

BEFORE THE
INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF CITIZENS WASTEWATER)
OF WESTFIELD, LLC FOR (1) AUTHORITY TO)
INCREASE RATES AND CHARGES FOR)
WASTEWATER UTILITY SERVICE AND)
APPROVAL OF A NEW SCHEDULE OF RATES AND) CAUSE NO. 44835
CHARGES; AND (2) APPROVAL OF CERTAIN)
REVISIONS TO ITS TERMS AND CONDITIONS)
APPLICABLE TO WASTEWATER UTILITY)
SERVICE)

VERIFIED REBUTTAL TESTIMONY AND ATTACHMENTS OF

SABINE E. KARNER

On
Behalf of
Petitioner,
Citizens Wastewater of Westfield

ORIGINAL
EXHIBIT 9

Petitioner's Exhibit 9

IURC
PETITIONER'S 9
EXHIBIT NO. 3-13-17
DATE REPORTER

| Description | Exhibit/ Attachment |
|---|------------------------|
| Verified Rebuttal Testimony of Sabine E. Karner | 9 |
| Compliance Filing in Cause No. 44273 | SEK-R1 |
| Follow-up Question Regarding Compliance Filing in Cause No. 44273 | SEK-R2 |
| Rate Base and Return | SEK-R3 |

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

| | | |
|---|---|------------------------|
| VERIFIED PETITION OF CITIZENS |) | |
| WASTEWATER OF WESTFIELD, LLC FOR (1) |) | |
| AUTHORITY TO INCREASE RATES AND |) | |
| CHARGES FOR WASTEWATER UTILITY |) | |
| SERVICE AND APPROVAL OF A NEW |) | |
| SCHEDULE OF RATES AND CHARGES; AND |) | |
| (2) APPROVAL OF CERTAIN REVISIONS TO |) | CAUSE NO. 44835 |
| ITS TERMS AND CONDITIONS APPLICABLE |) | |
| TO WASTEWATER UTILITY SERVICE |) | |
| |) | |
| |) | |
| |) | |
| |) | |
| |) | |
| |) | |

VERIFIED REBUTTAL TESTIMONY
of
SABINE E. KARNER

On Behalf of Petitioner,
Citizens Wastewater of Westfield

Petitioner's Exhibit 9

I. INTRODUCTION AND BACKGROUND

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Sabine E. Karner. My business address is 2020 North Meridian Street, Indianapolis, Indiana.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis (the "Board"), which does business as Citizens Energy Group ("Citizens Energy Group"). I currently serve as Vice President and Controller.

Q. ARE YOU THE SAME SABINE E. KARNER WHO PREVIOUSLY SUBMITTED DIRECT TESTIMONY IN THIS PROCEEDING?

A. Yes, I am.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to respond to certain arguments presented by the Indiana Office of Utility Consumer Counselor ("OUCC") relating to rate base and proposed adjustments to operating expenses. Failure to address other aspects of the OUCC's testimony, however, does not constitute my agreement with such aspects.

1 **II. RATE BASE**

2 **Q. DID THE OUCC REMARK ON YOUR PRESENTATION OF RATE BASE?**

3 A. Yes. The OUCC's witness Ms. Stull complained of difficulties she encountered in
4 conducting her review and analysis because Petitioner's rate base was not presented in a
5 manner she would have preferred.

6 **Q. DO YOU AGREE THAT THERE WERE SHORTCOMINGS IN THE**
7 **PRESENTATION OF RATE BASE?**

8 A. No. In my view, Petitioner's presentation of rate base used the most straight-forward
9 approach, considering its multiple components. As a result of stipulations agreed to by
10 the OUCC in the acquisition case (Cause No. 44273), Petitioner's rate base does not
11 equal original cost for all plant in service. Rather, in the Order in Cause No. 44273, the
12 Commission approved negotiated rate base amounts for utility property through
13 December 31, 2011 (also referred to as pre-2012 property). My presentation of rate base
14 followed the provisions of the settlement agreement and that Order. If Ms. Stull desired a
15 comparison of that rate base to the actual original cost of Petitioner's utility plant in
16 service, a simple and short review of my workpapers would have sufficed. However, as I
17 describe later on, I believe it is a meaningless comparison.

18 **Q. THE OUCC PROVIDED A TABLE OF ORIGINAL COST RATE BASE. IS THE**
19 **INFORMATION CONTAINED IN THIS TABLE ACCURATE?**

20 A. The information contained in the OUCC's table is inaccurate and obfuscates the case.
21 What should have been simple was made unnecessarily complicated by Ms. Stull.
22 Moreover, the OUCC's version of rate base is contrary to the terms of the settlement
23 agreement and Order in Cause No. 44273.

1 Q. WERE YOU A WITNESS IN CAUSE NO. 44273?

2 A. No. My knowledge of the case is derived from the Order, Settlement Agreement, and
3 other incidental filings available on the IURC's document search portal.

4 Q. PLEASE EXPLAIN HOW THE OUCC'S PROPOSED RATE BASE IS
5 CONTRARY TO THE SETTLEMENT AGREEMENT IN CAUSE NO. 44273.

6 A. The Order and Settlement Agreement in Cause No. 44273 were clear that the parties were
7 not in agreement on net original cost of utility plant, and that the settlement agreement
8 was a compromise, as evidenced in the following excerpts (emphases added):

9 Order, page 14

10 "The Settling Parties explained that sufficient evidence exists to support
11 the parties' positions, but the agreed-upon net **original cost values were**
12 **negotiated for the purpose of reaching a settlement** on all issues in
13 controversy and are supported by the entirety of the evidence presented in
14 this proceeding."

15 Settlement Agreement, paragraph A1

16 "The Settling Parties stipulate and agree that the **net original cost** of
17 Utility Plant that will be conveyed to [...] Citizens Wastewater of
18 Westfield [...], as it existed as of December 31, 2011, [...] **is deemed to**
19 **be [...]** \$30,530,000 for the wastewater utility net of contributions of plant
20 or cash (contributions-in-aid of construction or "CIAC") and net of
21 accumulated depreciation. The foregoing stipulation is for purposes of this
22 Settlement Agreement and **for ratemaking purposes in the future**. The
23 Settling Parties further agree that the foregoing stipulation will not
24 constitute an acceptance by any party of any other party's methodology
25 for defining and accounting of items as contributions-in-aid of
26 construction or contributed property. The Settling Parties further agree that
27 no determination will be made in this proceeding regarding whether [...]
28 Citizens Wastewater of Westfield's contributions-in-aid of construction
29 ("CIAC") should be amortized or how any such amortization would affect
30 ratemaking."

31 In addition, the Settling Parties provided the following responses to the Commission's
32 docket entry questions issued on October 25, 2013:

1 Question 2: "Please provide the individual rate base components and
2 associated amounts that total the net original cost of Utility Plant for the
3 [...] wastewater system of \$30,530,000 and explain how they were
4 determined."

5 Response 2: "[...] **the parties did not agree on individual rate base**
6 **components.** [...] The Settling Parties did not reach agreement as to any
7 particular finding or value with respect to CIAC, but simply agreed on a
8 net original cost value for the purpose of reaching settlement on all issues
9 in controversy."

10 Question 1: "Please provide a detailed explanation of how the agreed upon
11 fair value increments (i.e., [...] \$17,040,000 for Citizens Wastewater)
12 were determined."

13 Response 1: "The individual provisions of the Settlement Agreement,
14 including the fair value increments, were not negotiated in isolation from
15 one another. [...] **The agreed fair value increments will result in rate**
16 **base determinations that are within the ranges set forth in evidence.**
17 [...] Citizens Joint Petitioners would state that the fair value increments
18 were derived through negotiations that when combined with the
19 stipulations regarding the net original cost of Utility Plant as of December
20 31, 2011 will provide the Citizens Joint Petitioners an opportunity to earn
21 a fair return on the utility plant that existed as of December 31, 2011 at
22 levels agreed to by the Settling Parties as in the public interest."

23 **Q. DID PETITIONER SUBMIT A REPORT OF PLANT CONVEYED THAT**
24 **EXISTED AS OF DECEMBER 31, 2011?**

25 A. Yes. In compliance with the Order in Cause No. 44273, Petitioner filed reports listing
26 Utility Plant conveyed by the City of Westfield that existed as of December 31, 2011.
27 The reports were presented in final form in a revised filing made on October 28, 2015;
28 Attachment SEK-R1 provides the pages of this filing that pertain to the wastewater
29 assets. The reports detailed by asset the original cost, accumulated depreciation, and
30 contributed plant conveyed.

31 **Q. WAS THE OUCC IN A POSITION TO BE AWARE OF THE REPORT AT THE**
32 **TIME IT WAS FILED?**

1 A. Yes, at the time the revised compliance filing was made, a copy was served to the OUCC
2 by electronic mail. It also was posted to and available on the IURC's document portal
3 under Cause No. 44273. The original compliance filing also was served to the OUCC at
4 the time it was made, and Ms. Stull was copied by Commission staff on an e-mail thread
5 to address questions that arose as a result of the original compliance filing (Attachment
6 SEK-R2).

7 **Q. PLEASE DESCRIBE THE ERRORS IN MS. STULL'S INTERPRETATION OF**
8 **RATE BASE.**

9 A. First, she presents the OUCC's view of original cost rate base at December 31, 2011 as
10 \$78,581,660, an amount that is not supported by the compliance filing I described above
11 which shows an amount that is \$1.2 million higher. It appears she simply recycled her
12 testimony from Cause No. 44273, ignoring the fact that both Petitioner and the City of
13 Westfield presented extensive evidence, including testimony from two certified public
14 accountants licensed in Indiana and another expert witness with over 40 years of
15 municipal and investor-owned water and wastewater utility rate consulting experience,
16 disagreeing with Ms. Stull's testimony and in particular her conclusions regarding the
17 amount of CIAC that should have been recorded by the City of Westfield. Ms. Stull's
18 testimony also disregards Petitioner's actual books and records and compliance filings
19 made listing the wastewater utility assets actually conveyed from the City of Westfield to
20 Petitioner. This error of recycling her testimony from Cause No. 44273 without regard to
21 the extensive evidence presented in that proceeding contesting her conclusions or the
22 actual books and records repeats itself in her interpretation of Accumulated Depreciation

1 and Contributions in Aid of Construction ("CIAC"), so I will not point it out again
2 separately.

3 Second, she subtracts the lagoon option from original cost rate base. While it is
4 true that Petitioner did not acquire the lagoon, it is inappropriate to deduct the amount
5 from the actual original cost basis since the actual original cost as recorded by Petitioner
6 is already exclusive of the lagoon.

7 Third, Ms. Stull arrives at the wrong amount of plant additions since January 1,
8 2012 by subtracting her erroneous December 31, 2011 balance from the balance as of the
9 end of the test year. Furthermore, she unnecessarily complicates her presentation by
10 attempting to split post-2011 plant into a "Westfield" period and a "Petitioner" period.
11 This is superfluous and meaningless. Petitioner owns all plant: it is irrelevant under
12 which ownership it was originally put in service.

