

**FILED**  
November 12, 2021  
INDIANA UTILITY  
REGULATORY COMMISSION

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**APPLICATION OF CWA AUTHORITY, INC. FOR )  
ISSUANCE PURSUANT TO IND. CODE § 8-1-2-89 OF )  
A CERTIFICATE OF TERRITORIAL AUTHORITY )  
PERMITTING IT TO PROVIDE WASTEWATER )  
UTILITY SERVICE IN THE NORTHWEST PORTION )  
OF SHELBY COUNTY, INDIANA AND FOR THE )  
COMMISSION'S CONSENT PURSUANT TO IND. )  
CODE § 36-2-2-23 TO CWA AUTHORITY, INC.'S USE )  
OF PROPERTY OWNED BY SHELBY COUNTY, )  
INDIANA. )**

**CAUSE NO. 45628**

**VERIFIED DIRECT TESTIMONY  
of  
JEFFREY A. WILLMAN**

**On  
Behalf of  
Applicant,  
CWA Authority, Inc.**

**Applicant's Exhibit No. 1**

**INTRODUCTION AND BACKGROUND**

**Q1. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

A1. My name is Jeffrey A. Willman. My business address is 2150 Dr. Martin Luther King, Jr. Street, Indianapolis, Indiana 46202.

**Q2. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

A2. I am employed by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis (the "Board of Directors" or "Board"), which does business as Citizens Energy Group ("Citizens Energy Group" or "Citizens"). Citizens Energy Group manages and controls a number of regulated utilities, including Citizens Water and Citizens Gas. Citizens Water and Citizens Gas provide water and natural gas services, respectively, in and around Marion County. Citizens Energy Group is affiliated with CWA Authority, Inc. ("CWA Authority" or "CWA"), which owns the wastewater utility that provides wastewater collection and treatment services in and around Indianapolis and wastewater treatment services to surrounding communities ("Wastewater System"). Pursuant to a Management and Operating Agreement approved by this Commission in Cause No. 43936, Citizens Energy Group provides management and operational services for the operation of the Wastewater System. CWA is the Applicant in this proceeding and is referred to interchangeably in my testimony as "CWA" and "Applicant." I serve as Vice President of Water Operations for Citizens Energy Group, as well as CWA.

1 **Q3. PLEASE DESCRIBE THE DUTIES AND RESPONSIBILITIES OF YOUR**  
2 **PRESENT POSITION.**

3 A3. I am responsible for directing the management, operation and maintenance of the water  
4 system, which is owned by Citizens Energy Group, and the Wastewater System, and for  
5 identifying and planning necessary system upgrades in conjunction with the Capital  
6 Programs and Engineering ("CP&E") group. I have similar responsibilities for the  
7 direction and management of the water and wastewater systems that are wholly-owned  
8 subsidiaries of Citizens Westfield Utilities, which is also an affiliate of Citizens Energy  
9 Group. I am responsible for setting an appropriate course and strategic direction for the  
10 future of these systems so they are positioned to continue to provide safe and reliable  
11 service long-term.

12 **Q4. HOW LONG HAVE YOU BEEN EMPLOYED BY CITIZENS ENERGY GROUP?**

13 A4. I've been employed by Citizens Energy Group since 2007.

14 **Q5. WHAT IS YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND?**

15 A5. I graduated from the University of Evansville in 1987 with a Bachelor of Science degree  
16 in Mechanical Engineering and from Butler University in 1992 with a Master of Business  
17 Administration degree. Prior to my current position, I served in several positions of  
18 increasing responsibility with Citizens Energy Group including: Director Utility Systems  
19 Management (2007-2009), Director Customer Relationships (2009-2011), Director  
20 External Affairs (2011-2014) and Executive Director Water Operations (2014-2015). Prior  
21 to my employment with Citizens Energy Group, I was employed by Indianapolis Power &  
22 Light Company ("IPL") for 18 years in various positions of increasing responsibility,

1 including Director of Business Development Steam Operations (1996-1998), Director of  
2 Business Development (1998-2001), Director of External Affairs (2001-2002), Director of  
3 Regulatory Affairs (2002-2003) and Director of Corporate Affairs (2003-2006).

4 **Q6. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?**

5 A6. Yes. I have prepared and sponsored testimony in several cases including: Cause Nos.  
6 45151 and 44685 (CWA Rate Cases), Cause No. 44685-S1 (CWA Satellite Customer  
7 Subdocket Case), Cause No. 44644 (Citizens Water Rate Case), Cause No. 44835 (Citizens  
8 Westfield Wastewater Rate Case), and Cause No. 44149 (Citizens Thermal Perry K steam  
9 plant coal to natural gas conversion). Additionally, I offered direct testimony for my  
10 previous employer IPL in Service Quality (Cause No. 41962) and Demand Side  
11 Management (Cause No. 40292) proceedings.

12 **Q7. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

13 A7. The purpose of my testimony is to provide information in support of CWA's Verified  
14 Application filed in this Cause.

15 **Q8. HAVE YOU READ THE VERIFIED APPLICATION AND ARE YOU FAMILIAR  
16 WITH ITS CONTENTS?**

17 A8. Yes. I am familiar with and signed the Verified Application on behalf of CWA. The  
18 Verified Application is attached to my testimony and identified as Attachment JAW-1.

