

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**VERIFIED PETITION OF THE BOARD OF )  
DIRECTORS FOR UTILITIES OF THE )  
DEPARTMENT OF PUBLIC UTILITIES OF THE )  
CITY OF INDIANAPOLIS, AS TRUSTEE OF A ) CAUSE NO. 45599  
PUBLIC CHARITABLE TRUST FOR THE WATER )  
SYSTEM D/B/A CITIZENS WATER FOR APPROVAL )  
OF A LEAD SERVICE LINE REPLACEMENT PLAN )  
PURSUANT TO IND. CODE CH. 8-1-31.6 )**

**OUCC'S NOTICE OF SUBSTITUTION OF TESTIMONY OF CARL N. SEALS**

The Indiana Office of Utility Consumer Counselor (“OUCC”), by counsel, provides notice of substitution of the Testimony of Carl N. Seals (Public’s Exhibit No. 1). Attached is a copy of the testimony the OUCC intends to offer at the final hearing on November 22, 2021.

Respectfully submitted,

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR



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**CERTIFICATE OF SERVICE**

This is to certify that a copy of the *OUCC's Notice of Substitution of Testimony of Carl N. Seals* has been served upon the following counsel of record in the captioned proceeding by electronic service on November 19, 2021.

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**TESTIMONY OF OUCC WITNESS CARL N. SEALS**  
**CAUSE NO. 45599**  
**CITIZENS WATER**

**I. INTRODUCTION**

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

2 A: My name is Carl N. Seals, and my business address is 115 W. Washington St., Suite  
3 1500 South, Indianapolis, IN, 46204.

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

5 A: I am employed as Assistant Director of the Water/Wastewater Division for the  
6 Indiana Office of Utility Consumer Counselor ("OUCC"). A summary of my  
7 qualifications can be found in Appendix A.

8 **Q: What is the purpose of your testimony in this proceeding?**

9 A: Citizens Water ("Citizens" or "Petitioner") has proposed a Customer Lead Service  
10 Line Replacement Plan ("LSLR Plan" or "Plan") pursuant to Ind. Code 8-1-31.6,  
11 which will allow Citizens to recover the costs of customer lead service line  
12 improvements as eligible infrastructure improvements under Ind. Code 8-1-31. I  
13 recommend approval of Citizen's Lead Service Line Replacement Plan.

14 **Q: What did you do to prepare for your testimony?**

15 A: I reviewed Petitioner's case-in-chief filed on August 20, 2021, including the Direct  
16 Testimonies and Attachments of Dan Moran, Director of Water Quality, System  
17 Control & Planning, Andy Lutz, Director of Program & Technical Services and  
18 Debi Bardhan-Akala, Director, Regulatory Affairs. I prepared data request  
19 questions and reviewed Citizens' responses. I reviewed the Commission's Order  
20 and testimony filed in Cause No. 45043 regarding Indiana American's request for  
21 approval of a Lead Service Line Replacement Plan. Finally, I reviewed information

1 presented by the Environmental Protection Agency regarding lead service lines and  
2 the 1991 Lead and Copper Rule.

## II. LEAD EXPOSURE CONCERNS

3 **Q: What concerns does exposure to lead raise?**

4 A: According to the Environmental Protection Agency (“EPA”) and Centers for  
5 Disease Control (“CDC”), lead is harmful to health, especially for children.  
6 Exposure to lead may cause health problems ranging from stomach distress to brain  
7 damage.<sup>1</sup> Both EPA and CDC agree that there is no known safe level of lead in a  
8 child’s blood and that reducing exposure to lead can improve health outcomes.

9 **Q: How does lead get into drinking water?**

10 A: According to the EPA website “Basic Information about Lead in Drinking Water:”<sup>2</sup>

11 Lead can enter drinking water when plumbing materials that contain  
12 lead corrode, especially where the water has high acidity or low  
13 mineral content that corrodes pipes and fixtures. The most common  
14 sources of lead in drinking water are lead pipes, faucets, and  
15 fixtures. In homes with lead pipes that connect the home to the water  
16 main, also known as lead services lines, these pipes are typically the  
17 most significant source of lead in the water. Lead pipes are more  
18 likely to be found in older cities and homes built before 1986.  
19 Among homes without lead service lines, the most common problem  
20 is with brass or chrome-plated brass faucets and plumbing with lead  
21 solder.

22 **Q: What rules have been established by the EPA regarding lead levels in water?**

23 A: Under authority of the Safe Drinking Water Act. (“SDWA”), the EPA issued the  
24 Lead and Copper Rule<sup>3</sup> (also “LCR”) in 1991, which established 15 parts per billion  
25 (“ppb”) of lead (0.015 mg/L) as the threshold requiring remedial actions by the  
26 utility. Remedial action includes the following:

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<sup>1</sup> <https://www.epa.gov/dwreginfo/lead-and-copper-rule>

<sup>2</sup> <https://www.epa.gov/ground-water-and-drinking-water/basic-information-about-lead-drinking-water>

<sup>3</sup> <https://www.epa.gov/dwreginfo/lead-and-copper-rule>

- 1 • Corrosion control treatment
- 2 • Public outreach and education
- 3 • Lead service line replacement

4 Water utilities compare the sample results from homes to EPA's action level of 15  
5 ppb, and if 10 percent or more of these samples have lead concentrations greater  
6 than the action level, the system must perform these remedial actions.<sup>4</sup>

7 **Q: Is Citizens in compliance with the Lead and Copper Rule?**

8 A: Yes. OUCC Attachment CNS-1 includes Citizens' 2020 Drinking Water Report,  
9 which shows that Citizens achieved compliance in each of its Indianapolis, Morgan  
10 County, South Madison, and Westfield systems.