13 **Q. PLEASE ELABORATE FURTHER ON THE PROBLEMS IN MS. STULL'S**
14 **PRESENTATION OF RATE BASE.**

15 A. Twice in her testimony¹, Ms. Stull refers to pre-2012 CIAC balances as "identified in
16 Cause No. 44273." She fails to complete the sentence by adding "by me in my
17 testimony". This is germane because there was no agreement between the parties in
18 Cause No. 44273 as to the amount of CIAC as of December 31, 2011. In fact, the
19 significant disagreement on this topic brought about the settlement on negotiated net
20 original cost plus the fair value increment which, when combined, approximated rate base

¹ Public's Exhibit No. 1, page 20, line 5 and page 26, line 5.

1 “within the ranges set forth in evidence”². As a reminder, the Order in Cause No. 44273
2 specifically states “sufficient evidence exists to support the parties’ positions, but the
3 agreed-upon net original cost values were negotiated for the purpose of reaching a
4 settlement on all issues in controversy”. Net original cost was defined in paragraph A1 of
5 the Settlement Agreement as “net of contributions of plant or cash” and “net of
6 accumulated depreciation”. Further, the joint response of the Settling Parties to the
7 Commission’s questions makes clear that Petitioner and the OUCC “did not agree on
8 individual rate base components” and “did not reach agreement as to any particular
9 finding or value with respect to CIAC. . . .”

10 **Q. MS. STULL CONTENDS THAT RATE BASE SHOULD BE EXCLUSIVE OF**
11 **THE ACCUMULATED DEPRECIATION OF CIAC RECORDED IF THE**
12 **UTILITY INTENDS TO RECOVER DEPRECIATION EXPENSE ON THE**
13 **CONTRIBUTED PROPERTY. DO YOU AGREE?**

14 **A.** I agree that for post-2011 plant, accumulated depreciation should not be added back to
15 rate base, in keeping with what appears to be the generally accepted practice in Indiana
16 for calculating rate base when depreciation expense on contributed property is included in
17 the revenue requirement. The amount for post-2011 plant presented in Attachment SEK-4
18 to my case-in-chief testimony has been revised accordingly and provided as Attachment
19 SEK-R3. I want to stress that this approach can only be appropriate for rate base that is
20 calculated in a conventional manner. In the case of Petitioner, this means all post-2011
21 rate base. It would be impossible to apply this methodology to Petitioner’s pre-2012 rate

² Excerpt of Response 1 to Commission docket entry questions issued in Cause No. 44273.

EXHIBIT A

Verified Rebuttal Testimony of Sabine E. Karner
Petitioner's Exhibit 9
Citizens Wastewater of Westfield
Page No. 8 of 26

1 base, because that rate base is a negotiated amount that is divorced from the actual
2 amount of pre-2012 utility plant in service, CIAC and accumulated depreciation recorded
3 on Petitioner's books and records. I explain this in more detail below.

4 **Q. IS IT POSSIBLE TO PREPARE A SCHEDULE OF PETITIONER'S RATE BASE**
5 **THAT SHOWS ORIGINAL COST FOR ALL COMPONENTS AND ALL**
6 **PROPERTY?**

7 A. In my opinion, no. The reason is that a significant portion of Petitioner's rate base is
8 based on a negotiated net amount and not original cost. The parties agreed that the
9 stipulated amount of \$30,530,000 for pre-2012 rate base is already net of accumulated
10 depreciation and net of contributed property. The parties did not agree on the individual
11 components; they agreed only on that net number. Thus, it would be akin to continuous
12 litigation of Cause No. 44273 to assert one could arrive at the \$30,530,000 by assembling
13 the various components.

14 To illustrate the impossibility of such an undertaking, the table below reflects the
15 original cost components for pre-2012 plant as of December 31, 2015 as supported by
16 Petitioner versus the OUCC. It becomes clear that net plant in service is almost
17 ~~identical~~not that far apart but there is a significant disagreement on CIAC which is no
18 surprise as the CIAC question in Cause No. 44273 appeared intractable and brought
19 about the stipulated rate base.

| | Petitioner | OUCC | Difference |
|---|--------------|--------------|------------|
| Pre-2012 original cost rate base | 79,790,343 | 78,581,660 | 1,208,683 |
| Less lagoon | - | (400,000) | 400,000 |
| Less accumulated depreciation through 12/31/2015* | (21,944,531) | (21,352,265) | (592,266) |
| Pre-2012 net plant in service | 57,845,812 | 56,829,395 | 1,016,417 |
| Less CIAC at 12/31/2011 | (19,083,640) | (34,557,561) | 15,473,921 |
| Pre-2012 rate base at 12/31/2015 | 38,762,172 | 22,271,834 | 16,490,338 |

*Petitioner's accumulated depreciation is based on depreciable plant of \$78,754,214.

1 In Cause No. 44273, the Parties had agreed to disagree, and the CIAC question
2 has not clandestinely resolved itself since then. It is therefore inappropriate and contrary
3 to the settlement agreement for the OUCC to now attempt to reopen that litigation by
4 contending that pre-2012 rate base could or should be established in a conventional
5 manner which necessarily includes the CIAC component. The negotiated net amount
6 precludes a conventional approach by its very nature, else there would not have been a
7 need for negotiating such an amount.

8 **Q. IS IT YOUR VIEW THEN THAT AS FAR AS PRE-2012 PLANT IS**
9 **CONCERNED, PETITIONER SHOULD BE ABLE TO RECOVER THE**
10 **DEPRECIATION EXPENSE ON THAT PLANT WITHOUT MAKING ANY**
11 **ADJUSTMENT TO THE STIPULATED AMOUNT OF \$30,530,000 FOR**
12 **ACCUMULATED DEPRECIATION ON CIAC PROPERTY?**

13 **A.** Yes, I believe that is an appropriate conclusion and is consistent with the settlement
14 agreement and previous pronouncements by the Commission. Petitioner must eventually
15 replace all plant, including assets that were originally contributed. Depreciation expense
16 provides the funds necessary to permit this recovery, and it needs to be calculated on the
17 original cost of the plant to be replaced since it is infeasible that Petitioner could replace
18 plant that originally cost a certain amount at costs lower than that original cost merely
19 because a negotiation on rate base once took place. I believe the Commission is also of
20 that view based on language in the Order in Cause No. 42520: "Over time the contributed
21 property will need to be replaced and the replacement costs will be many times more than
22 the original cost of the property." At the same time, I believe I demonstrated above that
23 the settlement agreement sought to quell the arguments around contributed property by

1 “deeming” an amount of rate base. As a result of the unusual nature of the settlement
2 amount in rate base and the express disagreement regarding the amount of CIAC
3 property, there can be no add-back to the \$30,530,000 stipulated amount for accumulated
4 depreciation on contributed property.

5 **Q. DO THE ACCOUNTING BOOKS AND RECORDS REFLECT THE**
6 **NEGOTIATED \$30,530,000 NET PLANT AS OF DECEMBER 31, 2011?**

7 A. No, nor could they. The accounting books and records must reflect the fair value of the
8 assets acquired. For regulated entities, that is the sum of original cost less accumulated
9 depreciation plus an acquisition adjustment. Assets must be booked at their original cost
10 to produce the correct amount of depreciation which provides funds for the replacement
11 of all plant. The \$30,530,000 is a negotiated net amount that cannot be tied to actual
12 records. For regulatory purposes, Petitioner maintains a manual record of the assets in
13 existence as of December 31, 2011 and the fair value increment.³

14 **Q. MS. STULL IS CONCERNED THAT ASSETS MAY HAVE BEEN RETIRED**
15 **FROM THE PRE-2012 RATE BASE THAT MAY NOT HAVE BEEN PROPERLY**
16 **ACCOUNTED FOR. HOW DO YOU RESPOND?**

17 A. There are two aspects to this concern, one that relates to a current asset list used to
18 calculate depreciation expense, and one that relates to rate base components, including
19 negotiated amounts.

20 Petitioner's accounting books and records accurately reflect retirements of assets,
21 regardless of their in-service date. As a consequence, the depreciation expense presented

³ I also explained this in response to Commission staff questions related to the compliance filing in July 2015.

1 in the revenue requirement is calculated on the assets in service as of the end of the test
2 year.

3 Rate base for pre-2012 property is, as I have stated multiple times, a negotiated
4 amount. As such, it does not equal the actual original cost less accumulated depreciation
5 recorded for these assets. It is Petitioner's interpretation that the \$30,530,000 rate base is
6 a static number which is intended to be depreciated over the course of 40 years until it
7 reaches a net value of zero, similar to the fair value increment. Thus, there are no
8 retirements to be made against that amount. At the time this static number reaches a net
9 value of zero, any surviving plant will be added to rate base at its book original cost less
10 book accumulated depreciation less net CIAC per books, like all post-2011 plant.

11 **Q. SINCE ACQUISITION, WERE THERE RETIREMENTS OF PLANT THAT HAD**
12 **BEEN PUT IN SERVICE THROUGH DECEMBER 31, 2011?**

13 A. Yes. Three assets with an in-service date prior to December 31, 2011 totaling \$37,105
14 original cost were retired by the end of the test year. These assets were retired from
15 Petitioner's accounting set of books and are not included in the depreciation expense.
16 Since the rate base for pre-2012 property is an aggregate negotiated *net* amount that is
17 depreciated over 40 years, it would not be appropriate to remove individual assets at their
18 full original cost from the total. Supposing for sake of illustration that assets should be
19 retired from negotiated rate base, one would then have to agree on a method for
20 determining the proportional value of the assets within the negotiated total and also adjust
21 the amount of accumulated depreciation for the reduction in depreciable basis.

1 **Q. ARE THERE OTHER PECULIARITIES ASSOCIATED WITH THE**
2 **NEGOTIATED RATE BASE AMOUNT THAT WEREN'T CONSIDERED BY**
3 **THE OUCC?**

4 A. Yes, I believe so. The pre-2012 property includes land which does not normally
5 depreciate. Because Petitioner views the negotiated rate base as a static number,
6 depreciation for purposes of rate base was calculated on the entire negotiated amount,
7 including land, and subtracted from the gross amount.

8 Ms. Stull, on the other hand, calculated depreciation on what she presented as
9 original cost rate base, including land which is not normally depreciable. As I
10 demonstrated previously, it is impossible to identify the individual components of the
11 aggregate settled rate base amount. Incidentally, in contradiction of her own assertion,
12 her depreciation calculation also includes the lagoon which she claims should be
13 excluded from rate base; she has therefore deducted from rate base accumulated
14 depreciation on an asset she excluded from her rate base calculation.

15 Ms. Stull does subtract both land and the lagoon from her calculation of
16 depreciation *expense*. I do not believe the calculation of depreciation expense on original
17 cost assets should differ from the method used to calculate the accumulated depreciation
18 on those assets, seeing how assets that don't depreciate cannot at the same time
19 accumulate depreciation.

