

FILED

JUL 13 2016

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

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REGULATORY COMMISSION

PETITION OF THE TOWN OF ELBERFELD,)
INDIANA, FOR APPROVAL OF ITS)
ORDINANCE GOVERNING THE PROVISION)
OF WASTEWATER UTILITY SERVICE TO)
CUSTOMERS LOCATED IN THE)
UNINCORPORATED AREAS OF WARRICK)
COUNTY, INDIANA THAT ARE WITHIN)
FOUR MILES OF THE TOWN'S)
INCORPORATED BOUNDARY)

CAUSE NO. 44766

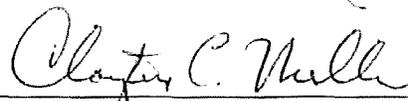
PETITIONER'S REBUTTAL TESTIMONY

The petitioner, the Town of Elberfeld, Indiana ("Elberfeld") submits the attached rebuttal testimony of its witness Dennis Miller in support of its request for relief.

Respectfully submitted,

TOWN OF ELBERFELD, INDIANA

By

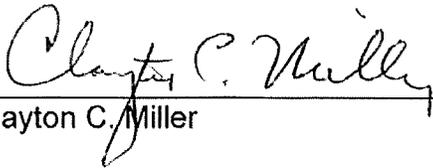


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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the Petitioner's case-in-chief was served on the following by hand delivery or U.S. mail, first-class postage prepaid, this 13th day of July, 2016:

Office of Utility Consumer Counselor
National City Center
115 West Washington Street, Suite 1500 S
Indianapolis, Indiana 46204



Clayton C. Miller

Rebuttal Testimony of Dennis A. Miller
On behalf of the Town of Elberfeld, Indiana
IURC Cause No. 44766
July 13, 2016

1 **Q.1 Please state your name.**

2 A.1 My name is Dennis A. Miller

3

4 **Q.2 Are you the same Dennis A. Miller who filed direct testimony in this cause?**

5 A.2 Yes.

6

7 **Q.3 What is the purpose of your rebuttal testimony?**

8 A.3 The only other party to this case, the Indiana Office of Utility Consumer

9 Counselor ("OUCC"), has filed the responsive testimony and exhibits of its witness

10 James T. Parks. Although he is generally supportive of the Town of Elberfeld's

11 ("Elberfeld") petition for approval of its sewer regulatory ordinance, Mr. Parks' testimony

12 suggests a potential need for me to elaborate on one aspect of my and David Hynes'

13 direct testimony in support of that petition.

14

15 **Q.4 Please elaborate.**

16 A.4 I appreciate Mr. Parks careful review and acknowledgment of the "number of

17 positive steps" (Parks at p. 4, lines 16-17) taken by the Town of Elberfeld ("Elberfeld") to

18 address sanitary sewer overflows in its collection system and at its treatment plant and

1 his description of Elberfeld as having "existing wastewater infrastructure and the
2 managerial and technical capabilities needed to extend wastewater services to areas
3 beyond its corporate limits." Parks at p. 8, lines 18-19. I 64454 found it especially
4 gratifying to see his praise of Elberfeld's October, 2012 Master Plan for Water, Sanitary
5 Sewer, and Drainage as being "comprehensive, well done, and a good example of
6 planning that can serve as a road map for infrastructure development." Parks at p. 4,
7 line 23 through p. 5, line 1. But even though he concluded his testimony by confirming
8 that the OUCC "does not contest approval [by this Commission] of Elberfeld's
9 ordinance," Parks at p.9, lines 8-9, I wish to respond to his statement that there
10 "appeared to be little evidence of demand" for wastewater service in the parts of the
11 proposed regulated territory outside of the Town's limits and not in the vicinity of the I-69
12 / I-64 interchange. Parks at p.8, line 22 through p.9, line 1.

