

Jon Day
3862 S, Westmont Ave.
Bloomington, In. 47403

From: jrc47460@bluemarble.net
To: [UCC Consumer Info](#)
Subject: Joseph and Patricia Car - Van Buren Water increase request
Date: Monday, January 27, 2025 12:26:41 PM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

Even Biden did not let inflation run that wild.
What about those on fixed income?
The amount of this request is wildly over-inflated

The federal government only allows an inflation increase in
Social Security each year and that amount should be your starting point.

Joseph and Patricia Car
Bloomington IN

From: [Sunta, Anthony \(URC\)](#)
To: [UCC Consumer Info](#)
Subject: Julie Fleetwood
Date: Tuesday, January 28, 2025 8:33:02 AM

Customer Type: Residential
Customer: Julie Fleetwood
Business Phone:
Home Phone: 812-327-7292
Contact Phone: 812-327-7292
Service Address: 6559 West May Road
City, State, ZIP: Bloomington , IN , 47403
Email: jafleetwood@hotmail.com

Case Description: Van Buren Water Inc in Bloomington,IN 47403 has proposed a water increase of 38.79%. The customers of Van Buren Water Inc pay some if not the highest water rates in the county and now they want to take another raise! I wish someone would look into how much the , board members are paying themselves, I think you will find it quite substantial. If they did not pay themselves so much money and put the money back into the water company there would be no reason to raise rates! I was told that after ONE meeting that was held in January several years ago each member went home with anywhere from \$600-\$900 just for ONE meeting. I find that ridiculous I am sure you will agree. Please look into this situation and decline their request for a raise.

From: kcollier4991@yahoo.com
To: [UCC Consumer Info](#)
Subject: Katie Owens - Van Buren Water Rate Increase
Date: Wednesday, January 29, 2025 5:08:32 PM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

I was hoping that as a customer of Van Buren Water that we would be notified as to why they would like to implement a rate increase? What are the additional funds being used for? My husband and I live on Elwren Rd in Bloomington and do not get enough pressure to our home. We have to have a pressure pump to boost the pressure in our house. If the rate increase is to upgrade infrastructure I understand. However, if the rate increase is to just put more money in the companies pocket I do not support the increase. I shouldn't have to pay more for a service that is sub-par to begin with.

Thank you,

Katie Owens

Sent from my iPhone

From: noreply@engage.in.gov
To: [UCC Consumer Info](#)
Subject: Michelle Bartley-Taylor
Date: Thursday, January 30, 2025 5:13:59 PM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

A form has been submitted for: OUCC Contact Form
Please review the attached PDF for the submission information.

Title: Ms.
Name: Michelle Bartley-Taylor
Email: michelle.bartley.taylor@gmail.com
Phone: (734) 846-5512
Address: 7322 W Eller Rd
Bloomington
IN
47403-9215
Utilities: Van Buren Water Inc
Type of Inquiry: Case Comment
Comments: As a Van Buren Water customer, I received notification this week of the company's application for a proposed "across the board" rate increase of 38.79%. It is reasonable to expect periodic rate increases, however, this rate increase is exorbitant. Furthermore, no justification to the request was provided, nor notification on where this information may be publicly available. At this point, no public hearing is scheduled. I urge you to deny the application. If a rate increase is warranted and justifiable, then the rate percentage needs to be much more reasonable. Thank you for your time.

From: [Mickayla Caron](#)
To: [UCC Consumer Info](#)
Subject: Mickayla Caron - Water Increase for Van Buren
Date: Saturday, January 25, 2025 12:25:57 PM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

Hello,

I want to express my extreme disappointment in the proposed water price increase for Van Buren Township. This extremely large increase in the price of water. As water is a necessary item for everyone - both rich and poor - this price increase is a direct attack on people who are already struggling to make ends meet and who live paycheck to paycheck just to survive. This price increase is inconsiderate of the needs of individuals in our township, many of whom are on fixed incomes. It is my request that this price increase be heavily reconsidered, and eventually disapproved by the board.