20 **Q. THE OUCC PROPOSES AN INCREASE TO RATE BASE OF \$15,686 TO**
21 **ACCOUNT FOR EXPENSED COSTS THAT SHOULD HAVE BEEN**
22 **CAPITALIZED. DO YOU AGREE THAT RATE BASE SHOULD BE ADJUSTED**
23 **FOR THIS AMOUNT?**

1 A. I agree these costs should have been capitalized and I accept their removal from operating
2 expenses, but in the scheme of \$55 million total rate base I decline to make an adjustment
3 for this immaterial amount.

4 **Q. WHAT IS YOUR RECOMMENDATION REGARDING RATE BASE?**

5 A. It should be apparent that the OUCC's attempt to retrofit a negotiated rate base amount
6 into an original cost presentation comes with inherent challenges. I believe Petitioner has
7 presented rate base for ratemaking purposes accurately as intended in the settlement
8 agreement, and in the most straightforward manner possible. If a different arrangement of
9 line items is more conducive to review, it will be simple enough to provide it; in fact, to
10 be able to provide a comparative view, I included a table arranged similar to the OUCC's
11 format below. A different arrangement is not an invitation to reinvent the settlement
12 agreement, however, or ignore the actual cost on the books and records, as Ms. Stull has
13 done. By attempting to resurrect her testimony from Cause No. 44273, Ms. Stull has
14 presented implausible rate base results: she contends that Petitioner's December 31, 2015
15 original cost rate base is \$29,500,522 (including the investments made since December
16 31, 2011), or approximately \$1 million *less than it was four years prior* as of December
17 31, 2011 as all Parties agreed in the settlement agreement. In other words, according to
18 Ms. Stull, the wastewater utility serving Westfield, one of the fastest growing
19 communities in central Indiana, has made virtually no investments in four years. This
20 simply is implausible.

| Line No. | | Case-in-Chief Petitioner | Rebuttal Petitioner | Case-in-Chief OUCC | Difference to Rebuttal |
|----------|--|-----------------------------|------------------------|-----------------------|---------------------------|
| 1 | Net Plant through 12/31/2011 | 30,530,000 | 30,530,000 | 30,130,000 | (400,000) |
| 2 | Original cost added since 12/31/2011 | 9,051,337 | 9,051,337 | 10,275,706 | 1,224,369 |
| 3 | Expected major additions through 12/31/2016 | 5,695,562 | 5,695,562 | 500,000 | (5,195,562) |
| 4 | Allocated plant, net | 727,846 | 727,846 | 727,846 | - |
| 5 | Total original cost | 46,004,745 | 46,004,745 | 41,633,552 | (4,371,193) |
| 6 | Depreciation on pre-2012 plant, 2012 through 2015 | (3,053,000) | (3,053,000) | (7,858,166) | (4,805,166) |
| 7 | Accum. depreciation on assets added since 12/31/2011 | (453,105) | (453,105) | (513,539) | (60,434) |
| 8 | Total accumulated depreciation | (3,506,105) | (3,506,105) | (8,371,705) | (4,865,600) |
| 9 | Original cost of post-2011 CIAC included above | (3,340,245) | (3,340,245) | (3,340,245) | - |
| 10 | Original cost of CAFC included above | (421,080) | (421,080) | (421,080) | - |
| 11 | Accum. Depr. on post-2011 CIAC and CAFC property | 167,658 | - | - | - |
| 12 | Total net contributed property and advances | (3,593,667) | (3,761,325) | (3,761,325) | - |
| 13 | Subtotal | 38,904,973 | 38,737,315 | 29,500,522 | (9,236,793) |
| 14 | Net Fair Value Increment | 16,283,048 | 16,283,048 | 16,283,048 | - |
| 15 | Total Rate Base | 55,188,021 | 55,020,363 | 45,783,570 | (9,236,793) |

IV. OPERATING EXPENSE ADJUSTMENTS

A. Overview

Q. PLEASE SUMMARIZE YOUR UNDERSTANDING OF THE OUCC'S TESTIMONY REGARDING OPERATING EXPENSES.

A. The OUCC has accepted numerous of Petitioner's adjustments but also proposed changes to certain operating expenses as a result of reviewing test year transactions, making adjustments for customer growth, and a different interpretation of rate base. The table below provides a comparison of the pro forma adjustments sponsored by me in Petitioner's case-in-chief versus the OUCC's case-in-chief on the same topics.

| Topic | Petitioner's Case-in-Chief | OUCC's Case- in-Chief | Difference |
|-------------------------------------|-------------------------------|--------------------------|------------|
| O&M | | | |
| Payroll | 43,175 | 34,329 | (8,846) |
| Payroll Taxes | 3,589 | 834 | (2,755) |
| Purchased Power | 35,177 | 41,488 | 6,311 |
| Purchased Wastewater Treatment | 244,007 | 244,007 | - |
| Normalized Expenses | 24,644 | 26,564 | 1,920 |
| Out of Period Expenses | (28,361) | (89,353) | (60,992) |
| Non-Recurring Expenses ⁴ | (79,710) | (86,610) | (6,900) |
| Non-Allowed Expenses | (950) | (950) | - |
| Depreciation/Amortization | | | |
| Depreciation Expense | 682,203 | 542,705 | (139,498) |
| Amortization Expense | (199,220) | (199,220) | - |
| Taxes | | | |
| Property Tax | - | (125,589) | (125,589) |
| | 724,554 | 388,205 | (336,349) |

B. Payroll and Payroll Taxes

Q. THE OUCC RECOMMENDED ADJUSTMENTS TO PAYROLL AND PAYROLL TAXES AS A RESULT OF PROPOSING THE DISALLOWANCE OF CERTAIN LEVELS OF SHORT-TERM INCENTIVE PAY. HOW DO YOU RESPOND?

A. These adjustments to the pro forma amounts, decreases of \$8,846 for payroll and \$2,755 for payroll taxes, should be rejected. Petitioner's witness Mr. Willman addresses the OUCC's witness Mr. Patrick's recommendation in rebuttal testimony. In addition to Mr. Willman's arguments, I believe it is necessary to point out that Mr. Patrick's calculations are mystifying as they contain amounts that have no basis in the actual test year expenses and are therefore quite literally made up. Let me cite just a few examples to illustrate how confusing and seemingly irrational the OUCC's calculations are:

Mr. Patrick makes adjustments to payroll expenses based on allocations of Shared Services to an entity *other than Petitioner*. A full test year general ledger of Petitioner's

⁴ The OUCC's summary of adjustments includes an unexplained \$100 misstatement in non-recurring expenses.

1 books and records was made available to the OUCC, including Shared Services
2 allocations recorded by Petitioner during the test year. Instead, Mr. Patrick used the
3 Shared Services allocations recorded by Westfield Gas in a recent base rate case, thereby
4 further misstating an already misguided adjustment.

5 Further, Mr. Patrick inexplicably includes "capitalized loading credits" of \$8,014
6 in his calculation of pro forma payroll. Petitioner had no capitalized loading credits on
7 direct-charged labor during the test year or in pro forma workpapers and Mr. Patrick fails
8 to mention how he arrived at this amount. I used the qualifier "direct-charged labor"
9 because I made clear in my testimony that I considered total Shared Services allocations
10 to be representative enough and therefore did not recommend pro forma adjustments for
11 Shared Services costs (Petitioner's Exhibit 4, page 16). Consequently, all my workpapers
12 excluded Shared Services amounts, a fact that seems to have passed by Mr. Patrick who
13 was unable to reconcile the income statement amounts to my workpapers for this very
14 reason.

15 For payroll taxes, he bases his adjustment on test year expenses of \$2,642 even
16 though my workpapers and the general ledger detail with which he was provided clearly
17 show that the direct-charged amount of payroll taxes during the test year was \$19,724.
18 Again, this excludes the Shared Services allocations for which I made no pro forma
19 adjustments. The total amount of payroll taxes incurred during the test year, including
20 Shared Services allocations, was \$57,918 as shown on pages F-3(a) and F17 of the 2015
21 IURC report. That Mr. Patrick's payroll tax adjustment is flawed is patently obvious: per
22 his own calculations, his proposed pro forma payroll is \$272,780, and his proposed pro
23 forma payroll taxes on that amount are only \$3,476, a tax rate of only 1.3%.

1 While I'm on the subject of payroll taxes, another problem with Mr. Patrick's
2 calculation is that he double-dips the adjustment from a percentage point of view. I am
3 unable to follow the payroll amounts which he uses as a basis. As best as I can tell, he is
4 subtracting *his* calculation of pro forma STIP (which he describes as "Petitioner's payroll
5 calculation", a complete misstatement) from *his* calculation of the total pro forma payroll
6 adjustment (which already incorporates pro forma STIP). What is apparent though is that
7 he does both, calculates payroll taxes using the percentage I established in my
8 workpapers (8.28%), and then adds on top of that a calculation for Medicare taxes even
9 though they are already part of the 8.28% he used previously – a fact that is plainly
10 visible in my workpapers.

11 In short, Mr. Patrick's calculations as they relate to Payroll and Payroll Taxes are
12 so flawed that they alone invalidate his adjustments. I recommend the adjustment be
13 rejected, based on my findings of the numerous errors in the OUCC's calculations as well
14 as for the reasons explained in Mr. Willman's testimony.

15 **C. Purchased Power**

16 **Q. THE OUCC PROPOSES TWO DIFFERENT ADJUSTMENTS TO PURCHASED**
17 **POWER EXPENSES. THE FIRST ADJUSTMENT IS PRESENTED BY MR.**
18 **PATRICK WHO RECOMMENDS A \$25,502 INCREASE TO THE TEST YEAR**
19 **AMOUNT OF PURCHASED POWER EXPENSE. DO YOU AGREE WITH HIS**
20 **PROPOSAL?**

21 **A.** No. Mr. Patrick's recommendation, which presents a decrease from Petitioner's pro
22 forma amount, is based on the OUCC's stance that the major projects (Downtown Lift

Station, 156th Street Interceptor) should largely be disallowed, and that therefore power purchased for these facilities should also largely be disallowed. Petitioner's witness Mr. Bukovac rebuts the argument regarding the major projects.

Q. THE SECOND ADJUSTMENT IS PRESENTED BY MS. STULL WHO RECOMMENDS AN INCREASE TO PRO FORMA PURCHASED POWER EXPENSES OF \$15,986 TO ACCOUNT FOR CUSTOMER GROWTH. DO YOU AGREE WITH HER ADJUSTMENT?

