

**FILED**  
March 31, 2023  
**INDIANA UTILITY  
REGULATORY COMMISSION**

**INDIANA-AMERICAN WATER COMPANY, INC.**

**DIRECT TESTIMONY**

**OF**

**GREGORY D. SHIMANSKY**

**SPONSORING ATTACHMENTS GDS-1 THROUGH GDS-6**

**March 31, 2023**

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GREGORY D. SHIMANSKY**

**INTRODUCTION**

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

A. My name is Gregory D. Shimansky, and my business address is 153 N. Emerson Avenue, Greenwood, IN 46143.

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

A. I am employed by American Water Works Service Company, Inc. (“Service Company” or “AWWSC”) as Director, Rates & Regulatory. The Service Company is a subsidiary of American Water Works Company, Inc. (“American Water”) that provides support services to American Water’s subsidiaries, including Indiana-American Water Company, Inc. (“Indiana-American”, “INAWC” or the “Company”).

**Q. Please summarize your educational background and work experience.**

A. I earned a Bachelor of Arts degree in Economics from the University of California, Los Angeles in June 1993. I also earned a Master of Science in Management, with concentrations in Finance and Marketing, from Purdue University in May 1998. I began my employment with Indiana-American in August 2018. I also serve on the National Association of Regulatory Utility Commissioners (“NARUC”) as a Rate School instructor. Prior to that, I was employed by San Diego Gas and Electric Company (“SDG&E”) as the General Rate Case (“GRC”) Program Manager for both SDG&E and Southern California Gas Company (“SoCalGas”), both regulated affiliates of Sempra Energy, covering various GRC chapters and the companies’ Cost of Capital proceedings. I was employed at Sempra

1 Energy from June 2003 through August 2018. In addition to the position in the GRC  
2 organization, I served as the Financial Planning Manager for Sempra Energy, the  
3 Regulatory Reporting Manager at SDG&E/SoCalGas, and I worked for SDG&E in utility  
4 planning.

5 **Q. What are your current employment responsibilities?**

6 A. I am responsible for rate and rate related activities for Indiana-American which includes  
7 the preparation of written testimony, exhibits and work papers in support of rate  
8 applications and other regulatory filings.

9 **Q. Have you testified before the Indiana Utility Regulatory Commission (“IURC”, or  
10 “Commission”) or any other regulatory agencies with respect to regulatory matters?**

11 A. Yes. I have testified before the IURC in numerous Causes, most recently Cause No. 45852,  
12 the acquisition of the Sunset Village system, Cause No. 42351 DSIC-14 for infrastructure  
13 funding recovery, Cause No. 45609 SEI-1, Indiana-American Water’s Service  
14 Enhancement Improvement filing, Cause No. 45753, the Joint Petition in Indiana-  
15 American Water and the Town of Claypool acquisition case, and Cause No. 45785,  
16 Indiana-American Water’s update to the System Development Charge. In addition, I have  
17 testified before the California Public Utilities Commission and have submitted written  
18 testimony before the Iowa Utility Board.

19 **Q. Please describe the business of Indiana-American.**

20 A. Indiana-American is an operating public utility incorporated under the laws of the State of  
21 Indiana, with its principal office and place of business in the City of Greenwood, Johnson  
22 County, Indiana. The Company provides residential, commercial, industrial and municipal

1 water utility service, including sales for resale, and public and private fire service, to  
2 approximately 328,000 water customers and wastewater utility service to approximately  
3 2,400 wastewater customers in and around the State of Indiana.

4 **Q. What is the purpose of your direct testimony in this proceeding?**

5 A. The purpose of my direct testimony is primarily to explain and support Indiana-American's  
6 proposed revenue requirement. I will explain how the Company developed the future test  
7 period in this filing and how the Company is proposing to implement the requested rate  
8 increase. I will also introduce and sponsor the schedules identified below provided in the  
9 Financial Exhibit supporting the requested rate relief in this Cause. In addition, I will  
10 explain specific adjustments to rate base. Further I will discuss depreciation and  
11 amortization expenses, income taxes, including Excess Accumulated Deferred Taxes and  
12 credit card processing fees. This testimony proposes new regulatory accounting treatment  
13 for Pension and OPEB expense, for Production costs, and for any variance in the discounts  
14 given for the new Universal Affordability tariff and associated expenses. I am also  
15 sponsoring the Company's request for recovery of its COVID-19 deferral as authorized  
16 under Cause No. 45380 Phase 1, with the balance amortized and collected in rates over the  
17 life of this rate case, expected to be three years, and I will discuss regulatory expenses and  
18 the proposal to recover those expenses over three years. Lastly, there are two revenue  
19 specific topics I will address dealing with the repeal of the Utility Receipts Tax ("URT")  
20 and returning the URT overcollection to customers over 4 months at the first Step rate  
21 change in this proceeding and a Montgomery County surcharge of \$3.54.

1 **Q. Please identify the attachments which you will be sponsoring with your direct**  
2 **testimony.**

3 A. I am sponsoring the following attachments:

- 4 • Attachment GDS-1 Clean and Redline Versions of the proposed rate tariffs for  
5 water service (I.U.R.C. W-22-A) after completion of all steps
- 6 • Attachment GDS-2 Clean and Redline Versions of the proposed rate tariffs for  
7 wastewater service (I.U.R.C. S-21-A) after completion of all steps
- 8 • Attachment GDS-3 Montgomery County Ordinance
- 9 • Attachment GDS-4 Montgomery County Surcharge Calculation
- 10 • Attachment GDS-5 Schedule Calculating URT Overcollection
- 11 • Attachment GDS-6 URT Temporary Credit Tariff.

12 I am also sponsoring the following schedules within the Financial Exhibits:

- 13 • Schedules REVREQ 1 through 4
- 14 • Schedule OPINC
- 15 • Schedules RB 1 through 13
- 16 • Schedule CC 2
- 17 • Schedule OM 23
- 18 • Schedules DEPR 1 & 2
- 19 • Schedule TX 1
- 20 • Schedules FS 1 through 3

21 **Q. When were Indiana-American’s current rates established?**

22 A. The Commission last approved INAWC’s rates in a general rate case by its Order issued  
23 June 26, 2019, in Cause No. 45142. The rates were implemented and effective upon  
24 approval of INAWC’s Step 2 compliance filing pursuant to that order as of May 1, 2020.  
25 After that approval, INAWC has adjusted rates down through a Settlement in the Tax Cuts  
26 and Jobs Act (“TCJA”) docket (Cause No. 45032 S4) that amortized Contributions in Aid  
27 of Construction (“CIAC”) balances against depreciation expense, and again for the removal

1 of the Utility Receipts Tax (Cause No. 45734 S1). The Company has also implemented a  
2 Distribution System Improvement Charge (“DSIC”) pursuant to the Commission’s Orders  
3 in Cause Nos. 42351 DSIC-12, -13 and -14 as well as the Service Enhancement  
4 Improvement (“SEI”) charge pursuant to Commission’s Orders in Cause Nos. 45609 SEI  
5 1 and 45609 SEI 1 S1.

6 In the settlement agreement in Cause No. 45142 that was approved in the final order of  
7 Cause No. 45142, Indiana-American anticipated that the settlement would allow the  
8 Company to operate without seeking a general increase in base rates before January 2022.  
9 This petition filed in this Cause asks for a rate increase almost 16 months after that stated  
10 expectation, illustrating the Company’s ability to manage the Company and its expenses.  
11 However, now is the right time for the Company to come back in to update its rates.

### 12 **TEST YEAR**

13 **Q. What test year is the Company using for this rate case?**

14 A. The Company is using a future test year comprising the twelve months ending April 30,  
15 2025. In other words, this is a twelve-month period that begins May 1, 2024, which is not  
16 more than twenty-four (24) months after the filing date of the petition in this case.

17 **Q. What is the basis for the Company’s future test year?**

18 A. In our last General Rate Case, we also used a future test year. That case and this one are  
19 based on Indiana Code § 8-1-2-42.7 which allows a utility to request a future test year  
20 under section d, part 1:

21 A forward-looking test period determined on the basis of projected  
22 data for the twelve (12) month period beginning not later than

1 twenty-four (24) months after the date on which the utility petitions  
2 the commission for a change in its basic rates and charges.

3 **Q. How did the Company develop its future test year?**

4 A. The Company's future test year in this case is a product of projections of measurable data  
5 based on:

- 6 • a full historical base year (12 months ended September 30, 2022) ("Base  
7 Period");
- 8 • a verifiable link period (October 1, 2022, to April 30, 2024) ("Link Period");  
9 and then,
- 10 • a projection for the period covering the test year (the 12-month period  
11 beginning May 1, 2024, and ending April 30, 2025) ("Test Year").

12 The genesis of the projection is a base year that reflects actual revenues, expenses, and rate  
13 base for the twelve months ended September 30, 2022. This date was selected to allow  
14 sufficient time to prepare the rate case. Our base period does not mirror the test year  
15 because, had we done so, the base period would have been nearly eleven months old. In  
16 order to advance to the future test year, those cost elements were adjusted through a  
17 verifiable link period (October 1, 2022, to April 30, 2024). Then the Company projected  
18 those cost elements through the future test year (May 1, 2024, to April 30, 2025).

19 **REVENUE REQUIREMENT**

20 **Q. What amount of rate relief is the Company seeking in this case?**

21 A. Indiana-American seeks a rate increase that would produce additional annual revenues for  
22 the water revenue requirement (1) approximately \$41.0 million, or a 14.79% increase over  
23 present rate revenues, for Step 1; (2) approximately \$16.5 million, or a 5.15% increase over

1 Step 1 rates, for Step 2; and (3) approximately \$25.2 million, or a 7.48% increase over Step  
2 2 rates, for Step 3. Steps 1, 2, and 3 and their respective timings are defined below. The  
3 currently effective DSIC and SEI charges will be reset to zero once new rates go into effect,  
4 as the revenue requirement associated with these DSIC and SEI costs is transferred into  
5 base rates.

6 Indiana-American seeks a rate increase that would produce additional annual revenues for  
7 the wastewater revenue requirement of (1) approximately \$2.2 million, or a 122.24%  
8 increase over present rate revenues, for Step 1; (2) approximately \$1.7 million, or a 60.83%  
9 increase over Step 1 rates, for Step 2; and (3) approximately \$0.2 million or 5.25% increase  
10 over Step 2 rates for Step 3. The Company proposes to hold the average wastewater bill  
11 to just under \$100 per month. The Company offers this proposal to mitigate the increase  
12 wastewater customers would otherwise experience with a straight cost of service approach.  
13 When allocated among the water customers, those costs have a nominal effect. In order to  
14 mitigate the impact to wastewater customers, the Company seeks to allocate the additional  
15 increase to water rates, as we have done in previous rate cases. If approved as filed, the  
16 Company would see an increase to present wastewater rates of 68%, or \$1.2 million. The  
17 impact on water customers would be 0.5%.

18 **Q. What are the drivers of the Company's requested rate increase?**

19 A. The major drivers of the Company's requested rate relief are ongoing capital investments  
20 and increased O&M costs. Indiana-American's projected Test Year rate base is \$1,845  
21 million in this case. This is a \$663 million increase from the level of rate base agreed to  
22 as a cap in the settlement in the prior rate case (Cause No. 45142) of \$1,182 million. The  
23 rate base presented in this case includes already approved DSIC investments of \$285



1 million, already approved SEI investments of \$51 million, and the inclusion of  
2 approximately \$48 million for acquisitions. Witness Matt Hobbs discusses the additional  
3 capital requested in this case in his direct testimony. Witness Kari C. Britto discusses the  
4 additional operation and maintenance expense, including costs associated with  
5 acquisitions, increased demand for line locates, and increased preventative maintenance  
6 activities to support the Company's efforts to continue providing more cost-effective  
7 service to our customers over the long-term. In addition, witness Charles B. Rea discusses  
8 the impact to revenues based on the continued declining usage trend which offsets the  
9 Company's organic growth, as well as a new rate design proposal that includes a base usage  
10 and a universal affordability rate. Indiana-American is proposing in this case that rates be  
11 designed to include a specific level of water usage (the first 1,500 gallons used per month)  
12 to be included without a volumetric charge for all customers<sup>1</sup>. Further, the Company is  
13 proposing that a new tariff adjustment be offered to customers of certain average income  
14 levels in order to provide for universal affordability in our rates.

15 **Q. Describe how the Company proposes to implement its requested rate increase.**

16 A. The Company proposes to implement the requested rate increase in three steps. The first  
17 step ("Step 1") incorporates rate base in service, capital structure, and depreciation as of  
18 60 days before the scheduled hearing date, which is consistent with the draft language for  
19 proposed amendments to the Minimum Standard Filing Requirement ("MSFR") rules. We  
20 have estimated that date to be July 31, 2023 and are including an estimate of the rate base  
21 and projected capital structure and depreciation at that time for the purposes of this filing<sup>2</sup>.

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<sup>1</sup> Customers in the Town of Lowell will remain on their existing rates after this rate case.

<sup>2</sup> At each rate base cutoff date, Indiana-American will submit a rate base and capital reconciliation compliance filing to certify that all utility plant in service is used and useful as of that date.

1 The first step will also incorporate the annualized level of revenues, uncollectible expense,  
2 operating and maintenance expenses, amortizations and taxes projected in a portion of the  
3 link period through December 31, 2023. This is the Company's estimate as to the last  
4 known month-end before the anticipated date the Final Order in this Cause is issued. We  
5 anticipate that rate change to happen on or around January 31, 2024. The second step ("Step  
6 2") incorporates the level of revenues, uncollectible expense, operating and maintenance  
7 expenses, amortizations and taxes projected through the future test year (April 30, 2025),  
8 combined with a projection of rate base, capital structure and depreciation expense as of  
9 April 30, 2024 (the beginning of the future test year). The third and last step ("Step 3")  
10 adjusts revenues, uncollectible expense and certain taxes (IURC, SIT and FIT) and projects  
11 rate base, capital structure and depreciation as of April 30, 2025 (the end of the future test  
12 year). The proposed tariffs (Attachments GDS-1 and 2) that I have prepared are the form  
13 of the tariffs that would apply at Step 3 (with the redlines comparing to the presently  
14 approved tariffs). Tariffs for Steps 1 and 2 would be in similar form, but merely illustrative,  
15 as the actual tariffs submitted at these steps will be based on actual (not projected) rate base  
16 and capital structure at that time. The one difference in format is that rates for Areas 1, 2,  
17 and 3 will be fully consolidated, phased in over the three steps. See the Direct Testimony  
18 of Charles B. Rea for further information.

19 **Q. Was the same Step process used in the last case?**

20 A. No. While the process used in Step 2 and Step 3 will be the same in this case as Step 1 and  
21 Step 2, respectively, were in the prior rate case (Cause No. 45142), in this filing, a new  
22 Step 1 was added. In this filing Step 1 will act as an interim period of rates from the time  
23 an order is final until the beginning of the test year. As described above, this case was put

1 together, using an actual base 12-month period ended September 30, 2022. From the end  
2 of that base period through the beginning of the test year period (known as the link period),  
3 and through the test year period, we used projections for revenues, expenses, capital  
4 improvements, capital structure, and cost of financings.

5 The Company proposes phasing in the rate increase over three rate changes, starting with  
6 Step 1 to occur upon issuance of the Final Order in this case, anticipated to be  
7 approximately January 31, 2024, which is prior to the start of the Test Year. Step 1 will  
8 include capital related costs (depreciation, taxes, and return) on rate base in service as of  
9 July 31, 2023, which is 60 days prior to the expected date of hearings. Step 1 would also  
10 include the projected expenses and revenues through the last month before the anticipated  
11 Final Order, or December 31, 2023, should the order come out on or before January 31,  
12 2024. The Company is not requesting to recover any costs before expenses are projected  
13 to occur. Since we are projecting from the end of the historic base period through the end  
14 of the test year, the Commission's approval of the revenue requirement for the test year  
15 will have necessarily included approval of the extent of the projection that has occurred by  
16 the time of Order issuance. In this manner, the approval of the Final Order will have  
17 approved the portion of the projection in the link period that occurs up until the Order is  
18 final. Using the December 31, 2023, projection point should therefore be the portion of the  
19 projection that will have occurred by the time Step 1 rates are implemented. This Step 1  
20 rate change, then, would be a precursor to the Step 2 rate change that will occur at the  
21 beginning of the Test Year. In this way, rate increases will be more gradually increased.  
22 The Company's proposal is very similar to the proposed multi-step increase approved by

1 the Commission for the City of Evansville; however, the time between the Company’s first  
2 and second steps will be shorter. The Commission explained in the Evansville Order:

3 “Based on a plain reading of the statutes, nothing in either Ind. Code § 8-  
4 1.5-3-8 or Ind. Code § 8-1-2-42.7 prohibits a rate increase from taking effect  
5 before the beginning of the Test Year. Nor is there any language in either  
6 statute that requires the rate increase to take effect only on or after the  
7 chosen test period. Section 42.7(e) does prohibit “temporary” rates from  
8 going into effect before the projected period; however, the allowance for  
9 temporary rates under the statute is a statutory relief mechanism a utility  
10 may request if the Commission fails to act on the rate request within 300  
11 days.” (IURC Order in cause No. 45545, issued March 2, 2022, page 31).

## 12 FINANCIAL SCHEDULES

### 13 **Q. How are the Company financial schedules presented?**

14 A. The financial schedules, Exhibit REVREQ, that calculate the revenue deficiency and  
15 certain adjustments to the test year financial statements are presented for the total Company  
16 as well as separated into total water operations and total wastewater operations both  
17 including the Company’s respective proposed acquisitions. The proposed rates are  
18 calculated to produce the revenues that are necessary in order to provide Indiana-American  
19 the opportunity to recover its operating expenses, depreciation and amortization, taxes, and  
20 earn a return on its net original cost rate base as well as the remaining net balance of the  
21 acquisition adjustment associated with Indiana Cities Water Corp. The return on equity  
22 (“ROE”) proposed is supported by Company witnesses Ann Bulkley. Company witness  
23 Nick Furia is supporting the Company’s proposed capital structure and total Weighted  
24 Average Cost of Capital projected in this proceeding. Exhibit REVREQ contains four  
25 schedules, denoted Schedule REVREQ1 through Schedule REVREQ4.

1 **Q. Please describe Schedule REVREQ1.**

2 A. Schedule REVREQ1 shows the Company's projected pro forma present and proposed net  
3 utility operating income as of December 31, 2023, using capital related costs based on rate  
4 base closed as of July 31, 2023 and projected revenues and O&M as of December 31, 2023  
5 to be used for Step 1, projected pro forma present and proposed net utility operating income  
6 as of April 30, 2025, using capital related costs based on rate base closed as of April 30,  
7 2024 and projected revenues and O&M as of April 30, 2025 to be used for Step 2, and  
8 projected pro forma present and proposed net utility operating income for the twelve  
9 months ended April 30, 2025 to be used for Step 3. This is shown for the total Company  
10 and also broken down between water and wastewater. The bottom section of Schedule  
11 REVREQ1 shows the calculation of the proposed increase for all three steps (as defined  
12 above) for water, wastewater, and the total.

13 **Q. What is the proposed increase for the three steps in this case?**

14 A. Line 40 of Schedule REVREQ1 shows the water, wastewater, and total increases for Step  
15 1, Step 2, and Step 3 in their respective columns.

16 **Q. Please describe Schedule REVREQ2.**

17 A. Schedule REVREQ2 shows how the proposed rate increases would be affected by the  
18 adjustments due to the gross revenue conversion factor for O&M and taxes.