Thank you,
Mickayla

From: [Monica Siefker](#)
To: [UCC Consumer Info](#)
Subject: Monica Siefker - Proposed Water Rate Increase
Date: Monday, January 27, 2025 11:40:11 AM

This is the first time you received an email from this sender (monica.siefker@gmail.com). Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

Dear sirs:

I am writing in regards to a proposed water rate increase by Van Buren Water Inc in Bloomington, Indiana. The suggested increase requested is approximately a 38.79% increase.

My family is alarmed at such a high rise. It will greatly affect our already stretched budget.

We understand that costs to businesses have increased and that this must be passed along, at least somewhat, to the consumer. However, in this case, it seems exorbitantly high. We appeal to your aid in limiting this increase.

Thank you for your attention to this important matter.

Mrs. Monica Siefker & Family
Bloomington

From: [perry butcher](#)
To: [UCC Consumer Info](#)
Subject: Perry Butcher - Proposed water rate increase
Date: Saturday, January 25, 2025 6:32:32 PM

This is the first time you received an email from this sender (perrybutcher@yahoo.com). Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

To the Van Buren Water INC Board,

I received the proposed water rate increase,I know things are rising and have no idea what it costs to maintain and supply us water,but 38.79% seems a pretty high increase,if I was younger,I would sell out and move to a different county but not feasible at this stage,just wanted to voice my opinion,

Thanks Perry Butcher

[Sent from Yahoo Mail for iPhone](#)

From: e1chasteen@bluemarble.net
To: [UCC Consumer Info](#)
Subject: Rate increase protest
Date: Monday, February 17, 2025 4:19:10 PM

This is the first time you received an email from this sender (e1chasteen@bluemarble.net). Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

I have read the Notice from the Van Buren Water Inc. board and the decision to ask the IURC to allow a 38.79% increase in our water bill. I think that a 38.79% increase is outrageous and would amount to reckless mismanagement by the VAN BUREN WATER INC. board. Everything is costing more each year, and I understand, perhaps a small increase. But for everyone to pay almost 1½ times more for water service, is absurd. Maybe someone should look at charging more for hook on and raising other service costs. With this kind of increase, customers may consider digging new wells. I hope those making the decision to disallow this outrageous increase within the IURC will be bold enough to deny this application and ask the Van Buren Water Inc. Board, to go back to the table and come up with a reasonable increase. I want to go on record as strongly disagreeing with a 38.79% increase in my water bill. Thanks for your help and consideration, Everett Chasteen.

From: [tona.moore](#)
To: [UCC Consumer Info](#)
Subject: Raymond Moore - Van Buren Water INC Board Proposed Water Rate Increase
Date: Thursday, February 6, 2025 11:45:42 AM

This is the first time you received an email from this sender (tonamoore@att.net). Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

To the Commission:

We are asking for an IURC public hearing for Van Buren Water Inc request for a substantial rate increase application.

We live in Iron Gate Sub-division and have problems with our water pressure, have complained many times and ignored by the water company, These problems should be addressed before they are allowed to attach a rate increase. There is not a fire hydrant in the addition that we could find. Thank you for considering our request. I have sent a letter with more detail to the Indiana Utility Regulatory Commission.

Tona Moore
Raymond Moore
6115 W Corral Way Drive
Bloomington, IN 47403
812 327-8691

From: noreply@engage.in.gov
To: [UCC Consumer Info](#)
Subject: Thomas R. Stand
Date: Monday, January 27, 2025 9:30:36 AM

EXTERNAL EMAIL: This email was sent from outside your organization. Exercise caution when clicking links, opening attachments or taking further action, before validating its authenticity.

A form has been submitted for: OUCC Contact Form
Please review the attached PDF for the submission information.

Title: Mr.

Name: Thomas R. Stand

Email: dmstand@yahoo.com

Phone: (812) 360-1942

Address: 6369 W. May Rd.