A. In principle, yes. Petitioner's witness Mr. Kilpatrick has accepted some of the OUCC's test year customer growth adjustment. Consequently, it is appropriate that there be an increase in purchased power expenses. I find Ms. Stull's overall calculation methodology reasonable and have used it to adjust for Mr. Kilpatrick's rebuttal and Petitioner's pro forma costs, resulting in an additional increase of \$11,746.

| | OUCC | Petitioner |
|--------------------------------|-------------|-------------|
| Test Year Customer Growth | | |
| Residential | 8,519,400 | 8,519,400 |
| Non-Residential | 2,646,923 | - |
| Post Test Year Customer Growth | | |
| Residential | 17,860,000 | 12,420,000 |
| Non-Residential | 798,000 | 732,000 |
| Customer Growth Volumes | 29,824,323 | 21,671,400 |
| Test Year Treated Volumes | 676,867,770 | 676,867,770 |
| Pro forma Purchased Power | \$362,590 | 366,840 |
| Pro forma Cost per gallon | \$0.000536 | \$0.000542 |
| Additional Expense | \$15,986 | \$11,746 |

D. Purchased Wastewater Treatment Expenses

Q. PLEASE DESCRIBE THE OUCC'S STANCE ON PURCHASED WASTEWATER TREATMENT EXPENSES.

A. Mr. Patrick contingently accepts my adjustment to purchased wastewater treatment

1 expenses with the proviso that the Commission disallow rate base for the Downtown Lift
2 Station project. In the event the Commission should accept the project in Petitioner's rate
3 base, Mr. Patrick believes it appropriate to reduce test year operating expenses by
4 \$68,549, representing a \$312,556 reduction to pro forma operating expenses. He reasons
5 that the reduction is merited because actual volumes purchased from Carmel have
6 decreased significantly since the end of the test year.

7 **Q. HOW DO YOU RESPOND?**

8 A. I believe the Commission should allow rate base for the Downtown Lift Station project
9 and reject Mr. Patrick's proposed contingent reduction for purchased wastewater
10 treatment. Petitioner's witness Mr. Bukovac addresses this topic in more detail in his
11 testimony.

12 **E. Normalized Expenses**

13 **Q. THE OUCC ALSO PROPOSES INCREASES TO EXPENSE FOR POSTAGE,**
14 **CHEMICALS AND SLUDGE REMOVAL AS A RESULT OF CUSTOMER**
15 **GROWTH. DO YOU ACCEPT THESE ADJUSTMENTS?**

16 A. Once more, I agree in principle. Since Petitioner's witness Mr. Kilpatrick has accepted
17 some of the test year customer growth adjustments recommended by Ms. Stull, I agree
18 that an adjustment is reasonable. Similar to the purchased power adjustment, I used Ms.
19 Stull's methodology but modified it for Mr. Kilpatrick's rebuttal, resulting in additional
20 expenses of \$3,251 for chemicals and \$5,353 for sludge removal, as calculated below.

21

| | <u>Chemicals</u> | | <u>Sludge Removal</u> | |
|---------------------------|------------------|----------------|-----------------------|----------------|
| | OUCC | Petitioner | OUCC | Petitioner |
| Customer Growth volumes | 29,824,323 | 21,671,400 | 29,824,323 | 21,671,400 |
| Test Year Treated Volumes | 676,867,770 | 676,867,770 | 676,867,770 | 676,867,770 |
| Pro forma Expense | \$101,264 | \$101,264 | \$167,234 | \$167,234 |
| Pro forma Cost per gallon | \$0.000150 | \$0.000150 | \$0.000247 | \$0.000247 |
| Additional Expense | \$4,474 | \$3,251 | \$7,367 | \$5,353 |

Ms. Stull's adjustment for postage expense is based on billing instances. Here again, I have followed her methodology but adjusted it for Mr. Kilpatrick's rebuttal, resulting in additional expense of \$3,376, shown below.

| | OUCC | Petitioner |
|--------------------------------|---------|----------------|
| Test Year Customer Growth | | |
| Residential | 3,512 | 3,512 |
| Non-Residential | 97 | - |
| Post Test Year Customer Growth | | |
| Residential | 3,572 | 3,572 |
| Non-Residential | 98 | 98 |
| Additional Billings | 7,279 | 7,182 |
| Postage rate | \$0.47 | \$0.47 |
| Additional Expense | \$3,421 | \$3,376 |

Q. THE OUCC HAS IDENTIFIED \$7,950 OF EXPENSED COSTS THAT SHOULD HAVE BEEN CAPITALIZED. DO YOU AGREE?

A. Yes, I agree with Mr. Patrick that these costs which were related to a lift station back-up alarm system should have been capitalized.

Q. MR. PATRICK RECOMMENDS A DECREASE OF \$5,392 TO PRO FORMA BUSINESS INSURANCE EXPENSE. HOW DO YOU RESPOND?

A. I agree that pro forma insurance expense should be decreased by \$1,407, the amount of premium that was overestimated at the time of pro forma preparation. The remaining \$3,985 adjustment recommended by Mr. Patrick is, as he rightly points out, for workers

1 compensation insurance costs that were not included in the test year. However, this
2 amount was not and should not be included because it pertains to allocated insurance
3 costs from Shared Services; as I had explained previously, I made clear in my case-in-
4 chief testimony that Shared Services costs in their totality are representative at test year
5 levels, and I therefore did not propose adjustments for any Shared Services costs. This
6 decision helped avoid unnecessary complexity in this rate case and also helped hold
7 down the amount of pro forma operating expenses: as I pointed out in my testimony, if I
8 had included pro forma adjustments for Shared Services, pro forma operating expenses
9 would have increased by \$78 thousand. As a consequence, it is unfair and inappropriate
10 for the OUCC to want to reap the benefit of both, having no adjustments for Shared
11 Services costs while including selective Shared Services test year costs in the pro forma
12 adjustments for direct-charged costs where it seems beneficial.

13 **F. Out of Period Expenses**

14 **Q. DO YOU AGREE WITH THE OUCC'S PROPOSED ADJUSTMENTS FOR OUT-**
15 **OF-PERIOD EXPENSES?**

16 A. In part. The OUCC's witness Mr. Patrick recommends the removal of \$60,993 of
17 additional prior period expenses. I agree with \$53,473 for an invoice by Morton
18 Buildings and \$4,396 for the reversal of PNC fees which had been included erroneously,
19 but I do not agree with the remaining \$3,124 for invoices by various vendors. I provide
20 my reasons below.

21 **Q. PLEASE EXPLAIN WHY YOU ARE REJECTING \$3,124 OF THE OUCC'S**
22 **ADJUSTMENT FOR OUT-OF-PERIOD EXPENSES.**

1 A. There are several reasons. First, Mr. Patrick erroneously includes an invoice which had
2 already been removed from pro forma operating expenses in my workpaper 413-S2 (line
3 13). The invoice in question was misidentified by Mr. Patrick as issued by HNTB for
4 \$1,088⁵; there is only one invoice for that amount in the test year, and it was issued by
5 Cripe Architects as invoice 2022325 and removed from pro forma operating expenses by
6 me in my case in chief.⁶ Mr. Patrick's proposed adjustment effectively removes this
7 invoice twice which is unfair and inappropriate.

8 Next, Mr. Patrick proposes an adjustment for \$778 for an invoice charged by
9 Loomis. While the invoice image does reflect \$778 as the total, the amount charged to the
10 Utility during the test year was only \$389.16. The proposed adjustment is therefore
11 overstated by \$389.15.

12 What remains as bona fide prior year charges as identified by Mr. Patrick is a total
13 of \$1,647.22:

| Amount | Vendor |
|--------------------|---------------|
| \$ 920.00 | Clay Township |
| \$ 338.06 | HNTB |
| \$ 389.16 | Loomis |
| <u>\$ 1,647.22</u> | |

14
15 As is apparent, the remaining adjustment proposed by Mr. Patrick is for
16 transactions below the materiality threshold I had generally applied to my pro forma
17 adjustments. As explained in my case-in-chief testimony, that general threshold was
18 \$1,000 for adjustments to the Utility's transactions, based on my professional knowledge
19 of the data and my assessment of a cost-benefit limit. Accordingly, I did not attempt to

⁵ Attachment CEP-7, page 3, line 23

⁶ Mr. Patrick acknowledged as much in his testimony. See Public's Exhibit 2, page 17, line 15.

1 locate transactions below that threshold unless they had otherwise become known to me
2 or were easily identified on the Utility's general ledger. As far as out of period
3 transactions are concerned, I don't believe lowering the threshold further as Mr. Patrick
4 has done yields a materially different revenue requirement: the expansion of identifiable
5 transactions to even lower levels of cost necessarily cuts both ways. Although Mr. Patrick
6 found a few transactions charged to test year expense for services performed outside the
7 test year, he did not attempt to locate transactions for services performed during the test
8 year but charged to periods outside the test year. I think it only fair and appropriate to
9 look at both sides.

10 **Q. HAVE YOU CONDUCTED A SEARCH FOR OUT OF PERIOD**
11 **TRANSACTIONS BELOW THE UTILITY'S \$1,000 THRESHOLD FOR**
12 **PURPOSES OF REBUTTAL?**

13 A. Yes. I reviewed the Utility's general ledger transactions recorded after the end of the test
14 year to locate charges for services performed during the test year and found at least three
15 invoices with out-of-period transactions totaling \$2,302. I use the phrase *at least* because
16 I chose not to look for all possible transactions but instead confined my search to invoices
17 above \$500, and I did not look further out than January 2016.

18 **Q. PLEASE SUMMARIZE YOUR FINDINGS.**

19 A. The table below shows the three invoices I located which included services performed or
20 goods received during the test year but charged to the general ledger in January 2016
21 (after the test year).
22

| Expense type | Period of Service | Amount | Vendor | Invoice |
|-----------------------------|-------------------|-----------------|---------------------------|------------------|
| 2411 Material & Supply | Dec-2015 | 738.48 | RPM MACHINERY | 270804 |
| 2175 Gas & Diesel | Dec-2015 | 583.08 | SPEEDWAY SUPERAMERICA LLC | 1001642055-0116* |
| 3005 OS Contracted Services | Dec-2015 | 980.00 | CLAY TOWNSHIP | 1297 |
| | | <u>2,301.56</u> | | |

* The total invoice amount is \$920.06 for multiple periods. Only out-of-period charges are shown in the table above.

As I believe I demonstrated above, lowering the materiality threshold even further as the OUCC has done in order to identify yet more transactions eligible for adjustment is not a worthwhile exercise once it is done fairly by taking into account both ends of the test year.

Q. WHAT IS YOUR RECOMMENDATION FOR OUT OF PERIOD EXPENSES?

A. I recommend that an additional adjustment of \$57,869 be made to reduce pro forma operating expenses, and that the remaining \$3,124 proposed by Mr. Patrick be rejected for the reasons I described above.

G. Non-Recurring Expenses

Q. THE OUCC RECOMMENDED AN ADDITIONAL \$6,800 ADJUSTMENT FOR NON-RECURRING EXPENSES. HOW DO YOU RESPOND?

A. I accept the adjustment which is for a consulting invoice for work related to the acquisition of the wastewater assets.

H. Depreciation Expense

Q. THE OUCC RECOMMENDS PRO FORMA DEPRECIATION EXPENSE OF \$2,350,041. DO YOU AGREE WITH THIS AMOUNT?

A. No. Ms. Stull recommends this amount of depreciation expense based on her view of original cost rate base, which I rebutted in the preceding pages as flawed. Accordingly, her calculation of depreciation expense is also flawed and should be rejected.