19 **Q9. PLEASE SUMMARIZE THE RELIEF CWA REQUESTS IN ITS VERIFIED  
20 APPLICATION.**

1 A9. CWA is requesting a Certificate of Territorial Authority (“CTA”) authorizing it to render  
2 sewage disposal service in an area of Shelby County, Indiana (the “Proposed Expansion  
3 Area”). Additionally, CWA is requesting the Commission approve the granting of licenses,  
4 permits and franchises for the use of county roads and rights-of-way in Shelby County by  
5 the Board of Commissioners of Shelby County, Indiana.

6 **OVERVIEW OF CWA AND THE WASTEWATER SYSTEM**

7 **Q10. PLEASE PROVIDE AN OVERVIEW OF CWA.**

8 A10. CWA is an Indiana nonprofit corporation created pursuant to an Interlocal Cooperation  
9 Agreement between Citizens Energy Group and the City. CWA was formed specifically  
10 to acquire ownership of the wastewater utility assets formerly owned by the City. The  
11 Interlocal Cooperation Agreement, which was approved by the Commission in Cause No.  
12 43936, establishes the governance structure for CWA and provides that members of the  
13 Citizens Energy Group Board also serve as members of the CWA Board of Directors.  
14 Pursuant to the Management and Operating Agreement I mentioned previously, Citizens  
15 Energy Group’s employees are responsible for managing and operating the wastewater  
16 utility that is owned by CWA.

17 **Q11. HOW ARE CWA’S RATES AND CHARGES AND TERMS AND CONDITIONS**  
18 **FOR WASTEWATER UTILITY SERVICE ESTABLISHED AND REGULATED?**

19 A11. Pursuant to the Interlocal Cooperation Agreement, CWA’s rates and charges and terms and  
20 conditions for wastewater utility service are subject to the same governing statutes and  
21 ratemaking standards that apply to the gas, steam and water utilities owned and operated  
22 by Citizens Energy Group. Consequently, pursuant to Indiana Code Section 8-1-11.1-

3(c)(9), the Commission regulates CWA's rates and charges and terms and conditions for service in accordance with Indiana Code Section 8-1.5-3-8 and other applicable statutes.

**Q12. ARE YOU GENERALLY FAMILIAR WITH CWA'S OPERATIONS AND THE WASTEWATER SYSTEM?**

A12. Yes. I am familiar with the general design, configuration and operation of the Wastewater System and its various components, including the collection system, lift stations, interceptors, treatment plants, disinfection, solids management, incinerators, system controls, tunnel storage system, and the tunnel pump station. I am also familiar with CWA's service territory and customer base, which includes a mix of residential, commercial, industrial, and wholesale (or Satellite) customers.

**Q13. PLEASE PROVIDE A BRIEF OVERVIEW OF CWA'S OPERATIONS, CUSTOMER BASE AND SERVICE AREA.**

A13. CWA provides wastewater collection and treatment service to over 242,000 retail customers within Marion County, which includes a total population of approximately 977,000 and encompasses an area of approximately 277 square miles. CWA also serves seven Satellite Community customers that receive, or have the ability to receive, wholesale wastewater treatment services and are located within the Central Indiana region, including the City of Beech Grove ("Beech Grove"), the City of Lawrence ("Lawrence"), Ben Davis Conservancy District, the Town of Whitestown ("Whitestown"), Tri-County Conservancy District, the City of Greenwood ("Greenwood") and Hamilton Southeastern Utilities, Inc. ("HSE") (collectively "Satellite Customers"). Attachment JAW-2 to my testimony illustrates CWA's current retail service area, which is highlighted in green.

1 **Q14. DOES CWA PROVIDE SEWAGE DISPOSAL SERVICES TO ANY RETAIL**  
2 **CUSTOMERS LOCATED OUTSIDE OF MARION COUNTY?**

3 A14. Yes. CWA provides wastewater utility service to a small group of customers located in  
4 Hamilton County near Geist Reservoir pursuant to a CTA issued by the Commission in  
5 Cause No. 43936. CWA also provides wastewater utility service to a small group of  
6 customers located in Johnson County near Greenwood pursuant to a CTA issued by the  
7 Commission in Cause No. 44999. These two groups of customers are served through  
8 facilities interconnected with CWA's Wastewater System.

9 **Q15. PLEASE BRIEFLY DESCRIBE THE COLLECTION FACILITIES THAT ARE**  
10 **PART OF THE WASTEWATER SYSTEM.**

11 A15. The wastewater collection system includes approximately 72,000 manholes, approximately  
12 60 siphons for river/stream crossings, and over 3,200 miles of pipe that ranges in diameter  
13 from 2 inches to 144 inches. The Wastewater System is primarily a gravity flow system  
14 with approximately 265 lift stations in areas where the elevation dictates a pumping  
15 requirement.