Bloomington

IN

47403

Utilities: Van Buren Water Inc

Type of Inquiry: Case Comment

Comments: I received a letter from Van Buren Water Inc letting me know that they are going to raise my rates 38.79 percent. My Social Security check hasn't gone up 38.79 percent. I believe this would be considered an exorbitant increase.

Secretary of Commission,

Regarding the 36.79% rate increase on Van Buren Water, my husband & I both are very opposed & request a formal hearing.

Thank you.

Erin West & Kevin Ramey

**WATER CUSTOMERS OF
VAN BUREN WATER INC**

In Re: Proposed Water Rate Increase

Dear Water Customer:

Notice is hereby given that the Van Buren Water Inc Board did on January 13, 2025, file an Application with the Indiana Utility Regulatory Commission (IURC) to increase the water rates charged to customers of the Van Buren Water Inc.

This Application was filed pursuant to Ind. Code 8-1-2-61.5 without the necessary cost of an IURC hearing; however, a public hearing before the IURC may be held if any public or municipal corporation, ten (10) individuals, firms, corporations or associations, or ten (10) complainants of all or any of these classes affected by the proposed rate change requests a formal public hearing. A written, signed request for a formal hearing must be submitted to the Secretary of the Commission, Indiana Utility Regulatory Commission, 101 W. Washington Street, Suite 1500 East, Indianapolis, Indiana, 46204 and must be received by the IURC within forty (40) days after the date the Application was filed with the IURC and declared complete. In addition, a public hearing may be held if requested by the Utility Consumer Counselor (OUCC).

The proposed increase in the water rate requested by the application is approximately 38.79 % and is proposed to be an "Across the Board" increase.

In the absence of a written request as described above, there likely will be no hearing conducted by the IURC on this Application. However, this will not decrease the standard of review by either the OUCC or the IURC. While the small utility filing procedure reduces time and expenses for the filing utility, the utility must still make its case in writing and has the same burden of proof that is required in any IURC rate case. The OUCC will assign a team of legal and technical staff to review the utility's request. Further, utility customers may send comments to the OUCC for inclusion in the formal case record. The OUCC accepts comments through its website at www.in.gov/OUCC/2361.htm or by e-mail at uccinfo@OUCC.in.gov.

VAN BUREN WATER INC BOARD



CRAIG KOONS, PRESIDENT



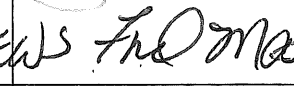



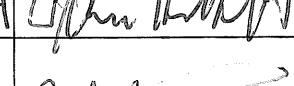
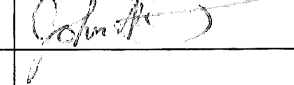
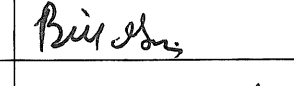



JASON CLARK, SECRETARY

PETITION AGAINST INCREASE IN WATER PRICES

We, the undersigned residents of Monroe County, are concerned about the proposed increase in water prices imposed by Van Buren Water. We believe this increase is unreasonable and places an undue financial burden on our households. We urge local authorities to act and halt this price hike. ~~38.7990 increase~~

By signing this petition, we show our collective opposition to the increase and call for a fair and transparent review of water pricing policies.

Name (Printed)	Signature	Date	Address
Tedd Nesbitt		2/2/25	7327 S Burch Rd Bloomington
Jim Murrell		2/2/2025	7311 S Burch Rd Bloomington
FRED MATTHEWS		2/2/25	7263 S. BURCH RD.
BRYAN GAGAN		2/2/25	7255 S. Burch Rd.
Janelle Chipenter		2-2-25	7225 S Burch Rd
John Haskett		2-2-25	7240 S Burch Rd
John M Fisher		2-2-25	7199 S Burch Rd.
Bill Grooms		2.2.25	7032 S Burch Rd.
JARROD BUTLER		2.2.25	6990 S. Burch Rd.
Larry Gwa Huey		2-2-25	6983 S. Burch Rd.

