

FILED
October 6, 2020
INDIANA UTILITY
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF THE TOWN OF CEDAR LAKE,)
LAKE COUNTY, INDIANA, FOR APPROVAL)
TO ADJUST ITS RATES AND CHARGES AND)
ISSUE BONDS)

CAUSE NO. 45367

PUBLIC'S EXHIBIT NO. 4

SETTLEMENT TESTIMONY

OF

THOMAS W. MALAN

ON BEHALF OF

THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

OCTOBER 6, 2020

Respectfully Submitted,



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CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing *Public's Exhibit No. 4 - Settlement Testimony of Thomas W. Malan* has been served upon the following counsel of record in the captioned proceeding by electronic service on October 6, 2020.

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SETTLEMENT TESTIMONY OF OUCC WITNESS THOMAS W. MALAN
CAUSE NO. 45367
TOWN OF CEDAR LAKE

I. INTRODUCTION

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

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

4 **Q: Did you previously file testimony in this proceeding?**

5 A: Yes. My case-in-chief testimony was filed as Public's Exhibit No. 1 and includes
6 my qualifications and experience.

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

8 A: The purpose of my testimony is to support the Stipulation and Settlement
9 Agreement ("Settlement") between the Town of Cedar Lake ("Cedar Lake" or
10 "Petitioner") and the OUCC (collectively the "Settling Parties"). I testify the public
11 interest will be served if the Indiana Utility Regulatory Commission
12 ("Commission") approves the Settlement.

II. SETTLEMENT

13 **Q: What agreement did Cedar Lake and the OUCC reach with respect to Cedar**
14 **Lake's requested increase to its rates and charges?**

15 A: The OUCC and Cedar Lake agreed for purposes of compromise and settlement that
16 Cedar Lake should be authorized to increase rates and charges for water service to
17 reflect an overall *pro forma* net revenue requirement of \$1,473,075 yielding an
18 annual increase of \$192,499, or 15.0% over Cedar Lake's current revenues at

1 existing rates. The OUCC and Cedar Lake reached agreement on all revenue
 2 requirements for Cedar Lake, which agreement is reflected in the accounting
 3 schedules attached as Exhibit A to the Joint Stipulation and Settlement Agreement.

4 **Q: Did the Settling Parties agree to any other terms regarding the rate increase?**

5 A: Yes. The Settling Parties agree the rate increase authorized shall be implemented
 6 in one phase to be effective no sooner than sixty (60) days in advance of the closing
 7 on the proposed bonds.

Table 1: Revenue Requirement Comparison

	PET			Settlement More (Less)	
	OUCC	Rebuttal	Settlement	OUCC	PET
Operating Expenses	\$ 698,574	\$ 833,401	\$ 757,015	\$ 58,441	\$ (76,386)
Taxes other than Income	44,241	49,379	45,994	1,753	(3,385)
Depreciation Expense	170,389	210,571	200,629	30,240	(9,942)
Payment in Lieu of Taxes	4,607	46,030	42,756	38,149	(3,274)
Debt Service					
Current Debt	324,612	324,612	324,612	-	-
Proposed Debt	92,536	92,536	92,536	-	-
Debt Service Reserve	14,641	19,753	19,753	5,112	-
Total Revenue Requirements	1,349,600	1,576,282	1,483,295	133,695	(92,987)
Revenue Requirement Offsets:					
Interest Income	(3,029)	-	-	3,029	-
Other Income	(10,220)	(9,982)	(10,220)	-	(238)
<i>Pro forma</i> Net Revenue Requirements	1,336,351	1,566,300	1,473,075	136,724	(93,225)
Less: Revenues at current rates subject to increase	(1,283,271)	(1,271,762)	(1,283,271)	-	(11,509)
Revenues Not Subject to Increase	-	-	-	-	-
Net Revenue Increase Required	53,080	294,538	189,804	136,724	(104,734)
Divide by Revenue Conversion Factor (100% - 1.4%)	0.986	0.986	0.986	0.986	0.986
Recommended Increase	<u>\$ 53,834</u>	<u>\$ 298,720</u>	<u>\$ 192,499</u>	<u>\$ 138,665</u>	<u>\$ (106,221)</u>
Recommended Percentage Increase	<u>4.20%</u>	<u>23.49%</u>	<u>15.00%</u>	<u>10.80%</u>	<u>-8.49%</u>

A. Operating and Maintenance Expenses, Including Taxes Other than Income

1 **Q: Did the Settling Parties agree to total operating and maintenance expense?**

2 A: Yes. As reflected in Table 1 above, the Settling Parties agreed to *pro forma*
3 operating and maintenance expense of \$757,015 and *pro forma* taxes other than
4 income of \$45,994. The Settling Parties reached a compromise on the following
5 disputed categories: (1) salary and wage expense, including employees benefits,
6 pension expense, and payroll taxes; (2) legal expenses; (3) capital costs; (4) out-of-
7 period expenses; and (5) periodic maintenance.

8 **Q: To what did the Settling Parties agree regarding salary and wage expense?**

9 A: For purposes of settlement, the Settling Parties agreed to the OUCC's exclusion of
10 allocated salary and wage expenses except for two sub-categories. The Settling
11 Parties agreed to the inclusion of 17.8% of Town Council salaries and associated
12 payroll tax expense and all of the proposed 18.0% of the Chief Deputy CPS (Chief
13 Clerk Treasurer) and associated employee benefits, pension expense, and payroll
14 tax expense.

15 **Q: To what did the Settling Parties agree regarding non-allowed, capital, and out-**
16 **of-period expenses?**

17 A: The Settling Parties agreed to exclude \$2,478 of legal expenses, \$10,325 of
18 engineering fees, and \$7,757 of out-of-period expenses.

19 **Q: To what did the Settling Parties agree regarding periodic maintenance**
20 **expense?**

21 A: The OUCC confirmed and agreed test year periodic maintenance costs had not
22 already been included in Petitioner's presentation of test year operating expenses.

1 The Settling parties therefore agreed that *pro forma* periodic maintenance expense
2 should be \$102,725, including \$83,455 for tank painting and maintenance.