19 **Q. Please describe Schedule REVREQ3.**

20 A. Schedule REVREQ3 shows the calculation of the gross revenue conversion factor for Step  
21 1, Step 2, and Step 3. The gross revenue conversion factor used for each of the three time  
22 periods is the same.

1 **Q. Please describe Schedule REVREQ4.**

2 A. Schedule REVREQ4 shows the proposed fair value increment for the purchase of Indiana  
3 Cities based on the calculation allowed in previous rate orders. Additional supporting  
4 information on the Company's proposed fair value increment is provided by Company  
5 Witness Ann Bulkley.

6 **Q. Did the enactment of Indiana Code § 8-1-2-42.7 affect the MSFR's?**

7 A. Yes. The MSFR's in 170 I.A.C. 1-5-1 through 16 have not yet been revised to address the  
8 differences in MSFR requirements that were not set up to contemplate the inclusion of a  
9 forecasted future test year. In preparing the MSFR's for this case, Indiana-American  
10 extrapolated the MSFR's to accommodate the permitted future test year, and when  
11 possible, referenced the electronic files that were submitted as part of this case to help with  
12 the review of electronic and paper versions of the case. I am aware that new MSFR's are  
13 being studied and drafted but are not yet effective as of the filing of this case. Even though  
14 the draft rules have not proceeded through formal rulemaking, they have undergone  
15 numerous comment periods. As such, we have attempted, where feasible, to follow the  
16 most recent version of the draft rules.

17 **ACQUISITIONS**

18 **Q. Please identify the closed acquisitions included in this rate proceeding.**

19 A. Since the prior rate case, the Company has gained approval and has closed on the water  
20 systems in Lake Station (Cause No. 45041), Lowell (Cause No. 45550), River's Edge  
21 (Cause No. 45461), and Claypool (Cause No. 45753) and has closed on the wastewater  
22 systems of River's Edge (Cause No. 45461),

1 and Riley (Cause No. 45290). These systems and their customers will be included in  
2 this rate case.

3 **Q. Please identify the pending acquisitions included in this rate proceeding.**

4 A. The Company is in the process of acquiring one additional water system (filed under Cause  
5 No. 45852). We expect to complete the transaction by Fall 2023 and will be included in  
6 Step 2 revenues.

7 **Q. Did the Company reflect operating revenues, expenses and rate base associated with  
8 the operation of these assets in its rate filing?**

9 A. Yes. Those systems that were closed prior to the completion of the Base Period (September  
10 30, 2022) include Lake Station, Lowell, River's Edge, and Riley. These are included in  
11 Base Period actuals and ongoing revenues and expenses are included in the projections  
12 through the end of the Test Year. Systems acquired and closed after September 30, 2022,  
13 include Claypool and Sunset Village. These are included in the Link Period and Test Year  
14 projections. The Test Year projection in this case includes these systems.

15 **REVENUES AND RATE DESIGN**

16 **Q. Has the Company calculated its Test Year revenues under current and proposed  
17 rates?**

18 A. Yes. Company witness Rea is sponsoring exhibits that show Indiana-American's Test Year  
19 revenues under current and proposed rates and the associated revenue shortfall under  
20 current rates, as well as the derivation of miscellaneous fees, including late fees, that make  
21 up the non-tariff related components of Indiana-American's revenues.

1 **Q. Has the Company proposed a rate design in this case?**

2 A. Yes. Mr. Rea's testimony describes Indiana-American's rate design and rate design  
3 proposals for water and wastewater service in this case.

4 **CAPITAL STRUCTURE**

5 **Q. What capital structure is the Company proposing to utilize to determine the cost of**  
6 **capital for ratemaking purposes?**

7 A. Company Witnesses Nicholas Furia and Ann Bulkley support the proposed capital  
8 structure, which is shown on Exhibit CC. Exhibit CC, Schedule CC1 has four pages which  
9 show the capital structure at September 30, 2022 (the end of the Base Period), July 31,  
10 2023 (60 days before the anticipated hearing date, used for Step 1), April 30, 2024 (the  
11 beginning of the Test Year, used for Step 2), and April 30, 2025 (the end of the Test Year,  
12 used for Step 3). Additional supporting information on the Company's capital structure and  
13 cost of capital is provided by Mr. Furia and Ms. Bulkley.

14 **RATE BASE**

15 **Q. Are you testifying with respect to the Company's rate base?**

16 A. Yes. Indiana-American's rate base is set forth in Exhibit RB.

17 **Q. Please describe Exhibit RB, Schedule RB1.**

18 A. Schedule RB1 summarizes the various components of original cost rate base for Indiana-  
19 American at September 30, 2022, July 31, 2023, April 30, 2024 and April 30, 2025. The  
20 information is presented on a total Company basis. Total water and wastewater



1 information is presented on Schedule RB1W and Schedule RB1WW, respectively.<sup>3</sup> As  
2 shown on Schedule RB1, the original cost rate base of Indiana-American at July 31, 2023  
3 for Step 1, April 30, 2024 for Step 2 and April 30, 2025 for Step 3, as adjusted, is  
4 \$1,614,354,218, \$1,687,559,031 and \$1,845,347,834, respectively. These balances were  
5 derived by taking the Base Period actual balances as of September 30, 2022, and projecting  
6 activity on a monthly basis from October 1, 2022 to April 30, 2025. Original cost rate base  
7 amounts exclude the unamortized amount of the acquisition adjustment relating to the 1993  
8 acquisition of Indiana Cities for which ratemaking treatment through the recognition of fair  
9 value is sought. Company Witness Ann Bulkley describes her evaluation of the  
10 reasonableness of the Company's overall request in relationship to a fair return on the fair  
11 value of the Company's property. This is consistent with the Commission's previous  
12 findings that this acquisition adjustment should be considered in the fair value analysis.

13 **Q. Please describe Exhibit RB, Schedule RB1 for Utility Plant in Service.**

14 A. As explained previously, utility plant in-service ("UPIS") balances were pulled from the  
15 Company's ledger as of the close of the Base Period at September 30, 2022. Projected  
16 activity from October 1, 2022, to April 30, 2025 was then added to the base year, rolling  
17 forward the UPIS balance to July 31, 2023, April 30, 2024 and April 30, 2025. The  
18 balances of each month during this period of October 2022 to April 2025 were adjusted to  
19 record the amount of construction projects completed and transferred from Construction  
20 Work in Progress to Utility Plant and were offset by removals of plant that were estimated  
21 to be retired during the same period.

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<sup>3</sup> The rate base component of the Corporate Office was allocated based on number of customers, consistent with prior rate cases.

1 **Q. What is the amount of UPIS authorized in the last rate case?**

2 A. The last authorized UPIS, approved in the Settlement in Cause 45142 and filed as the Test  
3 Year Step Two Certification in that Cause was \$1,961,478,213, as filed in the certification  
4 compliance filing for Step two in the prior rate case showing the April 30, 2020, end of test  
5 year balance.

6 **Q. What is the total Utility Plant in Service, as reflected on Schedule RB1?**

7 A. Utility Plant in Service balances as of September 30, 2022, July 31, 2023, April 30, 2024,  
8 and April 30, 2025, are shown on Schedule RB1, line 3 for each period. The proposed Step  
9 1 July 31, 2023, UPIS amount of \$2,491,462,490 is shown on Exhibit RB, Schedule RB1.  
10 The increase in UPIS from the last authorized to Step 1 of the current filing is \$530 million.  
11 Step 2, the period that reflects April 30, 2024, and the beginning of the test year, UPIS is  
12 \$2,610,792,792, an increase of \$119 million from Step 1. The UPIS at the end of the test  
13 year, April 30, 2025, is projected to be \$2,837,545,776, an increase of \$227 million from  
14 Step 2 and a total increase in UPIS from the last authorized amount of \$876.1 million.

15 The detail for the UPIS can be found by Plant Account for total Company on Exhibit RB,  
16 Schedule RB2, for water on Exhibit RB, Schedule RB2W, for wastewater on Exhibit RB,  
17 Schedule RB2WW, and for corporate on Exhibit RB, Schedule RB2C. These schedules  
18 have been provided in file IN 2023 Rate Case - Utility Plant in Service.

19 **Q. How much of the increase in UPIS is related to DSIC and DSIC eligible capital spend?**

20 A. The total DSIC eligible additions less retirements in this case is approximately \$286  
21 million, associated with DSIC-12, DSIC-13, and DSIC-14 filings.

1 **Q. Is the DSIC that is being recovered in DISC-12, DSIC-13 and DSIC-14 filings double**  
2 **counted in the current case?**

3 A. No. Those DSIC revenues are included in present rate revenues that customers are  
4 currently paying and will be reset to zero once new base rates are established. The DSIC  
5 includes an annual reconciliation to ensure the Company only collects the amount of  
6 revenues authorized by the IURC. The next DSIC reconciliation will be filed in April 2023  
7 and will be included in DSIC revenues in the next DSIC filing after the rate case, consistent  
8 with how the reconciliation of DSIC-11 was done after the completion of the Company's  
9 last base rate case.

10 **Q. How much of the increase in UPIS is related to SEI and SEI eligible capital spend?**

11 A. The total SEI eligible additions less retirements in this case is approximately \$51 million,  
12 associated with Cause No. 45609 – SEI 1, and 45609 – SEI 1 S1.

13 **Q. Is the SEI that is being recovered in SEI-1 and SEI-1 S1 filings double counted in the**  
14 **current case?**

15 A. No. Those SEI revenues are included in present rate revenues that customers are currently  
16 paying and will be reset to zero once new base rates are established. The SEI includes an  
17 annual reconciliation to ensure the Company only collects the amount of revenues  
18 authorized by the IURC. SEI revenues were implemented for the first time on February 22,  
19 2023; therefore, there has been no SEI reconciliation completed yet.

20 **Q. Were any acquisitions included in Utility Plant in Service as shown on Schedule RB1?**

21 A. Yes. The acquisitions of Lake Station (Cause No. 45041), Riley Wastewater (Cause No.  
22 45290), River's Edge (Cause No. 45461), the Town of Lowell (Cause No. 45550), and the

1 Town of Claypool (Cause No. 45753) have closed and are being included in the utility  
2 plant in service balance. The pending acquisition of Sunset Village has been filed under  
3 Cause No. 45852 and is included in this rate case filing under the assumption that it will  
4 close in the Fall of 2023 and will be included in Step 2 rates. Approximately, \$48 million  
5 has been included for these six acquisitions.

6 **Q. Please describe the components on Schedule RB1 described as Deferred Depreciation**  
7 **and Post-in-Service AFUDC.**

8 A. The unamortized balance of deferred depreciation and post-in-service AFUDC (Allowance  
9 for Funds Used During Construction) for certain major construction projects in the  
10 Crawfordsville, Johnson County, Southern Indiana, Kokomo, Muncie Sewer, Noblesville,  
11 Seymour, Wabash Valley, Warsaw, Northwest operations, Richmond, Muncie, and  
12 Noblesville has been included in the original cost rate base in accordance with Commission  
13 Orders in Cause Nos. 39150, 39924, 39925, 40402, 40442, 40701, 41244, 41639, 43991,  
14 44022, and 45236. Schedule RB4 and the supporting electronic file entitled IN 2023 Rate  
15 Case - Deferred Depreciation provide the workpapers for the deferred depreciation portion  
16 of rate base. Schedule RB4 workpapers include a listing of the projects approved in the  
17 above orders. Schedule RB5 and the supporting electronic file entitled IN 2023 Rate Case  
18 - Post In Service AFUDC provide the workpapers for the post-in-service AFUDC portion  
19 of rate base. Schedule RB5 workpapers include a listing of the projects approved in the  
20 above.

21 **Q. Please describe the Schedule RB1 adjustments for Accumulated Depreciation.**

22 A. Schedule RB1 Line 10 adjustment starts with Accumulated Depreciation balance as of the  
23 close of the base year related to UPIS. Accumulated Depreciation is projected forward,

1 from October 2022 to April 2025, based on monthly UPIS balances for depreciation,  
2 retirements, projected cost of removal expenditures, and acquired plant amounts. An  
3 adjustment is made to remove the offsetting reserve amount related to the Southern Indiana  
4 High Service Pump, which has been removed from rate base per prior orders. New  
5 depreciation rates, as proposed in this case and supported by Witness Kennedy, are utilized  
6 to increase the reserve for the period between anticipated Order issuance and on through  
7 the test year May 2024 – April 2025. The unrecovered reserve for amortization, related to  
8 some general plant accounts, are also included. Schedule RB6, supporting electronic file  
9 is entitled IN 2023 Rate Case - Accumulated Depreciation, provides the exhibit and  
10 supporting schedules that provide the detail for Accumulated Depreciation by plant account  
11 for total Company, water, wastewater, and corporate.

12 The accumulated amortization balances for BT SOP 98-01, Deferred Depreciation, and  
13 Post In-Service AFUDC are included on lines 11 – 13, the supporting schedules are  
14 Schedule RB3, RB4 and RB5, respectively. The amortization schedules are continued  
15 through April 2025 for projecting the reserve amounts with two adjustments.

16 **Q. Please discuss the adjustments to Line 19 of Schedule RB1, Contributions in Aid of**  
17 **Construction (“CIAC”) and Line 20 of Schedule RB1, Customer Advances for**  
18 **Construction (“CAC”).**

19 A. A portion of the construction projects included in the previously discussed projection of  
20 UPIS involve property contributed by developer(s) or other parties. Since the property was  
21 included in UPIS, the projected offsetting amounts are also being included for  
22 Contributions in Aid of Construction and Customer Advances for Construction from  
23 October 2022 to April 2025. Projected refunds of advances have also been projected for

1 this time period. Schedules RB7 and RB8 provides the workpapers and supporting detail  
2 to these balances and are provided through the electronic files entitled IN 2023 Rate Case  
3 - Contributions in Aid of Construction and IN 2023 Rate Case - Customer Advances for  
4 Construction, respectively.

5 **Q. Has anything changed about the way CIAC is treated since the last case?**

6 A. Yes. With a tariff effective date of June 24, 2020, the IURC approved a settlement in the  
7 TCJA proceeding (Cause No. 45032 S4) whereby the Company amortizes the CIAC  
8 balance against depreciation expense. Previously, the Company depreciated the underlying  
9 CIAC asset without an offsetting entry to amortize the CIAC balance. The CIAC balance  
10 has been and will be amortized at a rate of 2.61%, representing the weighted average  
11 depreciation rate for the water assets in the Company at the time of the last depreciation  
12 study. The settlement calls for that rate for five years after the effective date. Therefore,  
13 CIAC will be amortized at 2.61% in this case.

14 **Q. Please comment on the capacity adjustment for the Somerset Water and Sewer**  
15 **operations.**

16 A. This capacity adjustment was first ordered by the Commission in Cause Nos. 36448 and  
17 36449 (November 25, 1981) and some form of this adjustment has been included in each  
18 subsequent rate case involving these operations. For the water operation, the adjustment  
19 represents 39.3%  $[(150 \text{ capacity} - 91 \text{ customers}) / 150]$  and for the sewer operations 64.0%  
20  $[(250 \text{ capacity} - 90 \text{ customers}) / 250]$  multiplied by net book value of the pumping and  
21 treatment facilities. The rate base component for this item is reflected on line 22 of  
22 Schedule RB1. The detail for the Somerset Water and Sewer Capacity Adjustment is  
23 provided in the workpapers labeled as Schedule RB10W and Schedule 10WW,

1           respectively. The electronic file is entitled IN 2023 Rate Case - Somerset Capacity  
2           Adjustment.

3   **Q.    Please address Line 26 of Schedule RB1, which is described as acquisition adjustment.**

4   A.    The amount in the Per Books column represents the unamortized balance of the acquisition  
5           adjustments resulting from several acquisitions, each of which was approved by this  
6           Commission. The workpaper labeled as Schedule RB11, electronic file is entitled IN 2023  
7           Rate Case - Acquisition Adjustment Net and supporting schedules to this exhibit provide  
8           a detailed listing of these acquisitions including the currently approved ratemaking  
9           treatments. As shown on Schedule RB11, adjustments have been made to the September  
10          30, 2022, balance Per Books. First, adjustments have been made to reflect the monthly  
11          amortization to be recorded through April 2025. Second, an adjustment has been made to  
12          exclude the unamortized balance of certain acquisition adjustments from the original cost  
13          rate base. Note that the acquisition adjustment associated with the Indiana Cities  
14          acquisition is addressed through the fair value increment, consistent with several orders of  
15          the Commission.<sup>4</sup> As I explained previously, the Commission’s Order found that the  
16          Indiana Cities acquisition adjustment (“AA”) should be reflected in Indiana-American’s  
17          fair value rate base rather than its original cost rate base. Accordingly, the unamortized  
18          balance of the acquisition adjustment has been eliminated from the pro forma original cost  
19          rate base shown on line 26 of Schedule RB1.

20          For the Indiana Cities AA and the acquisition adjustment relating to the acquisition of  
21          United in 2000, Statement of Financial Accounting Standards No. (“SFAS”) 109 required

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<sup>4</sup> See Cause No. 40103 (IURC 5/30/1996); Cause No. 40703 (IURC 11/11/1997); Cause No. 42029 (IURC 11/6/2002);  
and Cause No. 42520 (IURC 11/18/2004).

1 the creation of an asset entitled Utility Plant Acquisition Adjustment - Deferred Income  
2 Taxes to offset the liability Deferred Income Taxes - Acquisition Adjustment. These  
3 balances are identical offsetting amounts at April 30, 2025, and will continue to be identical  
4 as the acquisition adjustments are amortized for accounting purposes. The deferred tax  
5 asset has been excluded from line 26 on Schedule RB1 because it does not represent an  
6 investment and it is offset by the corresponding deferred tax liability which has not been  
7 included in the capital structure.

8 **Q. Please comment on Line 28 of Schedule RB1 described as materials and supplies.**

9 A. Materials and supplies reflects the use of a 13-month average balance over the time period  
10 of September 2021 through September 2022 (includes the Base Period plus one month).  
11 This is consistent with prior rate cases. The detail for the Materials and Supplies  
12 Adjustment is provided in the workpapers labeled Schedule RB13, electronic file is entitled  
13 IN 2023 Rate Case - Materials and Supplies.

14 **NEW REGULATORY ACCOUNTING TREATMENT**

15 **Q. What expenses is INAWC requesting be granted new regulatory accounting deferral  
16 treatment?**

17 A. The Company is requesting regulatory accounting deferral treatment for Pension and  
18 OPEB expenses that are supported in this case by Company witness Jennifer M.B Grisham,  
19 Production expenses that are supported in this case by Company witnesses Thomas G.  
20 O'Drain and Manuel Cifuentes, Jr., and expenses relating to the Company's proposal to  
21 implement a new Universal Affordability rate, which is supported by Company witness  
22 Charles B. Rea.



1 **Q. What specifically does the Company request as “regulatory accounting deferral**  
2 **treatment” for these expenses?**

3 A. The Company requests that through the conclusion of the Company’s next rate proceeding,  
4 the Company be permitted to record any amounts above or below the projected level of the  
5 expenses mentioned above and defined in more detail below into separate regulatory asset  
6 or liability accounts. At the time of the next rate proceeding, the Company will address the  
7 recovery of the balances and any request to continue regulatory asset or liability treatment  
8 beyond that next base rate proceeding.