16 **Q16. PLEASE BRIEFLY DESCRIBE THE WASTEWATER SYSTEM'S TREATMENT**  
17 **FACILITIES.**

18 A16. Wastewater collected by the Wastewater System is transported to the Belmont Advanced  
19 Wastewater Treatment Plant ("AWTP"), and the Southport AWTP for treatment. The  
20 Belmont and Southport AWTPs provide preliminary treatment, primary clarification, and  
21 biological treatment, followed by final clarification, effluent filtration and disinfection,  
22 prior to discharging the effluent to the White River through permitted outfalls. Solids are

1 removed at various stages during the treatment process and consolidated at the Belmont  
2 AWTP for de-watering and disposal. The Belmont AWTP was originally placed in service  
3 in 1924 as a primary clarification plant. The Belmont AWTP has been upgraded numerous  
4 times over the years to increase its capacity and add secondary and tertiary treatment  
5 processes. A significant expansion of the Belmont AWTP was completed in 2012 that  
6 increased the secondary treatment capacities for peak day flows up to 300 million gallons  
7 per day. The Southport AWTP was originally designed as a secondary treatment plant and  
8 was first placed into service in 1966. The Southport plant was upgraded during the 1970s  
9 and 1980s to add advanced treatment facilities and expand peak day capacity to 150 million  
10 gallons per day. In 2016, a significant expansion of the Southport AWTP was completed  
11 that increased peak day design capacity of the plant to 250 million gallons per day.

12 **Q17. DO THE BELMONT AND SOUTHPORT AWTPS HAVE CURRENTLY**  
13 **EFFECTIVE NPDES PERMITS?**

14 A17. Yes. Both AWTPs are covered by a single National Pollutant Discharge Elimination  
15 System Permit ("NPDES") permit, a copy of which is included in my testimony as  
16 Attachment JAW-3.

17 **Q18. PLEASE DESCRIBE THE CURRENT DEMAND PLACED ON CWA'S**  
18 **TREATMENT PLANTS.**

19 A18. Both the Belmont and Southport AWTPs are operating well within their design capacities.  
20 The Belmont AWTP treats an average of 80 to 100 million gallons per day and the  
21 Southport AWTP treats an average of 40 to 60 million gallons per day.



**CWA'S RENDERING OF SERVICE IN THE PROPOSED EXPANSION AREA**

**Q19. PLEASE DESCRIBE THE PROPOSED EXPANSION AREA.**

A19. The Proposed Expansion Area is shown and described in the maps and legal description included as Attachment JAW-4 to my testimony. As shown in Attachment JAW-4, the Proposed Expansion Area is all within five miles of Marion County. CWA has existing facilities in close proximity to the Proposed Expansion Area that will allow us to extend our facilities to and provide service in the Proposed Expansion Area efficiently and economically. The Proposed Expansion area includes Sections 1, 2, 11, 12, 13, 14, 23, and 24 (T 14N R 5E) as well as Sections 6 and 7 (T 14N R 6E) of Moral Township in Shelby County.

**Q20. DOES CWA CURRENTLY SERVE ANY CUSTOMERS IN THE PROPOSED EXPANSION AREA?**

A20. No. A portion of the Proposed Expansion Area has been established by Shelby County as the Northwest Shelby County Economic Development Area ("EDA") and a Tax Increment Financing ("TIF") District. CWA serves customers within approximately 3,000 feet of the EDA and TIF District. CWA will initially focus on extending service to the EDA and TIF District.

**Q21. WHAT IS THE ESTIMATED COST OF THE INFRASTRUCTURE TO EXTEND CWA SERVICE TO THE EDA AND TIF DISTRICT?**

A21. Mr. Trypus discusses in his testimony the estimated infrastructure costs to extend CWA service to the EDA and TIF District. As he explains, the estimated cost is approximately \$6.4 million.

**Q22. HOW WILL THE COST OF THE INFRASTRUCTURE NEEDED TO EXTEND SERVICE TO THE EDA AND TIF DISTRICT BE FINANCED?**

A22. CWA and the Board of Commissioners for Shelby County have reached a fair and equitable arrangement whereby CWA and the local community will share responsibility for funding the infrastructure needed to serve the EDA and TIF District. That arrangement is memorialized in a Memorandum of Understanding ("MOU") that was approved and executed by the Board of Commissioners on October 18, 2021. Pursuant to the MOU, which is attached to my testimony and identified as Attachment JAW-8, Shelby County will contribute a lift station tank structure, certain gravity sewers, and \$2,000,000 to assist with the infrastructure needed to extend service to the EDA and the TIF District.

**Q23. WHAT ECONOMIC BENEFITS WILL BE REALIZED AS A RESULT OF CWA PROVIDING SEWAGE DISPOSAL SERVICES TO THE PROPOSED EXPANSION AREA?**

A23. CWA's commencement of service to the Proposed Expansion Area will facilitate growth in the Proposed Expansion Area as well as adjacent areas of Indianapolis, resulting in economic benefits to both Shelby County and Marion County. Additionally, CWA's provision of service to prospective customers in the Proposed Expansion Area will allow CWA to spread its fixed costs over a larger customer base, benefiting all CWA customers.