B. Depreciation Expense

3 **Q: Did the Settling Parties agree to an amount of depreciation expense?**

4 A: Yes. The Settling Parties agreed that for purposes of settlement, Cedar Lake's
5 revenue requirement shall include \$200,629 of annual depreciation expense. This
6 amount is based on an average depreciation expense for the life of these rates (five
7 years). The first year is based on current depreciation expense of \$160,860 and each
8 subsequent year is based on depreciation expense of \$210,629, which includes an
9 additional \$49,711 for the debt-funded capital projects that have yet to be built.

10 **Q: Please explain how this provision of the Settlement is reasonable.**

11 A: Originally, Cedar Lake requested rates be based on an Extensions and
12 Replacements (E&R) revenue requirement of approximately \$210,000. But in its
13 second supplemental filing, Cedar Lake revised its request to seek depreciation
14 expense instead of E&R. While E&R is usually based on a five-year average of
15 anticipated expenditures, depreciation expense is typically based on total
16 construction cost of utility plant in service at the end of the test year. Therefore, if
17 the Commission does increase rates to reflect new plant built and placed in service
18 *after* rates are in place, it would normally be implemented, if at all, through a second
19 phase. However, Cedar Lake prefers a single-phase increase to eliminate the cost
20 and other potential consequences of having a second phase. For purposes of
21 settlement, and based on the facts of this case including all terms of the settlement,
22 averaging depreciation expense to include the anticipated level of depreciation over

1 five years is an acceptable means in this case of achieving Cedar Lake's goal of
2 recovering depreciation expense for its projects with only one increase.

3 One of the necessary factors to make this provision reasonable is Cedar
4 Lake's commitment to decrease its rates if it falls short of its projected capital costs.
5 The average used for depreciation expense is based on anticipated construction
6 costs incurred for the completion of certain capital improvements. Cedar Lake has
7 agreed to decrease its rates to reflect the actual costs of its capital improvements as
8 of December 31, 2022, if it has not spent the amount used to calculate the average.
9 This provision ensures that Cedar Lake customers are paying rates based on
10 depreciation expense of projects that were completed and that no depreciation for
11 uncompleted projects will be included.

C. Payment in Lieu of Taxation ("PILOT")

12 **Q: In the context of an overall settlement, did the Settling Parties agree to an**
13 **amount of PILOT expense?**

14 **A:** Yes. The Settling Parties have agreed that Cedar Lake's revenue requirement shall
15 include \$42,756 of annual PILOT expense. Similar to the calculation above for
16 depreciation expense, this amount is a five (5) year average of this expense. The
17 first year is based on current PILOT of \$29,659 and each subsequent year is based
18 on PILOT of \$46,030 to reflect the level of anticipated book value of Cedar Lake's
19 UPIS, including the debt-funded capital projects.

20 **Q: Please explain how this provision of the Settlement is reasonable.**

21 **A:** This provision serves the public interest because the first year of PILOT expense is
22 based on Cedar Lake's current capital improvements. The PILOT expense in the

1 four (4) subsequent years is \$46,030 and is based on current capital improvements
2 and proposed capital improvements. If Cedar Lake has not completed the proposed
3 capital improvements necessary to justify the PILOT increase by December 31,
4 2022, Petitioner has agreed in settlement to decrease its rates to reflect an amount
5 of PILOT based on the value of the capital improvements that were completed.
6 This ensures that customers are not paying expenses for capital improvements that
7 have not been completed.

D. Debt Service and Debt Service Reserve

8 **Q: In the context of the overall settlement, did the Settling Parties agree to the**
9 **amount of, and interest on, Bonds?**

10 A: Yes. The Settling Parties agree that Cedar Lake should be authorized to issue
11 Bonds of up to \$3,915,000 at an interest rate not to exceed 5.0%. Further the
12 Settling Parties agree that the annual debt service revenue requirement shall be
13 \$417,148, consisting of \$324,612 of current debt service and \$92,536 of debt
14 service on the new debt issuance.

15 The Settling Parties agree that \$19,753 of annual debt service reserve be
16 included in the revenue requirement. This revenue requirement does not include
17 any prefunding of the debt service reserve account with eastside territory SDC
18 funds as had been proposed by the OUCC. Those funds would remain available
19 for appropriate Eastside SDC costs.

E. Tank Painting and Maintenance Agreement

1 **Q: In the context of an overall settlement, did the Settling Parties agree to any**
2 **additional terms regarding tank painting and maintenance expense?**

3 A: Yes. Cedar Lake represented that it intends to enter into an agreement with Suez
4 for tank painting and tank maintenance. The Settling Parties agree that Cedar Lake
5 shall have funds sufficient to enter into the tank painting and maintenance
6 agreement with Suez. Upon entering into the Suez agreement, Cedar Lake shall
7 advise the OUCC and provide a copy of the executed agreement. The settlement
8 provides that if Cedar Lake fails to enter into an agreement, or if such agreement
9 terminates, Cedar Lake will place \$83,455 in a restricted account each year during
10 the life of the rates and hold such funds in this account until the funds are used for
11 tank painting or tank maintenance expenses.

12 **Q: How is this provision of the settlement in the public interest?**

13 A: These provisions further protect the public's interest by insuring Cedar Lake's
14 assets are maintained and that funds are available to complete needed tank
15 maintenance.

F. System Development Charges ("SDC")

16 **Q: In the context of an overall settlement, did the Settling Parties agree to specific**
17 **treatment of funds from Cedar Lake's current Eastside SDC?**

18 A: Yes. The Settling Parties agree that Cedar Lake will file an SDC case before the
19 Commission on or before September 1, 2021, seeking approval for its eastside
20 territory SDC ("Future SDC Case"). Until the Future SDC Case is filed, Cedar
21 Lake agrees to deposit all SDC's collected from its eastside territory in a restricted

1 account that may only be used for construction costs on utility projects for eastside
2 operations, subject to the Commission's order in the Future SDC Case.

3 **Q: How is this provision of the settlement in the public interest?**

4 A: This provision will protect the new and existing customers in Cedar Lake's eastside
5 district from being overcharged for water services. The Future SDC Case will
6 ensure that customers of Cedar Lake's eastside district are paying a fair and just
7 amount to connect to the system.

G. Filing of True-up Report and Revision of Tariff

8 **Q: In the context of the overall settlement, did the Settling Parties agree to a**
9 **true-up process for the debt issuance?**

10 A: Yes. The Settling Parties agreed that within thirty (30) days of the closing on
11 the issuance of debt, Cedar Lake will file a true-up report to reflect the actual
12 cost of the debt.