9 **Q. How would the Company’s proposed regulatory accounting treatment operate?**

10 A. Indiana-American is proposing four completely separate regulatory accounts, for Pension,  
11 OPEBs, Production costs, and Universal Affordability costs. The respective annual level  
12 of expenses of each account is to be established in this rate case as part of INAWC’s base  
13 rates. Upon the effective date of new rates in this case, the Company would compare its  
14 actual expenses incurred to the amount included within base rates. The difference between  
15 the two would be deferred to a regulatory asset or liability with the balance included in  
16 base rates and amortized over a defined period determined in INAWC’s next general rate  
17 case. This will ensure that both the Company and its customers only experience the actual  
18 Pension/OPEB, Production and Universal Affordability expenses incurred by the  
19 Company.

**PENSION AND OPEB EXPENSE**

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**Q. Please describe the adjustment to operating expenses related to pension and OPEB expense.**

A. Please see the testimony of Company Witness Jennifer M.B Grisham for the description of the adjustments to operating expenses.

**Q. Does the Company Propose changes to the way Pension and OPEB expenses are treated?**

A. Yes.

**Q. Please summarize the Company’s request with regard to the Pension and OPEB expense.**

A. The Company requests the Commission authorize the requested level of expense identified and supported in this case by Company witness Grisham, for recovery in this proceeding. As discussed above, the Company requests that the Commission allow the Company to record any amounts above or below the amount authorized in rates to a regulatory asset or liability, as appropriate, from the effective date of new rates in this proceeding until the Company’s next base rate case. As proposed, this pension/OPEB expense accounting deferral will protect both the Company’s customers and INAWC against the volatility in pension/OPEB expense.

**Q. Why is it appropriate that the Company be permitted to record the amount of Pension and OPEB, above or below the amount authorized in rates to a regulatory asset or liability?**

1 A. Pension and OPEB expenses mentioned in this section and included in this case are based  
2 on a projected Test Year of May 1, 2024, through April 30, 2025. The amount of the  
3 expenses going forward will change based on a number of factors. In fact, Pension and  
4 OPEB expenses are a complex calculation based upon actuarial reports that consider a  
5 number of variables. The level of fluctuation in these expenses from year to year can  
6 change drastically based on market fluctuations and the factors used to calculate the  
7 expenses. In this case, Pension expense drives about \$2 million of revenue requirement  
8 increase and OPEB drives another \$900,000. When markets change and this expense  
9 reverses, customers will benefit through the recording of these accounts. In the past,  
10 Indiana-American rate case Cause No. 43680, Indiana-American proposed a Pension  
11 balancing account that was denied. Had that balancing account been established, Pension  
12 and OPEB costs that had gone down in those subsequent years would have been returned  
13 to customers. This is not an issue of customers baring the risks of the Pension and OPEB  
14 decision-making and fluctuations as much as it is a way to assure customers only pay for  
15 the Pension and OPEB expenses incurred, nothing more and nothing less. For the  
16 Company, it means receiving the proper revenues to cover two of the cost elements to run  
17 its business. Likewise, this does not grant the Company a “free-pass” to mismanage the  
18 Pension or OPEB programs. When returning in the next case, the Company will need to  
19 show the results of the Pension and OPEB regulatory accounts and ask for recovery. If  
20 imprudence is found, those balances would be subject to Commission scrutiny as to  
21 whether or how much would be recovered.

22 The Company is already seeing volatility in these expenses. This fluctuation and volatility  
23 are outside of the Company’s control and is a significant expense for INAWC. The purpose

1 of the Company's request for deferral is to both protect the Company's customers if the  
2 expense were to decrease in the future, as well as to allow the Company the opportunity to  
3 claim in a future proceeding the increased levels of cost.

4 **Q. How do you propose these accounts would work?**

5 A. There would be two separate accounts, one for Pension and one for OPEB. Beginning the  
6 first month after Step 2 rates are in effect, the Company will record the difference between  
7 the expense authorized in this case, of which the Company is requesting \$635,168 for  
8 Pension and (\$1,750,437) which is a credit for OPEB, and the actual expense. The annual  
9 number approved divided by 12 will result in a monthly authorized amount which will be  
10 compared to the actual expense for the month. If the authorized number that is in rates is  
11 higher than the actual expense, a regulatory liability will be set up to record the difference.  
12 If the actual expense is higher than the authorized amount in rates, a regulatory asset will  
13 be recorded. At the time of the next rate case, the Company will present the net amount in  
14 these account for return to the customers (in the case of a net Regulatory Liability) or for  
15 collection in rates (in the case of a net Regulatory Asset).

16 **Q. Has the Company reviewed how the fluctuations in expense from year to year would**  
17 **have impacted the Company if deferral of pension and OPEB expenses had been in**  
18 **place previously?**

19 A. Yes, below are two charts that lay out the authorized level of pension and OPEB expense  
20 and the actual amounts booked by calendar year. In the variance column, a positive number  
21 indicates that the actual expense exceeded the authorized level, and a negative number  
22 indicates that the actual amount was lower than the authorized level. For example, if the  
23 requested deferral treatment had been in place in the last rate case, then for 2021 the

1 Company would have recorded a regulatory liability of \$2 million for pension expense and  
 2 \$2.3 million for OPEB expense which would have been deferred and amortized back to the  
 3 customers in this case.

Pension				OPEB			
	Authorized	Actual	Variance		Authorized	Actual	Variance
2016	\$951,928	\$1,546,575	\$594,647	2016	\$952,400	\$503,437	(\$448,962)
2017	951,928	1,846,048	894,120	2017	952,400	255,344	(697,056)
2018	951,928	1,485,254	533,326	2018	952,400	(1,309,753)	(2,262,153)
2019	1,186,555	1,968,667	782,112	2019	291,091	(1,991,825)	(2,282,916)
2020	1,212,389	409,356	(803,034)	2020	170,002	(2,355,893)	(2,525,895)
2021	1,107,993	(984,542)	(2,092,535)	2021	(370,217)	(2,670,258)	(2,300,041)
2022	1,107,993	(1,384,791)	(2,492,784)	2021	440,112	(2,662,701)	(3,102,813)

4  
 5 **Q. Is the Company proposing to recover carrying costs on deferred balances?**

6 A. No. The Company is only proposing to defer any variance between the base level  
 7 established in this case and the actual level incurred to an asset or liability account.  
 8 Deferred balances will be addressed in INAWC's next general rate case where an  
 9 appropriate amortization period will be determined. At that time, the annual amortization  
 10 expense will be included.

11 **PRODUCTION COST REGULATORY ACCOUNT**

12 **Q. What expenses do you consider "Production Costs"?**

13 A. The Company defines Production Costs as Chemical Costs, as defined and described in  
 14 Company Witness O'Drain's testimony, and expenses incurred to provide water and  
 15 wastewater services to our customers including purchased water, fuel and power, and waste  
 16 disposal, as defined and described in Company Witness Cifuentes' testimony. These are  
 17 among the most critical costs incurred because they are critical to continuing to provide  
 18 safe and reliable water and wastewater service to our customers and their families. As

1 Company witness Kari Britto explains, production costs are not a discretionary expense the  
2 Company can choose to incur or not incur. The Company is requesting \$18,847,645 in  
3 expense for Production Costs broken out as \$380,086 for Purchased Water, \$9,419,447 for  
4 Fuel and Power, \$6,641,700 for Chemicals, and \$2,406,412 for Waste Disposal. These  
5 figures are supported in INAWC Financial Exhibit OPER in Schedules OM1, OM2,  
6 Confidential exhibit OM3, and OM4, respectively.

7 **Q. Is INAWC proposing to change the way Production Costs are treated?**

8 A. Yes,

9 **Q. Please summarize the Company's request with regard to Production Costs.**

10 A. The Company requests the Commission authorize the requested level of production cost  
11 expenses, identified and supported in this case by Company witness Cifuentes, for recovery  
12 in this proceeding. In addition to establishing a base level of expense, the Company is  
13 requesting approval for accounting treatment to defer production costs that deviate from  
14 those authorized in base rates. The accounting deferral would allow INAWC to record  
15 any amounts above or below the amount authorized in rates to a regulatory asset or liability,  
16 as appropriate, from the effective date of new rates in this proceeding until the Company's  
17 next base rate case.

18 **Q. Why is INAWC proposing to establish the production cost deferred accounting**  
19 **mechanism?**

20 A. As INAWC witness Mr. O'Drain explains, the chemical market has been extremely volatile  
21 compared to historical levels, driven by many factors such as COVID-19 impacts,  
22 inflationary growth in commodity prices, escalation in energy prices, and overall supply

1 and demand pressure within a consolidating chemical market. The Company must utilize  
2 these chemicals to provide safe, clean drinking water service to our customers. The  
3 external pricing and market factors leave these expenses outside of the control of the  
4 Company and in many cases outside of the control of many of the Company's suppliers.  
5 These factors will continue to impact pricing beyond current contracts. Likewise, the  
6 energy markets in general are all higher than they have been in many years. As I stated  
7 earlier, these production costs are necessary for the Company to continue to provide safe,  
8 clean drinking water service to its customers. Thus, market conditions impacting  
9 production costs represent an extraordinary combination of circumstances that are expected  
10 to continue to produce significant price volatility over the next several years. The  
11 accounting deferral for production costs would protect both the Company's customers and  
12 INAWC against this volatility in production expenses.

13 **Q. How would the Company's proposed accounting deferral for production costs**  
14 **operate?**

15 A. As stated above, in this case, an annual level of production costs will be established as part  
16 of INAWC's base rates. Upon the effective date of new rates in this case, the Company  
17 would compare its actual production costs incurred (i.e., chemicals, purchased water, fuel  
18 and power, and waste disposal) to the amount included within base rates. The difference  
19 between the two would be deferred to a regulatory asset or liability and would be included  
20 in base rates and amortized over a period determined in INAWC's next general rate case.  
21 This will ensure that both the Company and its customers only experience the actual  
22 production costs incurred by the Company in providing service.

1 **Q. Is the Company proposing to recover carrying costs on deferred balances?**

2 A. No. The Company is only proposing to defer any variance between the base level  
3 established in this case and the actual expense level incurred to an asset or liability account.  
4 Deferred balances will be addressed in INAWC's next general rate case where an  
5 appropriate amortization period will be determined. At that time, the annual amortization  
6 expense will be included within operating expenses.

7 **Q. Why is it appropriate that the Company be permitted to record the amount of**  
8 **Production expenses above or below the amount authorized in rates to a regulatory**  
9 **asset or liability.**

10 A. Production expenses in this case, are based on a projected Test Year of May 1, 2024,  
11 through April 30, 2025. As explained in more detail in the Direct Testimony of Company  
12 Witness O'Drain, chemical and fuel prices have increased materially due to recent and  
13 significant changes in market conditions. As proposed above, the Company requests that  
14 the Commission allow the Company to record any amounts above or below the amount  
15 authorized in rates to a regulatory asset or liability, as appropriate, from the effective date  
16 of new rates in this proceeding until the Company's next base rate case. Given the  
17 fluctuation in these expenses the Company is proposing deferred accounting treatment to  
18 protect both the Company's customers and INAWC against volatility in production  
19 expenses.

20 **UNIVERSAL AFFORDABILITY REGULATORY ACCOUNT**

21 **Q. What is the purpose of a Universal Affordability regulatory account?**

22 A. Company witness Rea, in his direct testimony, proposes a new Universal Affordability  
23 Tariff that would provide discounts to participating customers. This new tariff would be



1 available to all qualifying customers in the Company's service territory. Mr. Rea goes into  
2 details as to the proposed discount and the purpose and design of the new pricing tool.

3 **Q. How will the Universal Affordability tariff implementation work?**

4 A. To continue to address affordability, the new rate design begins with the proposal that all  
5 customers will be charged \$20 per month on a 5/8" meter for the first 1,500 gallons of  
6 water used per month. That will be available in base water rates for all customers. On top  
7 of that new rate design, the Universal Affordability tariff will help to reach a level where  
8 all customers will pay a monthly bill for basic water service that is no higher than 2% of  
9 their income. Under this program, eligible households will receive monthly bill discounts  
10 of between 30 and 80 percent for water service on both the meter charge and the volumetric  
11 charge. In order to analyze which customers would be eligible for inclusion, the Company  
12 will contract with an outside firm to identify and help to administer this tariff. There are  
13 other American Water state affiliates currently using Dollar Energy as a consultant for this  
14 purpose. Costs associated with administering this tariff have not been included in the  
15 Company's test year period in this case, and are proposed to be picked up, as applicable,  
16 in the regulatory asset account discussed below.

17 **Q. Why is there a need for the Universal Affordability regulatory account?**

18 A. According to Mr. Rea, the Company is proposing an assumption of 10% participation in  
19 the Universal Affordability Tariff in this proceeding. The impact of rolling in this tariff and  
20 reducing these customers' monthly bills will be dispersed to other water customers through  
21 the rate design process. Mr. Rea projects that this proposal amounts to approximately \$1.3  
22 million for Step 2 rates and \$1.4 million for Step 3 rates that would be reallocated in water  
23 rates. This discount proposed can vary by participation levels, number of customers, and

1 volumes. This regulatory account proposal is designed so that other customers are not  
2 charged an amount that does not come to fruition nor that the Company is in a position to  
3 collect more or less revenues based on the participation level in this proposal.

4 **Q. Beside participation and volume changes, what else should be included in the**  
5 **Universal Affordability regulatory account?**

6 A. This tariff proposal is new for the Company. It is based off of information we gathered  
7 from the Low Income Pilot Program established in the last rate case for Indiana-American.  
8 Our attempt to grow this affordability concept will come with some additional expenses.  
9 Rather than project expenses needed for customer education, communication, and  
10 administration of this new tariff, it is better left to be included in this regulatory account.  
11 The Company wants to be sure that the revenue requirement approved in this case versus  
12 the revenue requirement collected to run this program does not impact customers or the  
13 Company. In other words, neither the customers nor the Company should be better or worse  
14 off due to the education, communication, or administration of this program. This account  
15 will allow only for the costs incurred to be collected.

16 **Q. How would the Company's proposed Universal Affordability regulatory treatment**  
17 **operate?**

18 A. As stated above, in this case, an annual level of Affordability discounts proposed will be  
19 established as part of INAWC's base rates. Upon the effective date of new rates in this  
20 case, the Company would compare the participation levels and the actual amount of the  
21 discount applied to the amount included within base rates. The difference between the two  
22 would be deferred to a regulatory asset or liability and would be amortized over a period  
23 determined in INAWC's next general rate case. Likewise, upon the effective date of new

1 rates in this case, the Company will include the actual amount of the customer education,  
2 communication, and administration expenses in this account. These costs, booked as a  
3 regulatory asset would be amortized over a period determined in INAWC's next general  
4 rate case. This will ensure that both the Company and its customers only experience the  
5 actual discount applied to customers and associated expenses.

6 **Q. Is the Company proposing to recover carrying costs on deferred balances?**

7 A. No. The Company is only proposing to defer any variance between the base level  
8 established in this case and the actual level incurred to an asset or liability account.  
9 Deferred balances will be addressed in INAWC's next general rate case where an  
10 appropriate amortization period will be determined. At that time, the annual amortization  
11 expense will be included.

12 **Q. Why is it appropriate to defer costs associated with the Company's proposal for  
13 Universal Affordability.**

14 A. While the Company has included projected participation in base rates, as Company Witness  
15 Rea discusses in his testimony, actual participation in the program may vary. In addition,  
16 the costs associated with administering this tariff have not been included in the Company's  
17 test year period in this case and are proposed to be picked up in a regulatory deferral. This  
18 regulatory account proposal is designed so that other customers are not charged an amount  
19 that does not come to fruition nor that the Company is in a position to collect more or less  
20 revenues based on the participation level in this proposal. The Universal Affordability  
21 program is discussed in more detail in my testimony below.

1 **CREDIT CARD PROCESSING FEES**

2 **Q. What is the Company proposing in this case related to credit card fees?**

3 A. The Company proposes including credit card fees in the overall cost of service in this rate  
4 case. These costs are currently paid directly by customers on top of their current bill.

5 **Q. Why is the Company proposing to include credit card fees?**

6 A. The Company’s goal is to provide customers with the most convenient alternatives to pay  
7 their bill. Customers are accustomed to many transactions that are paid with a credit card,  
8 as most online transactions are today. Charging a credit card fee on top of the customer bill  
9 adds friction to the process of paying a bill. Eliminating the direct payment of the fee will  
10 help more customers pay their bill on time and avoid late fees and potential disconnections  
11 and is also expected to improve timely collections. According to a National Association  
12 of State Utility Consumer Advocates (“NASUCA”) resolution (Resolution 2102-07), “state  
13 public utility commissions are urged to survey the utilities within their jurisdictions to  
14 determine the options that are available to consumers for paying utility bills without  
15 incurring additional charges.” The resolution further states that: “Be it further resolved,  
16 that state public utility commissions are urged to exercise their jurisdiction as necessary  
17 and appropriate so as to accomplish the public policy objective that consumers be given an  
18 ability to make direct payment of utility bills by debit or credit card, without unjustified  
19 convenience fees.”

20 **Q. How much in credit card fees is the Company including in this rate case?**

21 A. The Company is including \$1,163,647 for credit card fees in this rate case.

1 **Q. How was that calculated?**

2 A. The Company used a three-year average (2020-2022) for the number of credit card  
3 payments made by customers as the basis. Based on this average, INAWC should see  
4 almost 597,000 credit card transaction. The fee is \$1.95 per credit card transaction. Again,  
5 based on the three-year average, INAWC projects that \$1,163.647 in fees will be paid. See  
6 table below:

<b>Credit Card Fees</b>			
	<b>Transactions</b>	<b>Fee</b>	<b>Expense</b>
<b>2020</b>	520,974	\$1.95	\$1,015,899
<b>2021</b>	600,237	\$1.95	\$1,170,462
<b>2022</b>	669,015	\$1.95	\$1,304,579
<b>AVERAGE</b>	596,742	\$1.95	\$1,163,647

7

8 **Q. How are these fees incorporated into the revenue calculation in this case?**

9 A. The Company proposes to waive the processing fees applied to individual customers and  
10 include those fees in overall cost of service in base operating expense shown in the Test  
11 Year. This is shown on the Customer Accounting line in operating expenses on line 26 of  
12 INAWC 2023 Rate Case – Pro Forma Income Statement (Exhibit REVREQ, Schedule  
13 OPINC).

14

**REGULATORY EXPENSE**

15 **Q. Please describe the adjustments for regulatory expense.**

16 A. The purpose of this adjustment is to annualize rate case expense for the costs related to this  
17 rate filing. Estimated costs related to the rate filing include legal fees, consultants' costs,  
18 travel expenses, and other expenses. INAWC proposes that these costs be amortized over

1 a three year period, consistent with prior rate case filings. The verifiable link period  
2 expense and future test year expense can be found in INAWC Financial Exhibits OPER  
3 Schedule OM23 within the Exhibit Tab. The schedule can be found in the file entitled  
4 INAWC 2023 Rate Case - Regulatory Expense.

5 **Q. Should reasonable and prudently incurred rate case expense be recovered?**

6 A. Yes. The cost of litigating a rate case is a normal and essential cost of service for any  
7 regulated public utility and should be treated as such. As a regulated utility, INAWC has a  
8 legal obligation to provide safe, adequate, and reliable service to its customers. Periodic  
9 rate changes are necessary to keep a public utility financially healthy, and in a position to  
10 continue to provide customers with safe and adequate service at just and reasonable rates.  
11 The way that INAWC changes its base rates is through the rate case process.

#### 12 **COVID-19 COST RECOVERY**

13 **Q. Does Indiana -American have COVID-19 costs to recover in this case?**

14 A. Yes. The Company is seeking recovery of \$383,817 of COVID-19 related costs. These  
15 costs can be found in the Amortization exhibit in file INAWC 2023 Rate Case –  
16 Amortization Expense.xlsx. The calculation for that balance can be found on tab  
17 Workpaper 1, lines 20 through 23 of that exhibit.

