

**FILED**  
January 20, 2026  
**INDIANA UTILITY  
REGULATORY COMMISSION**

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**PETITION OF MAPLETURN UTILITIES, )  
INC FOR A NEW SCHEDULE OF RATES )      CAUSE NO. 46291-U  
AND CHARGES FOR WATER SERVICE      )**

**PUBLIC EXHIBIT NO. 3**

**TESTIMONY OF SHAWN DELLINGER**

**ON BEHALF OF**

**THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR**

**January 20, 2026**

**TESTIMONY OF OUCC WITNESS SHAWN DELLINGER**  
**CAUSE NO. 46291-U**  
**MAPLETURN UTILITIES, INC.**  
**WATER OPERATIONS**

**I. INTRODUCTION**

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

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

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

5 A: I am employed by the Indiana Office of Utility Consumer Counselor (“OUCC”) as a Senior  
6 Utility Analyst in the Water/Wastewater division. My focus is on financing and other  
7 financial matters. My educational background and experience is set forth in Appendix A.

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

9 A: On August 21, 2025, Mapleturn Utilities, Inc. Water Division (“Mapleturn-Water” or  
10 “Applicant”) filed a Small Utility Application (“Application”). My testimony addresses  
11 financing issues including debt authorization, debt service revenue requirement, debt  
12 service reserve revenue requirement, and appropriate true-up mechanisms. Mapleturn did  
13 not request financing in this Cause, however, through discussions with Mapleturn, we  
14 determined the most efficient means of accomplishing a number of Mapleturn’s water  
15 projects is through a debt offering.

16 **Q: What did you do to form the opinions in your testimony?**

17 A: I reviewed the Application, and Applicant’s responses to OUCC discovery questions. I also  
18 spoke with Mr. Kent Garrison at Mapleturn several times to discuss various financing  
19 issues, cost estimates, and which projects Mapleturn would be willing to finance.

1 **Q: Is this case related to a contemporaneous case for Mapleturn Utilities' Sewer**  
2 **Operations?**

3 A: Yes. Mapleturn Utilities contemporaneously filed rate applications for both its water  
4 (Cause No. 46291-U) and sewer (Cause No. 46292-U) operations. These two cases are  
5 linked, and from a financing lens were viewed as a whole. Since Mapleturn Utilities will  
6 be the borrower and will allocate any funds internally between the water and sewer  
7 operations, any debt authority granted, while assigned to a specific operational entity for  
8 regulatory purposes and determination of rates, will in reality be borrowed by a single  
9 entity.

10 **Q: If your testimony does not address a specific topic, issue, or item, should it be**  
11 **construed to mean you agree with Petitioner's proposal?**

12 A: No. My silence on any issue should not be construed as an endorsement. Excluding any  
13 specific issues regarding Petitioner's proposal from my testimony is not an indication of  
14 approval. Rather, the scope of my testimony is limited to the specific items I addressed.

## II. DEBT AUTHORIZATION

15 **Q: Please describe the debt you propose for Mapleturn Water.**

16 A: As stated above, Mapleturn did not request borrowing authority in its Application.  
17 However, I recommend borrowing authority be granted. Mapleturn has a number of  
18 projects to complete, and financing these projects with debt is the best course of action.  
19 First, it is a best practice to borrow money for long-lived assets for utilities to avoid  
20 intergenerational inequity issues. Second, the only means the rate impact may be kept  
21 within the magnitude contemplated in the Application is to finance these projects.

22 **Q: What projects should be financed in this Cause?**

23 A: I recommend two projects be financed. The first project is Applicant's planned

1 rehabilitation of its water storage tank. The estimated cost for the tank rehabilitation project  
2 is \$331,155, which consists of \$206,455 for the rehabilitation of the tank and \$124,700 for  
3 temporary facilities required to maintain system integrity while the tank is taken offline.  
4 The second project is the installation of new SCADA facilities that totals \$115,000, of  
5 which \$37,500 is for the water operations. The total cost of these two projects is \$368,655  
6 (\$331,155 + \$37,500). OUCC witness Kristen Willoughby discusses the cost and need for  
7 these projects in her testimony.