13

14 **Q.5 Has Elberfeld made any assessment of the potential demand for**
15 **wastewater service to the parts of its proposed regulated territory that are not in**
16 **the vicinity of the I-69 / I-64 interstate highway interchange?**

17 A.5 Yes. The highway interchange is west of Elberfeld's boundary. Elberfeld is
18 already providing wastewater service to the North Warrick Industrial Park north of the
19 interchange, and as Mr. Parks noted the potential demand for such service in this part
20 of the proposed regulated territory already exists. As I noted in my direct testimony,
21 Elberfeld's wastewater treatment plant is located approximately two miles southwest of
22 town. Elberfeld has already extended service to customers outside of the Town
23 boundary in this direction. I understand Mr. Park's testimony to be referring primarily to

1 those areas further south as well as east of town where there is currently little
2 development within the proposed regulator territory.

3 While I cannot predict with certainty how, and how soon, currently undeveloped
4 land might be improved, I am aware of some proposed development south and east of
5 town which would likely require or desire wastewater service if it was available, and
6 Elberfeld remains the closest wastewater utility to provide such service. One 261-acre
7 parcel at the southern end of the proposed regulated territory has been proposed for
8 various developments in recent years, and is currently being marketed for such
9 opportunities, which are expected to want some degree of wastewater service. I also
10 note that there are approximately 40 homes located along the route between that
11 potential development and Elberfeld's wastewater treatment plant. The residents of
12 those homes each have private septic systems, and from time to time Elberfeld has
13 fielded inquiries from some of these homeowners interested in potentially connecting to
14 Elberfeld sanitary sewer system. The remainder of the proposed regulated territory
15 consists of a combination of large privately-owned parcels and public, state-owned
16 property, including the 2,532-acre Blue Grass Fish & Wildlife Area. Blue Grass is an
17 area of former strip mines dedicated within the last decade by the Indiana Department
18 of Natural Resources ("DNR") as a public preserve.

19

20 **Q.6 Why would Elberfeld want to include such a large state preserve as Blue**
21 **Grass within its regulated territory?**

22 A.6 We anticipate there will be a degree of development, albeit not on a large scale,
23 within and adjacent to Blue Grass. I am aware, for example, that a campground

1 formerly operated on private property surrounded by the Blue Grass preserve. That
2 campground was closed due in part to its lack of sewer service. Recently, another
3 development proposal has been floated for part of this property, which would also
4 require sewer service. Within the preserve itself, Elberfeld anticipates that if DNR wants
5 to provide sewer service as it continues to develop this relatively new preserve, it would
6 utilize isolated lift stations to pump wastewater to the nearest Elberfeld facility.

7

8 **Q.7 You referred in your direct testimony to the areas south and east of**
9 **Elberfeld having "a relatively high concentration of coal strip mines." Were you**
10 **including the former strip mines that comprise the large Blue Grass preserve in**
11 **your reference?**

12 A.7 Yes, in part. There are also a few additional inactive strip mines to the east and
13 southeast of Elberfeld which may also eventually be redeveloped.

14

15 **Q.8 Does Elberfeld's Master Plan suggest a possible direction of future**
16 **development and demand for wastewater in these outer areas of the proposed**
17 **designated territory?**

18 A.8 Yes. Much of the area outside of Elberfeld and within the proposed regulated
19 territory lies within Warrick County's Campbell Township. Figure 8.3 from the Master
20 Plan, a copy of which I have attached as an exhibit to my rebuttal testimony, shows
21 anticipated future land uses in that township, including a mixture of higher and lower
22 density residential areas south and east of Elberfeld as well as commercial and
23 industrial areas primarily to the southwest.

1 **Q.9 Area there any other matters you wish to address in your rebuttal**
2 **testimony.**

3 A.9 Yes, just one more. On page 3 of his testimony at line 10, Mr. Parks refers to
4 Elberfeld's wastewater treatment plant design having a "peak hourly wet weather flow"
5 of 431,400 gpd. I just want to point out that I believe Mr. Parks' inclusion of the word
6 "hourly" in this quoted phrase was unintentional, as the numerical reference is to gallons
7 per day.