I. Property Tax Expense

Q. THE OUCC SUGGESTS THAT TEST YEAR PROPERTY TAX EXPENSE SHOULD BE REDUCED BY \$125,589. HOW DO YOU RESPOND?

A. I accept the adjustment which is based on re-assessments that became final in 2016.

V. RECOMMENDATIONS

Q. BASED ON THE FOREGOING, PLEASE SUMMARIZE YOUR RECOMMENDATIONS AS A RESULT OF YOUR REBUTTAL TESTIMONY.

A. My recommendations come in two parts: rate base and operating expenses.

For rate base, I recommend the Commission accept Petitioner's rebuttal calculation.

For operating expenses, the table below provides an overview of Petitioner's rebuttal on the operating expense topics for which I prepared pro forma adjustments in Petitioner's case-in-chief. Amounts represent the change to test year results:

| Topic | Petitioner's Case-in- Chief | OUCC's Case-in- Chief | Petitioner's Rebuttal | Change to Petitioner's Case-in-Chief |
|--------------------------------|-----------------------------------|-----------------------------|--------------------------|--|
| O&M | | | | |
| Payroll | 43,175 | 34,329 | 43,175 | - |
| Payroll Taxes | 3,589 | 834 | 3,589 | - |
| Purchased Power | 35,177 | 41,488 | 46,923 | 11,746 |
| Purchased Wastewater Treatment | 244,007 | 244,007 | 244,007 | - |
| Normalized Expenses | 24,644 | 26,564 | 27,266 | 2,622 |
| Out of Period Expenses | (28,361) | (89,353) | (86,230) | (57,869) |
| Non-Recurring Expenses | (79,710) | (86,610) | (86,510) | (6,800) |

| Topic | Petitioner's Case-in- Chief | OUCC's Case-in- Chief | Petitioner's Rebuttal | Change to Petitioner's Case-in-Chief |
|---------------------------|-----------------------------------|-----------------------------|--------------------------|--|
| Non-Allowed Expenses | (950) | (950) | (950) | - |
| Depreciation/Amortization | | | | |
| Depreciation Expense | 682,203 | 542,705 | 682,203 | - |
| Amortization Expense | (199,220) | (199,220) | (199,220) | - |
| Taxes | | | | |
| Property Tax | - | (125,589) | (125,589) | (125,589) |
| | 724,554 | 388,205 | 548,664 | (175,890) |

My rebuttal recommendations for operating expenses are that the Commission should:

- a. Based upon my rebuttal testimony and that of Mr. Willman, reject the OUCC's proposed adjustments to payroll and payroll taxes.
- b. Accept my rebuttal adjustment to purchased power in lieu of the OUCC's total adjustment.
- c. Based upon the rebuttal testimony of Mr. Bukovac, reject the OUCC's contingent adjustment to purchased wastewater treatment expense related to allowing the Downtown Lift Station in rate base.
- d. Accept my rebuttal adjustment to normalize expenses in lieu of the OUCC's various adjustments.
- e. Accept my rebuttal adjustment to out-of-period expenses.
- f. Accept the OUCC's adjustment to non-recurring expenses.
- g. Reject the OUCC's adjustment to depreciation expense.
- h. Accept the OUCC's adjustment to property tax expense.

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A. Yes, at this time.

VERIFICATION

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

A handwritten signature in black ink, appearing to be 'SEK' or similar, written over a horizontal line.

Sabine E. Karner

BEFORE THE
INDIANA UTILITY REGULATORY COMMISSION

JOINT PETITION OF CITIZENS WATER OF)
WESTFIELD, LLC, CITIZENS WASTEWATER OF)
WESTFIELD, LLC AND THE CITY OF WESTFIELD,)
INDIANA FOR APPROVALS IN CONNECTION)
WITH THE PROPOSED TRANSFER OF CERTAIN)
WATER UTILITY ASSETS TO CITIZENS WATER)
OF WESTFIELD, LLC AND THE PROPOSED)
TRANSFER OF CERTAIN WASTEWATER UTILITY)
ASSETS TO CITIZENS WASTEWATER OF)
WESTFIELD, LLC, INCLUDING: (1) APPROVAL OF)
THE ACQUISITION BY CITIZENS WATER OF)
WESTFIELD, LLC AND CITIZENS WASTEWATER)
OF WESTFIELD, LLC OF CERTAIN WATER AND)
WASTEWATER UTILITY ASSETS; (2) APPROVAL)
OF ACCOUNTING AND RATE BASE TREATMENT)
OF THE WATER AND WASTEWATER ASSETS; (3))
APPROVAL OF THE ISSUANCE OF DEBT AND)
EQUITY BY CITIZENS WATER OF WESTFIELD,)
LLC AND CITIZENS WASTEWATER OF)
WESTFIELD, LLC; (4) APPROVAL OF INITIAL)
RATES AND RULES FOR WATER AND)
WASTEWATER SERVICE; (5) TO THE EXTENT)
NECESSARY, APPROVAL OF CERTAIN)
OPERATING AND AFFILIATE AGREEMENTS; (6))
APPROVAL OF DEPRECIATION RATES; (7))
APPROVAL OF A CERTIFICATE OF)
TERRITORIAL AUTHORITY FOR THE PROVISION)
OF WASTEWATER UTILITY SERVICE BY)
CITIZENS WASTEWATER OF WESTFIELD, LLC)
TO CUSTOMERS LOCATED IN RURAL AREAS;)
AND (8) ANY OTHER APPROVALS NEEDED IN)
CONNECTION THEREWITH)

FILED
October 28, 2015
INDIANA UTILITY
REGULATORY COMMISSION

CAUSE NO. 44273

CITIZENS WATER OF WESTFIELD, LLC'S AND
CITIZENS WASTEWATER OF WESTFIELD, LLC'S
REVISED SUBMISSION OF REPORTS LISTING UTILITY PLANT
CONVEYED BY THE CITY OF WESTFIELD, INDIANA

In accordance with Paragraph 3 of the Indiana Utility Regulatory Commission's Order in this Cause dated November 25, 2013, Citizens Water of Westfield, LLC ("Citizens Water of

Westfield”) and Citizens Wastewater of Westfield, LLC (“Citizens Wastewater of Westfield”) (collectively, “Joint Petitioners”), by counsel, hereby submit the attached revised reports listing Utility Plant conveyed by the City of Westfield to Citizens Water of Westfield and Citizens Wastewater of Westfield that existed as of December 31, 2011. Utility Plant conveyed to Citizens Water of Westfield is listed in the report marked as Revised Attachment “A”. Utility Plant conveyed to Citizens Wastewater of Westfield is listed in the report marked as Revised Attachment “B”.

Respectfully submitted,

By: /s/ Michael E. Allen
Michael E. Allen
Counsel for Petitioner

Michael E. Allen, Attorney No. 20768-49
Lauren R. Toppen, Attorney No. 23778-49
2020 N. Meridian Street
Indianapolis, IN 46202
Telephone/Fax: (317) 927-4318
Telephone/Fax: (317) 927-4482
Email: mallen@citizensenergygroup.com
ltoppen@citizensenergygroup.com

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served upon the Office of the Utility Consumer Counselor via electronic mail on October 23, 2015 to the following:

Office of the Utility Consumer Counselor

115 West Washington Street

Suite 1500 South

Indianapolis IN 46204

infomgt@oucc.in.gov

/s/ Michael E. Allen

Michael E. Allen

Counsel for Petitioner:

Michael E. Allen, Attorney No. 20768-49

Lauren R. Toppen, Attorney No. 23778-49

2020 N. Meridian Street

Indianapolis, IN 46202

Telephone/Fax: (317) 927-4318

Telephone/Fax: (317) 927-4482

Email: mallen@citizensenergygroup.com

ltoppen@citizensenergygroup.com

Westfield Water and Wastewater Net Plant as of December 31, 2011

Revised filing May 2015

| | <u>Water</u> | <u>Wastewater</u> |
|--|---------------------|---------------------|
| Net Plant | | |
| Gross Utility Plant | 44,434,475 | 79,827,447 1/ |
| Accumulated Depreciation | <u>(10,596,212)</u> | <u>(15,088,068)</u> |
| Net Book Value | 33,838,263 | 64,739,379 |
| Less Contributed Plant Components Relating to: | | |
| Gross Utility Plant | (12,368,193) | (19,083,640) |
| Accumulated Depreciation | <u>1,762,282</u> | <u>2,696,647</u> |
| Net Book Value | (10,605,911) | (16,386,993) |
| Net Plant Excluding Contributed Plant | | |
| Gross Utility Plant | 32,066,282 | 60,743,807 |
| Accumulated Depreciation | <u>(8,833,930)</u> | <u>(12,391,421)</u> |
| Net Book Value | <u>23,232,352</u> | <u>48,352,386</u> |
| Net 12/31/2011 Plant Agreed to in Settlement | 12,470,000 | 30,530,000 |
| Fair Value Increment Per Settlement | 6,960,000 | 17,040,000 |

1/ For ratemaking purposes the Wastewater gross utility plant amount includes the Westside Interceptor work in progress of \$15,763,108 as of 12/31/2011.

REVISED ATTACHMENT "B"