13 **Q: In the context of an overall settlement, did the Settling Parties agree to specific**
14 **tariff rates for Cedar Lake?**

15 A: Yes. As presented in Schedule 8 – "Proposed Tariff," the Settling Parties have
16 agreed to single tariff pricing for all customers with regards to metered water rates
17 and minimum charges that produce an overall 15.00% increase in operating
18 revenues

19 **Q: How is this provision of the settlement reasonable and in the public interest?**

20 A: Cedar Lake's current tariff has charges for three separate areas, and depending on
21 a customer's address, they are currently charged one of the three different rates.
22 This provision will eliminate any confusion arising from different rates being
23 charged to customers of the same utility. Furthermore, single tariff pricing for

1 metered water rates and minimum charges will ensure that each customer pays a
2 fair and equitable portion of the utility's expenses.

III. CONCLUSION

3 **Q: Does this settlement resolve all issues raised by the parties to this proceeding**
4 **in their respective testimonies and exhibits?**

5 A: Yes, the settlement resolves all issues in the Cause raised by the parties.

6 **Q: Is this settlement in the public interest?**

7 A: Yes. This settlement is a reasonable compromise between the positions of the
8 OUCC and Cedar Lake and should be approved. The settlement addresses the
9 issues of rate design, debt issuance, and system development charges without the
10 need for litigation, reducing cost for the Petitioner. The settlement also provides
11 certainty of the Petitioner's ability to raise sufficient revenue to pay all lawful
12 expenses incident to the operation of the utility. Also, the ratepayers will receive
13 the benefit of lower than requested rates. Finally, the Settlement was reached with
14 the understanding and specific provision that it is not intended to create precedent.
15 Such agreements permit parties to reach reasonable agreements that lower costs and
16 produce good results without fear that they will be impairing their ability to assert
17 rights or argue positions in other cases. I believe the Settlement and its approval is
18 in the public interest.

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

20 A: Yes

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

**Comparison of Petitioner's and OUCC's
Revenue Requirements**

	<u>Per Petitioner</u>		<u>Per OUCC</u>	<u>Per Rebuttal</u>	<u>Settlement</u>	<u>Sch Ref</u>	<u>Settlement More (Less)</u>	
	<u>Original</u>	<u>Updated (SRF)</u>					<u>OUCC</u>	<u>Rebuttal</u>
Operating Expenses	\$ 935,537	\$ 843,447	\$ 698,574	\$ 833,401	\$ 757,015	4	\$ 58,441	\$ (76,386)
Taxes other than Income	50,600	49,379	44,241	49,379	45,994	4	1,753	(3,385)
Depreciation Expense	210,571	210,571	170,389	210,571	200,629	6	30,240	(9,942)
Payment in Lieu of Taxes	3,340	4,495	4,607	46,030	42,756	7	38,149	(3,274)
Debt Service								
Current Debt	324,612	324,612	324,612	324,612	324,612	PET	-	-
Proposed Debt	126,176	68,574	92,536	92,536	92,536	PET	-	-
Debt Service Reserve	36,200	19,753	14,641	19,753	19,753	PET	5,112	-
Total Revenue Requirements	1,687,036	1,520,831	1,349,600	1,576,282	1,483,295		133,695	(92,987)
Revenue Requirement Offsets:								
Interest Income	-	-	(3,029)	-	-		3,029	-
Other Income	(142,952)	(9,982)	(10,220)	(9,982)	(10,220)	3	-	(238)
<i>Pro forma</i> Net Revenue Requirements	1,544,084	1,510,849	1,336,351	1,566,300	1,473,075		136,724	(93,225)
Less: Revenues at current rates subject to increase	(1,359,028)	(1,271,762)	(1,283,271)	(1,271,762)	(1,283,271)	4	-	(11,509)
Revenues Not Subject to Increase	-	-	-	-	-		-	-
Net Revenue Increase Required	185,056	239,087	53,080	294,538	189,804		136,724	(104,734)
Divide by Revenue Conversion Factor (100% - 1.4%)	0.986	0.986	0.986	0.986	0.986		0.986	0.986
Recommended Increase	<u>\$ 187,684</u>	<u>\$ 242,481</u>	<u>\$ 53,834</u>	<u>\$ 298,720</u>	<u>\$ 192,499</u>		<u>\$ 138,665</u>	<u>\$ (106,221)</u>
Recommended Percentage Increase	<u>13.81%</u>	<u>19.07%</u>	<u>4.20%</u>	<u>23.49%</u>	<u>15.00%</u>		<u>10.80%</u>	<u>-8.49%</u>

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Comparison of Petitioner's and OUCC's
Proposed Rates - Phased-in

			Per Petitioner		Per OUCC	Per Rebuttal	Per Settlement		Settlement More (Less)	
			Original	Updated (SRF)					OUCC	Rebuttal
Current Rate for 5,000 Gallons										
Krystal Oaks	- \$35.00	(a)	\$ 49.55	\$ 51.86	\$ 45.35	\$ 53.79	\$ 50.08	8	\$ 4.73	\$ (3.71)
Robins Nest	- \$25.81	(a)	\$ 49.55	\$ 51.86	\$ 45.35	\$ 53.79	\$ 50.08	8	\$ 4.73	\$ (3.71)
Westside/Eastside	- \$43.55		\$ 49.55	\$ 51.86	\$ 45.35	\$ 53.79	\$ 50.08	8	\$ 4.73	\$ (3.71)
Percent Increase										
Krystal Oaks	- \$35.00	(a)	41.57%	48.17%	29.57%	53.69%	43.09%	8	13.52%	-10.60%
Robins Nest	- \$25.81	(a)	91.98%	100.93%	75.71%	108.41%	94.03%	8	18.32%	-14.38%
Westside/Eastside	- \$43.55		13.78%	19.08%	4.13%	23.51%	14.99%	8	10.86%	-8.52%

