

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**JOINT PETITION OF CROSSROADS )**  
**UTILITIES, LLC (“CROSSROADS”) AND LMH )**  
**UTILITIES CORP. (“LMH”) FOR APPROVAL AND )**  
**AUTHORIZATION OF: (A) THE ACQUISITION )**  
**BY CROSSROADS OF LMH’S WASTEWATER )**  
**UTILITY PROPERTY (THE “LMH SYSTEM”) IN )**  
**DEARBORN COUNTY, INDIANA PURSUANT TO )**  
**THE PURCHASE AGREEMENT THEREFOR; ) CAUSE NO. 45833**  
**(B) APPROVAL OF ACCOUNTING AND RATE BASE )**  
**TREATMENT; (C) APPROVAL OF THE APPLICATION )**  
**OF LMH’S EXISTING RATES AND CHARGES AFTER )**  
**CLOSING; (D) APPROVAL OF CROSSROADS’ )**  
**RULES AND REGULATIONS )**  
**FOLLOWING CLOSING; (E) APPLICATION OF )**  
**LMH’S DEPRECIATION ACCRUAL RATES TO SUCH )**  
**ACQUIRED PROPERTIES; AND (F) THE APPROVAL OF )**  
**THE TRANSFER OF LMH’S CERTIFICATE OF )**  
**TERRITORIAL AUTHORITY TO CROSSROADS. )**

**VERIFIED PRE-FILED DIRECT TESTIMONY OF JUNE TUCKER**

**SUBMITTED ON BEHALF OF**

**CROSSROADS UTILITIES, LLC**

**L.M.H. UTILITIES CORPORATION  
PREFILED DIRECT TESTIMONY OF JUNE TUCKER**

1 **Q1. Please state your name and business address.**

2 A1. My name is June Tucker. My business address is 23592 Jeb Road, Lawrenceburg, Indiana  
3 47025.

4 **Q2. Please describe your educational background, professional qualification, and any  
5 experiences that you believe are relevant to your testimony.**

6 A2. I have a Bachelor of Arts degree with a major in Geology from Hanover College. I have  
7 worked for LMH Utilities (“LMH”) since 1987 and have been the Chief Financial Officer  
8 since 2010.

9 **Q3. Please describe your duties.**

10 A3. My primary responsibility is managing LMH’s finances, including financial planning,  
11 record-keeping, and financial reporting. I oversee the recording of financial transactions  
12 which include purchases, sales, receipts, payments and payroll.

13 **Q4. Have you testified previously before the Indiana Utility Regulatory Commission  
14 (“IURC” or “Commission”)?**

15 A4. Yes. I testified most recently on behalf of LMH in Cause No. 45307-U, LMH’s last rate  
16 case.

17 **Q5. What is the purpose of your testimony in this proceeding?**

18 A5. My testimony provides background on LMH and supports Commission approval of the  
19 proposed transfer of the LMH utility to Crossroads Utilities, LLC (“Crossroads”). I discuss  
20 the reasonableness of the transaction and why I believe that Crossroads is the ideal utility  
21 to provide wastewater service to customers within LMH’s existing service area.

1 **Q6. Please describe the relief requested in this Cause.**

2 A6. LMH and Crossroads seek Commission approval of the sale and transfer of LMH's assets  
3 and certificates of territorial authority ("CTAs") in accordance with the terms and  
4 conditions of an asset purchase agreement between LMH and Crossroads (the  
5 "Agreement").

6 **Q7. Please explain your familiarity with the Agreement.**

7 A7. I worked closely with other LMH representatives in the negotiation of the Agreement and  
8 am familiar with its terms and conditions. The Agreement provides for the legal mechanics  
9 of the transfers and assignments of all the utility plant, property, and other assets. I have  
10 also had multiple conversations with representatives from Crossroads as Crossroads  
11 conducted its due diligence, inspections and appraisals of the LMH System over the past  
12 several months.