The economic impact of utility availability will be a main driver to procuring and sustaining additional development in northwest Shelby County, which is currently gaining a lot of interest. That development will provide tax, employment, and other economic benefits to Shelby County and the State of Indiana generally. Specifically, CWA has been

1 working with stakeholders in Shelby County to extend utility services to a new distribution  
2 center being constructed in that area by Five Below Inc. ("Five Below"). That facility  
3 alone is expected to create over 470 jobs in Shelby County.

4 **Q24. IS CWA AWARE OF ANOTHER WASTEWATER UTILITY THAT SERVES OR**  
5 **HAS PLANS TO SERVE THE PROPOSED EXPANSION AREA?**

6 A24. Yes. In Cause No. 45582, Aqua Indiana, Inc. ("Aqua Indiana") filed an application  
7 requesting a CTA to serve the Proposed Expansion Area. CWA is an intervening party in  
8 Cause No. 45582. Northwest Shelby County Regional Sewer District ("NSCRSD") is also  
9 an intervening party in Cause No. 45582. In its petition to intervene, NSCRSD asserts  
10 Moral Township, Shelby County is located within the area NSCRSD plans to serve.  
11 Attachment JAW-5 to my testimony consists of copies of letters that CWA sent to other  
12 wastewater utilities and municipalities within five miles of the Proposed Expansion Area  
13 notifying them of CWA's Verified Application in this proceeding and acknowledgments  
14 received.

15 **Q25. IN LIGHT OF AQUA INDIANA'S CTA APPLICATION IN CAUSE NO. 45582**  
16 **AND NSCRSD'S PETITION TO INTERVENE IN THAT CASE, WHY IS CWA**  
17 **REQUESTING A CTA TO SERVE THE PROPOSED EXPANSION AREA?**

18 A25. Compared to other options, CWA is best positioned to extend its facilities to and serve the  
19 Proposed Expansion Area and provide safe, reliable and affordable service to developers,  
20 customers, and Shelby County and without new discharges to local streams. Both Aqua  
21 and NSCRSD will have much smaller customer bases than CWA, and each would need to  
22 construct a new treatment plant to serve the Proposed Expansion Area. In contrast, CWA

1 will be able to spread the fixed costs of serving the Proposed Expansion Area over a much  
2 larger customer base, and our existing advanced wastewater treatment plants have more  
3 than adequate capacity to serve the Proposed Expansion Area without any upgrades or  
4 modifications to CWA's NPDES permit.

5 The Commission has emphasized that "[c]urrent state policy, as recognized by the  
6 General Assembly, is to promote regionalization of utility service in order to maximize  
7 efficiency and economies of scale and protect affordability of utility services." (Nov. 27,  
8 2019 Order in Cause No. 45274 at page 6.) In 2021, the Indiana General Assembly  
9 reiterated that policy in Senate Enrolled Act 348, which established the Task Force for  
10 Wastewater Infrastructure Investment and Service to Underserved Areas. In that new law,  
11 the General Assembly directed the task force to, among other things, assess the benefit to  
12 customers of wastewater system consolidation or regionalization that creates an increased  
13 customer base and economies of scale to enable increased infrastructure investment. Ind.  
14 Code § 2-5-49-6(3). The Indiana Finance Authority ("IFA"), through its State Water  
15 Infrastructure Fund, has also emphasized the state's policy to promote regionalization of  
16 wastewater utility infrastructure.<sup>1</sup> CWA's proposal to extend its collection system and  
17 leverage the advantages of its large customer base and capabilities of its two advanced  
18 wastewater treatment plants will further the State of Indiana's policy to promote

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<sup>1</sup> See, for example, <https://www.in.gov/ifa/state-water-infrastructure-fund-swif-grants> (IFA web page stating the "goal of the [State Water Infrastructure Grants] program will be to finance projects that protect and improve public health and water quality, satisfy a regional solution, and provide substantial rate relief to Indiana utility customers most in need." (emphasis added)).

1 regionalization and consolidation of smaller wastewater systems into larger systems that  
2 can maximize efficiencies and economies of scale.

3 Moreover, a number of Shelby County and Marion County stakeholders are in favor  
4 of CWA extending its facilities and commencing service to the Proposed Expansion  
5 Area. Attachment JAW-9 to my testimony is a collection of letters from governmental  
6 officials, property owners, prospective customers, and other stakeholders, including the  
7 Shelby County Board of Commissioners, the Shelby County Council, and the Shelby  
8 County Development Corporation, expressing their support for CWA's request for a CTA  
9 in this proceeding. CWA is engaged in ongoing discussions with those and other  
10 stakeholders in both Shelby and Marion County and will provide any additional letters of  
11 support received as supplemental attachments to my testimony.

12 **Q26. DOES CITIZENS ENERGY GROUP PLAN TO PROVIDE OTHER UTILITY**  
13 **SERVICES TO THE PROPOSED EXPANSION AREA?**

14 A26. Yes. Citizens Water already provides water utility service to a portion of the Proposed  
15 Expansion Area and will extend its water distribution system as needed to accommodate  
16 growth in that area. Additionally, in Cause No. 45624, Citizens Gas has requested a  
17 Certificate of Public Convenience and Necessity to provide natural gas utility service to  
18 the Proposed Expansion Area. Customers will benefit from the synergies, economies of  
19 scale, and conveniences of having water, wastewater, and natural gas utility service all  
20 provided by Citizens Energy Group, which manages and operates all three of those utilities.