18 **Q. Please provide some background of that Asset and Liability background.**

19 A. On March 6, 2020, Indiana Governor Eric J. Holcomb issued Executive Order 20-02  
20 declaring a public health emergency for the Coronavirus Disease of 2019 (“COVID-19”).

21 On March 13th Indiana-American voluntarily:

- 22 • reconnected all customers who had previously been disconnected for non-payment

- 1           • began waiving reconnect fees
- 2           • began suspending late fees and stopped applying to past-due accounts
- 3           • suspended disconnection of services for non-payment; and
- 4           • began sending courtesy letters, and making courtesy phone calls, to customers with
- 5           past-due balances to inform them of the amount of their past due balances, but
- 6           making no mention of disconnection or late fees and interest penalties

7           On March 19, 2020, Governor Holcomb issued Executive Order 20-05, which prohibited  
8           providers of gas and electric utilities, broadband, telecommunication, water and  
9           wastewater services from discontinuing service to any customer in the state during the  
10          public health emergency.

11          On May 27, 2020, the IURC approved Order 45380 to allow utilities, among other things,  
12          to “begin using regulatory accounting, such as the use of regulatory assets and liabilities,  
13          for any impacts related to the continuation of the service disconnection moratorium, waiver  
14          of fees, and expanded customer payment arrangements. “

15          On June 29, 2020, the IURC issued an order in 45380 Phase 1 allowing “regulatory  
16          accounting for any impacts associated with any prohibition on utility disconnections,  
17          waiver or exclusion of certain utility fees (i.e., late fees, convenience fees, deposits, and  
18          reconnection fees), and the use of expanded payment arrangements to aid customers. Such  
19          regulatory accounting authority may include costs incurred beginning on March 6, 2020.”  
20          As for O&M costs, the Commission declined to approve that request but found utilities  
21          could seek “cost recovery or other related rate relief at any time in the future through  
22          existing regulatory avenues, such as through the filing of a base rate case.”

1 **Q. What COVID-related costs are included in the amortization?**

2 A. The amortization amount includes balances from both the regulatory asset and the  
3 regulatory liability that was set up and charged since March 6, 2020 through December 31,  
4 2021. This net balance is to be amortized over the life of the rate case, assumed to be three  
5 years. These costs include foregone late fees, disconnect/reconnect expenses,  
6 uncollectible/bad debt expense, other direct costs, debt carrying costs, and Service  
7 Company expenses, offset by savings realized by the Company on forgone Travel and  
8 Conference expenses.

9 **DEPRECIATION EXPENSE**

10 **Q. Please identify and discuss the Depreciation Expense found on Schedule DEPR1 of**  
11 **Exhibit OPER.**

12 A. Line 1 of Schedule DEPR1 shows the annual depreciation expense in the Base Year ended  
13 September 30, 2022, for Wastewater, Water, and Total Company. At the bottom of  
14 Schedule DEPR1 on line 61, the Company shows the adjustment for Depreciation Expense  
15 based on the Company's forecasted UPIS balance as of July 31, 2023, which we anticipate  
16 to be 60 days prior to hearings and lines up with the Rate Base associated with Step 1.  
17 Lines 25 and 49 of Schedule DEPR1 present the adjustment for Depreciation Expense  
18 based on the Company's forecasted UPIS balance as of April 30, 2024 and April 30, 2025,  
19 respectively. These dates represent the beginning and the end of the Test Year.

20 The depreciation rates as proposed by Witness Kennedy are applied to the projected plant  
21 balances in those respective periods which allows for a full year's depreciation on the assets  
22 included in original cost rate base as shown on Petitioner's Exhibit RB, Schedule RB1.  
23 Also included are other depreciation expenses such as Amortization of Deferred



1 Depreciation, Reg Asset-AFUDC Debt, CIAC and Utility Plant Acquisition Adjustments,  
2 FAS 141. Total pro forma Depreciation Expense from Lines 61, 25, and 49 of Exhibit  
3 OPER, Schedule DEPR1 are \$67,594,587, \$72,377,139 and \$81,407,659, respectively.  
4 The support schedules to the test year Depreciation Expense are found in Schedule DEPR1,  
5 electronic file is entitled INAWC 2023 Rate Case - Depreciation Expense.

### 6 **AMORTIZATION EXPENSE**

7 **Q. Please identify and discuss Line 13 of Schedule DEPR2 of Exhibit OPER.**

8 A. Lines 14 and 28 of Exhibit OPER, Schedule DEPR2 are the pro forma expense levels for  
9 the periods ending December 31, 2023, and April 30, 2025, respectively. The adjustments  
10 required to determine pro forma Amortization Expense are listed in lines 5-11 and lines  
11 18-26. These projected expenses include Warsaw CPS, Regulatory Asset AFUDC Equity  
12 Gross-up, Post-in-Service AFUDC, EPA Risk and Resiliency Assessment, COVID 19  
13 Regulatory Asset (discussed above), and Low Income Program Costs and the 20% of the  
14 Service Enhancement Improvements (“SEI”) revenue requirement and Deferred  
15 Depreciation/Property Taxes & PISCC. The workpapers for Schedule DEPR2 are in the  
16 electronic file entitled INAWC 2023 Rate Case - Amortization Expense.

### 17 **STATE AND FEDERAL INCOME TAXES**

18 **Q. Does Exhibit OPER, Schedule TX1 compute income taxes at statutory rates?**

19 A. Yes. The federal income tax expense rate is 21%. The Indiana current state income tax  
20 expense rate is 4.9%. The same ratios and rates were used for all three Rate Steps.

1 **Q. Are these the same rates used in the prior rate case?**

2 A. The federal rate was and remains at 21%. The state rate has changed. In the last case,  
3 INAWC use state tax rates per IC 6-3-2-1(b), the adjusted gross income tax (“AGIT”)  
4 which was imposed at the statutory rate as follows: after June 30, 2018 and before July 1,  
5 2019, use 5.75%, and after June 30, 2019 and before July 1, 2020, use 5.50%. For midway  
6 through 2021 and beyond, the Indiana State Tax Rate is 4.9%, the rate used in this rate case  
7 filing.

8 **Q. How was the synchronized interest deduction calculated and utilized in the**  
9 **computation of income taxes?**

10 A. The interest deduction was calculated by multiplying the weighted cost of long-term debt  
11 by the pro forma original cost rate base, the calculation is found on Exhibit OPER, TX1  
12 Workpaper 3 which is the “Interest Sync” tab on the file entitled INAWC 2023 Rate Case  
13 - Income Tax Expense-State and Federal. The purpose of including an interest  
14 synchronization deduction in the tax calculation is to synchronize the rate base with the  
15 interest bearing components of the capital structure that have financed rate base. The  
16 weighted cost of long-term debt used in determining the interest deduction has been  
17 calculated on Exhibit CC, Schedule CC1. Since zero cost elements of the capital structure  
18 such as deferred income taxes are used to finance rate base, these items are included in the  
19 capital structure for interest synchronization purposes so that interest bearing debt  
20 instruments are not unduly weighted higher than they should be. This methodology is  
21 consistent with that approved in the Company's prior rate cases, and was specifically  
22 approved in Cause No. 40103.

1 **Q. What is shown on Exhibit OPER, TX1 Workpaper 4?**

2 A. This workpaper calculates parent company (American Water) interest, imputed to Indiana-  
3 American pursuant to the methodology prescribed in the Commission's Supplemental  
4 Order on Remand dated September 16, 1981 in Cause No. 34571. This is more commonly  
5 known as the Muncie Remand Method. This interest has been deducted in the  
6 determination of current federal income taxes. The Company is including the amount of  
7 the interest deduction for American Water's interest as applied to the common stock, paid  
8 in capital, and Retained Earnings of the Company.

9 **Q. How is excess accumulated deferred income tax ("EADIT") from the TCJA**  
10 **addressed?**

11 A. Pursuant to the settlement agreement previously referenced, the EADIT is being returned  
12 as an offset against income tax expense using ARAM. This amount is included in Line 23  
13 of Exhibit OPER, TX1, which ties back to Financial Exhibit CC and its supporting  
14 Workpapers for Deferred Income Tax. The Workpapers for Deferred Income Tax were  
15 compiled by the American Water's Tax Department using PowerTax.

16 **FINANCIAL STATEMENTS OF THE COMPANY**

17 **Q. Please describe Exhibit FS.**

18 A. Exhibit FS has three schedules. Schedule FS1 is the Income Statement for the twelve  
19 months ended December 31, 2021, December 31, 2022, the Link Period through December  
20 31, 2023, April 30, 2024 (beginning of Test Year) and April 30, 2025 (end of Test Year).  
21 Schedule FS2 is the Balance Sheet as of the same dates shown in the Income Statement,  
22 with the exception that the balance sheet shows balances as of July 31, 2023 to match the  
23 Rate Base figures as of 60 days before the expected hearing dates instead of showing

1 December 31, 2023. Schedule FS3 is the Cash Flow Statement and is shown with the same  
2 five time periods as in the Income Statement.

### 3 **EXHIBIT INDEX AND MODEL INSTRUCTIONS**

4 **Q. Did the Company provide an electronic index for the exhibits and workpapers?**

5 A. Yes, the Company provided a CD with all of the files used to support the requested revenue  
6 requirement in this case. The file is entitled INAWC 2023 Rate Case Constants and can  
7 be found in the folder structure \IN\2023 Rate Case\Exhibits\Data to Compile Exhibits.  
8 The tab entitled Link Out EXH1 is the index to the exhibits and shows the folder, the file  
9 name and the witness(s) for each exhibit. The tab entitled Link Out Workpapers provides  
10 the Workpaper Index and provides additional information regarding workpapers and the  
11 folder, file name and a description.

12 **Q. Are there instructions on how to make adjustments to the model?**

13 A. Yes, the Company provided instructions regarding the files that need to be opened to ensure  
14 the links between files update if any adjustments are made. The instructions were added  
15 to ensure it was clear on how the rate case model should work. Instructions for opening  
16 the model can be found in the INAWC 2023 Rate Case Constants excel file, on the Model  
17 Instructions Tab. The Company also included a summary model which is one file that  
18 summarizes the major areas of the case. This file can be found in the Exhibits folder, excel  
19 file labeled IN Summary Model.

**PROPOSED RATE SURCHARGES AND CREDITS**

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**Q. Are there any special rate considerations that you are asking for in this case?**

A. Yes. There are two. First, we have a proposed new surcharge for infrastructure investment in Montgomery County. Second, we will be including in rates the over-collection of the Utility Receipts Tax.

**Q. Please explain the proposal for Montgomery County.**

A. The General Assembly has adopted and amended Indiana Code § 8-1-2-46.2 (“Section 46.2”) providing for further extensions of service without a deposit or with a reduced deposit. One of the bases for such an extension is an extension for economic development purposes. The Company has made an extension in Montgomery County at the request of the Montgomery County Commissioners. It is doubtful the extension would currently satisfy the 20-year positive contribution test in subsection (b) of Section 46.2, and so the Company has required Montgomery County to fund the vast majority of the extension (i.e., a deposit) pursuant to subsection (c). But because the economic development will benefit Montgomery County, subsections (d) and (e) provide a mechanism to recover the costs of the Company’s investment only from our customers located in Montgomery County.

**Q. Please explain.**

A. Indiana Code § 6-1.1-12.5-1(3) defines “eligible infrastructure” as facilities used in the treatment, storage, or distribution of water by a water utility. Further, Indiana Code § 8-1-2-46.2 says that upon establishing an Infrastructure Development Zone and requesting a utility (in this case Indiana-American) to extend service, the utility (again, Indiana-American) may file a petition with the Indiana Utility Regulatory Commission (“IURC”) seeking approval of the requested extension. If such request is approved, the IURC shall

1 approve rate schedules that include a surcharge payable only by customers located in the  
2 geographic area within the jurisdiction of the Commissioners, including the geographic  
3 area established as an Infrastructure Development Zone.

4 In accordance with Indiana Code ch. 6-1.1-12.5, county executives adopted an ordinance  
5 designating a geographic territory as an Infrastructure Development Zone after holding a  
6 properly noticed public hearing.

7 **Q. Provide background as to the investment in Montgomery County.**

8 A. The project was planned in phases. Phase 1 consisted of installation of water main to  
9 extend service east towards I-74. Phase 2 consisted of installation of main, a booster station,  
10 and a water tower. This project supports the economic development efforts of Montgomery  
11 County and provides service to an industrial park and its first manufacturer. After  
12 completion of final punch list items in spring 2023, the total cost of phase 1 and 2 is  
13 expected to be approximately \$18,000,000 (before netting the contribution). Primary  
14 funding is being provided by Montgomery County.

15 **Q. What is INAWC requesting in this Cause with respect to this investment?**

16 A. Included in the Rate Base actuals through September 2022 is \$2,777,506 for this project.  
17 These costs are to be recovered through a surcharge on Montgomery County customers in  
18 our Crawfordsville District only. There are 6,339 customers, not counting private fire  
19 protection meters. In order for these customers to reimburse the Company for these costs  
20 in compliance with the ordinance, the Company will charge \$3.54 per meter per month on  
21 their regular water bill. This number has been reduced for revenues received from a large

1 customer in the area. Attachment GDS-3 is a copy of the Montgomery County Ordinance  
2 and Attachment GDS-4 is a workpaper calculating the per-meter monthly charge.

3 **Q. What if the request under subsections (d) and (e) of Section 46.2 were denied?**

4 A. As I indicated, this extension satisfies subsection (c). Without the surcharge, we would  
5 recover the Company's costs of its portion of the investment from all customers across the  
6 State.

7 **UTILITY RECEIPTS TAX ("URT")**

8 **Q. Please explain the URT over-collection.**

9 A. House Enrolled Act ("HEA") 1002 was passed in 2022 and directed: "Not later than May  
10 1, 2022, a utility shall file with the commission a rate adjustment that adjusts the utility's  
11 rates and charges to reflect the repeal of the utility receipts tax." On April 29, 2022,  
12 Indiana-American made a 30-Day filing to remove the URT from revenue requirement  
13 effective July 1, 2022. On June 28, 2022, the OUCC filed an objection to that 30-Day filing  
14 and the IURC opened a subdocket (Cause No. 45734 S1). On October 20, 2022, Indiana-  
15 American filed a revised tariff pursuant to 180 IAC 1-6-1 and on November 23, 2022, the  
16 new tariff was approved removing the URT from Revenue Requirement.

17 However, during the period of time from July 1, 2022 through November 23, 2022, the  
18 URT remained in revenue requirement and was collected in rates. This produced an over-  
19 collection of \$1,356,008.24 that needs to be returned to customers.

1 **Q. How will the URT over-collected balance be disposed?**

2 A. Indiana-American is proposing that this be returned to customer during the Step 1 rate  
3 change on a special tariff that expires after four months. In this manner, the balance will  
4 be returned over approximately the same time frame as it was collected.

5 The over-collection was collected through both volumetric and fixed rates, both water and  
6 wastewater customers. The correction should happen the same way. Please see  
7 Attachment GDS-5 for the schedule calculating the return of the over-collection by  
8 customer class and location and Attachment GDS-6 for the new temporary tariffs for water  
9 and wastewater. Part of the URT over-collection was on DSIC revenues, and the current  
10 DSIC will be reset to zero in this filing. INAWC will use revenues and customer counts  
11 proposed in this filing for the Step 1 rate change to calculate the credit. This credit will  
12 apply to the fire charge as well.

13 **LOW INCOME PILOT PROGRAM**

14 **Q. Please provide the relevant background for the existing Low Income Pilot Program.**

15 A. In the agreed-upon settlement that was approved in Cause No. 45142, the parties  
16 established a low-income pilot program (“LIPP” or “Pilot”). The settlement says “The  
17 Company agrees to add the Gary, Indiana service territory as a third location for inclusion  
18 in the Low Income Pilot Program. The Settling Parties agree that the total program cost for  
19 the LIPP will be borne evenly (50/50) between the deferred asset and non-deferred  
20 contribution established herein.” To be considered for the LIPP, a customer needs to  
21 qualify for the Low Income Home Energy Assistance Program (LIHEAP). Every year,  
22 customers who qualify for LIHEAP will be considered for the LIPP through the  
23 administrator, the Community Action Agencies, of the LIPP.



1 **Q. Please describe the Company's current low-income discount tariff pilot project.**

2 A. The Company's current LIPP is described on page 10 of the Company's water service tariff.  
3 The Pilot is available to any qualifying residential customer in the Gary, Muncie, and Terre  
4 Haute service territory whose household earnings meet low income guidelines for the  
5 Indiana LIHEAP. Upon qualification for the program, residential customers with a 5/8"  
6 meter receive a discount of 80% of the fixed 5/8" monthly customer charge. The current  
7 fixed monthly 5/8" meter minimum customer charge is \$15.47. The discount applied to the  
8 customer's monthly bill is \$12.37. The program has a cap, with the Company reserving the  
9 right to limit participation in the pilot to 1,395 participating customers.

10 **Q. Has the Company seen significant participation in this pilot program?**


11 A. Indiana households that make 60% of the state median income or less qualify for Indiana  
12 LIHEAP benefits. The Company estimates that there are approximately 28,000 water  
13 service customers in the Gary, Muncie, and Terre Haute service territories that would  
14 qualify for these benefits based on their household income. Currently approximately 140  
15 customers are taking service through the Pilot, which is approximately 0.5% of the total  
16 estimated eligible customer base.

17 **Q. Does this conclude your Direct Testimony?**

18 A. Yes, it does.

**VERIFICATION**

I, Gregory Shimansky, Director Rates & Regulatory, affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
Gregory Shimansky

Date: 3/27/2023

I.U.R.C. No. W-22-A  
 Cancelling All Previously Approved Tariffs  
 (W-21A)  
 Original Page 1 of 10

INDIANA-AMERICAN WATER COMPANY, INC.  
GREENWOOD, INDIANA

SCHEDULES OF RATES AND TARIFFS  
IN AND ADJACENT TO

CRAWFORDSVILLE	SOMERSET
CLAYPOOL	SOUTHERN INDIANA
JOHNSON COUNTY	(JEFFERSONVILLE, CHARLESTOWN,
(FRANKLIN, GREENWOOD, & NEW	CLARKSVILLE, GEORGETOWN &
WHITELAND)	NEW ALBANY), INDIANA
	SULLIVAN
KOKOMO	(SULLIVAN & MEROM) SUMMITVILLE
(KOKOMO, RUSSIAVILLE, & SHERIDAN)	SUNSET VILLAGE
LOWELL	
	WABASH
MOORESVILLE	
MUNCIE	TERRE HAUTE (WABASH VALLEY)
NEWBURGH	(FERRE HAUTE, MARION HEIGHTS,
(NEWBURGH, YANKEETOWN)	FARMERSBURG, & MECCA)
NOBLESVILLE	WARSAW
NORTHWEST INDIANA OPERATIONS	WAVELAND
(BURNS HARBOR, CHESTERTON, GARY,	WEST LAPAYETTE
HOBART, MERRILLVILLE, PORTAGE,	WINCHESTER
PORTER & SOUTH HAVEN)	
RICHMOND	
RIVER'S EDGE	
SEYMOUR	
SHELBYVILLE	

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Issued:

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
 153 North Emerson Avenue  
 Greenwood, Indiana 46143

CLASSIFICATION OF SERVICE  
GENERAL WATER SERVICE

Available For

All general water service customers except sale for resale customers.

Billing Frequency

Bills for general water service shall be rendered on a monthly basis. The following sets forth the schedules of volumetric rates on a monthly basis.