8 **Q: What is your recommendation for the debt authorization?**

9 A: I recommend a debt authorization of \$400,000. Because the above prices are based on  
10 actual quotes that will expire before the projects begin, I am including an approximate 10%  
11 adder as a timing allowance to account for potential cost changes by the time the contracts  
12 are signed for these projects. However, subject to true-up, the revenue requirement will be  
13 based upon the best estimate of \$368,655.

### **III. DEBT SERVICE REVENUE REQUIREMENT**

14 **Q: What is Mapletown-Water's requested debt service revenue requirement?**

15 A: Applicant did not ask for a debt service or authority to borrow funds. Rather, Mapletown-  
16 Water requested \$77,500 of annual E&R expense to construct a new water tank that would  
17 allow it to maintain service while it rehabilitates its existing water tank. OUCC witness  
18 Kristen Willoughby discusses why this new tank will no longer be needed. <sup>1</sup>

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<sup>1</sup> The Application ("Sch 7 – E&R or Depr" tab) shows a \$387,500 total over five years, which was the anticipated cost of the new tower. The life of rates on the Application ("Instructions" tab) shows a three year life of rates, but per the initial application, Mapletown could not have completed this tank until the end of year five, if the price hadn't changed, and would not have been able to complete the maintenance on the existing tank or the SCADA project, which we are proposing to finance here.

1 **Q: What are the advantages of debt financing these projects?**

2 A: First, it provides timing advantages. If Mapletown - Water would have to collect the cash it  
3 needs to complete the projects through an E&R revenue requirement, it would be five years  
4 before the funds were collected and these projects would be able to commence, and this  
5 assumes current price estimates would still be accurate at that time. Borrowing the funds  
6 allows for immediate commencement of these projects. Second, it better supports  
7 intergenerational equity to pay for these significant projects over a period more aligned  
8 with the useful life of these assets. Third, it reduces the current cash requirements (and  
9 hence the revenue requirement) to allow for more projects to be completed. This supports  
10 affordability for ratepayers while supporting the necessary projects, and ensuring that the  
11 utility has the proper financial basis to maintain sound operations. From an accounting  
12 perspective the temporary facilities will be considered a cost of the project (similar to the  
13 engineering cost or other non-material costs). It is therefore reasonable and appropriate to  
14 borrow these funds.

15 **Q: What terms do you recommend for the financing?**

16 A: Mapletown has informally contacted its bank to get preliminary terms. These are interest  
17 rates of approximately 7.0%, and a term of 20 years. In case interest rates rise, I  
18 recommend using a 7.5% interest rate for calculation of the forecasted cost of the debt.  
19 This borrowing will be subject to a true-up, so the actual interest rate and term will be  
20 incorporated into final rates after certainty is achieved. However, as a forecast, these terms  
21 are reasonable.

22 **Q: What is the cost of this debt?**

23 A: The annual revenue requirement for this debt is \$36,162.18.

1 **Q: What debt service revenue requirement do you recommend?**

2 A: I recommend a debt service revenue requirement of \$36,165.00, subject to a true-up and  
3 other considerations depending on the timing of the debt issuance discussed in the true-up  
4 section of my testimony.

5 **Q: Is there a debt service reserve revenue requirement?**

6 A: No.

#### IV. TRUE-UP

7 **Q: Should Applicant be required to true-up its proposed annual debt service once the**  
8 **interest rates and actual borrowing amount on its proposed debt are known?**

9 A: Yes. The precise interest rates, borrowing amount and annual debt service will not be  
10 known until Applicant's debt has been issued. Therefore, Applicant's rates should be trued-  
11 up to reflect the actual cost of the debt. Applicant shall file a report within thirty (30) days  
12 of closing its debt issuance explaining the terms of the new loan and the actual balance  
13 borrowed. The report should include a revised tariff, amortization schedule (or the loan  
14 document showing the payments required) and a calculation of the rate impact in a form  
15 similar to the OUCC's schedules to the best of the Applicant's ability. Collection of  
16 revenues for the debt will be immediate with the implementation of rates authorized by the  
17 order in this Cause. However, the debt may not be issued promptly, and this would cause  
18 a misalignment of costs with revenues. Therefore, if new debt is not issued within sixty  
19 days of the issuance of the order, an amount of \$3,015.00<sup>2</sup> should be placed in a restricted  
20 account monthly and used to reduce the ultimate borrowing. This account may be a  
21 bookkeeping convention and does not need to be a separate account with a financial

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<sup>2</sup> This is the \$36,162.18 annual cost of debt that I am recommending to be included in rates, presented as a monthly figure (i.e. divided by 12), and including slight rounding for convenience.