8

9 **Q.10 Does this conclude your rebuttal testimony?**

10 A.10 Yes.

Elberfeld

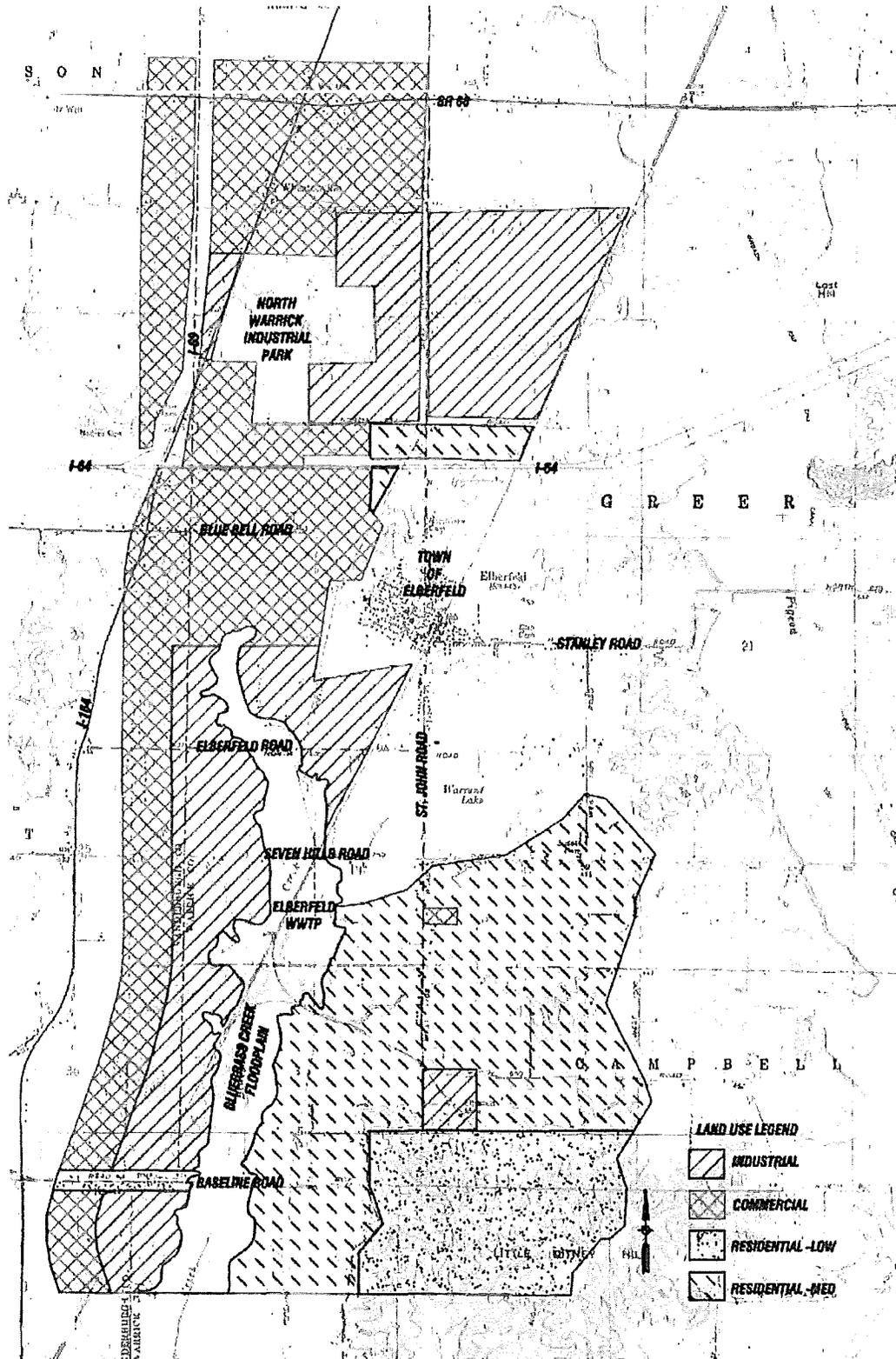


Figure 8.3 Future and Existing Land Use Map