			Per Petitioner		Per OUCC	Per Rebuttal	Per Settlement		Settlement More (Less)	
			Original	Updated (SRF)					OUCC	Rebuttal
Current Rate for 2,000 Gallons										
Krystal Oaks	- \$21.00	(a)	\$ 20.31	\$ 21.46	\$ 18.76	\$ 22.26	\$ 20.72	8	\$ 1.96	\$ (1.54)
Robins Nest	- \$21.56	(a)	\$ 20.31	\$ 21.46	\$ 18.76	\$ 22.26	\$ 20.72	8	\$ 1.96	\$ (1.54)
Westside/Eastside	- \$36.04		\$ 20.31	\$ 21.46	\$ 18.76	\$ 22.26	\$ 20.72	8	\$ 1.96	\$ (1.54)
Percent Increase										
Krystal Oaks	- \$21.00		-3.29%	2.19%	-10.67%	6.00%	-1.33%	8	9.34%	-7.33%
Robins Nest	- \$21.36		-4.92%	0.47%	-12.17%	4.21%	-3.00%	8	9.17%	-7.21%
Westside/Eastside	- \$36.04		-43.65%	-40.46%	-47.95%	-38.24%	-42.51%	8	5.44%	-4.27%

(a) Please note the current rates for Krystal Oaks and Robins Nest customers do not include the current monthly fire protection charge of \$0.50. The current fire protection charge is being eliminated and no Cedar Lake customers will be charged a separate fire protection charge once the proposed rates are implemented.

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Reconciliation of Net Operating Income Statement Adjustments
Pro-forma Present Rates

	Per	Per	Per	Settlement More (Less)	
	OUCC	Rebuttal	Settlement	OUCC	Rebuttal
Operating Revenues					
Water Sales					
Test Year Customer Growth	\$ 45,265	\$ 45,265	\$ 45,265	\$ -	\$ -
Single Tariff for all customers	49,339	49,339	49,339	-	-
Post Test Year Customer Growth	90,833	90,833	90,833	-	-
Reduction to Westside Minimum Charge	(87,266)	(87,266)	(87,266)	-	-
Fire Protection	-	-	-	-	-
Total Operating Revenues	<u>98,171</u>	<u>98,171</u>	<u>98,171</u>	<u>-</u>	<u>-</u>
O&M Expense					
Salaries and Wages	108,510	175,669	131,432	22,922	(44,237)
Employee Benefits	48,027	58,276	50,980	2,953	(7,296)
PERF	13,742	17,191	14,629	887	(2,562)
System Delivery (Normalization)	7,763	7,763	7,763	-	-
SBOA Audit	1,450	1,450	1,450	-	-
Non-recurring Contract Services	(115,692)	(115,692)	(115,692)	-	-
Costs that are Capital in Nature	(10,325)	-	(10,325)	-	(10,325)
Out of Period Expenses	(7,757)	-	(7,757)	-	(7,757)
Non-Water Utility Legal Costs	(2,478)	-	(2,478)	-	(2,478)
Periodic Maintenance	71,046	104,457	102,725	31,679	(1,732)
Remove Tap-on Costs	(94,890)	(94,890)	(94,890)	-	-
Rate Case Expense Amortization	40,000	40,000	40,000	-	-
Taxes Other than Income					
Payroll Taxes	8,970	14,108	10,723	1,753	(3,385)
Utilities Receipt Tax	170	170	170	-	-
Total Operating Expenses	<u>68,536</u>	<u>208,502</u>	<u>128,730</u>	<u>60,194</u>	<u>(79,772)</u>
Net Operating Income	<u>\$ 29,635</u>	<u>\$ (110,331)</u>	<u>\$ (30,559)</u>	<u>\$ (60,194)</u>	<u>\$ 79,772</u>

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

COMPARATIVE BALANCE SHEET ^(A)
As of December 31,

<u>ASSETS</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Utility Plant:			
Utility Plant in Service	\$ 5,197,951	\$ 5,006,748	\$ 4,856,357
Less: Accumulated Depreciation	(1,215,283)	(1,114,158)	(1,016,334)
Less: Utility Plant Acquisition Adjustment	(265,648)	(272,043)	(278,438)
Net Utility Plant in Service	3,717,020	3,620,547	3,561,585
Restricted Accounts:			
Debt Service Reserve	315,819	340,323	329,230
Debt Service	199,634	206,477	180,349
Debt Service - 2010B	79,734	76,075	75,338
Depreciation Fund	2	2	2
Water Development Fund	84,346	67,600	55,737
Water Development Fund - Restricted	161,155	131,689	112,933
Total Other Property & Investments	840,690	822,166	753,589
Current Assets:			
Cash and Cash Equivalents	643,057	520,395	345,402
Customer Deposits	23,540	16,844	12,236
Accounts Receivable	2,545	9,274	16
Materials and Supplies	47,586	47,586	47,586
Total Current Assets	716,728	594,099	405,240
Deferred Debits			
Unamortized Debt Discount and Expense	404,298	440,778	477,258
Organization Cost for Utilities, Inc. Acquisition	393,188	393,188	393,188
Organization Cost for Robins Nest Acquisition	254,411	254,411	254,411
Total Deferred Debits	1,051,897	1,088,377	1,124,857
Total Assets	\$ 6,326,335	\$ 6,125,189	\$ 5,845,271

^(A) Information per Cedar Lake IURC Annual Reports.

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

COMPARATIVE BALANCE SHEET ^(A)
As of December 31,

<u>LIABILITIES</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Equity			
Retained Earnings	\$ 2,471,943	\$ 2,045,426	\$ 1,631,766
Paid in Capital			
Total Equity	<u>2,471,943</u>	<u>2,045,426</u>	<u>1,631,766</u>
Contributions in Aid of Construction	559,978	475,854	397,784
Long-term Debt			
2009 SRF Revenue Bonds (3.15%)	412,000	473,500	533,000
2010 Series A SRF Revenue Bonds (2.92%)	1,010,000	1,095,000	1,180,000
2010 Series B Revenue Bonds (4.98%)	340,000	450,000	505,000
2012 SRF Revenue Bonds (2.69%)	1,207,000	1,225,000	1,242,000
Total Long-term Debt	<u>2,969,000</u>	<u>3,243,500</u>	<u>3,460,000</u>
Current & Accrued Liabilities			
Accounts Payable	328	326	177
Notes Payable to Associated Entities	-	46,000	46,000
Customer Deposits	23,540	16,844	12,236
Accrued Taxes	20,797	19,978	22,201
Accrued Interest	51,454	55,166	58,713
Current Portion of Long-term Debt	224,500	216,500	210,000
Other Current Liabilities	<u>320,619</u>	<u>354,814</u>	<u>349,327</u>
Differed Credits			
Unamortized Premium on Debt	4,795	5,595	6,394
Other Current Liabilities	<u>4,795</u>	<u>5,595</u>	<u>6,394</u>
Total Equity & Liabilities	<u>\$ 6,326,335</u>	<u>\$ 6,125,189</u>	<u>\$ 5,845,271</u>

^(A) Information per Cedar Lake IURC Annual Reports.