21 **Q27. WHY IS THE PROPOSED EXPANSION AREA CWA REQUESTS A CTA TO**  
22 **SERVE LARGER THAN THE EDA AND TIF DISTRICT?**

1 A27. CWA has been made aware of anticipated additional development and new customer  
2 demand in the Proposed Expansion Area beyond the EDA and TIF District. CWA will  
3 configure its facilities such that further development in the EDA and TIF District, as well  
4 as the remainder of the Proposed Expansion Area, can be served efficiently and  
5 economically. Additionally, as mentioned above, Citizens Water already serves customers  
6 in the Proposed Expansion Area, and Citizens Gas proposes to extend gas service to the  
7 Proposed Expansion Area. We believe the coordinated efforts of all three Citizens Energy  
8 Group utilities (wastewater, water, and gas) to extend service to the Proposed Expansion  
9 Area will be beneficial to prospective customers, developers, and other stakeholders in  
10 Shelby County.

11 **Q28. PLEASE DESCRIBE CWA'S CURRENT RATES AND CHARGES FOR**  
12 **WASTEWATER UTILITY SERVICE.**

13 A28. CWA is subject to the Commission's jurisdiction for establishing its rates and charges. A  
14 schedule of CWA's current rates and charges is included as Attachment JAW-6 to my  
15 testimony. Those rates and charges, as may be amended from time to time, will apply to  
16 customers in the Proposed Expansion Area. Based on a preliminary cost comparison, we  
17 believe CWA's charges for a typical customer disposing of 4,000 gallons per month of  
18 wastewater will be approximately seven percent lower than Aqua Indiana's current  
19 charges.

20 **LAWFUL POWER AND AUTHORITY, FINANCIAL ABILITY, AND PUBLIC CONVENIENCE AND**  
21 **NECESSITY**

1 **Q29. DOES CWA HAVE THE LAWFUL POWER AND AUTHORITY TO SERVE THE**  
2 **PROPOSED EXPANSION AREA?**

3 A29. Yes. Pursuant to the Interlocal Agreement, CWA was vested with all the powers possessed  
4 by the City of Indianapolis and its Sanitary District (with the exception of the City's tax  
5 powers) and the Board to own and operate a wastewater utility. Those powers include the  
6 power to extend facilities and provide service to the Proposed Expansion Area. In two  
7 prior cases, Cause No. 43936 and Cause No. 44999, the Commission has recognized that  
8 CWA possesses the lawful power and authority to provide sewage disposal service to rural  
9 areas outside Marion County.

10 **Q30. DOES CWA HAVE THE FINANCIAL ABILITY TO INSTALL, COMMENCE,**  
11 **AND MAINTAIN SERVICE IN THE PROPOSED EXPANSION AREA?**

12 A30. Yes. CWA submits detailed financial information to the Commission in its annual reports.  
13 CWA income statements and balance sheets for fiscal years 2019 and 2020, are provided  
14 in Attachment JAW-7 to my testimony. As the Commission found in Cause Nos. 43936  
15 and 44999, based on CWA's financial capability to provide service to the proposed CTA  
16 area, there is no need for a personal guarantee or personal financial statement under 170  
17 IAC 8.5-3-1(2)(H).

18 **Q31. PLEASE DESCRIBE CWA'S MANAGERIAL AND TECHNICAL ABILITY TO**  
19 **PROVIDE SEWAGE DISPOSAL SERVICE TO THE PROPOSED EXPANSION**  
20 **AREA.**

21 A31. Management of the Wastewater System is primarily provided by an experienced team that  
22 includes, in addition to myself as Vice President of Water Operations, a Director of

1 Wastewater Operations who is responsible for oversight of the Wastewater System's  
2 treatment plants and a Director of Wastewater Collections who is responsible for oversight  
3 of the Wastewater System's collection system facilities. Additionally, the entire Citizens  
4 Energy Group officer team consists of a number of seasoned utility professionals who bring  
5 extensive utility management experience to bear on the Citizens Energy Group family of  
6 utilities, including CWA. Operation and maintenance of the Wastewater System facilities  
7 is carried out by a skilled and well-trained workforce of approximately 150 employees who  
8 adhere to industry standards to ensure CWA's facilities provide safe, reliable, and cost-  
9 effective service to our customers. Back-office support for the wastewater utility is  
10 provided by Corporate Shared Services functions, such as accounting, human resources,  
11 environmental, information technology, and customer service professionals.

12 **Q32. MR. WILLMAN, DO YOU BELIEVE PUBLIC CONVENIENCE AND**  
13 **NECESSITY REQUIRE THE RENDERING OF SEWAGE DISPOSAL SERVICE**  
14 **IN THE PROPOSED EXPANSION AREA BY CWA?**

15 A32. Yes. For all the reasons explained in my testimony and the testimony of CWA's witness  
16 Mr. Trypus, I believe the public convenience and necessity require CWA to render service  
17 to the Proposed Expansion Area.