WESTFIELD WASTEWATER UTILITY
UTILITY PLANT IN SERVICE
As of December 31, 2011

| Asset Number | Description | NARUC | Subtype | Original Cost | Purchase Date | Disposal Date | Accumulated Depreciation at 12-31-2011 |
|------------------------------------|---|-----------|---------|---------------|---------------|---------------|--|
| COLLECTION PLANT | | | | | | | |
| LAND | | | | | | | |
| FNS1 | LAND (MORGAN WOOD EASEMENT) | WC-353-20 | NONE | 6,500.00 | 1991 | | 0.00 |
| FNS10 | EASEMENT - DARTOWN & 181ST | WC-353-20 | NONE | 24,475.00 | 1998 | | 0.00 |
| FNS11 | EASEMENT AGREEMENT | WC-353-20 | NONE | 400.00 | 1999 | | 0.00 |
| FNS12 | EASEMENT - WHEELER/DAY | WC-353-20 | NONE | 1,500.00 | 1999 | | 0.00 |
| FNS13 | EASEMENT - INTERCEPTOR | WC-353-20 | NONE | 18,907.00 | 1999 | | 0.00 |
| FNS14 | GRAYSTONE DEVELOPMENT | WC-353-20 | NONE | 24,480.00 | 2000 | | 0.00 |
| FNS15 | EASEMENT - 161ST & UNION | WC-353-20 | NONE | 11,400.00 | 2000 | | 0.00 |
| FNS17 | EASEMENT | WC-353-20 | NONE | 3,200.00 | 2002 | | 0.00 |
| FNS18 | EASEMENT - PARCEL #15 | WC-353-20 | NONE | 350.00 | 2003 | | 0.00 |
| FNS19 | EASEMENT - TOMLINSON RD | WC-353-20 | NONE | 300.00 | 2003 | | 0.00 |
| FNS2 | LAND (MORGAN WOOD EASEMENT) | WC-353-20 | NONE | 900.00 | 1992 | | 0.00 |
| FNS20 | EASEMENT - PARCEL #2 | WC-353-20 | NONE | 9,170.00 | 2003 | | 0.00 |
| FNS21 | EASEMENT - PARCEL #1 | WC-353-20 | NONE | 3,055.00 | 2003 | | 0.00 |
| FNS22 | EASEMENT - GRASSY BRANCH | WC-353-20 | NONE | 3,268.09 | 2003 | | 0.00 |
| FNS23 | EASEMENT - APOLLO PKWY | WC-353-20 | NONE | 2,661.84 | 2003 | | 0.00 |
| FNS24 | EASEMENT | WC-353-20 | NONE | 4,370.00 | 2004 | | 0.00 |
| FNS25 | EASEMENT | WC-353-20 | NONE | 325.00 | 2004 | | 0.00 |
| FNS26 | EASEMENT | WC-353-20 | NONE | 351.54 | 2005 | | 0.00 |
| FNS27 | EASEMENT | WC-353-20 | NONE | 7,600.00 | 2005 | | 0.00 |
| FNS28 | EASEMENT | WC-353-20 | NONE | 7,950.00 | 2005 | | 0.00 |
| FNS29 | EASEMENT | WC-353-20 | NONE | 2,917.50 | 2005 | | 0.00 |
| FNS30 | EASEMENT | WC-353-20 | NONE | 472.50 | 2005 | | 0.00 |
| FNS31 | EASEMENT | WC-353-20 | NONE | 1,039.50 | 2005 | | 0.00 |
| FNS32 | EASEMENT | WC-353-20 | NONE | 2,268.00 | 2005 | | 0.00 |
| FNS33 | EASEMENT | WC-353-20 | NONE | 1,890.00 | 2005 | | 0.00 |
| FNS34 | EASEMENT - WESTSIDE INTERCEPTOR | WC-353-20 | NONE | 41,871.00 | 2005 | | 0.00 |
| FNS35 | EASEMENT - LITTLE EAGLE CREEK CHRISTIAN | WC-353-20 | NONE | 4,715.00 | 2005 | | 0.00 |
| FNS36 | EASEMENT | WC-353-20 | NONE | 8,480.00 | 2005 | | 0.00 |
| FNS37 | EASEMENT | WC-353-20 | NONE | 3,220.00 | 2005 | | 0.00 |
| FNS38 | EASEMENT | WC-353-20 | NONE | 1,380.00 | 2005 | | 0.00 |
| FNS39 | EASEMENT | WC-353-20 | NONE | 8,515.00 | 2006 | | 0.00 |
| FNS40 | EASEMENT | WC-353-20 | NONE | 3,605.00 | 2006 | | 0.00 |
| FNS41 | EASEMENT | WC-353-20 | NONE | 11,180.00 | 2006 | | 0.00 |
| FNS42 | EASEMENT | WC-353-20 | NONE | 46,990.00 | 2006 | | 0.00 |
| FNS43 | EASEMENT | WC-353-20 | NONE | 1,170.00 | 2006 | | 0.00 |
| FNS44 | EASEMENT | WC-353-20 | NONE | 10,670.00 | 2006 | | 0.00 |
| FNS45 | EASEMENT | WC-353-20 | NONE | 85,000.00 | 2006 | | 0.00 |
| FNS46 | EASEMENT | WC-353-20 | NONE | 200.00 | 2006 | | 0.00 |
| FNS47 | EASEMENT | WC-353-20 | NONE | 40,630.00 | 2006 | | 0.00 |
| FNS48 | EASEMENT | WC-353-20 | NONE | 5,430.00 | 2006 | | 0.00 |
| FNS49 | EASEMENT | WC-353-20 | NONE | 7,000.00 | 2006 | | 0.00 |
| FNS5 | EASEMENT APPRAISAL - INTERCEPTOR | WC-353-20 | NONE | 4,900.00 | 1996 | | 0.00 |
| FNS50 | EASEMENT | WC-353-20 | NONE | 4,475.00 | 2006 | | 0.00 |
| FNS51 | EASEMENT | WC-353-20 | NONE | 525.00 | 2006 | | 0.00 |
| FNS52 | EASEMENT | WC-353-20 | NONE | 1,685.00 | 2006 | | 0.00 |
| FNS53 | EASEMENT | WC-353-20 | NONE | 189.00 | 2006 | | 0.00 |
| FNS54 | EASEMENT | WC-353-20 | NONE | 4,786.44 | 2006 | | 0.00 |
| FNS55 | EASEMENT | WC-353-20 | NONE | 756.00 | 2006 | | 0.00 |
| FNS56 | EASEMENT - WESTSIDE INTERCEPTOR | WC-353-20 | NONE | 2,965.00 | 2007 | | 0.00 |
| FNS57 | EASEMENT | WC-353-20 | NONE | 30,000.00 | 2007 | | 0.00 |
| FNS58 | LAND PURCHASE - HENRY JOE WALKER PROPERTY | WC-353-20 | NONE | 59,500.00 | 2007 | | 0.00 |
| FNS59 | EASEMENT - WESTSIDE INTERCEPTOR | WC-353-20 | NONE | 25,000.00 | 2007 | | 0.00 |
| FNS6 | EASEMENTS - INTERCEPTOR | WC-353-20 | NONE | 113,253.35 | 1997 | | 0.00 |
| FNS60 | EASEMENT | WC-353-20 | NONE | 3,450.00 | 2007 | | 0.00 |
| FNS61 | EASEMENT | WC-353-20 | NONE | 2,830.84 | 2007 | | 0.00 |
| FNS62 | EASEMENT - WESTSIDE INTERCEPTOR | WC-353-20 | NONE | 4,268.46 | 2007 | | 0.00 |
| FNS63 | EASEMENT | WC-353-20 | NONE | 1,572.91 | 2007 | | 0.00 |
| FNS64 | EASEMENT - WESTSIDE INTERCEPTOR PARCEL #7 | WC-353-20 | NONE | 728.00 | 2007 | | 0.00 |
| FNS65 | EASEMENT - OAK MANOR N | WC-353-20 | NONE | 2,500.00 | 2007 | | 0.00 |
| FNS66 | EASEMENT | WC-353-20 | NONE | 159.53 | 2007 | | 0.00 |
| FNS67 | EASEMENT | WC-353-20 | NONE | 2,042.47 | 2007 | | 0.00 |
| FNS68 | EASEMENT | WC-353-20 | NONE | 40.09 | 2007 | | 0.00 |
| FNS69 | EASEMENTS | WC-353-20 | NONE | 420.88 | 2008 | | 0.00 |
| FNS7 | EASEMENT - HOOVER STREET | WC-353-20 | NONE | 2,927.50 | 1997 | | 0.00 |
| FNS70 | APPRAISALS FOR EASEMENTS | WC-353-20 | NONE | 93,778.00 | 2008 | | 0.00 |
| FNS8 | EASEMENT - WOODSIDE DR. | WC-353-20 | NONE | 13,000.00 | 1998 | | 0.00 |
| FNS9 | EASEMENT - CAREY RD. | WC-353-20 | NONE | 21,120.00 | 1998 | | 0.00 |
| Total Land - Collection | | | | 816,680.44 | | | 0.00 |
| STRUCTURES AND IMPROVEMENTS | | | | | | | |
| FNS76 | RETAINING WALL - SIMON MOON PARK | WC-354-20 | NONE | 647.14 | 2004 | | 452.97 |
| Total Structures - Collection | | | | 647.14 | | | 452.97 |
| COLLECTING SEWERS FORCE | | | | | | | |
| FNS527 | SEWERS-1964-UNKNOWN | WC-360-20 | UNKNOWN | 618,000.00 | 1964 | | 543,840.00 |
| FNS528 | SEWERS-1980-UNKNOWN | WC-360-20 | UNKNOWN | 224,000.00 | 1980 | | 143,360.00 |

REVISED ATTACHMENT "B"