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

COMPARATIVE INCOME STATEMENT ^(A)
Twelve Months Ended December 31,

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operating Revenues			
Water Sales	\$ 1,179,395	\$ 1,062,816	\$ 989,813
Penalties	5,705	5,544	4,909
Other Water Revenues			
Tap-on Fees	132,970	140,489	103,935
Reconnect Fees	680	800	360
Misc. Receipts	9,540	6,708	6,721
Total Operating Revenues	<u>1,328,290</u>	<u>1,216,357</u>	<u>1,105,738</u>
Operating Expenses			
Salaries and Wages	237,239	247,281	250,089
Employee Benefits	96,407	86,967	72,045
Purchased Power	63,034	53,741	52,800
Chemicals	14,322	10,565	11,573
Materials and Supplies	25,314	5,438	25,789
Contractual Services			
Engineering	29,013	36,368	8,403
Legal	14,390	21,208	20,453
Other	91,458	12,704	6,549
Transportation Expense	11,687	6,245	6,393
Insurance - General Liability	22,073	15,147	20,791
Bad Debt Expense	-	-	-
Rate Case Expense Amortization	-	-	-
Miscellaneous Expense	34,241	42,451	50,854
Total O&M Expense	<u>639,178</u>	<u>538,115</u>	<u>525,739</u>
Depreciation Expense	101,125	97,824	95,325
Amortization Expense	(6,394)	(6,394)	-
Taxes Other than Income			
Payroll Taxes	17,480	18,103	18,528
Utilities Receipt Tax	17,621	17,083	15,860
Sales Tax	-	(2,223)	12,233
	<u>769,010</u>	<u>662,508</u>	<u>667,685</u>
Net Operating Income	559,280	553,849	438,053
Other Income (Expense)			
Interest Income	3,029	3,029	9,425
Interest Expense	(100,112)	(107,538)	(116,029)
Amortization of Debt Discount	(36,480)	(36,480)	(36,480)
Amortization of Debt Premium	800	800	800
Total Other Income (Expense)	<u>(132,763)</u>	<u>(140,189)</u>	<u>(142,284)</u>
Net Income	<u>\$ 426,517</u>	<u>\$ 413,660</u>	<u>\$ 295,769</u>

^(A) Information per Cedar Lake IURC Annual Reports.

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Pro Forma Net Operating Income Statement

	Year Ended 12/31/2019	Adjustments	Sch Ref	Pro forma Present Rates	Adjustments	Sch Ref	Pro forma Proposed Rates
Operating Revenues							
Water Sales	\$ 1,179,395			\$ 1,277,566	\$ 191,643		\$ 1,469,209
Test Year Customer Growth		45,265	PET				
Single Tariff for all customers (Robins Nest and Krystal Oaks)		49,339	PET				
Post Test Year Customer Growth		90,833	PET				
Reduction to Westside Minimum Charge		(87,266)	PET				
Penalties	5,705			5,705	856		6,561
Tap-on Fees	132,970	(132,970)	PET	-			-
Miscellaneous Revenues	10,220			10,220			10,220
Total Operating Revenues	<u>1,328,290</u>	<u>(34,799)</u>		<u>1,293,491</u>	<u>192,499</u>	1	<u>1,485,990</u>
O&M Expense							
Salaries and Wages	237,239	131,432	5-1	368,671			368,671
Employee Benefits	96,407	50,980	5-2	162,016			162,016
PERF Expense		14,629	5-4				
Purchased Power	63,034	6,220	OUCC	64,022			64,022
Out of Period		(5,232)	5-7				
Chemicals	14,322	1,543	OUCC	15,865			15,865
Materials and Supplies	25,314			25,314			25,314
Contractual Services	134,861	(115,692)	PET	107,803			107,803
Legal Services		(2,478)	5-5				
Engineering Services		(10,325)	5-6				
Out of Period - Engineering		(1,288)	5-7				
Periodic Maintenance		102,725	5-8				
Travel & Transportation Expense	11,687			11,687			11,687
Insurance	22,073			22,073			22,073
Bad Debt Expense	-			-			-
Rate Case Expense Amortization	-	40,000	PET	40,000			40,000
Miscellaneous Expense	34,241	1,450	PET	34,454			34,454
Out of Period		(1,237)	5-7				-
Tap-On Cost		(94,890)	PET	(94,890)			(94,890)
Taxes Other than Income							
Payroll Taxes	17,480	10,723	5-3	28,203			28,203
Utilities Receipt Tax	17,621	170	PET	17,791	2,695	Sch 1	20,486
Total Operating Expenses	<u>674,279</u>	<u>128,730</u>		<u>803,009</u>	<u>2,695</u>		<u>805,704</u>
Net Operating Income	<u>\$ 654,011</u>	<u>\$ (163,529)</u>		<u>\$ 490,482</u>	<u>\$ 189,804</u>		<u>\$ 680,286</u>

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

OUCC Expense Adjustments

(1)

Salaries & Wages

To adjust test year salaries and wages for additional utility employees and allocated city employees.