18 **CONCLUSION**

19 **Q33. MR. WILLMAN, PLEASE SUMMARIZE THE REASONS THE COMMISSION**  
20 **SHOULD GRANT A CTA TO CWA TO RENDER SEWAGE DISPOSAL SERVICE**  
21 **TO THE PROPOSED EXPANSION AREA.**



1 A33. Three prospective customers have active development projects in the Proposed Expansion  
2 Area, which is currently not being served by any wastewater utility. CWA is in the best  
3 position to serve the Proposed Expansion Area in a safe, reliable and affordable manner  
4 that protects the environment. Compared to other alternatives, CWA's ability to leverage  
5 its existing two advanced wastewater treatment plants and large customer base will further  
6 the State of Indiana's policy to promote regionalization of utility service in order to  
7 maximize efficiency and economies of scale. The economic and other benefits that will be  
8 realized as a result of CWA rendering service to the Proposed Expansion Area will serve  
9 the public interest.

10 **Q34. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

11 A34. Yes.

**VERIFICATION**

The undersigned affirms under the penalties for perjury that the foregoing testimony is true to the best of his knowledge, information and belief.

A handwritten signature in black ink, appearing to read "Jeff A Willman", written over a horizontal line.

Jeffrey A. Willman

**BEFORE THE**  
**INDIANA UTILITY REGULATORY COMMISSION**

**APPLICATION OF CWA AUTHORITY, INC. FOR )**  
**ISSUANCE PURSUANT TO IND. CODE § 8-1-2-89 OF )**  
**A CERTIFICATE OF TERRITORIAL AUTHORITY )**  
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**COMMISSION’S CONSENT PURSUANT TO IND. )**  
**CODE § 36-2-2-23 TO CWA AUTHORITY, INC.’S USE )**  
**OF PROPERTY OWNED BY SHELBY COUNTY, )**  
**INDIANA. )**

**VERIFIED APPLICATION**

CWA Authority, Inc. (“CWA” or “Applicant”), hereby petitions and respectfully requests the Indiana Utility Regulatory Commission (“Commission”) to issue, pursuant to Indiana Code § 8-1-2-89, a certificate of territorial authority (“CTA”) permitting it to provide wastewater service within a portion of Moral Township in Shelby County, Indiana. CWA further requests that pursuant to Indiana Code § 36-2-2-23, the Commission determine that public convenience and necessity require CWA’s service to the area encompassed by the requested CTA and consent to Shelby County permitting CWA to use county-owned property to provide service to customers in such area. In support of this Verified Application, CWA states as follows:

**Nature of Applicant**

1. CWA is an Indiana nonprofit corporation and an instrumentality of the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis d/b/a Citizens Energy Group (“Citizens Energy Group” or the “Board”) created pursuant to an Interlocal Cooperation Agreement in accordance with the Interlocal Cooperation Act, *i.e.*, Indiana Code § 36-1-7. The Board, the City of Indianapolis (the “City”) and the Sanitary District of the City,

acting by and through the Board of Public Works (the “Sanitary District”), entered into the Interlocal Cooperation Agreement to form CWA for the purpose of acquiring and owning wastewater system assets (“Wastewater System”) formerly owned by the City and the Sanitary District. Applicant’s principal office is located at 2020 North Meridian Street, Indianapolis, Indiana 46202.

2. On July 13, 2011, the Commission issued an Order in Cause No. 43936 approving the terms of an Asset Purchase Agreement under which CWA acquired the Wastewater System previously owned by the City and the Sanitary District on August 26, 2011.

3. CWA provides wastewater collection and treatment services to over 242,000 retail customers in Marion County and wastewater treatment services to surrounding communities. CWA also provides wastewater collection and treatment services to approximately eighty (80) retail customers in Hamilton County pursuant to a CTA granted by the Commission in Cause No. 43936, and approximately sixty one (61) retail customers in Johnson County pursuant to a CTA granted by the Commission in Cause No. 44999.

4. Pursuant to a Management and Operating Agreement approved by this Commission in Cause No. 43936, Citizens Energy Group provides management and operational services necessary and desirable for the operation of the wastewater utility owned by CWA.

#### **Requested CTA**

5. CWA requests a CTA in order to provide wastewater utility service to a 6,500 acre area in Moral Township, Shelby County (“Proposed Expansion Area”), which is needed to serve existing development that is occurring in that area and to help facilitate future development in that area. The Proposed Expansion Area along with the legal description is shown on the attached map identified as Attachment A.

6. On August 2, 2021, in Cause No. 45582, Aqua Indiana, Inc. (“Aqua”) filed an Amended Petition with the Commission seeking issuance of a CTA pursuant to Indiana Code § 8-1-2-89 that would permit it to provide wastewater service to the Proposed Expansion Area. In support of its CTA request, Aqua provided, in part, that its Proposed Expansion Area is contiguous to an area in southeastern Marion County where Aqua serves ninety-six (96) customers.

7. As the owner of the Wastewater System formerly owned by the City and the Sanitary District, CWA serves a majority of Marion County and shares a common border with most of the Proposed Expansion Area.