WESTFIELD WASTEWATER UTILITY
UTILITY PLANT IN SERVICE
As of December 31, 2011

| Asset Number | Description | NARUC | Subtype | Original Cost | Purchase Date | Disposal Date | Accumulated Depreciation at 12-31-2011 |
|--|--------------------------|-----------|--------------|---------------|---------------|---------------|--|
| FNS529 | SEWERS-1981-UNKNOWN | WC-360-20 | UNKNOWN | 80,700.42 | 1981 | | 51,648.00 |
| FNS530 | SEWERS-1982-UNKNOWN | WC-360-20 | UNKNOWN | 2,483.72 | 1982 | | 2,483.72 |
| FNS531 | SEWERS-1984-UNKNOWN | WC-360-20 | UNKNOWN | 1,075.00 | 1984 | | 580.50 |
| FNS532 | SEWERS-1985-UNKNOWN | WC-360-20 | UNKNOWN | 99,535.03 | 1985 | | 51,758.20 |
| FNS533 | SEWERS-1987-UNKNOWN | WC-360-20 | UNKNOWN | 2,980.00 | 1987 | | 1,430.40 |
| FNS534 | SEWERS-1988-UNKNOWN | WC-360-20 | UNKNOWN | 1,505.00 | 1988 | | 692.30 |
| FNS535 | SEWERS-1991-UNKNOWN | WC-360-20 | UNKNOWN | 17,922.00 | 1991 | | 7,168.80 |
| FNS536 | SEWERS-1992-UNKNOWN | WC-360-20 | UNKNOWN | 80,465.00 | 1992 | | 30,576.70 |
| FNS537 | SEWERS-1994-UNKNOWN | WC-360-20 | UNKNOWN | 2,000.00 | 1994 | | 680.00 |
| FNS538 | SEWERS-1995-UNKNOWN | WC-360-20 | UNKNOWN | 746,286.03 | 1995 | | 238,811.52 |
| FNS539 | SEWERS-1995-PVC12 | WC-360-20 | PVC12 | 24,660.00 | 1995 | | 7,891.20 |
| FNS540 | SEWERS-1995-PVC10 | WC-360-20 | PVC10 | 157,740.00 | 1995 | | 50,476.80 |
| FNS541 | SEWERS-1995-PVC8 | WC-360-20 | PVC8 | 254,490.00 | 1995 | | 81,436.80 |
| FNS542 | SEWERS-1995-PVC15 | WC-360-20 | PVC15 | 72,630.00 | 1995 | | 23,241.60 |
| FNS543 | SEWERS-1996-UNKNOWN | WC-360-20 | UNKNOWN | 112,869.93 | 1996 | | 33,855.00 |
| FNS544 | SEWERS-1997-UNKNOWN | WC-360-20 | UNKNOWN | 185,983.00 | 1997 | | 52,080.00 |
| FNS545 | SEWERS-1998-UNKNOWN | WC-360-20 | UNKNOWN | 91,637.06 | 1998 | | 23,825.63 |
| FNS546 | SEWERS-1998-PVC4 | WC-360-20 | PVC4 | 37,309.00 | 1998 | | 9,700.34 |
| FNS547 | SEWERS-1999-UNKNOWN | WC-360-20 | UNKNOWN | 287,701.21 | 1999 | | 69,048.35 |
| FNS548 | SEWERS-2000-UNKNOWN | WC-360-20 | UNKNOWN | 784,095.52 | 2000 | | 172,501.10 |
| FNS549 | SEWERS-2001-UNKNOWN | WC-360-20 | UNKNOWN | 47,630.76 | 2001 | | 9,526.10 |
| FNS550 | SEWERS-2002-UNKNOWN | WC-360-20 | UNKNOWN | 77,274.89 | 2002 | | 18,284.94 |
| FNS551 | SEWERS-2003-PVC6 | WC-360-20 | PVC6 | 2,500.00 | 2003 | | 800.00 |
| FNS552 | SEWERS-2003-UNKNOWN | WC-360-20 | UNKNOWN | 10,786.00 | 2003 | | 3,671.20 |
| FNS553 | SEWERS-2005-PVC12 | WC-360-20 | PVC12 | 1,635.72 | 2005 | | 196.26 |
| FNS554 | SEWERS-2007-PVC12 | WC-360-20 | PVC12 | 397,541.86 | 2007 | | 31,803.36 |
| FNS555 | SEWERS-2007-MANHOLE | WC-360-20 | MANHOLE | 92,224.08 | 2007 | | 7,377.92 |
| FNS556 | SEWERS-2007-UNKNOWN | WC-360-20 | UNKNOWN | 617,137.22 | 2007 | | 49,370.96 |
| FNS557 | SEWERS-2008-PVC10 | WC-360-20 | PVC10 | 24,674.00 | 2008 | | 1,480.44 |
| FNS558 | SEWERS-2010-MANHOLE | WC-360-20 | MANHOLE | 24,000.00 | 2010 | | 2,400.00 |
| Total Collecting Sewers Force - Collection | | | | 5,181,472.45 | | | 1,721,998.14 |
| COLLECTING SEWERS GRAVITY | | | | | | | |
| FNS467 | SEWERS-1974-UNKNOWN | WC-361-20 | UNKNOWN | 14,555.61 | 1974 | | 12,445.05 |
| FNS468 | SEWERS-1975-UNKNOWN | WC-361-20 | UNKNOWN | 700.00 | 1975 | | 581.00 |
| FNS469 | SEWERS-1979-UNKNOWN | WC-361-20 | UNKNOWN | 248,774.06 | 1979 | | 166,402.21 |
| FNS470 | SEWERS-1980-UNKNOWN | WC-361-20 | UNKNOWN | 64,217.68 | 1980 | | 39,907.67 |
| FNS471 | SEWERS-1981-UNKNOWN | WC-361-20 | UNKNOWN | 646.90 | 1981 | | 403.95 |
| FNS472 | SEWERS-1982-UNKNOWN | WC-361-20 | UNKNOWN | 83,255.00 | 1982 | | 50,138.01 |
| FNS473 | SEWERS-1984-UNKNOWN | WC-361-20 | UNKNOWN | 49,299.00 | 1984 | | 27,497.89 |
| FNS474 | SEWERS-1985-UNKNOWN | WC-361-20 | UNKNOWN | 136,373.00 | 1985 | | 73,035.32 |
| FNS475 | SEWERS-1986-MANHOLE | WC-361-20 | MANHOLE | 2,475.00 | 1986 | | 1,228.50 |
| FNS476 | SEWERS-1986-UNKNOWN | WC-361-20 | UNKNOWN | 2,352,069.72 | 1986 | | 1,171,272.56 |
| FNS477 | SEWERS-1987-UNKNOWN | WC-361-20 | UNKNOWN | 26,791.00 | 1987 | | 12,323.86 |
| FNS478 | SEWERS-1988-UNKNOWN | WC-361-20 | UNKNOWN | 64,206.26 | 1988 | | 29,177.91 |
| FNS479 | SEWERS-1989-UNKNOWN | WC-361-20 | UNKNOWN | 31,295.00 | 1989 | | 13,143.90 |
| FNS480 | SEWERS-1990-UNKNOWN | WC-361-20 | UNKNOWN | 112,820.00 | 1990 | | 47,553.89 |
| FNS481 | SEWERS-1991-UNKNOWN | WC-361-20 | UNKNOWN | 8,808.00 | 1991 | | 3,359.27 |
| FNS482 | SEWERS-1992-UNKNOWN | WC-361-20 | UNKNOWN | 16,698.50 | 1992 | | 6,011.46 |
| FNS483 | SEWERS-1993-PVC15 | WC-361-20 | PVC15 | 214,637.77 | 1993 | | 76,792.62 |
| FNS484 | SEWERS-1993-UNKNOWN | WC-361-20 | UNKNOWN | 8,441.00 | 1993 | | 2,869.94 |
| FNS485 | SEWERS-1994-UNKNOWN | WC-361-20 | UNKNOWN | 185,860.49 | 1994 | | 62,366.52 |
| FNS486 | SEWERS-1994-PVC15 | WC-361-20 | PVC15 | 4,388.00 | 1994 | | 1,404.16 |
| FNS487 | SEWERS-1996-UNKNOWN | WC-361-20 | UNKNOWN | 12,266.00 | 1996 | | 3,570.77 |
| FNS488 | SEWERS-1997-UNKNOWN | WC-361-20 | UNKNOWN | 98,496.50 | 1997 | | 25,908.28 |
| FNS489 | SEWERS-1997-PVC6 | WC-361-20 | PVC6 | 10,500.00 | 1997 | | 2,940.00 |
| FNS490 | SEWERS-1998-PVC10 | WC-361-20 | PVC10 | 43,004.50 | 1998 | | 11,181.17 |
| FNS491 | SEWERS-1998-UNKNOWN | WC-361-20 | UNKNOWN | 2,822,985.04 | 1998 | | 1,084,870.67 |
| FNS492 | SEWERS-1999-UNKNOWN | WC-361-20 | UNKNOWN | 700,094.94 | 1999 | | 161,239.75 |
| FNS493 | SEWERS-2000-UNKNOWN | WC-361-20 | UNKNOWN | 4,960.00 | 2000 | | 1,003.02 |
| FNS494 | SEWERS-2001-UNKNOWN | WC-361-20 | UNKNOWN | 7,608.71 | 2001 | | 1,369.57 |
| FNS495 | SEWERS-2002-UNKNOWN | WC-361-20 | UNKNOWN | 14,622.58 | 2002 | | 5,264.10 |
| FNS496 | SEWERS-2003-PVC12 | WC-361-20 | PVC12 | 967,371.60 | 2003 | | 154,779.44 |
| FNS497 | SEWERS-2004-PVC12 | WC-361-20 | PVC12 | 231,721.39 | 2004 | | 32,441.01 |
| FNS498 | SEWERS-2004-UNKNOWN | WC-361-20 | UNKNOWN | 66,200.00 | 2004 | | 9,268.00 |
| FNS499 | SEWERS-2004-MANHOLE | WC-361-20 | MANHOLE | 54,759.15 | 2004 | | 7,666.26 |
| FNS500 | SEWERS-2004-PVC24 | WC-361-20 | PVC24 | 66,649.68 | 2004 | | 9,330.93 |
| FNS501 | SEWERS-2005-UNKNOWN | WC-361-20 | UNKNOWN | 30,690.82 | 2005 | | 4,900.50 |
| FNS502 | SEWERS-2005-MANHOLE | WC-361-20 | MANHOLE | 3,000.00 | 2005 | | 360.00 |
| FNS503 | SEWERS-2006-MANHOLE | WC-361-20 | MANHOLE | 45,625.00 | 2006 | | 4,562.50 |
| FNS504 | CUSTOM FIT SAFETY GRATES | WC-361-20 | MISC NONMASS | 42,287.00 | 2006 | | 4,228.70 |
| FNS505 | SEWERS-2006-UNKNOWN | WC-361-20 | UNKNOWN | 32,160.96 | 2006 | | 3,216.10 |
| FNS506 | SEWERS-2007-MANHOLE | WC-361-20 | MANHOLE | 8,692.11 | 2007 | | 695.36 |
| FNS507 | SEWERS-2007-UNKNOWN | WC-361-20 | UNKNOWN | 1,108,989.25 | 2007 | | 88,719.12 |
| FNS509 | SEWERS-1996-UNKNOWN | WC-361-20 | UNKNOWN | 42,176.00 | 1996 | | 12,660.00 |
| FNS510 | SEWERS-1999-UNKNOWN | WC-361-20 | UNKNOWN | 3,760.81 | 1999 | | 902.63 |
| Total Collecting Sewers Gravity - Collection | | | | 10,044,934.03 | | | 3,428,993.57 |

REVISED ATTACHMENT "B"

