

**FILED**  
February 16, 2018  
INDIANA UTILITY  
REGULATORY COMMISSION

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**IN THE MATTER OF THE PETITION OF THE CITY )  
OF AUBURN, INDIANA BY ITS MUNICIPALLY- )  
OWNED WATER UTILITY FOR APPROVAL OF A )  
NEW SCHEDULE OF RATES AND CHARGES FOR ) CAUSE NO. 44985  
WATER SERVICE AND AUTHORITY TO ISSUE )  
WATERWORKS REVENUE BONDS )**

**OUCS SETTLEMENT TESTIMONY**

**OF**

**JENNIFER L. SISSON – PUBLIC’S EXHIBIT NO. 5**

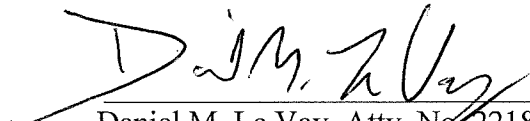
**ON BEHALF OF THE**

**INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR**

**FEBRUARY 16, 2018**

Respectfully Submitted,

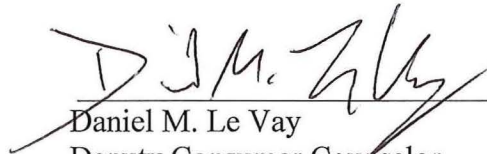
INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

  
\_\_\_\_\_  
Daniel M. Le Vay, Atty. No. 22184-49  
Deputy Consumer Counselor

**CERTIFICATE OF SERVICE**

This is to certify that a copy of the foregoing *Office of Utility Consumer Counselor Settlement Testimony of Jennifer L. Sisson* has been served upon the following counsel of record in the captioned proceeding by electronic service on February 16, 2018.

Michael B. Cracraft  
Mark R. Alson  
**ICE MILLER LLP**  
One American Square, Ste. 2900  
Indianapolis, IN 46282-0200  
Email: [michael.cracraft@icemiller.com](mailto:michael.cracraft@icemiller.com)  
[mark.alson@icemiller.com](mailto:mark.alson@icemiller.com)



---

Daniel M. Le Vay  
Deputy Consumer Counselor

**INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR**  
115 West Washington Street  
Suite 1500 South  
Indianapolis, IN 46204  
[infomgt@oucc.in.gov](mailto:infomgt@oucc.in.gov)  
317/232-2494 – Phone  
317/232-5923 – Facsimile

**SETTLEMENT TESTIMONY OF OUCC WITNESS JENNIFER L. SISSON**  
**CAUSE NO. 44985**  
**CITY OF AUBURN**

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

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

4 **Q: Are you the same Jennifer L. Sisson who filed direct testimony in this cause on**  
5 **behalf of the OUCC?**

6 A: Yes.

7 **Q: What is the purpose of your settlement testimony?**

8 A: The purpose of my settlement testimony is to support the Stipulation and Settlement  
9 Agreement ("Stipulations") between Auburn and the Indiana Office of Utility  
10 Consumer Counselor ("OUCC") in this Cause.

11 **Q: What agreement did Auburn and the OUCC reach with respect to Auburn's**  
12 **requested approval of a new schedule of rates and charges for water service**  
13 **and authority to issue waterworks revenue bonds?**

14 A: The OUCC and Auburn agreed for purposes of compromise and settlement that  
15 Auburn's current rates and charges for water service should be increased so as to  
16 produce additional *pro forma* operating revenues of \$911,009, representing a  
17 43.75% increase in rates and charges. The OUCC and Auburn agreed this increase  
18 is to be applied on an across-the-board basis, as shown on Joint Settlement Exhibit  
19 1.

20 **Q: Did the OUCC and Auburn agree to any further stipulations?**

21 A: Yes. The OUCC and Auburn reached agreement on all revenue requirements for  
22 Auburn, which agreement is reflected in the accounting schedules attached as Joint

1 Settlement Exhibit No. 1. Auburn's total annual revenue requirement is  
2 \$3,035,079, and its net annual revenue requirement is \$3,034,405.

3 **Q: Are there any other stipulations?**

4 A: Yes. There are three additional stipulations.

5 1. The OUCC and Auburn agreed that the amount of Petitioner's total test  
6 year *pro forma* operating revenues at present rates is \$2,136,150, which  
7 is the sum of revenues at current rates subject to increase of \$2,081,674  
8 and other revenues not subject to increase of \$54,476 as set forth on  
9 Joint Settlement Exhibit 1.

10 2. The OUCC and Auburn agreed that there shall be no surcharge added  
11 to the rates and charges for water customers located outside the  
12 municipal boundaries of Auburn.

13 3. The OUCC and Auburn agreed that, subject to the Commission's  
14 approval, Auburn should be authorized to issue waterworks revenue  
15 bonds in a principal amount not to exceed \$3,330,000. The Settling  
16 Parties also agreed that the annual debt service amount of \$322,494  
17 should be used to establish Auburn's annual *pro forma* revenue  
18 requirement, as reflected on Joint Settlement Exhibit 1. The Settling  
19 Parties further agreed that Auburn's rates should be trued-up to reflect  
20 the actual cost of the debt if the debt service amount is materially  
21 different from \$322,494. Therefore, Auburn agreed it would file a true-  
22 up report and revised tariff within thirty (30) days of closing on its debt  
23 issuance

1 **Q: Do you believe that the settlement is a fair, just and reasonable solution of all**  
2 **the issues in this Cause?**

3 A: Yes. The settlement represents a reasonable compromise of the OUCC's and  
4 Auburn's positions as set forth in their respective cases. As such, the testimony  
5 provided in their respective cases together with all settlement testimony provides  
6 an evidentiary basis to support the settlement. Further, I agree with Mr. Guerrettaz  
7 that the settlement should be considered to be in the public interest.

8 **Q: Does this conclude your settlement testimony?**

9 A: Yes.