1 institution. If the borrowing has not taken place within three years of the final order, the  
2 amount in this restricted fund should be refunded to ratepayers and the tariff adjusted to  
3 remove the debt service revenue requirement.

4 **Q: How should disputes regarding Applicant's true up report be identified?**

5 A: The OUCC should have twenty-one days to challenge Applicant's proposed true-up once  
6 Applicant has provided its proposed true-up to the OUCC. Applicant should similarly have  
7 twenty-one days to file a response to the OUCC. Thereafter, the Commission should  
8 resolve any issue raised through a process it deems appropriate. Any true-up report should  
9 state the time frames for objections or responses.

10 **Q: Should there be any exceptions to the requirement for a true-up?**

11 A: Yes. I propose the true-up need not be implemented if both parties state in writing to the  
12 Commission that the increase or decrease indicated by the report need not occur.

#### V. OUCC RECOMMENDATIONS

13 **Q: Please summarize your recommendations to the Commission in this Cause.**

14 A: I recommend a debt authorization of \$400,000. I recommend an annual debt service revenue  
15 requirement of \$36,165 subject to true-up. I recommend the establishment of a restricted  
16 fund for the placement of \$3,015 monthly until such time as the new debt is issued as discussed  
17 above. Finally, I recommend the true-up process as discussed above be implemented.

18 **Q: What is the overall debt authorization you are recommending for Mapletown Utilities,  
19 inclusive of the Water Operations (Cause No. 46291-U) and the Sewer Operations  
20 (Cause No. 46292-U)?**

21 A: The overall debt authorization should be \$1,075,000, which consists of \$400,000 for the water  
22 operations and \$675,000 for the sewer operations.

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

24 A: Yes.

**APPENDIX A.**

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

2 A: I graduated from Indiana University with a degree in Biology, a minor in Economics and  
3 a certificate from the Liberal Arts and Management Program (LAMP) which is an honors  
4 certificate program through the Kelley School of Business and the College of Arts and  
5 Sciences. I received my MBA from Indiana University with a concentration in finance. I  
6 am a member of Phi Beta Kappa honor society for my undergraduate studies and Beta  
7 Gamma Sigma honor society for my master's program. I have a certificate from Stanford  
8 University for the Energy Innovation and Emerging Technologies Program. I am a certified  
9 rate of return analyst (CRRA designation) from the Society of Utility Regulatory Financial  
10 Analysts. Although not specifically related to my educational background, I am a member  
11 of Mensa.

12 **Q: Please describe your work experience.**

13 A: Upon graduating college, I moved to New York and worked at Grant's Interest Rate  
14 Observer, which is a financial newsletter and Lebenthal and Co., which was a municipal  
15 bond brokerage. I moved back to Indianapolis and worked at RCI Sales in Indianapolis,  
16 which was a manufacturer's representative/distributor in commercial and institutional  
17 construction. I became an owner and ultimately sold the company. I then worked at  
18 Amazon as a financial analyst in its fulfillment division.

19 **Q: How long have you been at the OUCC?**

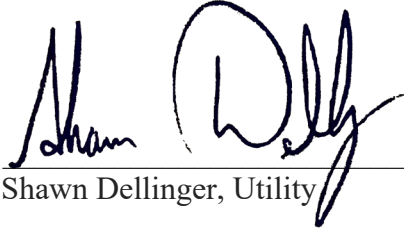
20 A: I started at the OUCC in the Water/Wastewater Division in December 2019 as a Utility  
21 Analyst II and was promoted to a Senior Utility Analyst in May 2022. My focus is financial  
22 issues, such as ROEs, Capital Structures, Debt Issuances, Cost of Debt, etc.

1 **Q: Have you previously testified before the Indiana Utility Regulatory Commission?**

2 A: Yes, I have testified before the Commission regarding various aspects of finance in  
3 multiple cases.

**AFFIRMATION**

I affirm the representations I made in the foregoing testimony are true to the best of my knowledge, information, and belief.

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

By: Shawn Dellinger, Utility

Cause No. 46291-U

Office of Utility Consumer Counselor (OUCC)

Date: January 20, 2026