Volumetric Rates

The following shall be the rates for consumption:

Area One Group includes: Crawfordsville, Claypool, Johnson County, Kokomo, Mooresville, Muncie, Newburgh, Noblesville, Northwest, Richmond, River's Edge, Seymour, Shelbyville, Sheridan, Somerset, Southern Indiana, Sullivan, Summitville, Sunset Village, Wabash, Wabash Valley, Warsaw, Waveland, West Lafayette, and Winchester.

Area Two Group includes: Town of Lowell

	<u>Hundred Gallons</u>	<u>Rate Per 100 Gallons</u>
<b>Area One Group:</b>		
For the first	15	\$ 0.00000
For the next	135	1.57415
For the next	37,250	0.47800
For all over	37,400	0.37800
<b>Area Two Group:</b>		
For the first	50	\$1.10055
For the next	100	1.05519
For the next	200	1.00292
For the next	350	0.87867

Note: Unless specified rates are for all areas.

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Issued:

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 North Emerson Avenue  
Greenwood, Indiana 46143

**1.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Page 2a of 10**

**CLASSIFICATION OF SERVICE**  
**GENERAL WATER SERVICE (CONT'D)**

**Montgomery County Surcharge**

A \$3.54 per customer surcharge is applicable to all general water service customers that were taking service in Montgomery County as of January 31, 2024. Pursuant to the Commission's final order in Cause No. (Pending) this surcharge will remain in effect through January 31, 2044, or until otherwise instructed to be removed.

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Issued:

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 North Emerson Avenue  
Greenwood, Indiana 46143

I.U.R.C. No. W-22-A  
**Cancelling All Previously Approved Tariffs  
(W-21-A)**  
**Original Page 3 of 10**

**CLASSIFICATION OF SERVICE**  
**GENERAL WATER SERVICE AND**  
**SALE FOR RESALE**

**Customer Charge**

All metered general water service and sale for resale customers shall pay a Customer Charge based on the size of meter installed (or multiple meters installed--in which case, the charge is based on the total of all meters installed). The Customer Charge rates are listed below. For general water service, 1,500 gallons is included as an allowance in the monthly meter charge.

<u>Size of Meter</u>	<u>Monthly Customer Charge*</u>	<u>Sale for Resale Only*</u>
5/8"	\$ 20.00	\$ 30.40
3/4"	28.30	43.60
1"	37.10	59.40
1-1/2"	69.50	101.70
2"	127.00	180.50
3"	200.20	293.10
4"	311.20	466.90
6"	563.70	879.20
8"	869.10	1,376.10
10"	1,372.30	2,199.00
12"	2,196.20	3,569.80

\* Subject to the Distribution System Improvement Charge listed on Appendix A and System Enhancement Improvement Charge listed on Appendix B

Note: Unless specified rates are for all areas.

Issued:

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 North Emerson Avenue  
Greenwood, Indiana 46143

I.U.R.C No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Page 3a of 10

CLASSIFICATION OF SERVICE  
GENERAL WATER SERVICE AND  
SALE FOR RESALE (Cont.)

Town of Lowell:

A minimum charge will apply to all customers. If usage is below the Gallons Allowed for the minimum charge, the following rates will apply:

<b>Minimum Charges</b>		
<b><u>Meter Size (in inches)</u></b>	<b><u>Gallons Allowed</u></b>	<b><u>Rate</u></b>
5/8	2,500	\$27.50
1	4,000	44.00
1-1/4	5,000	55.01
1-1/2	6,500	70.83
2	8,700	94.03
3	14,100	150.98
4	19,600	206.58
6	68,500	655.42

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Issued:

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 North Emerson Avenue  
Greenwood, Indiana 46143

I.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)

Original Page 4 of 10

CLASSIFICATION OF SERVICE  
SALE FOR RESALE

Available For

All sale for resale customers.

Billing Frequency

Bills for sales for resale service shall be rendered on a monthly basis. The following schedules of volumetric rates are set forth on a monthly basis.

Volumetric Rates

The following shall be the rates for consumption:

	<u>Hundred</u> <u>Gallons</u>	<u>Rate Per 100</u> <u>Gallons</u>
For the first	300,000	\$ 0.41605
For all over	300,000	0.38167

Note: Unless specified rates are for all areas.

CONTRACTED WATER SERVICE

Sale for resale customers taking service pursuant to a written contract shall honor any minimum purchase obligation set forth in said contract.

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Issued:

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 North Emerson Avenue  
Greenwood, Indiana 46143



I.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Page 5 of 10

CLASSIFICATION OF SERVICE  
FIRE SERVICE

PRIVATE FIRE SERVICE

For all districts the rates for private fire service are based upon the size of the service, and no additional charges will be made for fire hydrants, hose connections or standpipes connected to and supplied by such private fire services.

Monthly Rate per connection (flat rate, not metered)

<u>Size of Service</u>	<u>Monthly Charge</u>
2" Diameter	\$ 3.25
2-1/2" Diameter	5.83
3" Diameter	9.41
4" Diameter	20.06
6" Diameter	58.26
8" Diameter	124.18
10" Diameter	223.30
12" Diameter	360.70

Note: Unless specified rates are for all areas.

PRIVATE FIRE HYDRANT SERVICE

Available only to customers receiving private fire hydrant service.

Monthly Surcharge per hydrant - \$ 58.26

Note: Unless specified rates are for all areas.

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Effective: \_\_\_\_\_

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153 North Emerson Avenue  
Greenwood, Indiana 46143

**I.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Page 6 of 10**

CLASSIFICATION OF SERVICE  
FIRE SERVICE

PUBLIC FIRE HYDRANTS

Each municipality or governmental entity responsible for public fire service in the areas listed below shall pay for each public fire hydrant within its boundaries.

Monthly surcharge per hydrant: \$66.02

Where applicable: Clarksville.

PUBLIC FIRE PROTECTION SURCHARGE

Applicability

Applies to all customers, with the exception of Sale for Resale customers, not located within the boundaries of the governmental entities responsible for public fire service in the areas listed in Public Fire Hydrants. Applicable to any water customer, with the exception of Sale for Resale customers, located in areas within municipal boundaries or to any water customer within 1,000 feet of a public fire hydrant (measured from the hydrant to the nearest point on the property line of the customer) on the Company's distribution mains in areas not within municipal boundaries. In addition to the charges for water service under currently approved tariffs, a public fire protection surcharge shall be charged to, and collected from, each customer to whom said surcharge is hereby made applicable. If multiple meters are installed the surcharge(s) shall be based upon the total of all meters installed.

Size of Meter	Monthly Charge- Area One and Two	Town of Lowell Only
5/8"	\$4.75	\$6.63
3/4"	7.12	
1"	11.85	10.60
1-1/2"	23.73	23.19
2"	37.95	17.23
3"	71.16	23.06
4"	118.60	37.36
6"	237.23	51.94
8"	379.55	181.53
10"	605.27	496.90
12"	1,020.05	

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I.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Page 7 of 10

**CLASSIFICATION OF SERVICE**

**METERED PLANT SALES**

Available to all customers desiring to purchase water pumped directly into portable water tanks, furnished by the Customer, at the Company's designated plant sites from a coin-operated machine charged at the current schedule of metered rates.

**MISCELLANEOUS TEMPORARY WATER SERVICE**

Miscellaneous temporary water service is available upon application therefore for construction projects located in the vicinity of distribution mains of the Company suitable and adequate for supplying the service requested in the territory served by the Company. Each application for service under this rate shall list in detail the purposes for which water service is to be used. If more than one fire hydrant or special service connection is used, the customer charge is to apply to each such hydrant or temporary service connection so used.

**Rate:**

The rate for this service shall be the sum of the charges as determined under sub-paragraphs (a) and (b) below:

(a) The applicant for Miscellaneous Temporary Water Service shall be required to pay the Company's cost of labor plus 30% for supervision, transportation, materials (excluding the cost of the meter), use of tools, and overhead and indirect costs required in connection with establishing, disconnecting and dismantling of the temporary connection. This payment shall be made to the Company before the facilities are installed by the Company based upon amounts estimated by the Company. The payment shall be adjusted to actual costs by a refund or additional charge when service is discontinued.

(b) The volume of water taken through the temporary connection shall be metered by a meter furnished and owned by the Company. For water consumed through such meter, the regular schedule of water rates, including minimum payment provisions, for General Water Service shall apply.

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(W-21-A)  
Original Page 7a of 10

CLASSIFICATION OF SERVICE  
RATE FOR MISCELLANEOUS TEMPORARY WATER SERVICE (CONT'D)

Permit where use of fire hydrants is required:

If the temporary water service connection is from a public fire hydrant, then a permit to use the hydrant must be obtained by the applicant from the Company. A permit will be issued by the Company only when the applicant first obtains written permission from the Chief of the Fire Department for use of the hydrant, and delivers the written permission to the Company. Any permit issued by the Company shall be revocable at the Company's option.

Special provisions:

The Company reserves the right to discontinue service if the purpose for which water is used or the quantities of construction work to be performed have been misrepresented. In that event, the Company will refund the unearned portion of the advance payment.

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RECONNECTION CHARGE

When it has been necessary to discontinue water service to any premises because of a violation of the Company's Rules and Regulations or on account of non-payment of any bill for water service, a charge of Forty Dollars (\$40.00) will be made to cover the expense of turning on the water service, except customers located in the acquired areas within the former Rivers Edge Utility Inc.'s Certificate of Territorial Authority as discussed on page 3 above .

However, any service reconnected at the request of a Customer after regular business hours, or on Saturdays, Sundays, or Holidays, will be billed a charge of Sixty Dollars (\$60.00).

INSUFFICIENT FUNDS CHARGE

In the event a check, draft of other instrument tendered to the Company for water service provided by the Company is dishonored by the bank or another institution upon which it is drawn, by reason of "insufficient funds", "account closed" or other similar reason, a Charge For Dishonored Check of Nineteen Dollars (\$19.00) for each such dishonored instrument will be made by the Company to the customer except customers located in the acquired areas within the former Rivers Edge Utility Inc.'s Certificate of Territorial Authority as discussed on page 3 above. Such charge will be added and will be due and payable on the terms and conditions of the Company's billing in payment of which the dishonored instrument was so tendered. The Company may serve a Customer on a cash basis for the next twelve months only if more than one check of the Customer is returned NSF in the previous twelve-month period. "Cash" shall be deemed to mean U.S. currency, U.S. Postal money order, or certified check. '

AFTER HOURS SERVICE CHARGE

A charge of \$20.00 per call will be made for non-emergency customer service calls made after normal working hours, weekends, or holidays at the customer's request, provided the reason for the call was not the fault of the water company. This charge is separate and distinct from the reconnection charges or any other charges. It is non-cumulative in respect to the other charges listed.

REBATES AND ABATEMENTS

When a customer has an extended absence exceeding two months, there will be no abatement of water rates unless the customer notifies the company in sufficient time so the meter can be removed before the customer departs. Service shall be resumed upon notification by the customer and his payment of a \$10.00 service charge, which also includes the cost of removal of the meter.

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Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Page 9 of 10

CLASSIFICATION OF SERVICE

DEFERRED MAIN EXTENSION MONTHLY PAYMENT

Deferred Main Extension Monthly Payment will apply to customers receiving water service through a main extension installed under Rule 8.3. In addition to the rates and charges for General Water Service and, where applicable, Fire Service, such customers will pay a Deferred Main Extension Monthly Payment computed in accordance with the Rule specified above and based on the cost of the main extension.

BILLING OF LICENSE, OCCUPATION, FRANCHISE, OR OTHER SIMILAR CHARGES OR TAXES

There will be added to the Customer's bill, as a separate item, an amount equal to the proportionate part of any license, occupation, franchise, or other similar fee or tax now or hereafter imposed upon the Company by local taxing authorities, whether imposed by ordinance, franchise or otherwise, and which fee or tax is based upon a percentage of the gross receipts, net receipts, or revenues from sales of water rendered by the Company to the Customer.

Where more than one such charge or tax is imposed by a taxing authority, the total of such charges or taxes applicable to a Customer may be billed to the Customer as a single amount.

Charges or taxes herein referred to shall in all instances be billed to Customers on the basis of Company rates effective at the time of billing, and on the basis of the tax rate effective at the time billing is made.

CONNECTION FEE

The Connection Fee set forth on this schedule is applicable to new service line connections in accordance with I.U.R.C. No. W-14 of the Rules and Regulations.

<u>Meter Size</u>	<u>Fee</u>
5/8"	\$800
1"	\$1,400
2"	\$2,400
3"	\$8,100
4"	\$10,800
6"	\$12,900
8"	\$15,700
10"	\$19,400
12"	\$19,800

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I.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Page **2a** of 10

**SYSTEM DEVELOPMENT CHARGES**

The System Development Charges set forth on this schedule is applicable to service line connections in accordance with the Company's Rules and Regulations as in effect from time to time.

<b><u>Meter Size</u></b>	<b><u>Fee</u></b>
5/8"	\$528
3/4"	\$792
1"	\$1,320
1.5"	\$3,167
2"	\$5,015
3"	\$11,481
4"	\$19,796
6"	\$42,231
8"	\$73,904
10"	\$110,856

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DATA USAGE FEES FOR SEWER BILLINGS

Availability

The Data Usage Fees set forth on this schedule is applicable to sewer utilities requesting water usage data that allows said utilities to properly bill for sewer services rendered by such utilities.

Usage Fees:

<u>Data Records Acquired Per Month</u>	<u>Rate</u>
0- 250	\$ 25.00
251- 600	75.00
601- 1,500	275.00
1,501 - 5,000	575.00
5,001 - 7,000	900.00
7,001 - 10,000	1,300.00
10,001 - 15,000	1,650.00
15,001 - 20,000	4,750.00
20,001 - 30,000	6,055.00
30,000 +	6,555.00

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I.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Appendix A

Distribution System Improvement Charge (DSIC)

The Distribution System Improvement Charge (DSIC) Percentage set forth on this schedule is applicable where clearly denoted on other rate schedules, and this DSIC Charge by Meter Size shall be added to all charges billed. Changes to the DSIC shall be occasioned by filings in accordance with Indiana Code Chapter 8-1-31.

All Water Groups

**DSIC Charge by**

<b>Meter Size</b>	<b><u>Meter Size</u></b>
5/8"	\$0.00
3/4"	\$0.00
1"	\$0.00
1 1/2"	\$0.00
2"	\$0.00
3"	\$0.00
4"	\$0.00
6"	\$0.00
8"	\$0.00
10"	\$0.00
12"	\$0.00

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I.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Appendix B

SYSTEM ENHANCEMENT  
IMPROVEMENTS (SEI)

The System Enhancement Improvements (SEI) fixed meter charge set forth on this schedule is applicable where clearly denoted on other rate schedules, and this SEI Charge by Meter Size shall be added to all charges billed. Changes to the SEI shall be occasioned by filings in accordance with Indiana Code Chapter 8-1-31.7-8.

<u>All Water Groups</u> <u>Meter</u> <u>Size</u>	<u>SEI Charge</u> <u>by</u> <u>Meter Size</u>
5/8"	\$ 0.00
3/4"	\$ 0.00
1"	\$ 0.00
1 1/2"	\$ 0.00
2"	\$ 0.00
3"	\$ 0.00
4"	\$ 0.00
6"	\$ 0.00
8"	\$ 0.00
10"	\$ 0.00
12"	\$ 0.00

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1.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Appendix D Page 1 of 2

UNIVERSAL AFFORDABILITY DISCOUNT  
- VOLUMETRIC

Available For

All general water service customers except sale for resale customers. To qualify for these discounts, the customer must make application to the Company and present required supporting documentation.

Billing Frequency

Bills for general water service shall be rendered on a monthly basis. The following sets forth the schedules of discounts from volumetric rates on a monthly basis.

Volumetric Rates Discount

The following shall be the discount applied to a qualifying customer's volumetric rate when calculating their monthly bill. For Area 1 customers, the first volumetric block, representing the first 1,500 gallons used per meter per month, the rate is zero and there will be no discount. For volume usage above 1,500 gallons per month, the volume rate discount will be applied according to a qualifying customer's income level in relation to the Federal Poverty Level ("FPL").

Area One Group includes: Crawfordsville, Claypool, Johnson County, Kokomo, Mooresville, Muncie, Newburgh, Noblesville, Northwest, Richmond, River's Edge, Seymour, Shelbyville, Sheridan, Somerset, Southern Indiana, Sullivan, Summitville, Sunset Village, Wabash, Wabash Valley, Warsaw, Waveland, West Lafayette, and Winchester.

Area Two Group includes: Town of Lowell

	<u>Hundred Gallons</u>	<u>Rate Per 100 Gallons</u>
<b><u>Area One Group:</u></b>		
0% - 50% of FPL		
For the first	15	\$0.00000
For the next	135	(\$1.25932)
50%-100% of FPL		
For the first	15	\$0.00000
For the next	135	(\$0.78708)
100% - 150% of FPL		
For the first	15	\$0.00000
For the next	135	(\$0.47225)
<b><u>Area Two Group:</u></b>		
0% - 50% of FPL		
For the first	15	(0.88044)
For the next	135	(\$0.84415)
50%-100% of FPL		
For the first	15	(\$0.55028)
For the next	135	(\$0.52760)
100% - 150% of FPL		
For the first	15	(\$0.33017)
For the next	135	(\$0.31656)

Note: Unless specified rates are for all areas.

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1.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Appendix D Page 2 of 2

UNIVERSAL AFFORDABILITY DISCOUNT  
- CUSTOMER CHARGE

Available For

All general water service customers except sale for resale customers. To qualify for these discounts, the customer must make application to the Company and present required supporting documentation.

Billing Frequency

Bills for general water service shall be rendered on a monthly basis. The following sets forth the schedules of discounts from fixed customer charges on a monthly basis.

Customer Charge Discounts

The following shall be the discount applied to a qualifying customer's customer charge when calculating their monthly bill. The discount will be applied according to a qualifying customer's income level in relation to the FPL.

Area One Group includes: Crawfordsville, Claypool, Johnson County, Kokomo, Mooresville, Muncie, Newburgh, Noblesville, Northwest, Richmond, River's Edge, Seymour, Shelbyville, Sheridan, Somerset, Southern Indiana, Sullivan, Summitville, Sunset Village, Wabash, Wabash Valley, Warsaw, Waveland, West Lafayette, and Winchester.

Area Two Group includes: Town of Lowell

	Customer Charge Discount
<b><u>Area One Group:</u></b>	
0% - 50% of FPL	(\$16.00)
50%-100% of FPL	(\$10.00)
100% - 150% of FPL	(\$6.00)
<b><u>Area Two Group:</u></b>	
0% - 50% of FPL	(\$22.00)
50%-100% of FPL	(\$13.75)
100% - 150% of FPL	(\$8.25)

Note: Unless specified rates are for all areas.