<u>Title</u>	<u>Salary</u>	<u>Allocation (%)</u>	<u>Allocation</u>
Water Utility Superintendent	\$ 54,907.01	100.00%	\$ 54,907
Water Utility Operator	40,946.88	100.00%	40,947
Operations Director	69,652.13	25.00%	17,413
Foreman PW	46,378.18	23.00%	10,667
Foreman	46,378.18	50.00%	23,189
Crew Worker	40,946.88	22.00%	9,008
Crew Worker	40,946.88	22.00%	9,008
Crew Worker	40,946.88	22.00%	9,008
Crew Worker	40,946.88	25.00%	10,237
Crew Worker	40,946.88	33.00%	13,512
Crew Worker	40,946.88	33.00%	13,512
Crew Worker	40,946.88	50.00%	20,473
Crew Worker	40,946.88	33.00%	13,512
Crew Worker	40,946.88	22.00%	9,008
Admin Assistant	37,425.02	23.00%	8,608
Town Administrator	69,652.13	17.50%	12,189
Town Council	84,000.00	17.80%	15,005
Administrative Assistance	37,440.00	17.50%	6,552
PT Administrative Assistance	20,618.00	10.00%	2,062
Clerk-Treasurer	50,141.00	18.00%	9,025
Chief Deputy CPS	43,980.77	18.00%	7,917
Utility Deputy Clerk CMC	38,867.71	33.00%	12,826
Payroll/Benefits Clack	37,424.94	20.00%	7,485
AP Clerk	33,309.12	17.50%	5,829
Town/Utility Billing Clerk	33,309.12	32.00%	10,659
Town/Utility Billing Clerk	33,309.12	32.00%	10,659
AP Clerk	16,770.00	18.00%	3,019
Town/Utility Billing Clerk	7,378.80	33.00%	2,435
			<hr/>
<i>Pro forma Salaries & Wages</i>			\$ 368,671
Less: Test Year Expense			237,239
			<hr/>
		Adjustment Increase (Decrease)	\$ 131,432

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

OUCC Expense Adjustments

(2)

Group Insurance Benefits

To adjust test year group insurance expense for additional utility employees and allocated city employees.

<u>Title</u>	<u>Dental / Life / Disability</u>	<u>Health / Vision</u>	<u>Total</u>	<u>Water %</u>	<u>Annual</u>
Water Utility Superintendent	\$ 128.03	\$ 1,727.44	\$ 1,855.47	100.00%	\$ 22,266
Water Utility Operator	97.53	1,726.94	1,824.47	100.00%	21,894
Operations Director	97.69	1,727.10	1,824.79	25.00%	5,474
Foreman PW	97.53	1,726.94	1,824.47	50.00%	10,947
Crew Worker	39.82	602.27	642.09	22.00%	1,695
Crew Worker	96.43	1,104.61	1,201.04	22.00%	3,171
Crew Worker	95.42	1,724.83	1,820.25	22.00%	4,805
Crew Worker	96.56	1,272.26	1,368.82	25.00%	4,106
Crew Worker	96.56	1,272.26	1,368.82	33.00%	5,421
Crew Worker	12.47	-	12.47	33.00%	49
Crew Worker	96.86	1,726.27	1,823.13	50.00%	10,939
Crew Worker	12.47	-	12.47	33.00%	49
Crew Worker	96.56	1,272.26	1,368.82	22.00%	3,614
Admin Assistant	38.43	600.88	639.31	23.00%	1,764
Town Administrator	98.03	-	98.03	17.50%	206
Administrative Assistance	38.21	600.66	638.87	17.50%	1,342
PT Administrative Assistance	-	-	-	10.00%	-
Clerk-Treasurer	98.03	1,106.21	1,204.24	18.00%	2,601
Chief Deputy CPS	95.81	1,271.51	1,367.32	18.00%	2,953
Utility Deputy Clerk CMC	96.13	1,271.83	1,367.96	33.00%	5,417
Payroll/Benefits Clack	-	-	-	20.00%	-
AP Clerk	-	-	-	18.00%	-
Town/Utility Billing Clerk	93.60	1,269.30	1,362.90	32.00%	5,234
Town/Utility Billing Clerk	94.66	1,724.07	1,818.73	32.00%	6,984
AP Clerk	-	-	-	18.00%	-
Town/Utility Billing Clerk	-	-	-	33.00%	-
<i>Pro forma Salaries & Wages</i>					\$ 120,931
Less: Test Year Expense					69,951

Adjustment Increase (Decrease)

\$ 50,980

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

OUCC Expense Adjustments

(3)

Payroll Taxes

To adjust test year payroll tax expense for additional allocated employees additional utility employees and allocated city employees.

<i>Pro forma</i> Salaries & Wages Expense	\$ 368,671
Multiply by 7.65% (FICA & Medicare Rate)	<u>7.65%</u>
<i>Pro forma</i> FICA/Medicare	28,203
Less: Test Year Expense	<u>17,480</u>

Adjustment Increase (Decrease) \$ 10,723

(4)

PERF

To adjust test year PERF expense for additional utility employees and allocated city employees.

<i>Pro forma</i> Salaries & Wages Expense (w/o Council)	\$ 353,666
Cedar Lake PERF Rate (11.2%)	<u>11.20%</u>
<i>Pro forma</i> PERF Expense	39,611
Less: Test Year Expense	<u>24,982</u>

Adjustment Increase (Decrease) \$ 14,629

(5)

Legal Services

Adjustment to remove legal invoices allocated from the Town of Cedar Lake that do not pertain to the water department.

<u>Invoice #</u>	<u>Invoice Date</u>	<u>Vendor</u>	<u>Total Invoice</u>	<u>Water Portion</u>	<u>% Allocated</u>
81293	01.09.19	Austgen Kuiper Jasaitis P.C.	\$ 6,793	\$ 340	5%
81605	02.11.19	Austgen Kuiper Jasaitis P.C.	9,865	493	5%
81904	03.12.19	Austgen Kuiper Jasaitis P.C.	5,711	571	10%
82194	04.11.19	Austgen Kuiper Jasaitis P.C.	4,992	499	10%
82443	05.07.19	Austgen Kuiper Jasaitis P.C.	5,751	575	10%
				<u>\$ 2,478</u>	

Adjustment Increase (Decrease) \$ (2,478)

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

OUCC Expense Adjustments

(6)
Capital Costs

Adjustment to remove Engineering invoices that are capital in nature.