8. CWA has significant facilities used to serve its large customer base in Marion County and surrounding communities, which could also be used to serve the Proposed Expansion Area. CWA’s facilities include three nearby lift stations and two advanced wastewater treatment plants, Belmont and Southport, which have peak day capacities of 300 million gallons per day and 250 million gallons per day, respectively. CWA would not need to construct additional treatment capacity in order to serve the Proposed Expansion Area.

9. CWA is in discussions with Shelby County representatives regarding CWA’s proposal to extend facilities to and commence rendering wastewater utility service in the Proposed Expansion Area. Additionally, Citizens Water, which is the water utility owned by the Board, provides retail water service to a portion of the Proposed Expansion Area. Further, in Cause No. 45624, Citizens Gas, which is the gas utility owned by the Board, has requested a Certificate of Public Convenience and Necessity to provide natural gas utility service to the Proposed Expansion Area.

10. CWA has the legal, managerial, technical and financial ability to render wastewater utility service within the Proposed Expansion Area, and because public convenience and necessity require such service, the public interest will be served by the Commission issuing to CWA the requested CTA.

11. CWA will comply with the requirements of 170 IAC 8.5-3-1, as necessary, sufficiently in advance of the evidentiary hearing to enable the Commission's staff to make a proper review of the available information and materials referred to therein.

12. CWA considers certain provisions of the Public Service Commission Act, as amended, including Indiana Code Sections 8-1-2-89 and 36-2-2-23, applicable to the subject matter of this Application.

#### **Use of County-Owned Property**

13. CWA may require the use of county-owned property, including without limitation, highway and rights-of-way in Shelby County, in connection with providing and extending wastewater utility service to customers within the Proposed Expansion Area. In accordance with Indiana Code Section 36-2-2-23, the Commission should determine that public convenience and necessity requires CWA to provide wastewater utility service within the Proposed Expansion Area and consent to Shelby County granting CWA licenses, permits or franchises for the use of county-owned property to provide such service in the areas covered by the Commission's Final Order in this Cause.

#### **Procedural Matters**

14. Pursuant to 170 IAC 1-1.1-9(a)(8), Applicant will work with the Office of Utility Consumer Counselor and other intervening parties, if any, to develop a proposed procedural schedule and submit same within 30 days of the filing of this Verified Application.

15. The following attorneys are counsel for Applicant in this proceeding and are authorized to accept service on behalf of Applicant:

Michael E. Allen (Atty. No. 20768-49)  
CWA Authority, Inc.  
2020 N. Meridian Street  
Indianapolis, IN 46202  
Telephone: (317) 927-4318  
Facsimile: (317) 927-4318  
E-mail: mallen@citizensenergygroup.com

Lauren R. Toppen (Atty. No. 23778-49)  
CWA Authority, Inc.  
2020 N. Meridian Street  
Indianapolis, IN 46202  
Telephone: (317) 927-4482  
Facsimile: (317) 927-4482  
E-mail: ltoppen@citizensenergygroup.com

Alejandro Valle, (Atty. No. 22863-49)  
CWA Authority, Inc.  
2020 N. Meridian Street  
Indianapolis, IN 46202  
Telephone: (317) 927-4317  
Facsimile: (317) 927-4317  
E-mail: avalle@citizensenergygroup.com

In addition, papers filed in this proceeding should be served on:

Debi Bardhan-Akala, Director, Regulatory Affairs  
2020 N. Meridian Street  
Indianapolis, Indiana 46202  
Telephone: (317)927-4591  
Facsimile: (317)927-4591  
Email: dbardhan@citizensenergygroup.com

WHEREFORE, CWA respectfully requests that the Commission, after an evidentiary hearing and consideration of any evidence offered by the parties and admitted into the record of this proceeding, enter an Order (i) finding that CWA has the legal, financial, technical and managerial ability to render wastewater utility service in the Proposed Expansion Area and public convenience and necessity and the public interest will be served by the Commission issuing to CWA a CTA permitting the provision of wastewater utility service within the Proposed Expansion Area; (ii) issuing to CWA a CTA permitting the provision of wastewater utility service within the Proposed Expansion Area; (iii) consenting to Shelby County granting CWA licenses, permits or

franchises for the use of county-owned property; and (iv) granting Applicant all other and further relief as may be appropriate under the circumstances.

Respectfully submitted,

/s/ Lauren Toppen  
Attorney for Applicant

Michael E. Allen (Atty. No. 20768-49)  
CWA Authority, Inc.  
2020 N. Meridian Street  
Indianapolis, IN 46202  
Telephone: (317) 927-4318  
Facsimile: (317) 927-4318  
E-mail: mallen@citizensenergygroup.com

Lauren Toppen (Atty. No. 23778-49)  
CWA Authority, Inc.  
2020 N. Meridian Street  
Indianapolis, IN 46202  
Telephone: (317) 927-4482  
Facsimile: (317) 927-4482  
E-mail: ltoppen@citizensenergygroup.com

Alejandro Valle (Atty. No. 22863-49)  
CWA Authority, Inc.  
2020 N. Meridian Street  
Indianapolis, IN 46202  
Telephone: (317) 927-4317  
Facsimile: (317) 927-4317  
E-mail: avalle@citizensenergygroup.com

Attorneys for Applicant  
CWA Authority, Inc.