To: Secretary of the Commission
Indiana Utility Regulatory Commission
101 W. Washington St., Suite 1500
Indianapolis, Indiana
46204

1-25-25

From: Ron Price
6122 West Corral Way Dr.
Bloomington, Indiana
47403-8203

I'm requesting a formal hearing due to a proposed water rate increase by; Van Buren Water Inc. They have filed application to increase our water rate by nearly 38.8 % and I feel this is extremely excessive. This application was filed with out the necessary requirements for an Indiana Utility Regulatory Commission (IURC) hearing.

Please require and schedule a hearing on this issue.

Signed

Ronald G. Price

Ronald G. Price
rongprice@yahoo.com
812-558-1616

**WATER CUSTOMERS OF
VAN BUREN WATER INC**

In Re: Proposed Water Rate Increase

Dear Water Customer:

Notice is hereby given that the Van Buren Water Inc Board did on January 13, 2025, file an Application with the Indiana Utility Regulatory Commission (IURC) to increase the water rates charged to customers of the Van Buren Water Inc.

This Application was filed pursuant to Ind. Code 8-1-2-61.5 without the necessary cost of an IURC hearing; however, a public hearing before the IURC may be held if any public or municipal corporation, ten (10) individuals, firms, corporations or associations, or ten (10) complainants of all or any of these classes affected by the proposed rate change requests a formal public hearing. A written, signed request for a formal hearing must be submitted to the Secretary of the Commission, Indiana Utility Regulatory Commission, 101 W. Washington Street, Suite 1500 East, Indianapolis, Indiana, 46204 and must be received by the IURC within forty (40) days after the date the Application was filed with the IURC and declared complete. In addition, a public hearing may be held if requested by the Utility Consumer Counselor (OUCC).

The proposed increase in the water rate requested by the application is approximately 38.79 % and is proposed to be an "Across the Board" increase.

In the absence of a written request as described above, there likely will be no hearing conducted by the IURC on this Application. However, this will not decrease the standard of review by either the OUCC or the IURC. While the small utility filing procedure reduces time and expenses for the filing utility, the utility must still make its case in writing and has the same burden of proof that is required in any IURC rate case. The OUCC will assign a team of legal and technical staff to review the utility's request. Further, utility customers may send comments to the OUCC for inclusion in the formal case record. The OUCC accepts comments through its website at www.in.gov/OUCC/2361.htm or by e-mail at uccinfo@OUCC.in.gov.

VAN BUREN WATER INC BOARD



CRAIG KOONS, PRESIDENT



JASON CLARK, SECRETARY

February 6, 2025

Van Buren Water
4385 W. State Road 45
Bloomington, IN 47403-5129

RECEIVED

FEB 08 2025

INDIANA UTILITY REGULATORY COMMISSION

RE: Water increase of 38.79%

Good morning,

I saw the publication for the proposed water rate increase in the Herald Times and then received a letter in the mail from Van Buren Water. This increase of 38.79% is a substantial increase to apply at one time. When most people are happy to get between a 2 or 4% increase in wages this increase the water utility is asking for seems excessive.

I also do not understand what is meant by "across the board" for the increase. What entails "across the board." Why are there no reasons given for this high of an increase?

Is part of this utility increase for employee wages? Replacing water lines? I would think something like that would have been built into any budget that the water utility has. Just like what is needed when you are budgeting personally.

More information on why the increase is so large and more specifically what it will be used for needs to be explained to all water utility customers. Will this information be given out?