<u>Invoice #</u>	<u>Invoice Date</u>	<u>Vendor</u>	<u>Amount</u>
19-568-00-2	12/5/2019	Nies Engineering, Inc.	\$ 5,483.22
19-568-00-1	10/31/2019	Nies Engineering, Inc.	1,890.00
50-829-00-136	12/5/2019	Nies Engineering, Inc.	1,087.00
50-829-00-131	6/26/2019	Nies Engineering, Inc.	700.00
50-830-00-71	5/30/2019	Nies Engineering, Inc.	420.00
50-830-00.74	9/11/2019	Nies Engineering, Inc.	325.00
50-829-00-133	9/11/2019	Nies Engineering, Inc.	280.00
50-829-00-134	9/26/2019	Nies Engineering, Inc.	140.00
			<u>\$ 10,325.22</u>

Adjustment Increase (Decrease)

\$ (10,325)

(7)
Out Of Period

Adjustment to remove invoices that were incurred outside of the test year

<u>Invoice #</u>	<u>Invoice Date</u>	<u>Vendor</u>	<u>Amount</u>	
50-830-00-66	1/7/2019	Nies Engineering, Inc.	\$ 483.00	Engineering
194-115-006-6	12/26/2018	NIPSCO	5,232.50	Purchased Power
20302	12/21/2018	Zies & Sons Excavating	805.00	Engineering
91677	1/2/2019	Universal Lighting of Am	1,236.82	Miscellaneous Exp
			<u>\$ 7,757.32</u>	

Adjustment Increase (Decrease)

\$ (7,757)

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

OUCC Expense Adjustments

(8)

Periodic Maintenance

To increase test year operating expenses to reflect annual periodic maintenance.

Description	Cost	Amort. Period	<u>Annual</u> <u>Amount</u>	<u>Total</u> <u>Expense -</u> <u>6 Years</u>
Parrish elevated tank maint contract	\$ 55,637	1	\$ 55,637	\$ 333,822
3,000 gallon tank - blast and epoxy coat internal	18,000	15	1,200	7,200
3,000 gallon tank - external paint	2,000	15	133	798
3,000 gallon tank - inspection	3,000	5	600	3,600
3,000 gallon tank - ports	1,200	20	60	360
Parrish Omnisite alarm fees/maint	756	3	252	1,512
Parrish Omnisite alarm warranty	165	1	165	990
Parrish PS - external paint	2,000	20	100	600
Parrish PS - roof maint	8,000	40	200	1,200
Parrish Well 1 - insp & clean	16,000	15	1,067	6,402
Parrish Well 2 - insp & clean	16,000	15	1,067	6,402
15,000 gallon tank - blast and epoxy coat internal	25,000	15	1,667	10,002
15,000 gallon tank - external paint	2,000	15	133	798
15,000 gallon tank - ports	12,000	20	600	3,600
15,000 gallon tank - inspection	3,000	5	600	3,600
Havenwood PS - roof maint	15,000	40	375	2,250
Havenwood PS - siding	10,000	20	500	3,000
Havenwood Omnisite alarm fees/maint	756	3	252	1,512
Havenwood Omnisite alarm warranty	165	1	165	990
Havenwood Well 1 - insp & clean	16,000	15	1,067	6,402
Havenwood Well 2 - insp & clean	16,000	15	1,067	6,402
RN 60,000 clear well, power wash, drain	7,500	10	750	4,500
Robin Nest Omnisite alarm fees/maint	756	3	252	1,512
Robin Nest Omnisite alarm warranty	165	1	165	990
Robin Nest Well 1 - insp & clean	16,000	15	1,067	6,402
Robin Nest Well 2 - insp & clean	16,000	15	1,067	6,402
GIS mapping - interns	2,500	1	2,500	15,000
GIS mapping - renew software license	1,000	1	1,000	6,000
Maint - 2012 van	600	1	600	3,600
Maint - 2014 van	600	1	600	3,600
New elevated tank maint contract	55,637	1	55,637	166,911
Total Periodic Maintenance Expense for 6 Year Period				\$ 616,359
David by: 6 Years				6
<i>Pro form</i> a Annual Periodic Maintenance Expense				102,725
Less: Test Year Periodic Maintenance				-
Adjustment Increase (Decrease)				\$ 102,725

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Depreciation Expense

	<u>Test Year</u>	<u>Debt Funded UPIS</u>	<u>Phase 2</u>
Franchises	\$ 210	\$ -	\$ 210
Land & Land Rights	34,500	84,150	118,650
All Other Depreciable UPIS	<u>8,008,312</u>	<u>3,830,850</u>	<u>11,839,162</u>
Total Utility Plant In Service	8,043,022	3,915,000	11,958,022
Times: Composite Depreciation Rate	2.00%		2.00%
Calculated Depreciation Expense	<u>\$ 160,860</u>		<u>\$ 239,160</u>

Requested Depreciation Expense

\$ 210,571

<u>Five-year Average:</u>	1st Year	\$ 160,860
	2nd Year	210,571
	3rd Year	210,571
	4th Year	210,571
	5th Year	<u>210,571</u>
		1,003,144
	Divide by 5 Years	5
	Five-year Average PILT	<u>\$ 200,629</u>

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Payment In Lieu of Property Taxes

	<u>Test Year</u>	<u>Additional Depreciation</u>	<u>Debt Funded UPIS</u>	<u>Phase 2</u>
Franchises	\$ 210		\$ -	\$ 210
Land & Land Rights	34,500		84,150	118,650
All Other Depreciable UPIS	8,008,312		3,830,850	11,839,162
Total Utility Plant In Service	8,043,022	-	3,915,000	11,958,022
Less: 2019 Accumulated Depreciation	(1,215,283)			(1,215,283)
Depreciation on Contributed Plant (Per Petitioner)	(25,125)			(25,125)
2020 Depreciation Expense (2% x Depreciable UPIS)	-	(160,166)		(160,166)
Net Utility Plant in Service	6,802,614	(160,166)	3,915,000	10,557,448
Multiple: Town of Cedar Lake Corporate Tax Rate	0.4360%			0.4360%
<i>Pro Forma</i> Payment In Lieu of Property Taxes	<u>\$ 29,659</u>			<u>\$ 46,030</u>
<u>Five-year Average:</u>				
1st Year				\$ 29,659
2nd Year				46,030
3rd Year				46,030
4th Year				46,030
5th Year				46,030
				<u>213,779</u>
Divide by 5 Years				5
Five-year Average PILT				<u>\$ 42,756</u>

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Current and Proposed Rates and Charges