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I.U.R.C. No. W-~~2122~~-A  
Cancelling All Previously Approved Tariffs  
(W-~~20A21A~~)  
~~Second Revised~~Original Page 1 of 10

INDIANA-AMERICAN WATER COMPANY, INC.  
GREENWOOD, INDIANA

SCHEDULES OF RATES AND TARIFFS  
IN AND ADJACENT TO

CRAWFORDSVILLE  
CLAYPOOL  
JOHNSON COUNTY  
(FRANKLIN, GREENWOOD, & NEW  
WHITELAND)

KOKOMO  
(KOKOMO, RUSSIAVILLE, & SHERIDAN)  
LOWELL

MOORESVILLE  
MUNCIE  
NEWBURGH  
(NEWBURGH, YANKEETOWN)  
NOBLESVILLE

NORTHWEST INDIANA OPERATIONS  
(BURNS HARBOR, CHESTERTON, GARY,  
HOBART, MERRILLVILLE, PORTAGE,  
PORTER & SOUTH HAVEN)

RICHMOND  
RIVER'S EDGE

SEYMOUR  
SHELBYVILLE

SOMERSET  
SOUTHERN INDIANA  
(JEFFERSONVILLE, CHARLESTOWN,  
CLARKSVILLE, GEORGETOWN &  
NEW ALBANY), INDIANA

SULLIVAN  
(SULLIVAN & MEROM) SUMMITVILLE  
SUNSET VILLAGE

WABASH

TERRE HAUTE (WABASH VALLEY)  
(FERRE HAUTE, MARION HEIGHTS,  
FARMERSBURG, & MECCA)

WARSAW

WAVELAND  
WEST LAPAYETTE  
WINCHESTER

Issued:

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Greenwood, Indiana 46143

I.U.R.C. No. W-~~2122~~-A  
Cancelling All Previously Approved Tariffs  
(W-~~2021~~-A)  
~~Fifth Revised~~Original Page 2 of 10

CLASSIFICATION OF SERVICE  
GENERAL WATER SERVICE

Available For

All general water service customers except sale for resale customers.

Billing Frequency

Bills for general water service shall be rendered on a monthly basis. The following sets forth the schedules of volumetric rates on a monthly basis.

Volumetric Rates

The following shall be the rates for consumption:

Area One Group includes: Crawfordsville, Claypool, Johnson County, Kokomo, Mooreville, Muncie, Newburgh, Noblesville, Northwest, Richmond, River's Edge, Seymour, Shelbyville, Sheridan, Somerset, Southern Indiana, Sullivan, Summitville, Sunset Village, Wabash, Wabash Valley, Warsaw, Waveland, ~~and~~ West Lafayette, and Winchester.

~~Area Two Group includes: Mooreville and Winchester~~

~~Area Three includes customers located in the acquired areas within the former Rivers Edge Utility Inc.'s Certificate of Territorial Authority~~

Area ~~Four~~Two Group includes: Town of Lowell

	<u>Hundred Gallons</u>	<u>Rate Per 100 Gallons</u>
<b>Area One Group:</b>		
For the first	150	\$ <del>0.5148000000</del>
For the next	<u>37,250</u> <u>135</u>	<u>0.348141.57415</u>
<u>For the next</u>	<u>37,250</u>	<u>0.47800</u>
For all over	37,400	<u>0.2040537800</u>
<del>Area Two Group:</del>		
<del>For the first</del>	<del>150</del>	<del>\$0.41200</del>
<del>For the next</del>	<del>37,250</del>	<del>0.30225</del>
<del>For all over</del>	<del>37,400</del>	<del>0.19867</del>
<del>Area Three</del>		
<del>For all usage levels</del>		<del>\$1.27215</del>
<b>Area <del>Four</del><u>Two</u> Group:</b>		
For the first	50	\$1.10055
For the next	100	1.05519
For the next	200	1.00292
For the next	350	0.87867

Note: Unless specified rates are for all areas.

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1.U.R.C. No. W-~~21~~22-A  
Cancelling All Previously Approved Tariffs  
(W-~~20~~21-A)  
Original Page 2a of 10

CLASSIFICATION OF SERVICE  
GENERAL WATER SERVICE (CONT'D)

Montgomery County Surcharge

A \$3.54 per customer surcharge is applicable to all general water service customers that were taking service in Montgomery County as of January 31, 2024. Pursuant to the Commission's final order in Cause No. (Pending) this surcharge will remain in effect through January 31, 2044, or until otherwise instructed to be removed.

Yankeetown Surcharge

A \$10.00 per customer surcharge is applicable to all general water service customers that were taking service through the Yankeetown system as of March 26, 2014. Pursuant to the Commission's final order in Cause No. 44400 this surcharge will remain in effect through April 28, 2024.

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Cancelling All Previously Approved Tariffs  
(W-~~2021~~-A)

~~Third Revised~~Original Page 3 of 10

CLASSIFICATION OF SERVICE  
GENERAL WATER SERVICE AND  
SALE FOR RESALE

Customer Charge

All metered general water service and sale for resale customers shall pay a Customer Charge based on the size of meter installed (or multiple meters installed--in which case, the charge is based on the total of all meters installed). The Customer Charge rates are listed below. For general water service, 1,500 gallons is included as an allowance in the monthly meter charge, and do not include any allowance for water usage.

Size of Meter	Monthly Customer Charge*	Sale for Resale Only*
5/8"	\$ <del>15.26</del> 20.00	\$ <del>23.23</del> 30.40
3/4"	<del>21.62</del> 28.30	<del>33.34</del> 43.60
1"	<del>28.32</del> 37.10	<del>45.36</del> 59.40
1-1/2"	<del>53.05</del> 69.50	<del>77.62</del> 101.70
2"	<del>96.91</del> 127.00	<del>137.74</del> 180.50
3"	<del>152.76</del> 200.20	<del>223.63</del> 293.10
4"	<del>237.47</del> 311.20	<del>356.27</del> 466.90
6"	<del>430.13</del> 563.70	<del>670.84</del> 879.20
8"	<del>663.10</del> 869.10	<del>1,049.89</del> 1,376.10
10"	<del>1,047.06</del> 1,372.30	<del>1,677.80</del> 2,199.00
12"	<del>1,675.67</del> 2,196.20	<del>2,723.72</del> 3,569.80

\* Subject to the Distribution System Improvement Charge listed on Appendix A and System Enhancement Improvement Charge listed on Appendix B

Note: Unless specified rates are for all areas.

The following rates and charges are applicable to customers located in the acquired areas within the former Rivers-Edge Utility Inc.'s Certificate of Territorial Authority:

Recurring Charges:

Mobile Home and Camp Lots \_\_\_\_\_ A flat fee of \$63.61 per month (6 month minimum)

Non-Recurring Charges:

Disconnection Fee \_\_\_\_\_ \$45  
Reconnection Fee \_\_\_\_\_ \$45  
Residential Water Connection Charge \_\_\_\_\_ \$200  
RV Site Water Connection Charge \_\_\_\_\_ \$75  
Returned Check Charge \_\_\_\_\_ \$25  
Tampering Fee \_\_\_\_\_ \$200  
Late Fee Water \_\_\_\_\_ 10% of the first \$3, and 3% of the excess \$3

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Greenwood, Indiana 46143



I.U.R.C No. W-~~2122~~-A  
Cancelling All Previously Approved Tariffs  
(W-~~2021~~-A)  
**Fourth Revised Original** Page 3a of **10**

CLASSIFICATION OF SERVICE  
GENERAL WATER SERVICE AND  
SALE FOR RESALE (Cont.)

Town of Lowell:

A minimum charge will apply to all customers. If usage is below the Gallons Allowed for the minimum charge, the following rates will apply:

<b>Minimum Charges</b>		
<b><u>Meter Size (in inches)</u></b>	<b><u>Gallons Allowed</u></b>	<b><u>Rate</u></b>
5/8	2,500	\$27.50
1	4,000	44.00
1-1/4	5,000	55.01
1-1/2	6,500	70.83
2	8,700	94.03
3	14,100	150.98
4	19,600	206.58
6	68,500	655.42

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I.U.R.C. No. W-~~2122~~-A  
Cancelling All Previously Approved Tariffs  
(W-~~2021~~-A)

~~Second Revised~~Original Page 4 of 10

CLASSIFICATION OF SERVICE  
SALE FOR RESALE

Available For

All sale for resale customers.

Billing Frequency

Bills for sales for resale service shall be rendered on a monthly basis. The following schedules of volumetric rates are set forth on a monthly basis.

Volumetric Rates

The following shall be the rates for consumption:

	<u>Hundred</u> <u>Gallons</u>	<u>Rate Per 100</u> <u>Gallons</u>
For the first	300,000	\$ 0. <u>2786741605</u>
For all over	300,000	0. <u>2556438167</u>

Note: Unless specified rates are for all areas.

CONTRACTED WATER SERVICE

Sale for resale customers taking service pursuant to a written contract shall honor any minimum purchase obligation set forth in said contract.

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153 North Emerson Avenue  
Greenwood, Indiana 46143

I.U.R.C. No. W-~~21~~22-A

Cancelling All Previously Approved Tariffs  
(W-~~2021~~-A)

Second Revised Original Page 5 of 10

CLASSIFICATION OF SERVICE  
FIRE SERVICE

PRIVATE FIRE SERVICE

For all districts the rates for private fire service are based upon the size of the service, and no additional charges will be made for fire hydrants, hose connections or standpipes connected to and supplied by such private fire services.

Monthly Rate per connection (flat rate, not metered)

<u>Size of Service</u>	<u>Monthly Charge</u>
2" Diameter	\$ 3.25
2-1/2" Diameter	5.83
3" Diameter	9.41
4" Diameter	20.06
6" Diameter	58.26
8" Diameter	124.18
10" Diameter	223.30
12" Diameter	360.70

Note: Unless specified rates are for all areas.

PRIVATE FIRE HYDRANT SERVICE

Available only to customers receiving private fire hydrant service.

Monthly Surcharge per hydrant - \$ 58.26

Note: Unless specified rates are for all areas.

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CLASSIFICATION OF SERVICE  
FIRE SERVICE

PUBLIC FIRE HYDRANTS

Each municipality or governmental entity responsible for public fire service in the areas listed below shall pay for each public fire hydrant within its boundaries.

Monthly surcharge per hydrant: ~~\$67.41~~66.02

Where applicable: Clarksville.

PUBLIC FIRE PROTECTION SURCHARGEApplicability

Applies to all customers, with the exception of Sale for Resale customers, not located within the boundaries of the governmental entities responsible for public fire service in the areas listed in Public Fire Hydrants. Applicable to any water customer, with the exception of Sale for Resale customers, located in areas within municipal boundaries or to any water customer within 1,000 feet of a public fire hydrant (measured from the hydrant to the nearest point on the property line of the customer) on the Company's distribution mains in areas not within municipal boundaries. In addition to the charges for water service under currently approved tariffs, a public fire protection surcharge shall be charged to, and collected from, each customer to whom said surcharge is hereby made applicable. If multiple meters are installed the surcharge(s) shall be based upon the total of all meters installed.

Size of Meter	Monthly Charge- Area One and Two	West Lafayette Only	Seymour Only
5/8"	<del>4.85</del> <u>4.75</u>	3.40	\$4.25
3/4"	<del>7.27</del> <u>7.12</u>	5.08	6.38
1"	<del>12.40</del> <u>11.85</u>	8.48	10.63
1-1/2"	<del>24.23</del> <u>23.73</u>	16.95	21.24
2"	<del>38.75</del> <u>37.95</u>	27.13	33.98
3"	<del>72.66</del> <u>71.16</u>	50.85	63.71
4"	<del>121.40</del> <u>118.60</u>	84.76	106.18
6"	<del>242.22</del> <u>237.23</u>	169.51	212.37
8"	<del>387.54</del> <u>379.55</u>	271.23	339.78
10"	<del>629.75</del> <u>605.27</u>	440.76	552.14
12"	<del>1,041.52</del> <u>1,020.05</u>	728.95	913.16

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I.U.R.C. No. W-~~2122~~-A  
Cancelling All Previously Approved Tariffs  
(W-~~2021~~-A)  
Third Revised Page 6a of 10

CLASSIFICATION OF SERVICE  
FIRE SERVICE

Size of Meter	<del>Sheridan Only</del>	<del>Summitville Only</del>	Town of Lowell Only
5/8"	<del>\$4.85</del>	<del>\$3.77</del>	\$6.63
3/4"		<del>\$5.65</del>	
1"	<del>\$12.10</del>	<del>\$9.42</del>	10.60
1-1/4"			23.19
1-1/2"	<del>\$24.23</del>	<del>\$18.85</del>	17.23
2"		<del>\$30.15</del>	23.06
3"		<del>\$56.53</del>	37.36
4"	<del>\$121.10</del>	<del>\$94.21</del>	51.94
6"		<del>\$188.43</del>	181.53
8"		<del>\$301.48</del>	496.90
10"		<del>\$489.90</del>	
12"		<del>\$810.22</del>	

Note: Unless specified rates are for all areas.

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I.U.R.C. No. W-~~21~~22-A  
Cancelling All Previously Approved Tariffs  
(W-~~20~~21-A)  
Original Page 7 of 10

## CLASSIFICATION OF SERVICE

### METERED PLANT SALES

Available to all customers desiring to purchase water pumped directly into portable water tanks, furnished by the Customer, at the Company's designated plant sites from a coin-operated machine charged at the current schedule of metered rates.

### MISCELLANEOUS TEMPORARY WATER SERVICE

Miscellaneous temporary water service is available upon application therefore for construction projects located in the vicinity of distribution mains of the Company suitable and adequate for supplying the service requested in the territory served by the Company. Each application for service under this rate shall list in detail the purposes for which water service is to be used. If more than one fire hydrant or special service connection is used, the customer charge is to apply to each such hydrant or temporary service connection so used.

#### Rate:

The rate for this service shall be the sum of the charges as determined under sub-paragraphs (a) and (b) below:

(c) The applicant for Miscellaneous Temporary Water Service shall be required to pay the Company's cost of labor plus 30% for supervision, transportation, materials (excluding the cost of the meter), use of tools, and overhead and indirect costs required in connection with establishing, disconnecting and dismantling of the temporary connection. This payment shall be made to the Company before the facilities are installed by the Company based upon amounts estimated by the Company. The payment shall be adjusted to actual costs by a refund or additional charge when service is discontinued.

(d) The volume of water taken through the temporary connection shall be metered by a meter furnished and owned by the Company. For water consumed through such meter, the regular schedule of water rates, including minimum payment provisions, for General Water Service shall apply.

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Cancelling All Previously Approved Tariffs  
(W-~~2021~~-A)  
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CLASSIFICATION OF SERVICE  
RATE FOR MISCELLANEOUS TEMPORARY WATER SERVICE (CONT'D)

Permit where use of fire hydrants is required:

If the temporary water service connection is from a public fire hydrant, then a permit to use the hydrant must be obtained by the applicant from the Company. A permit will be issued by the Company only when the applicant first obtains written permission from the Chief of the Fire Department for use of the hydrant, and delivers the written permission to the Company. Any permit issued by the Company shall be revocable at the Company's option.

Special provisions:

The Company reserves the right to discontinue service if the purpose for which water is used or the quantities of construction work to be performed have been misrepresented. In that event, the Company will refund the unearned portion of the advance payment.

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RECONNECTION CHARGE

When it has been necessary to discontinue water service to any premises because of a violation of the Company's Rules and Regulations or on account of non-payment of any bill for water service, a charge of Forty Dollars (\$40.00) will be made to cover the expense of turning on the water service, except customers located in the acquired areas within the former Rivers Edge Utility Inc.'s Certificate of Territorial Authority as discussed on page 3 above .

However, any service reconnected at the request of a Customer after regular business hours, or on Saturdays, Sundays, or Holidays, will be billed a charge of Sixty Dollars (\$60.00).

INSUFFICIENT FUNDS CHARGE

In the event a check, draft of other instrument tendered to the Company for water service provided by the Company is dishonored by the bank or another institution upon which it is drawn, by reason of "insufficient funds", "account closed" or other similar reason, a Charge For Dishonored Check of Nineteen Dollars (\$19.00) for each such dishonored instrument will be made by the Company to the customer except customers located in the acquired areas within the former Rivers Edge Utility Inc.'s Certificate of Territorial Authority as discussed on page 3 above. Such charge will be added and will be due and payable on the terms and conditions of the Company's billing in payment of which the dishonored instrument was so tendered. The Company may serve a Customer on a cash basis for the next twelve months only if more than one check of the Customer is returned NSF in the previous twelve-month period. "Cash" shall be deemed to mean U.S. currency, U.S. Postal money order, or certified check. ' '

AFTER HOURS SERVICE CHARGE

A charge of \$20.00 per call will be made for non-emergency customer service calls made after normal working hours, weekends, or holidays at the customer's request, provided the reason for the call was not the fault of the water company. This charge is separate and distinct from the reconnection charges or any other charges. It is non-cumulative in respect to the other charges listed.

REBATES AND ABATEMENTS

When a customer has an extended absence exceeding two months, there will be no abatement of water rates unless the customer notifies the company in sufficient time so the meter can be removed before the customer departs. Service shall be resumed upon notification by the customer and his payment of a \$10.00 service charge, which also includes the cost of removal of the meter.

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CLASSIFICATION OF SERVICE

DEFERRED MAIN EXTENSION MONTHLY PAYMENT

Deferred Main Extension Monthly Payment will apply to customers receiving water service through a main extension installed under Rule 8.3. In addition to the rates and charges for General Water Service and, where applicable, Fire Service, such customers will pay a Deferred Main Extension Monthly Payment computed in accordance with the Rule specified above and based on the cost of the main extension.

BILLING OF LICENSE, OCCUPATION, FRANCHISE, OR OTHER SIMILAR CHARGES OR TAXES

There will be added to the Customer's bill, as a separate item, an amount equal to the proportionate part of any license, occupation, franchise, or other similar fee or tax now or hereafter imposed upon the Company by local taxing authorities, whether imposed by ordinance, franchise or otherwise, and which fee or tax is based upon a percentage of the gross receipts, net receipts, or revenues from sales of water rendered by the Company to the Customer.

Where more than one such charge or tax is imposed by a taxing authority, the total of such charges or taxes applicable to a Customer may be billed to the Customer as a single amount.

Charges or taxes herein referred to shall in all instances be billed to Customers on the basis of Company rates effective at the time of billing, and on the basis of the tax rate effective at the time billing is made.

CONNECTION FEE

The Connection Fee set forth on this schedule is applicable to new service line connections in accordance with I.U.R.C. No. W-14 of the Rules and Regulations.

<u>Meter Size</u>	<u>Fee</u>
5/8"	\$800
1"	\$1,400
2"	\$2,400
3"	\$8,100
4"	\$10,800
6"	\$12,900
8"	\$15,700
10"	\$19,400
12"	\$19,800

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I.U.R.C. No. W-~~2122~~-A  
Cancelling All Previously Approved Tariffs  
(W-~~2021~~-A)  
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**SYSTEM DEVELOPMENT CHARGES**

The System Development Charges set forth on this schedule is applicable to service line connections in accordance with the Company's Rules and Regulations as in effect from time to time.

<b><u>Meter Size</u></b>	<b><u>Fee</u></b>
5/8"	\$528
3/4"	\$792
1"	\$1,320
1.5"	\$3,167
2"	\$5,015
3"	\$11,481
4"	\$19,796
6"	\$42,231
8"	\$73,904
10"	\$110,856

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DATA USAGE FEES FOR SEWER BILLINGS

Availability

The Data Usage Fees set forth on this schedule is applicable to sewer utilities requesting water usage data that allows said utilities to properly bill for sewer services rendered by such utilities.