Thank you,

Barry & Pam Hash

CC: Secretary of the Commission
Indiana Utility Regulatory Commission
101 W. Washington Street, Suite 1500 East
Indianapolis, IN 46204

RECEIVED

JAN 21 2014
St. Jude Children's
Research Hospital

Finding cures. Saving children.
ALSAC - DANNY THOMAS, FOUNDER

INDIANA UTILITY REGULATORY COMMISSION
stjude.org/wemissyou



I do not approve
a water raise
I am retired
have health
problems.
any more no
respect for us
retires

Brenda Ford



7L1

RECEIVED

FEB 05 2025

January 31, 2025

INDIANA UTILITY REGULATORY COMMISSION

Indiana Utility Regulatory Commission
101 W Washington St
Suite 1500 East
Indianapolis, IN 46204

To Whom IT May Concern:

I am writing in response to the proposed water rate increase put forth by the Van Buren Water, Inc Board on January 13, 2025. I hereby request a formal public hearing concerning the proposed 38.79% "across the board" increase in the water rate.

Sincerely,



Greg Humphrey
6040 W Corral Way Dr
Bloomington, IN 47403

Secretary of the Commission
Indiana Utility Regulatory Commission
101 W Washington Street Suite 1500
East Indianapolis, Indiana 46204

February 13, 2024

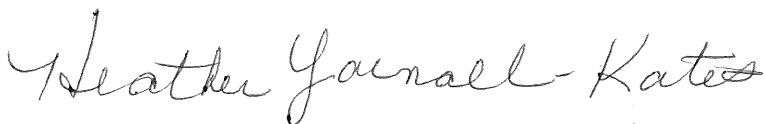
Secretary of the Commission,

As a resident of Van Buren Township, I have a couple of questions regarding the increase in the water rate. A 38.79% rate increase is a significant increase.

It is my understanding that our Sewer bills are determined based on our water bills. My Sewer supplier is South Central Regional Sewer District. Therefore, if our water bills increase will not also our sewer bills increase? What will be the Total rate of increase including changes to water and sewer?

Many years ago, my area was included in a project that brought sewer service to my neighborhood. Connecting was optional but all our homes within the project area would be charged a monthly fee towards the financed amount. The monthly fee was embedded in our water / sewer charge. I imagine there are few residents remaining in my neighborhood that were a part of that project. What is the status of the payoff amount? When is the anticipated payoff date? Will our rates be reduced when the funding sources are paid in full?

Thank you for your time and attention to these matters.

A handwritten signature in cursive script that reads "Heather Yarnall-Kates". The signature is written in dark ink and is positioned above the printed name and address.

Heather Yarnall-Kates
3729 S Westmont, Resident

Matthew Laherty
Van Buren Water Co Customer
7820 W Eller Rd
Bloomington, IN 47403
(812) 606-9291

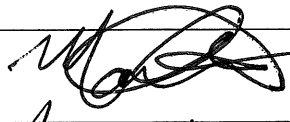
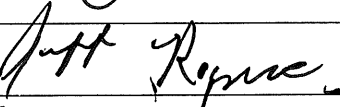

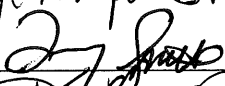
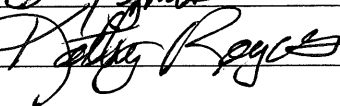
1/31/2025

Secretary of the Commission
James Huston, Chair
Wes Bennett, Commissioner
Sarah Freeman, Commoners
David Veleta, Commissioner
David Ziegner, commissioner
Indiana Utility Regulatory Commission
101 W Washington St
Suite 1500 E
Indianapolis, IN 46204

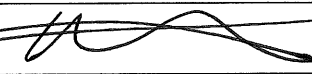


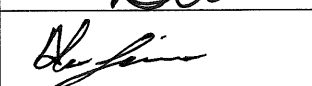

Dear IURC:

This letter serves as notice to the IURC that the undersigned customers of the Van Buren Water Co demand a public formal hearing before the IURC. We demand that the Van Buren Water Company Board present the facts surrounding their rate increase request dated January 13th, 2025. We demand to know why the board believes they need to implement a 38.79% rate increase.