**VERIFICATION**

The undersigned affirms under the penalties for perjury that the foregoing representations are true to the best of his knowledge, information, and belief.

A handwritten signature in cursive script, appearing to read "Jeffrey A. Willman", written in black ink.

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Jeffrey A. Willman

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing was served by electronic mail this 13<sup>th</sup> day of October, 2021, to the following:

Indiana Office of Utility Consumer Counselor  
115 W. Washington Street, Suite 1500 South  
Indianapolis, Indiana 46204  
infomgt@in.oucc.gov

By: /s/ Lauren R. Toppen  
An Attorney for Applicant,  
CWA Authority, Inc.

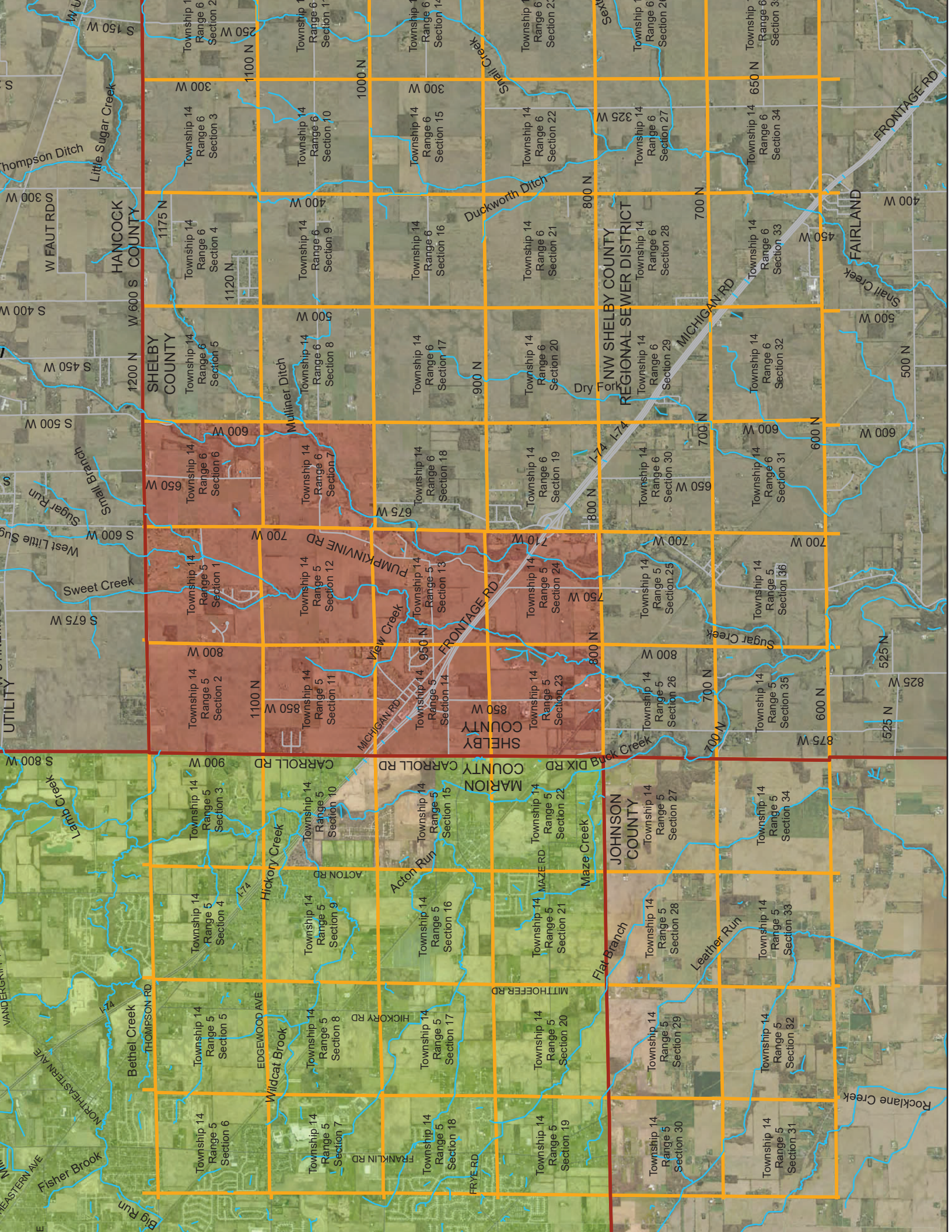
Michael E. Allen (Atty. No. 20768-49)  
CWA Authority, Inc.  
2020 N. Meridian Street  
Indianapolis, IN 46202  
Telephone: (317) 927-4318  
Facsimile: (317) 927-4318  
E-mail: mallen@citizensenergygroup.com

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CWA Authority, Inc.  
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E-mail: avalle@citizensenergygroup.com

Attorneys for Applicant  
CWA Authority, Inc.







## **Proposed CTA Legal Description**

All of Sections 1, 2, 11, 12, 13, 14, 23 and 24, in Township 14 North, Range 5 East, and all of Sections 6 and 7, in Township 14 North, Range 6 East, in Shelby County, Indiana, containing 6,500 acres, more or less.