Usage Fees:

<u>Data Records Acquired Per Month</u>	<u>Rate</u>
0- 250	\$ 25.00
251- 600	75.00
601- 1,500	275.00
1,501 - 5,000	575.00
5,001 - 7,000	900.00
7,001 - 10,000	1,300.00
10,001 - 15,000	1,650.00
15,001 - 20,000	4,750.00
20,001 - 30,000	6,055.00
30,000 +	6,555.00

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CLASSIFICATION OF SERVICE  
GENERAL WATER SERVICE

Available For:

~~Any Residential Customers in the Gary, Muncie, and Terre Haute service territories that meet the qualification criteria as described below in the Qualification section. Customers that default on payments for two (2) consecutive months will no longer be eligible for this program, and will not be allowed to requalify for twelve (12) months. Customers must reestablish eligibility on an annual basis. This program will be available until the effective date of new rates in the Company's next general service rate proceeding.~~

Qualifications:

~~Eligibility for this program will be determined by a program administrator using the following criteria:~~

- ~~—The Residential Customer's household earnings must meet low income guidelines for the Indiana Low income Home Energy Assistance Program (LIHEAP).~~
- ~~—Residential Customers who demonstrate a financial need and qualify for LIHEAP must contact a local Community Action Agency referenced below or any subsequent program administrator whose contact information may be found on Indiana American Water's website~~
- ~~—The program administrator will verify the Residential Customer's qualification for the program.~~

<del>Indiana American Water District</del>	<del>County</del>	<del>Community Action Agency Contact Available 8:00 a.m. to 5:00 p.m.</del>
<del>Muncie</del>	<del>Delaware</del>	<del>Interlocal Community Action Program, Inc. 615 SR 38 West New Castle, IN 47362 (765) 529-4403 or (317) 462-1477</del>
<del>Terre Haute</del>	<del>Vigo</del>	<del>Western Indiana Community Action Agency, Inc. 705 S. 5th Street Terre Haute, IN 47807 (812) 232-1264</del>
<del>Gary</del>	<del>Lake</del>	<del>Northwest Indiana Community Action 5240 Fountain Dr. Crown Point, IN 46307 (219) 794-1829</del>

Customer Charge Discount

~~Upon qualification for the program, residential customers with a 5/8" meter will receive a discount of 80% of the fixed 5/8" monthly customer charge. The current fixed monthly 5/8" meter minimum customer charge is \$15.47. The discount applied to the customer's monthly bill is \$12.37.~~

Program Cap

~~The Company reserves the right to limit participation in this pilot program to 1,395 participating customers.~~

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Distribution System Improvement Charge  
(DSIC)

The Distribution System Improvement Charge (DSIC) Percentage set forth on this schedule is applicable where clearly denoted on other rate schedules, and this DSIC Charge by Meter Size shall be added to all charges billed, ~~except for customers located in the acquired areas within the former Rivers Edge Utility Inc.'s Certificate of Territorial Authority and the Town of Lowell.~~ Changes to the DSIC shall be occasioned by filings in accordance with Indiana Code Chapter 8-1-31.

All Water Groups

**DSIC Charge by**

<b>Meter Size</b>	<b><u>Meter Size</u></b>
5/8"	<u>\$7.960.00</u>
3/4"	<u>\$11.940.00</u>
1"	<u>\$19.900.00</u>
1 1/2"	<u>\$39.800.00</u>
2"	<u>\$63.690.00</u>
3"	<u>\$119.410.00</u>
4"	<u>\$199.020.00</u>
6"	<u>\$398.040.00</u>
8"	<u>\$636.860.00</u>
10"	<u>\$1,034.890.00</u>
12"	<u>\$1,711.550.00</u>

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SYSTEM ENHANCEMENTIMPROVEMENTS (SEI)

The System Enhancement Improvements (SEI) fixed meter charge set forth on this schedule is applicable where clearly denoted on other rate schedules, and this SEI Charge by Meter Size shall be added to all charges billed. Changes to the SEI shall be occasioned by filings in accordance with Indiana Code Chapter 8-1-31.7-8. ~~Excludes customers in the Town of Lowell and River's Edge.~~

<u>All Water Groups</u>	
<u>Meter Size</u>	<u>SEI Charge by Meter Size</u>
5/8"	\$ <u>1,070.00</u>
3/4"	\$ <u>1,600.00</u>
1"	\$ <u>2,670.00</u>
1 1/2"	\$ <u>5,330.00</u>
2"	\$ <u>8,540.00</u>
3"	\$ <u>16,000.00</u>
4"	\$ <u>26,670.00</u>
6"	\$ <u>53,350.00</u>
8"	\$ <u>85,350.00</u>
10"	\$ <u>138,700.00</u>
12"	\$ <u>229,390.00</u>

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153 North Emerson Avenue  
Greenwood, Indiana 46143

UNIVERSAL AFFORDABILITY DISCOUNT  
- VOLUMETRIC

Available For

All general water service customers except sale for resale customers. To qualify for these discounts, the customer must make application to the Company and present required supporting documentation.

Billing Frequency

Bills for general water service shall be rendered on a monthly basis. The following sets forth the schedules of discounts from volumetric rates on a monthly basis.

Volumetric Rates

The following shall be the rates for consumption: The following shall be the discount applied to a qualifying customer's volumetric rate when calculating their monthly bill. For Area 1 customers, the first volumetric block, representing the first 1,500 gallons used per meter per month, the rate is zero and there will be no discount. For volume usage above 1,500 gallons per month, the volume rate discount will be applied according to a qualifying customer's income level in relation to the Federal Poverty Level ("FPL").

Area One Group includes: Crawfordsville, Claypool, Johnson County, Kokomo, Mooresville, Muncie, Newburgh, Noblesville, Northwest, Richmond, River's Edge, Seymour, Shelbyville, Sheridan, Somerset, Southern Indiana, Sullivan, Summitville, Sunset Village, Wabash, Wabash Valley, Warsaw, Waveland, and West Lafayette, and Winchester.

Area Two Group includes: Town of Lowell

	<u>Hundred</u> <u>Gallons</u>	<u>Rate Per</u> <u>100 Gallons</u>
<b><u>Area One Group:</u></b>		
<u>0% - 50% of FPL</u>		
<u>For the first</u>	<u>15</u>	<u>\$0.00000</u>
<u>For the next</u>	<u>135</u>	<u>(\$1.25932)</u>
<u>50%-100% of FPL</u>		
<u>For the first</u>	<u>15</u>	<u>\$0.00000</u>
<u>For the next</u>	<u>135</u>	<u>(\$0.78708)</u>
<u>100% - 150% of FPL</u>		
<u>For the first</u>	<u>15</u>	<u>\$0.00000</u>
<u>For the next</u>	<u>135</u>	<u>(\$0.47225)</u>
<b><u>Area Two Group:</u></b>		
<u>0% - 50% of FPL</u>		
<u>For the first</u>	<u>15</u>	<u>(0.88044)</u>
<u>For the next</u>	<u>135</u>	<u>(\$0.84415)</u>
<u>50%-100% of FPL</u>		
<u>For the first</u>	<u>15</u>	<u>(\$0.55028)</u>
<u>For the next</u>	<u>135</u>	<u>(\$0.52760)</u>
<u>100% - 150% of FPL</u>		
<u>For the first</u>	<u>15</u>	<u>(\$0.33017)</u>
<u>For the next</u>	<u>135</u>	<u>(\$0.31656)</u>

Note: Unless specified rates are for all areas.

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UNIVERSAL AFFORDABILITY DISCOUNT  
- CUSTOMER CHARGE

Available For

All general water service customers except sale for resale customers. To qualify for these discounts, the customer must make application to the Company and present required supporting documentation.

Billing Frequency

Bills for general water service shall be rendered on a monthly basis. The following sets forth the schedules of discounts from fixed customer charge on a monthly basis.

Customer Charge Discounts

The following shall be the discount applied to a qualifying customer's customer charge when calculating their monthly bill. The discount will be applied according to a qualifying customer's income level in relation to the FPL.

Area One Group includes: Crawfordsville, Claypool, Johnson County, Kokomo, Mooresville, Muncie, Newburgh, Noblesville, Northwest, Richmond, River's Edge, Seymour, Shelbyville, Sheridan, Somerset, Southern Indiana, Sullivan, Summitville, Sunset Village, Wabash, Wabash Valley, Warsaw, Waveland, West Lafayette, and Winchester.

Area Two Group includes: Town of Lowell

Customer Charge Discount

Area One Group:

0% - 50% of FPL (\$16.00)

50%-100% of FPL (\$10.00)

100% - 150% of FPL (\$6.00)

Area Two Group:

0% - 50% of FPL (\$22.00)

50%-100% of FPL (\$13.75)

100% - 150% of FPL (\$8.25)

Note: Unless specified rates are for all areas.

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153 North Emerson Avenue  
Greenwood, Indiana 46143



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INDIANA-AMERICAN WATER COMPANY, INC.  
GREENWOOD, INDIANA

SCHEDULE OF RATES AND  
TARIFFS FOR SEWER SERVICE  
IN AND ADJACENT TO

Somerset, Delaware County (Muncie Sewer), Town of  
Sheridan, IN, Town of Riley, IN, and River's  
Edge

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Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143

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SCHEDULE OF CHARGES FOR SEWER SERVICE

Availability

Available to any sewer Customers in and adjacent to Somerset and Delaware County:

Applicant must be located on Company's collecting mains suitable for supplying the service requested in Somerset and adjacent areas and Farmington and Farmington Meadows subdivisions located north of the City of Muncie in Delaware County and adjacent areas.

Rate per month: \$99.20

The equivalent daily usage per unit of a multi-family customer is equivalent to .70 of a single-family residence. Accordingly, the number of units of a multi-family customer shall be multiplied by .70 to determine the billing units to be charged the monthly rate above.

Available to any sewer Customers in and adjacent to the Town of Sheridan, Indiana:

Metered Monthly Rates:

Rate per 1,000 gallons	\$	14.0570
------------------------	----	---------

Base Monthly Charge:

5/8 Inch	\$	41.30
3/4 Inch Meter		49.60
1 Inch Meter		99.20
1 1/4 Inch Meter		132.30
1 1/2 Inch Meter		231.50
2 Inch Meter		413.50
3 Inch Meter		744.20
4 Inch Meter		1,281.70
6 Inch Meter		2,894.20

Unmetered Monthly Rates:

Based on Equivalent Single Family Dwelling Unit	\$	99.20
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Available to any sewer Customer in and adjacent to Town of Riley:

Sewer rates and charges are based on the quantity of water used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use. The water usage schedule on which the amount of said rates and charges shall be determined is as follows:

- 1) Fixed cost per month: \$14.90
- 2) Base Rate-per month, as follows:

<u>Meter Size</u>	<u>Meter Equiv.</u>	<u>Monthly Fee</u>
5/8"	1.00	\$41.30
3/4"	1.44	\$49.60
1"	2.56	\$99.20
1 1/2"	5.76	\$231.50
2"	10.24	\$413.50
3"	18.02	\$744.20

Plus:

- 3) Treatment Rate – per 1,000 gallons of usage per month:

	Operation, Maintenance & <u>Repair Charge</u>
All users	\$14.0570

For residential users of the sewer system that are unmetered water users or accurate meter readings are not available, the monthly charge shall be \$99.20, which is based upon the Fixed charge, the Base Rate for a 5/8" metered customer, and a Treatment Rate based on the average monthly usage for a 5/8" metered Customer, except as herein provided.

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Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
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I.U.R.C No. S-21-A

Cancelling All Previously Approved Tariffs

(S-20-A)

First Revised Page 3a of 3

The following rates and charges are applicable to customers located in the acquired areas within the former Rivers Edge Certificate of Territorial Authority:

Recurring Charges:	
Metered Sewer Service	\$14.0570 per 1,000 gallons
Mobile Home and Camp Lots	A flat fee of \$99.20 per month (6-month minimum)
Nonrecurring Charges:	
Disconnection Fee	\$45
Reconnection Fee	\$45
Residential Sewer Connection Charge	\$150
RV Site Sewer Connection Charge	\$75
Returned Check Charge	\$25
Tampering Fee	\$200
Late Fee Sewer	10% of the first \$3, and 3% of the excess of \$3

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INDIANA-AMERICAN WATER COMPANY, INC.  
GREENWOOD, INDIANA

SCHEDULE OF RATES AND  
TARIFFS FOR SEWER SERVICE  
IN AND ADJACENT TO

Somerset, Delaware County (Muncie Sewer), Town of  
Sheridan, IN, Town of Riley, IN, and River's  
Edge

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SCHEDULE OF CHARGES FOR SEWER SERVICE

Availability

Available to any sewer Customers in and adjacent to Somerset and Delaware County:

Applicant must be located on Company's collecting mains suitable for supplying the service requested in Somerset and adjacent areas and Farmington and Farmington Meadows subdivisions located north of the City of Muncie in Delaware County and adjacent areas.

Rate per month: \$99.20

The equivalent daily usage per unit of a multi-family customer is equivalent to .70 of a single-family residence. Accordingly, the number of units of a multi-family customer shall be multiplied by .70 to determine the billing units to be charged the monthly rate above.

Available to any sewer Customers in and adjacent to the Town of Sheridan, Indiana:

Metered Monthly Rates:		
Rate per 1,000 gallons	\$	14.0570
Base Monthly Charge:		
5/8 Inch	\$	41.30
3/4 Inch Meter		49.60
1 Inch Meter		99.20
1 1/4 Inch Meter		132.30
1 1/2 Inch Meter		231.50
2 Inch Meter		413.50
3 Inch Meter		744.20
4 Inch Meter		1,281.70
6 Inch Meter		2,894.20
Unmetered Monthly Rates:		
Based on Equivalent Single Family Dwelling Unit	\$	99.20

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Greenwood, Indiana 46143

I.U.R.C. No. S-21-A  
Cancelling All Previously Approved Tariffs  
(S-20-A)  
Original Page 3 of 3

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Available to any sewer Customer in and adjacent to Town of Riley:

Sewer rates and charges are based on the quantity of water used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use. The water usage schedule on which the amount of said rates and charges shall be determined is as follows:

4) Fixed cost per month: \$14.90

5) Base Rate-per month, as follows:

<u>Meter Size</u>	<u>Meter Equiv.</u>	<u>Monthly Fee</u>
5/8"	1.00	\$41.30
3/4"	1.44	\$49.60
1"	2.56	\$99.20
1 1/2"	5.76	\$231.50
2"	10.24	\$413.50
3"	18.02	\$744.20

Plus:

6) Treatment Rate – per 1,000 gallons of usage per month:

	Operation, Maintenance & <u>Repair Charge</u>
All users	\$14.0570

For residential users of the sewer system that are unmetered water users or accurate meter readings are not available, the monthly charge shall be \$99.20, which is based upon the Fixed charge, the Base Rate for a 5/8" metered customer, and a Treatment Rate based on the average monthly usage for a 5/8" metered Customer, except as herein provided.

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Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143

I.U.R.C No. S-21-A  
Cancelling All Previously Approved Tariffs  
(S-20-A)  
First Revised Page 3a of 3

The following rates and charges are applicable to customers located in the acquired areas within the former Rivers Edge Certificate of Territorial Authority:

Recurring Charges:	
Metered Sewer Service	\$14.0570 per 1,000 gallons
Mobile Home and Camp Lots	A flat fee of \$99.20 per month (6-month minimum)
Nonrecurring Charges:	
Disconnection Fee	\$45
Reconnection Fee	\$45
Residential Sewer Connection Charge	\$150
RV Site Sewer Connection Charge	\$75
Returned Check Charge	\$25
Tampering Fee	\$200
Late Fee Sewer	10% of the first \$3, and 3% of the excess of \$3

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Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143



I.U.R.C. No. S-21-A  
Cancelling All Previously Approved Tariffs  
(S-20-A)  
Original Page 1 of 3

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INDIANA-AMERICAN WATER COMPANY, INC.  
GREENWOOD, INDIANA

SCHEDULE OF RATES AND  
TARIFFS FOR SEWER SERVICE  
IN AND ADJACENT TO

Somerset, Delaware County (Muncie Sewer), Town of  
Sheridan, IN, Town of Riley, IN, and River's  
Edge

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Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143

I.U.R.C. No. S-21-A  
Cancelling All Previously Approved Tariffs  
(S-20-A)  
Original Page 2 of 2

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SCHEDULE OF CHARGES FOR SEWER SERVICE

Availability

Available to any sewer Customers in and adjacent to Somerset and Delaware County:  
Applicant must be located on Company's collecting mains suitable for supplying the service requested in Somerset and adjacent areas and Farmington and Farmington Meadows subdivisions located north of the City of Muncie in Delaware County and adjacent areas.

Rate per month: \$99.20

The equivalent daily usage per unit of a multi-family customer is equivalent to .70 of a single-family residence. Accordingly, the number of units of a multi-family customer shall be multiplied by .70 to determine the billing units to be charged the monthly rate above.

Available to any sewer Customers in and adjacent to the Town of Sheridan, Indiana:

Metered Monthly Rates:	
Rate per 1,000 gallons	\$ 14.0570
Base Monthly Charge:	
5/8 Inch	\$ 41.30
3/4 Inch Meter	49.60
1 Inch Meter	99.20
1 1/4 Inch Meter	132.30
1 1/2 Inch Meter	231.50
2 Inch Meter	413.50
3 Inch Meter	744.20
4 Inch Meter	1,281.70
6 Inch Meter	2,894.20
Unmetered Monthly Rates:	
Based on Equivalent Single Family Dwelling Unit	\$ 99.20

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Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143

I.U.R.C. No. S-21-A  
Cancelling All Previously Approved Tariffs  
(S-20-A)  
Original Page 3 of 3

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Available to any sewer Customer in and adjacent to Town of Riley:

Sewer rates and charges are based on the quantity of water used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use. The water usage schedule on which the amount of said rates and charges shall be determined is as follows:

- 1) Fixed cost per month: \$14.90
- 2) Base Rate-per month, as follows:

<u>Meter Size</u>	<u>Meter Equiv.</u>	<u>Monthly Fee</u>
5/8"	1.00	\$41.30
3/4"	1.44	\$49.60
1"	2.56	\$99.20
1 1/2"	5.76	\$231.50
2"	10.24	\$413.50
3"	18.02	\$744.20

Plus:

- 3) Treatment Rate – per 1,000 gallons of usage per month:

	Operation, Maintenance & <u>Repair Charge</u>
All users	\$14.0570

For residential users of the sewer system that are unmetered water users or accurate meter readings are not available, the monthly charge shall be \$99.20, which is based upon the Fixed charge, the Base Rate for a 5/8" metered customer, and a Treatment Rate based on the average monthly usage for a 5/8" metered Customer, except as herein provided.

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Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143

I.U.R.C No. S-21-A  
Cancelling All Previously Approved Tariffs  
(S-20-A)  
First Revised Page 3a of 3

The following rates and charges are applicable to customers located in the acquired areas within the former Rivers Edge Certificate of Territorial Authority:

Recurring Charges:	
Metered Sewer Service	\$14.0570 per 1,000 gallons
Mobile Home and Camp Lots	A flat fee of \$99.20 per month (6-month minimum)
Nonrecurring Charges:	
Disconnection Fee	\$45
Reconnection Fee	\$45
Residential Sewer Connection Charge	\$150
RV Site Sewer Connection Charge	\$75
Returned Check Charge	\$25
Tampering Fee	\$200
Late Fee Sewer	10% of the first \$3, and 3% of the excess of \$3

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Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143

I.U.R.C. No. S-~~21~~-A  
Cancelling All Previously Approved Tariffs  
(S-~~20~~-A)  
~~Original~~ Page 1 of 3

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INDIANA-AMERICAN WATER COMPANY, INC.  
GREENWOOD, INDIANA

SCHEDULE OF RATES AND  
TARIFFS FOR SEWER SERVICE  
IN AND ADJACENT TO

Somerset, Delaware County (Muncie Sewer), Town of  
Sheridan, IN, Town of Riley, IN, and River's  
Edge

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Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143

I.U.R.C. No. ~~S-21-A~~  
Cancelling All Previously Approved Tariffs  
(~~S-20-A~~)  
Original Page 2 of 2

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SCHEDULE OF CHARGES FOR SEWER SERVICE

Availability

Available to any sewer Customers in and adjacent to Somerset and Delaware County:

Applicant must be located on Company's collecting mains suitable for supplying the service requested in Somerset and adjacent areas and Farmington and Farmington Meadows subdivisions located north of the City of Muncie in Delaware County and adjacent areas.