The undersigned are Van Buren Water Co customers that demand a hearing:

1	Matthew Laherty	7820 W Eller Rd	Bloomington, IN 47430	
2	Jeff Rogers	7894 W. ELLER RD.	BLOOMINGTON IN 47403	
3	Jennifer Smith	7888 W. Eller Rd	Bloomington IN 47403	
4	Larry Smith	7888 W ELLER RD	Bloomington, IN 47403	
5	Kathy Rogers	7894 W Eller Rd	Bloomington IN 47403	

Van Buren Water Co Customers Demand a public hearing before the IURC to review a 38.79% rate increase 1/31/25

6	Kevin McArthur	7611 W Eller	Bloomington 47403	
7	RM Cannon	7800 N. Eller		Robert Cannon
8	ALISON ZOOK	3843 S GARRISON CHAPEL	Bloomington 47403	
9	Elizabeth Burder	3775 S. Garrison Chapel	47403	
10	Adam L. Grimer	3665 S. Garrison Chapel Rd	47403	
11	Dennis Cole	3535 S Garrison Chapel	47403	Dennis Cole
12	Sharon McArthur	3495 S. Garrison Chapel Rd	47403	Sharon K McArthur
13	Connie Full	3425 S. Garrison Chapel Rd	47403	Connie Full
14	Angela R. Burt	3425 S. Garrison Chapel Rd	47403	Angela R Burt
15	Campbell	3299 S. Garrison Chapel Rd	47403	
16	NATHANIEL BAKER	3139 S. GARRISON CHAPEL RD	47403	Nathaniel Burt
17	Jeff Meador	8377 W. 9th		Jeff Meador
18	Erica D. Laherty	7820 W. Eller Road	Bloomington, IN 47403	Erica D. Laherty
19	Theresa Oatman	7820 W. Eller Rd	Bloomington 47403	Theresa Oatman
20	Brandon S Chastain	8619 W Gardner	Bloomington 47403	Brandon S Chastain
21	Anna Chastain	8619 W Gardner	Bloomington 47403	Anna Chastain
22	Michelle L. C...	5137 W HANKS XING	Bloomington 47403	Michelle L. C...
23	Matthew N. Kirk	4092 N Hartstree Rd	Bloomington 47404	Matthew N. Kirk
24	Thaddeus Walker	2727 S Garrison Chapel Rd	Bloomington 47403	Thaddeus Walker
25	Bo E. Miller	3809 S Gillham Dr	Bloomington 47403	Bo E Miller

**WATER CUSTOMERS OF
VAN BUREN WATER INC**

In Re: Proposed Water Rate Increase

Dear Water Customer:

Notice is hereby given that the Van Buren Water Inc Board did on January 13, 2025, file an Application with the Indiana Utility Regulatory Commission (IURC) to increase the water rates charged to customers of the Van Buren Water Inc.

This Application was filed pursuant to Ind. Code 8-1-2-61.5 without the necessary cost of an IURC hearing; however, a public hearing before the IURC may be held if any public or municipal corporation, ten (10) individuals, firms, corporations or associations, or ten (10) complainants of all or any of these classes affected by the proposed rate change requests a formal public hearing. A written, signed request for a formal hearing must be submitted to the Secretary of the Commission, Indiana Utility Regulatory Commission, 101 W. Washington Street, Suite 1500 East, Indianapolis, Indiana, 46204 and must be received by the IURC within forty (40) days after the date the Application was filed with the IURC and declared complete. In addition, a public hearing may be held if requested by the Utility Consumer Counselor (OUCC).

The proposed increase in the water rate requested by the application is approximately 38.79 % and is proposed to be an "Across the Board" increase.

In the absence of a written request as described above, there likely will be no hearing conducted by the IURC on this Application. However, this will not decrease the standard of review by either the OUCC or the IURC. While the small utility filing procedure reduces time and expenses for the filing utility, the utility must still make its case in writing and has the same burden of proof that is required in any IURC rate case. The OUCC will assign a team of legal and technical staff to review the utility's request. Further, utility customers may send comments to the OUCC for inclusion in the formal case record. The OUCC accepts comments through its website at www.in.gov/OUCC/2361.htm or by e-mail at uccinfo@OUCC.in.gov.