	<u>Current</u>	<u>Petitioner Proposed (Updated)</u>	<u>OUCC Proposed (Phase 2)</u>	<u>Petitioner Rebuttal</u>	<u>Settlement</u>	<u>Settlement More (Less)</u>	
						<u>OUCC</u>	<u>Rebuttal</u>
Krystal Oaks Rates							
Metered Water Rates per 1,000 Gallons							
All consumption	\$ 7.00						
First 4,000 Gallons		\$ 10.73	\$ 9.38	\$ 11.13	\$ 10.36	\$ 0.98	\$ (0.77)
Next 4,000 Gallons		8.94	7.83	9.27	8.64	0.81	(0.63)
Next 4,000 Gallons		7.33	6.42	7.61	7.08	0.66	(0.53)
Next 4,000 Gallons		6.08	5.33	6.31	5.88	0.55	(0.43)
Next 4,000 Gallons		5.18	4.53	5.37	5.00	0.47	(0.37)
Nest 20,000 Gallons		4.30	3.76	4.46	4.15	0.39	(0.31)
All Consumption Over 40,000 Gallons		1.79	1.56	1.85	1.73	0.17	(0.12)
Minimum Charge							
5/8" Meter (3,000 Gallons)	\$ 21.00						
5/8" Meter (2,000 Gallons)		\$ 21.46	\$ 18.76	\$ 22.26	\$ 20.72	\$ 1.96	\$ (1.54)
1" Meter (10,000 Gallons)	70.00	93.35	81.68	96.82	90.16	8.48	(6.66)
1.5" Meter (20,000 Gallons)	140.00	153.08	133.96	158.76	147.84	13.88	(10.92)
2" Meter (32,000 Gallons)	224.00	204.66	179.08	212.25	197.64	18.56	(14.61)
3" Meter (60,000 Gallons)	420.00	274.77	240.36	284.97	265.44	25.08	(19.53)
4" Meter (100,000 Gallons)	700.00	346.21	302.76	359.06	334.64	31.88	(24.42)
6" Meter (200,000 Gallons)	1,400.00	524.81	458.76	544.29	507.64	48.88	(36.65)
Monthly Fire Hydrant Fee	\$ 0.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Current and Proposed Rates and Charges

	<u>Current</u>	<u>Petitioner Proposed (Updated)</u>	<u>OUCC Proposed (Phase 2)</u>	<u>Petitioner Rebuttal</u>	<u>Settlement</u>	<u>Settlement More (Less)</u>	
						<u>OUCC</u>	<u>Rebuttal</u>
Robins Nest							
Metered Water Rates per 1,000 Gallons							
First 4,000 Gallons	5.34	\$ 10.73	\$ 9.38	\$ 11.13	\$ 10.36	\$ 0.98	\$ (0.77)
Next 4,000 Gallons	4.45	8.94	7.83	9.27	8.64	0.81	(0.63)
Next 4,000 Gallons	3.65	7.33	6.42	7.61	7.08	0.66	(0.53)
Next 4,000 Gallons	3.03	6.08	5.33	6.31	5.88	0.55	(0.43)
Next 4,000 Gallons	2.58	5.18	4.53	5.37	5.00	0.47	(0.37)
Nest 20,000 Gallons	2.14	4.30	3.76	4.46	4.15	0.39	(0.31)
All Consumption Over 40,000 Gallon	0.89	1.79	1.56	1.85	1.73	0.17	(0.12)
Minimum Charge							
5/8" Meter (4,000 Gallons)	\$ 21.36						
5/8" Meter (2,000 Gallons)		\$ 21.46	\$ 18.76	\$ 22.26	\$ 20.72	\$ 1.96	\$ (1.54)
1" Meter (10,000 Gallons)	46.46	93.35	81.68	96.82	90.16	8.48	(6.66)
1.5" Meter (20,000 Gallons)	76.20	153.08	133.96	158.76	147.84	13.88	(10.92)
2" Meter (32,000 Gallons)	101.88	204.66	179.08	212.25	197.64	18.56	(14.61)
3" Meter (60,000 Gallons)	136.80	274.77	240.36	284.97	265.44	25.08	(19.53)
4" Meter (100,000 Gallons)	172.40	346.21	302.76	359.06	334.64	31.88	(24.42)
6" Meter (200,000 Gallons)	261.40	524.81	458.76	544.29	507.64	48.88	(36.65)
Monthly Fire Hydrant Fee	\$ 0.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Current and Proposed Rates and Charges

	<u>Current</u>	<u>Petitioner Proposed (Updated)</u>	<u>OUCC Proposed (Phase 2)</u>	<u>Petitioner Rebuttal</u>	<u>Settlement</u>	<u>Settlement More (Less)</u>	
						<u>OUCC</u>	<u>Rebuttal</u>
Westside/Eastside							
Metered Water Rates per 1,000 Gallons							
First 4,000 Gallons	\$ 9.01	\$ 10.73	\$ 9.38	\$ 11.13	\$ 10.36	\$ 0.98	\$ (0.77)
Next 4,000 Gallons	7.51	8.94	7.83	9.27	8.64	0.81	(0.63)
Next 4,000 Gallons	6.16	7.33	6.42	7.61	7.08	0.66	(0.53)
Next 4,000 Gallons	5.11	6.08	5.33	6.31	5.88	0.55	(0.43)
Next 4,000 Gallons	4.35	5.18	4.53	5.37	5.00	0.47	(0.37)
Nest 20,000 Gallons	3.61	4.30	3.76	4.46	4.15	0.39	(0.31)
All Consumption Over 40,000 Gallon	1.50	1.79	1.56	1.85	1.73	0.17	(0.12)
Minimum Charge							
5/8" Meter (4,000 Gallons)	\$ 36.04						
5/8" Meter (2,000 Gallons)		\$ 21.46	\$ 18.76	\$ 22.26	\$ 20.72	\$ 1.96	\$ (1.54)
1" Meter (10,000 Gallons)	78.40	93.35	81.68	96.82	90.16	8.48	(6.66)
1.5" Meter (20,000 Gallons)	128.56	153.08	133.96	158.76	147.84	13.88	(10.92)
2" Meter (32,000 Gallons)	171.88	204.66	179.08	212.25	197.64	18.56	(14.61)
3" Meter (60,000 Gallons)	230.76	274.77	240.36	284.97	265.44	25.08	(19.53)
4" Meter (100,000 Gallons)	290.76	346.21	302.76	359.06	334.64	31.88	(24.42)
6" Meter (200,000 Gallons)	440.76	524.81	458.76	544.29	507.64	48.88	(36.65)