13 **Q8. Has the Agreement been approved by LMH?**

14 A8. Yes. LMH's Board of Directors met and authorized LMH to execute the Agreement.

15 **Q9. Please describe the wastewater service currently provided by LMH.**

16 A9. LMH is currently engaged in the provision of sanitary sewage disposal service to  
17 approximately 1,331 customers in Dearborn County, Indiana. LMH's system consists of a  
18 480,000 gallon per day wastewater treatment plant, 17 lift stations, approximately 1,331  
19 service connections, approximately 180,339 feet of gravity collection mains, and  
20 approximately 32,068 feet of force mains. LMH operates pursuant to several CTAs granted  
21 by the Commission going back over 30 years ago.

22 **Q10. Please briefly describe Crossroads.**

1 A10. Crossroads is an Indiana limited liability company whose owners have substantial  
2 experience with owning and operating water and sewer utilities in the United States.  
3 Crossroads witness Mr. Myers provides additional detail regarding Crossroads' technical,  
4 managerial, and financial ability to own and operate LMH's assets.

5 **Q11. Why does LMH propose to sell its utility to Crossroads?**

6 A11. Simply put, the owners of LMH no longer desire to operate a wastewater utility. LMH was  
7 originally created to serve residential areas developed by LMH's owners. While LMH  
8 continues to run reliably, it requires 24/7 attention and is time-intensive. LMH's owners  
9 are ready to exit the business and transfer LMH to a new, responsible utility operator.

10 **Q12. Please describe the operational health of LMH.**

11 A12. LMH operates in a financially and operationally sound manner. Since my role is focused  
12 on the financial aspects of LMH, I have no specific details on the engineering and  
13 operational details of the LMH System. However, I am generally aware of and concur with  
14 the testimonies of Mr. Myers, Mr. Lagaly and Mr. Tucker that the LMH System has, in the  
15 recent past, experienced overflows and operational challenges that I understand Crossroads  
16 will work to rectify and improve.

17 **Q13. What changes will occur in the operation of LMH as a result of the proposed transfer?**

18 A13. As Mr. Lagaly and Mr. Tucker explain, the LMH System is currently operated by  
19 Envirolink of Indiana, which I understand is an affiliate of Crossroads. It is my  
20 understanding that Envirolink will continue to oversee the day-to-day operations of the  
21 LMH System, but Crossroads intends to implement certain improvements, operational  
22 efficiencies and best practices described by Mr. Myers that will enhance the quality of  
23 service and responsiveness for LMH customers. Additionally, Crossroads plans to devote

1 significant efforts to work to remedy inflow and infiltration and to improve the operational  
2 efficiency of the LMH System as described by Mr. Myers and Mr. Lagaly.

3 **Q14. What will be the impact on customer rates and charges if the Commission approves**  
4 **the relief requested by Joint Petitioners?**

5 A14. I defer to Crossroads witness VerDouw on the precise details of the rate impacts. At a high  
6 level, I understand that Crossroads does not propose any change to LMH's existing rates  
7 and charges at this time. LMH's rates and charges were last approved by this Commission  
8 in its July 29, 2020 Order in Cause No. 45307-U. As Mr. VerDouw explains, Crossroads  
9 is asking this Commission to approve the purchase price, transaction costs and cost  
10 differential for purposes of Crossroads' rate base. I understand that Crossroads intends to  
11 seek a rate adjustment at some point in the future.

12 **Q15. Will the Commission and the Indiana Office of Utility Consumer Counselor**  
13 **("OUCC") be notified upon completion of the proposed acquisition?**

14 A15. Yes, we will file a notice in this Cause confirming the acquisition is complete.

15 **Q16. Do public convenience and necessity and the public interest support granting the**  
16 **proposed acquisition?**

17 A16. Yes. LMH's owners no longer desire to own and operate the utility, and the acquisition by  
18 Crossroads will ensure that LMH's customers will continue to receive reliable wastewater  
19 service.

20 **Q17. Does this conclude your pre-filed direct testimony in this matter?**

21 A17. Yes.

**VERIFICATION**

I affirm under the penalties of perjury that the foregoing is true to the best of my knowledge, information and belief as of the date here filed.

LMH UTILITIES CORPORATION



June Tucker