### **III. REVIEW OF PROPOSED LSLR PLAN**

11 **Q: What criteria must a utility address in its plan for replacement of customer-**  
12 **owned lead service lines to obtain approval from the Commission?**

13 A: Ind. Code 8-1-31.6-6 (a), provides the utility's plan must address the following:

- 14 1. The availability of grants or low interest loans and how the water  
15 utility plans to use available grants or low interest loans to help  
16 the water utility finance or reduce the cost of the customer lead  
17 service line improvements for the water utility and the water  
18 utility's customers, including any arrangements for the customer  
19 to receive available grants or financing directly.
- 20 2. A description of how the replacement of customer owned lead  
21 service lines will be accomplished in conjunction with  
22 distribution system infrastructure replacement projects.
- 23 3. The estimated savings in costs per service line that would be  
24 realized by the water utility replacing the customer owned  
25 portion of the lead service lines versus the anticipated  
26 replacement costs if customers were required to replace the  
27 customer owned portion of the lead service lines.
- 28 4. The number of lead mains and lead service lines estimated to be  
29 part of the water utility's system.

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<sup>4</sup> [https://www.epa.gov/sites/default/files/2019-10/documents/lcr101\\_factsheet\\_10.9.19.final\\_.2.pdf](https://www.epa.gov/sites/default/files/2019-10/documents/lcr101_factsheet_10.9.19.final_.2.pdf)

- 1                   5. A range for the number of customer owned lead service lines  
2                   estimated to be replaced annually.
- 3                   6. A range for the total feet of lead mains estimated to be replaced  
4                   annually.
- 5                   7. The water utility's proposal for addressing the costs of unusual  
6                   site restoration work necessitated by structures or improvements  
7                   located above the customer owned portion of the lead service  
8                   lines.
- 9                   8. The water utility's proposal for:
- 10                   (A) communicating with the customer the availability of the  
11                   water utility's plan to replace the customer owned portion of  
12                   the lead service line in conjunction with the water utility's  
13                   replacement of the utility owned portion of the lead service  
14                   line; and
- 15                   (B) documenting the customer's consent or lack of consent to  
16                   replace the customer owned portion of the lead service line.
- 17                   9. The water utility's proposal concerning whether the water utility  
18                   or the customer will be responsible for future replacement or  
19                   repair of the portion of the new service line corresponding to the  
20                   previous customer owned lead service line.
- 21                   10. The estimated total cost to replace all customer owned portions  
22                   of the lead service lines within or connected to the water utility's  
23                   system and an estimated range for the annual cost to be incurred  
24                   by the water utility under the water utility's plan.
- 25                   The Commission must approve a water utility's plan if it finds the plan to be  
26                   reasonable and in the public interest. (Ind. Code 8-1-31.6-6 (b)).

27   **Q: Does Citizens' LSLR Plan address these 10 criteria?**

28   A: Yes. Support for those criteria is included in the testimonies of Citizens' Dan  
29   Moran and Andy Lutz.

**IV. CONCLUSION**

1 **Q: Please summarize your recommendations:**

2 A: I recommend the Commission approve Citizens' Lead Service Line Replacement  
3 Plan.

4 **Q: Does this conclude your testimony?**

5 A: Yes.

**I. APPENDIX A**

1 **Q: Please describe your educational background and experience.**

2 A: In 1981 I graduated from Purdue University, where I received a Bachelor of Science  
3 degree in Industrial Management with a minor in Engineering. I was recruited by  
4 the Union Pacific Railroad, where I served as mechanical and maintenance  
5 supervisor and industrial engineer in both local and corporate settings in St. Louis,  
6 Chicago, Little Rock and Beaumont, Texas. I then served as industrial engineer for  
7 a molded-rubber parts manufacturer before joining the Indiana Utility Regulatory  
8 Commission (“IURC”) as engineer, supervisor and analyst for more than ten years.  
9 It was during my tenure at the IURC that I received my Master of Health  
10 Administration degree from Indiana University. After the IURC, I worked at  
11 Indiana-American Water Company, initially in their rates department, then  
12 managing their Shelbyville operations for eight years, and later served as Director  
13 of Regulatory Compliance and Contract Management for Veolia Water  
14 Indianapolis. I joined Citizens Energy Group as Rate & Regulatory Analyst  
15 following the October 2011 transfer of the Indianapolis water utility and joined the  
16 Office of Utility Consumer Counselor in April of 2016. In March 2020 I was  
17 promoted to my current position of Assistant Director of the Water and Wastewater  
18 Division.

19 **Q: Have you previously provided testimony to the Indiana Utility Regulatory**  
20 **Commission?**

21 A: Yes. I have testified in telecommunications, water and wastewater utility cases  
22 before the Commission.