VAN BUREN WATER INC BOARD



CRAIG KOONS, PRESIDENT



JASON CLARK, SECRETARY

February 3, 2025

Secretary of the Commission
Indiana Regulatory Commission
101 W. Washington Street
Suite 1500 East
Indianapolis, IN 46204

RECEIVED

FEB 05 2025

INDIANA UTILITY REGULATORY COMMISSION

Re: Proposed Rate Increase Van Buren Water, Inc.

To Whom It May Concern:

I am writing in response to the Van Buren Water, Inc. Board's application for increase in the water rates for its customers. The request is for an across the board increase of 38.79%.

The purpose of my letter is to request a formal hearing for an explanation and justification for this large increase. My understanding is there needs to be at least ten affected customers for a hearing. I am confident the Commission will be receiving the necessary number to order this hearing.

Sincerely



Peter Kubacki
6053 W. Corral Way Drive
Bloomington, IN 47403

Kubacki
6053 W. Corral Way Drive
Bloomington, IN 47403

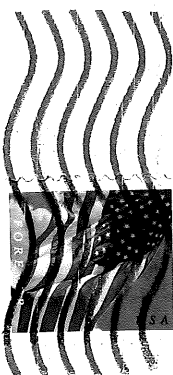
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FEB 05 2025

INDIANA UTILITY REGULATORY COMMISSION

Secretary of the Commission
Indiana Regulatory Commission
101 W. Washington Street
Suite 1500 East
Indianapolis, IN 46204

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46204-276498

101 W WASHINGTON ST
SUITE 1500 EAST
INDIANAPOLIS IN 46204
INDIANA UTILITY REGULATORY COMMISSION
SECRETARY OF THE COMMISSION
INDIANAPOLIS IN 46204
46204-276498

2/6/2025

Secretary of the Commission
Indiana Utility Regulatory Commission
101 W Washington Street
Suite 1500 East
Indianapolis, IN 46204

Dear Secretary,

We are requesting a formal hearing regarding the application by Van Buren Water Inc. for an increase of approximately 38.79% increase.

We live in the Iron Gate sub-division at the top of the hill, water pressure is insufficient, have complained many times and ignored. Water company has 2 pumps at the bottom of the hill and sometimes there is a possibility only one is operating sufficiently at times. There is not a fire hydrant in the neighborhood that we can find, (started looking after the California fires) we have a woods behind our house and our water pressure certainly wouldn't help much.

Thank you for your consideration and attention to our request we think some of their problems need to be addressed before they get a large increase.

Raymond Moore Raymond Moore 812 327-8690

Tona Moore Tona Moore 812 327-8691

6115 W Corral Way Drive
Bloomington, Indiana 47403

IRON GATE SUB-DIVISION

Brenna Souza

3870 S Eastmont Ave
peterandbrenna@gmail.com
5308452596
13 February, 2025

Secretary of the Commission

Indiana Utility Regulatory Commission
101 W Washington Street Suite 1500 East
Indianapolis, Indiana 46204

Subject: Request for Formal Hearing on Proposed Water Rate Increase

Dear IURC,

I am writing to formally request a hearing regarding the proposed water rate increase by Van Buren Water Inc. As a resident affected by this rate adjustment, I have serious concerns about both the size of the increase and the lack of communication from the company regarding this change.

The proposed rate adjustment is quite high (38.79%), placing an unexpected financial burden on residents. Additionally, Van Buren Water has provided little to no communication or justification to its customers regarding the necessity of this increase, leaving many in the community without sufficient information to understand or plan for the impact. Transparency and public input are critical in matters that directly affect household and business expenses, and the absence of clear communication raises concerns about the process by which this decision was made.

I respectfully request that a formal hearing be scheduled as soon as possible to allow for a full discussion of these concerns.

Thank you for your time and attention to this matter. I look forward to your response.

Sincerely,

Brenna Souza