Rate per month: ~~\$99.20~~

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The equivalent daily usage per unit of a multi-family customer is equivalent to .70 of a single-family residence. Accordingly, the number of units of a multi-family customer shall be multiplied by .70 to determine the billing units to be charged the monthly rate above.

Available to any sewer Customers in and adjacent to the Town of Sheridan, Indiana:

Metered Monthly Rates:

Rate per 1,000 gallons \$ ~~14.0570~~

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Base Monthly Charge:

5/8 Inch \$ ~~41.30~~

~~3/4 Inch Meter~~ 49.60

1 Inch Meter 99.20

1 1/4 Inch Meter 132.30

1 1/2 Inch Meter 231.50

2 Inch Meter 413.50

3 Inch Meter 744.20

4 Inch Meter 1,281.70

6 Inch Meter 2,894.20

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Unmetered Monthly Rates:

Based on Equivalent Single Family Dwelling Unit \$ ~~99.20~~

Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143

I.U.R.C. No. S-21-A  
Cancelling All Previously Approved Tariffs  
(S-20-A)  
Original Page 3 of 3

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Available to any sewer Customer in and adjacent to Town of Riley:

Sewer rates and charges are based on the quantity of water used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use. The water usage schedule on which the amount of said rates and charges shall be determined is as follows:

- 4) Fixed cost per month: ~~\$14.90~~
- 5) Base Rate-per month, as follows:

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Meter Size	Meter Equiv.	Monthly Fee
5/8"	1.00	<del>\$41.30</del>
3/4"	1.44	<del>\$49.60</del>
1"	2.56	<del>\$99.20</del>
1 1/2"	5.76	<del>\$231.50</del>
2"	10.24	<del>\$413.50</del>
3"	<u>18.02</u>	<u>\$744.20</u>

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Plus:

- 6) Treatment Rate – per 1,000 gallons of usage per month:

Operation,  
Maintenance &  
Repair Charge  
All users \$14.0570

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For residential users of the sewer system that are unmetered water users or accurate meter readings are not available, the monthly charge shall be ~~\$99.20~~, which is based upon the Fixed charge, the Base Rate for a 5/8" metered customer, and a Treatment Rate based on the average monthly usage for a 5/8" metered Customer, except as herein provided.

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Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143

I.U.R.C No. S-~~21~~-A  
Cancelling All Previously Approved Tariffs  
(S-~~20~~-A)  
First Revised Page 3a of 3

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The following rates and charges are applicable to customers located in the acquired areas within the former Rivers Edge Certificate of Territorial Authority:

Recurring Charges:  
Metered Sewer Service  
Mobile Home and Camp Lots

~~\$14.0570~~ per 1,000 gallons  
A flat fee of ~~\$99.20~~ per month  
(6-month minimum)

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Nonrecurring Charges:

Disconnection Fee  
Reconnection Fee  
Residential Sewer Connection Charge  
RV Site Sewer Connection Charge  
Returned Check Charge  
Tampering Fee  
Late Fee Sewer

\$45  
\$45  
\$150  
\$75  
\$25  
\$200  
10% of the first \$3, and 3% of the excess of \$3

Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143



**MONTGOMERY COUNTY BOARD OF COMMISSIONERS**

**ORDINANCE NO. 2018-38**

**AN ORDINANCE DESIGNATING AN  
INFRASTRUCTURE DEVELOPMENT ZONE**

**WHEREAS**, the Montgomery County Board of Commissioners (“Commissioners”) serves as the executive body of Montgomery County, Indiana (“County”); and

**WHEREAS**, the Montgomery County Redevelopment Commission has studied the area in and around the intersection of Interstate 74 and State Road 32 East and along Nucor Road from State Road 32 East to County Road 500 South, and the Commission has determined that the provision of water service to the area would promote economic development; and

**WHEREAS**, the Montgomery County Redevelopment Commission has discussed with the Montgomery County Regional Sewer District the possibility of providing water service to the area, but the Commission and the District have determined that it is in the best interests of Montgomery County that Indiana American Water provide the water service to the area; and

**WHEREAS**, the Montgomery County Regional Sewer District recently received approval from the Indiana Department of Environmental Management to expand its purpose to include the provision of water, but the District has consented to Indiana American Water serving the designated area;

**WHEREAS**, the Commissioners desire to adopt this Ordinance (“Ordinance”) establishing an Infrastructure Development Zone under Indiana Code §6-1.1-12.5 in order to create economic benefits for the County and benefit the health, safety and welfare of its citizens; and

**WHEREAS**, Indiana Code §6-1.1-12.5 authorizes the county executive to adopt an ordinance designating a geographic territory as an Infrastructure Development Zone after holding a properly noticed public hearing in accordance with Indiana Code §5-3-1 and making the required findings under Indiana Code §6-1.1-12.5-4(3); and

**WHEREAS**, Indiana Code §6-1.1-12.5-4(3) requires the county executive to find that: (A) adequate eligible infrastructure is not available in the zone; and (B) providing a property tax exemption to a person for investing in eligible infrastructure in the zone will provide: (i) opportunities for increased natural gas usage, increased availability of broadband service, advanced services, and public water or wastewater service; and (ii) economic benefits, in the zone; and

**WHEREAS**, Indiana Code §6-1.1-12.5-1(3) defines “eligible infrastructure” as facilities used in the treatment, storage, or distribution of water by a water utility; and

**WHEREAS**, the Commissioners conducted a public hearing on December 17, 2018 regarding the adoption of this ordinance and the propriety of establishing an Infrastructure Development Zone, and the Commissioners now find that: (A) adequate facilities used in the treatment, storage, or distribution of water are not available in the zone; and (B) providing a property tax exemption to a water utility for investing in such infrastructure in the zone will provide both opportunities for the increased availability of public water service and economic benefits in the zone; and

**WHEREAS**, in conjunction with making the determination to establish an Infrastructure Development Zone, the Commissioners further desire to request Indiana American Water Company, Inc. (“Indiana American”) to extend water utility service to the Infrastructure Development Zone in order to facilitate economic development in the zone; and

**WHEREAS**, the Commissioners acknowledge that, pursuant to Indiana Code § 8-1-2-46.2, upon establishing an Infrastructure Development Zone and requesting Indiana American to extend service, Indiana American may file a petition with the Indiana Utility Regulatory Commission (“IURC”) seeking approval of the requested extension and, if such request is approved, the IURC shall approve rate schedules that include a surcharge payable only by customers located in the geographic area within the jurisdiction of the Commissioners, including the geographic area established as an Infrastructure Development Zone; and

**NOW THEREFORE, BE IT AND IT IS HEREBY ORDAINED** by the County Commissioners of Montgomery County, Indiana, as follows:

**Section 1. Designation of an Infrastructure Development Zone.** The Commissioners hereby designate the geographic boundary to be as described in

Exhibit A and shown on the map which is attached as Exhibit B as Infrastructure Development Zone Number One.

**Section 2. Request for Extension of Services.** Pursuant to Indiana Code § 8-1-2-46.2, the Commissioners hereby request Indiana American to extend water service to the geographic territory established as the Infrastructure Development Zone in Section 1 of this Ordinance.

**Section 3. Publication.** The Commissioners are hereby directed to file a copy of this Ordinance with the appropriate entities and record the Ordinance in the appropriate location.

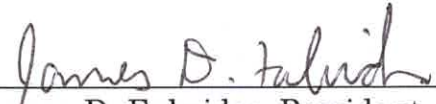
**Section 4. Conflicting Ordinances.** Any ordinance or provision of any ordinance of Montgomery County in conflict with the provisions of this Ordinance is hereby repealed.


**Section 5. Severability.** The invalidity of any section, clause, sentence or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given effect without such invalid part or parts.

**Section 6. Effective Date.** This Ordinance shall be in full force and effect after its passage, approval by the County Commissioners and publication as required by law.

**PASSED AND ADOPTED** by the County Commissioners of Montgomery County, Indiana, on the \_\_\_\_ day of November, 2019.

COUNTY COMMISSIONERS OF  
MONTGOMERY COUNTY, INDIANA

  
\_\_\_\_\_  
James D. Fulwider, President

  
\_\_\_\_\_  
John Frey, Vice President

  
\_\_\_\_\_  
Dan Guard, Member

ATTEST:

  
\_\_\_\_\_  
Jennifer Andel, Auditor

I have redacted any and all Social Security Numbers in this document.

Daniel L. Taylor

This ordinance was prepared by Daniel L. Taylor, Indiana Supreme Court Number 11337-54, Attorney at Law, Taylor, Chadd, Minnette, Schneider & Clutter, P.C., 105 North Washington Street, Crawfordsville, Indiana 47933

## Exhibit A

# INFRASTRUCTURE DEVELOPMENT ZONE

**Designated by the Board of Commissioners of Montgomery County, Indiana**

**November 12, 2019**

**Ordinance 2018-38**

The Infrastructure Development Zone (IDZ) is that area described as follows in Montgomery County, Indiana and shown on the map which is Exhibit B:

Beginning at the intersection of County Road 625 East and Overcoat Road, thence south along County Road 625 East until it becomes County Road 600 East north of State Road 32; thence south along County Road 600 East to County Road 400 South; thence east along County Road 400 South to the intersection of County Road 625 East; thence south along County road 625 East to County Road 600 South; thence west along County Road 600 South to the intersection of County Road 600 South and County Road 200 East; then north along County Road 200 East to a point which is due west of the terminus of County Road 50 South; thence east to County Road 50 East at the intersection of County Road 50 East and State Road 136; thence east on County Road 50 South to Walnut Creek; thence north along the center of Walnut Creek to the bridge at State Road 32; thence east along State Road 32 to Banjo Drive; thence north along Banjo Drive and beyond its terminus to Overcoat Road; thence east along Overcoat Road to County Road 625 East.

**ATTACHMENTS GDS-4 AND GDS-5 FILED AS  
EXCEL DOCUMENTS**

I.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Appendix B  
Original Page 1 of 5

URT CREDIT FOR GENERAL WATER SERVICE- VOLUMETRIC

Available For

All general water service customers except sale for resale customers.

Volumetric Rates

A monthly credit will be applied over 4 months beginning with the effective date stamped below on the volumetric charge to return the taxes collected post-enactment of the repeal of the Utility Receipts Tax (“URT”) that occurred between July 2022 and when rates went into effect in November 2022. This tariff sheet and the credit described herein expire on the date that is 4 months after the effective date stamped below.

The Customer Credit per 100 Gallons for the URT refund are listed below.

Area One Group includes: Crawfordsville, Johnson County, Kokomo, Muncie, Newburgh, Noblesville, Northwest, Richmond, Seymour, Shelbyville, Sheridan, Somerset, Southern Indiana, Sullivan, Summitville, Wabash, Wabash Valley, Warsaw, Waveland, and West Lafayette.

Area Two Group includes: Mooresville and Winchester

Area Three includes customers located in the acquired areas within the former Rivers Edge Utility Inc.’s Certificate of Territorial Authority

Area Four Group includes Town of Lowell

	<u>Hundred Gallons</u>	<u>Credit Rate Per 100 Gallons</u>
<b>Area One Group:</b>		
For the first	15	\$ (0.00000)
For the next	135	(0.01631)
For the next	37,250	(0.00584)
For all over	37,400	(0.00429)
<b>Area Two Group:</b>		
For the first	15	\$ (0.00000)
For the next	135	(0.01583)
For the next	37,250	(0.00562)
For all over	37,400	(0.00426)
<b>Area Three Group:</b>		
For the first	15	\$ (0.00000)
For the next	135	(0.01631)
For the next	37,250	(0.00584)
For all over	37,400	(0.00429)
<b>Area Four Group:</b>		
For the first	50	\$ (0.01482)
For the next	100	(0.01421)
For the next	200	(0.01350)
For all over	350	(0.01183)

Note: Unless specified rates are for all areas.

Issued:

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 North Emerson Avenue  
Greenwood, Indiana 46143





I.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Appendix B  
Original Page 3 of 5

URT CREDIT FOR FIRE SERVICE

PRIVATE FIRE SERVICE

A monthly credit will be applied over 4 months beginning on the effective date stamped below to return the taxes collected post-enactment of the repeal of the Utility Receipts Tax (“URT”) that occurred between July 2022 and when rates went into effect in November 2022. This tariff sheet and the credit described herein expire on the date that is 4 months after the effective date stamped below.

The Monthly Credits by size of service for flat rate private fire service (not metered) for the URT refund are listed below.

Monthly Credit Rate per connection (flat rate, not metered)

<u>Size of Service</u>	<u>Monthly Credit</u>
2" Diameter	\$ (0.04)
2-1/2" Diameter	(0.08)
3" Diameter	(0.13)
4" Diameter	(0.27)
6" Diameter	(0.78)
8" Diameter	(1.67)
10" Diameter	(3.01)
12" Diameter	(4.86)

Note: Unless specified rates are for all areas.

PRIVATE FIRE HYDRANT SERVICE

Available only to customers receiving private fire hydrant service. A monthly credit will be applied over 4 months beginning on the effective date stamped below to return the taxes collected post-enactment of the repeal of the Utility Receipts Tax (“URT”) that occurred between July 2022 and when rates went into effect in November 2022. This tariff sheet and the credit described herein expire on the date that is 4 months after the effective date stamped below.

The Monthly Credit per hydrant for the URT refund is listed below.

Monthly Surcredit per hydrant - \$ (0.78)

Note: Unless specified rates are for all areas.

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Issued:

Effective:

Issued by: Matthew Prine, President  
153 North Emerson Avenue  
Greenwood, Indiana 46143

I.U.R.C. No. W-22-A  
**Cancelling All Previously Approved Tariffs  
(W-21-A)**  
**Original Appendix B**  
**Original Page 4 of 5**

**URT CREDIT FOR FIRE SERVICE, CONT'D**

**PUBLIC FIRE HYDRANTS**

A monthly credit will be applied over 4 months beginning on the effective date stamped below to return the taxes collected post-enactment of the repeal of the Utility Receipts Tax (“URT”) that occurred between July 2022 and when rates went into effect in November 2022. This tariff sheet and the credit described herein expire on the date that is 4 months after the effective date stamped below.

Each municipality or governmental entity responsible for public fire service in the areas listed below shall receive a credit for each public fire hydrant within its boundaries.

Monthly surcredit per hydrant: \$(0.90). Where applicable: Clarksville.

**PUBLIC FIRE PROTECTION SURCREDIT**

**Applicability**

Applies to all customers, with the exception of Sale for Resale customers, not located within the boundaries of the governmental entities responsible for public fire service in the areas listed in Public Fire Hydrants. Applicable to any water customer, with the exception of Sale for Resale customers, located in areas within municipal boundaries or to any water customer within 1,000 feet of a public fire hydrant (measured from the hydrant to the nearest point on the property line of the customer) on the Company’s distribution mains in areas not within municipal boundaries. A monthly credit will be applied over 4 months beginning on the effective date stamped below to return the taxes collected post-enactment of the repeal of the Utility Receipts Tax (“URT”) that occurred between July 2022 and when rates went into effect in November 2022. This tariff sheet and the credit described herein expire on the date that is 4 months after the effective date stamped below. Monthly surcredit by meter size is as follows:

Size of Meter	Monthly Charge- Area One and Two (includes Sheridan)	West Lafayette Only	Seymour Only	Summitville Only
5/8"	\$(0.06)	\$(0.06)	\$(0.06)	\$(0.06)
3/4"	\$(0.10)	\$(0.09)	\$(0.09)	\$(0.09)
1"	\$(0.16)	\$(0.14)	\$(0.15)	\$(0.15)
1-1/2"	\$(0.32)	\$(0.29)	\$(0.31)	\$(0.30)
2"	\$(0.51)	\$(0.46)	\$(0.49)	\$(0.47)
3"	\$(0.96)	\$(0.86)	\$(0.92)	\$(0.89)
4"	\$(1.61)	\$(1.44)	\$(1.54)	\$(1.48)
6"	\$(3.22)	\$(2.88)	\$(3.08)	\$(2.97)
8"	\$(5.15)	\$(4.61)	\$(4.93)	\$(4.75)
10"	\$(8.34)	\$(7.39)	\$(7.90)	\$(7.62)
12"	\$(13.83)	\$(12.39)	\$(13.24)	\$(12.77)

Note: Unless specified rates are for all areas.

Issued:

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 North Emerson Avenue  
Greenwood, Indiana 46143

**I.U.R.C. No. W-22-A  
Cancelling All Previously Approved Tariffs  
(W-21-A)  
Original Appendix B  
Original Page 5 of 5**

**URT CREDIT FOR FIRE SERVICE CONT'D**

Size of Meter	Town of Lowell Only
5/8"	\$(0.09)
3/4"	\$(0.14)
1"	\$(0.31)
1-1/2"	\$(0.23)
2"	\$(0.31)
3"	\$(0.50)
4"	\$(0.70)
6"	\$(2.44)
8"	\$(6.69)

Note: Unless specified rates are for all areas.

Issued:

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 North Emerson Avenue  
Greenwood, Indiana 46143

I.U.R.C.No. S-21-A  
Cancelling All Previously Approved Tariffs  
(S-20-A)  
Original Appendix C Page 1 of 2

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URT CREDIT FOR GENERAL WASTEWATER SERVICE

Availability

All general wastewater service customers except those customers in the Riley, or Sunset Village service territories.

A monthly credit will be applied over 4 months beginning with the effective date stamped below on the volumetric charge and also separately on the per meter charge, where applicable, to return the taxes collected post-enactment of the repeal of the Utility Receipt Tax (“URT”) that occurred between July 2022 and when rates went into effect in November 2022. This tariff sheet and the credit described herein expire on the date that is 4 months after the effective date stamped below.

Available to any sewer Customers in and adjacent to Somerset and Delaware County:

Applicant must be located on Company's collecting mains suitable for supplying the service requested in Somerset and adjacent areas and Farmington and Farmington Meadows subdivisions located north of the City of Muncie in Delaware County and adjacent areas.

Credit per month: (\$1.13)

Available to any sewer Customers in and adjacent to the Town of Sheridan, Indiana:

Metered Monthly Rates:

Rate per 1,000 gallons \$ (0.15631)

Base Monthly Charge:

5/8 Inch	\$	(0.45)
3/4 Inch Meter		(0.53)
1 Inch Meter		(1.07)
1 1/4 Inch Meter		(1.46)
1 1/2 Inch Meter		(2.48)
2 Inch Meter		(4.40)
3 Inch Meter		(8.19)
4 Inch Meter		(14.11)
6 Inch Meter		(31.90)

Unmetered Monthly Rates:

Based on Equivalent Single Family Dwelling Unit \$ (1.09)

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Issued: \_\_\_\_\_

Effective: \_\_\_\_\_

Issued by: Matthew Prine, President  
153 N. Emerson Ave.  
Greenwood, Indiana 46143

I.U.R.C. No. S-21-A  
Cancelling All Previously Approved Tariffs  
(S-20-A)  
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URT CREDIT FOR GENERAL WASTEWATER SERVICE (CONT.)

The following rates and charges are applicable to customers located in the acquired areas within the former Rivers Edge Certificate of Territorial Authority:

Recurring Charges: Metered Sewer Service	\$0.15311 per 1,000 gallons
Mobile Home and Camp Lots	A flat fee of \$(1.04) per month (6-month minimum)

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