WESTFIELD WASTEWATER UTILITY
UTILITY PLANT IN SERVICE
As of December 31, 2011

| Asset Number | Description | NARUC | Subtype | Original Cost | Purchase Date | Disposal Date | Accumulated Depreciation at 12-31-2011 |
|--------------|--|-----------|--------------|---------------|---------------|---------------|--|
| | COLLECTING SEWERS GRAVITY - FOR RATEMAKING ONLY | | | | | | |
| | SEWERS-2014-UNKNOWN - WESTSIDE INTERCEPTOR | WC-361-20 | UNKNOWN | 15,763,107.77 | 2011 | | 0.00 |
| | Total Collecting Sewers Gravity FOR RATEMAKING ONLY - Collection | | | 15,763,107.77 | | | 0.00 |
| | CIAC GRAVITY SEWERS | | | | | | |
| FNS323 | SEWER LINES CONTRIBUTED BY DEVELOP | WC-361-25 | MISC NONMASS | 117,600.00 | 1994 | | 39,984.00 |
| FNS324 | SILVERTHORNE I | WC-361-25 | MISC NONMASS | 89,970.00 | 1996 | | 26,985.00 |
| FNS325 | PAKOTA SUNRISE | WC-361-25 | MISC NONMASS | 75,870.00 | 1996 | | 22,755.00 |
| FNS326 | WILLOW CREEK | WC-361-25 | MISC NONMASS | 41,490.00 | 1996 | | 12,450.00 |
| FNS327 | ABCO SEWER LINE EXTENSION | WC-361-25 | MISC NONMASS | 5,755.00 | 1996 | | 1,725.00 |
| FNS328 | SANDPIPER I & II | WC-361-25 | MISC NONMASS | 73,650.00 | 1997 | | 20,622.00 |
| FNS329 | ALPHA TAU IND | WC-361-25 | MISC NONMASS | 53,100.00 | 1997 | | 14,868.00 |
| FNS330 | MERIDIAN IND | WC-361-25 | MISC NONMASS | 13,200.00 | 1997 | | 3,696.00 |
| FNS331 | QUAIL RDG. III | WC-361-25 | MISC NONMASS | 24,300.00 | 1997 | | 6,804.00 |
| FNS332 | PINE RIDGE | WC-361-25 | MISC NONMASS | 18,600.00 | 1997 | | 5,208.00 |
| FNS333 | OAK RDG. IND | WC-361-25 | MISC NONMASS | 94,650.00 | 1997 | | 26,502.00 |
| FNS334 | COUNTYSIDE SEC 8 | WC-361-25 | PVC8 | 506,450.76 | 2004 | | 70,903.14 |
| FNS335 | COUNTYSIDE SEC 4 | WC-361-25 | PVC8 | 257,588.16 | 2004 | | 36,062.32 |
| FNS336 | COUNTYSIDE SEC 3A | WC-361-25 | PVC8 | 386.05 | 2004 | | 54.04 |
| FNS337 | COUNTYSIDE SEC 6 | WC-361-25 | PVC8 | 166,091.67 | 2004 | | 23,252.81 |
| FNS338 | SOUTH PARK A&B | WC-361-25 | PVC8 | 556.43 | 2004 | | 77.91 |
| FNS339 | 169TH ST REALIGNMENT | WC-361-25 | MISC NONMASS | 26,940.20 | 2004 | | 3,771.60 |
| FNS340 | CENTENNIAL 1 | WC-361-25 | MISC NONMASS | 786,921.71 | 2006 | | 78,692.15 |
| FNS341 | CENTENNIAL 2A | WC-361-25 | MISC NONMASS | 154,128.02 | 2006 | | 15,412.80 |
| FNS342 | CENTENNIAL 2B | WC-361-25 | MISC NONMASS | 292,938.50 | 2006 | | 29,293.85 |
| FNS343 | CENTENNIAL 3 | WC-361-25 | MISC NONMASS | 506,610.25 | 2006 | | 50,661.05 |
| FNS344 | CENTENNIAL 4 | WC-361-25 | MISC NONMASS | 210,768.42 | 2006 | | 21,076.85 |
| FNS345 | CENTENNIAL 5 | WC-361-25 | MISC NONMASS | 62,260.62 | 2006 | | 6,226.05 |
| FNS346 | CENTENNIAL 6 | WC-361-25 | MISC NONMASS | 202,243.48 | 2006 | | 20,224.35 |
| FNS347 | COUNTRYSIDE 2 (COMBINED WITH 4 & 6) | WC-361-25 | MISC NONMASS | 107,795.80 | 2006 | | 10,779.60 |
| FNS348 | COUNTRYSIDE 2B | WC-361-25 | MISC NONMASS | 80,813.91 | 2006 | | 8,081.40 |
| FNS349 | COUNTRYSIDE 3B | WC-361-25 | MISC NONMASS | 91,413.96 | 2006 | | 9,141.40 |
| FNS350 | COUNTRYSIDE 5A | WC-361-25 | MISC NONMASS | 149,748.62 | 2006 | | 14,974.85 |
| FNS351 | COUNTRYSIDE 7 | WC-361-25 | MISC NONMASS | 105,008.90 | 2006 | | 10,500.90 |
| FNS352 | COUNTRYSIDE 11A | WC-361-25 | MISC NONMASS | 377,925.32 | 2006 | | 37,792.55 |
| FNS353 | COUNTRYSIDE 14 | WC-361-25 | MISC NONMASS | 139,659.79 | 2006 | | 13,966.00 |
| FNS354 | COUNTRYSIDE 15 | WC-361-25 | MISC NONMASS | 110,421.32 | 2006 | | 11,042.15 |
| FNS355 | CRESTVIEW 1 | WC-361-25 | MISC NONMASS | 217,176.44 | 2006 | | 21,717.65 |
| FNS356 | CRESTVIEW 2 | WC-361-25 | MISC NONMASS | 104,331.86 | 2006 | | 10,433.20 |
| FNS357 | CRESTVIEW 3 | WC-361-25 | MISC NONMASS | 193,228.65 | 2006 | | 19,322.85 |
| FNS358 | CRESTVIEW 4 | WC-361-25 | MISC NONMASS | 190,088.81 | 2006 | | 19,008.90 |
| FNS359 | CROSSWIND COMMONS | WC-361-25 | MISC NONMASS | 160,936.08 | 2006 | | 16,093.60 |
| FNS360 | EMERALD PLACE | WC-361-25 | MISC NONMASS | 188,211.52 | 2006 | | 18,821.15 |
| FNS361 | MERRIMAC 1 | WC-361-25 | MISC NONMASS | 137,133.38 | 2006 | | 13,713.35 |
| FNS362 | MERRIMAC 2 | WC-361-25 | MISC NONMASS | 147,128.44 | 2006 | | 14,712.85 |
| FNS363 | MERRIMAC 3 | WC-361-25 | MISC NONMASS | 45,195.79 | 2006 | | 4,519.60 |
| FNS364 | MERRIMAC 4 | WC-361-25 | MISC NONMASS | 210,062.38 | 2006 | | 21,006.25 |
| FNS365 | MERRIMAC 5 | WC-361-25 | MISC NONMASS | 170,991.73 | 2006 | | 17,099.15 |
| FNS366 | MERRIMAC 6 | WC-361-25 | MISC NONMASS | 99,855.43 | 2006 | | 9,985.55 |
| FNS367 | METHODIST CHURCH SEWE | WC-361-25 | MISC NONMASS | 22,406.26 | 2006 | | 2,240.65 |
| FNS368 | MORGAN WOODS | WC-361-25 | MISC NONMASS | 306,533.72 | 2006 | | 30,653.35 |
| FNS369 | MULBERRY FARMS 1 | WC-361-25 | MISC NONMASS | 376,405.94 | 2006 | | 37,640.60 |
| FNS370 | MULBERRY FARMS 2 | WC-361-25 | MISC NONMASS | 39,991.27 | 2006 | | 3,999.15 |
| FNS371 | PINE RIDGE | WC-361-25 | MISC NONMASS | 600,860.97 | 2006 | | 60,086.10 |
| FNS372 | PINES OF WESTFIELD | WC-361-25 | MISC NONMASS | 135,916.72 | 2006 | | 13,591.65 |
| FNS373 | SETTERS PLACE | WC-361-25 | MISC NONMASS | 63,986.45 | 2006 | | 6,398.65 |
| FNS374 | SOUTH OAK | WC-361-25 | MISC NONMASS | 159,879.89 | 2006 | | 15,988.00 |
| FNS375 | SOUTH UNION TRAIL | WC-361-25 | MISC NONMASS | 126,514.88 | 2006 | | 12,651.50 |
| FNS376 | SPRINGMILL VILLAGES CROSSING | WC-361-25 | MISC NONMASS | 172,034.83 | 2006 | | 17,203.50 |
| FNS377 | SPRINGMILL VILLAGES MEADOWS | WC-361-25 | MISC NONMASS | 121,709.51 | 2006 | | 12,170.95 |
| FNS378 | VILLAGE FARMS 12 | WC-361-25 | MISC NONMASS | 158,324.81 | 2006 | | 15,832.50 |
| FNS379 | VILLAGE FARMS 14 | WC-361-25 | MISC NONMASS | 81,485.78 | 2006 | | 8,148.60 |
| FNS380 | VILLAGE FARMS 15 | WC-361-25 | MISC NONMASS | 263,285.50 | 2006 | | 26,328.55 |
| FNS381 | VILLAGE FARMS 16 | WC-361-25 | MISC NONMASS | 140,146.32 | 2006 | | 14,014.65 |
| FNS382 | VILLAGE FARMS 17 | WC-361-25 | MISC NONMASS | 286,711.04 | 2006 | | 28,671.10 |
| FNS383 | VILLAGE FARMS 18 | WC-361-25 | MISC NONMASS | 189,449.59 | 2006 | | 18,944.95 |
| FNS384 | BROOKSIDE 1 | WC-361-25 | PVC8 | 53,588.12 | 2007 | | 4,287.04 |
| FNS385 | BROOKSIDE 1 | WC-361-25 | PVC15 | 48,576.33 | 2007 | | 3,886.12 |
| FNS386 | BROOKSIDE 1 | WC-361-25 | MISC NONMASS | 45,632.31 | 2007 | | 3,650.60 |
| FNS387 | COVERDALE | WC-361-25 | PVC8 | 94,701.40 | 2007 | | 7,576.12 |
| FNS388 | COVERDALE | WC-361-25 | PVC10 | 4,962.50 | 2007 | | 397.00 |
| FNS389 | CRESTVIEW 5 | WC-361-25 | MISC NONMASS | 83,774.96 | 2007 | | 6,702.00 |
| FNS390 | CENTENNIAL 7 | WC-361-25 | PVC8 | 29,549.31 | 2007 | | 2,363.96 |
| FNS391 | BROOKSIDE 2 | WC-361-25 | PVC8 | 68,256.45 | 2007 | | 5,460.52 |
| FNS392 | BROOKSIDE 2 | WC-361-25 | PVC15 | 20,644.34 | 2007 | | 1,651.56 |
| FNS393 | BROOKSIDE 2 | WC-361-25 | MISC NONMASS | 2,692.74 | 2007 | | 215.40 |
| FNS394 | OAKRIDGE CROSSING 1 | WC-361-25 | PVC8 | 163,666.68 | 2007 | | 13,093.32 |
| FNS395 | OAKRIDGE CROSSING 2 | WC-361-25 | PVC8 | 54,054.00 | 2007 | | 4,324.32 |
| FNS396 | CAREY GLEN | WC-361-25 | PVC8 | 22,695.58 | 2007 | | 1,815.64 |

REVISED ATTACHMENT "B"

WESTFIELD WASTEWATER UTILITY
UTILITY PLANT IN SERVICE
As of December 31, 2011

| Asset Number | Description | NARUC | Subtype | Original Cost | Purchase Date | Disposal Date | Accumulated Depreciation at 12-31-2011 |
|--------------|--|-----------|--------------|---------------|---------------|---------------|--|
| FNS397 | BRIDGEWATER B | WC-361-25 | MISC NONMASS | 10,340.19 | 2007 | | 827.20 |
| FNS398 | BRIDGEWATER E - LABOR ONLY | WC-361-25 | MISC NONMASS | 1,051.49 | 2007 | | 84.12 |
| FNS399 | BRIDGEWATER G2 | WC-361-25 | PVC8 | 8,261.76 | 2007 | | 660.96 |
| FNS400 | BRIDGEWATER G3-5 | WC-361-25 | PVC10 | 28,384.59 | 2007 | | 2,270.76 |
| FNS401 | COUNTRYSIDE 5B | WC-361-25 | PVC8 | 125,292.36 | 2007 | | 10,023.40 |
| FNS402 | COUNTRYSIDE 5B | WC-361-25 | MISC NONMASS | 1,646.71 | 2007 | | 131.72 |
| FNS403 | COUNTRYSIDE 10 | WC-361-25 | MISC NONMASS | 89,822.33 | 2007 | | 7,185.80 |
| FNS404 | COUNTRYSIDE 9 | WC-361-25 | MISC NONMASS | 248,421.51 | 2007 | | 19,873.72 |
| FNS405 | HERITAGE ASHFIELD | WC-361-25 | PVC4 | 8,900.00 | 2007 | | 712.00 |
| FNS406 | HERITAGE ASHFIELD | WC-361-25 | PVC8 | 171,442.78 | 2007 | | 13,715.44 |
| FNS407 | BRIDGEWATER A | WC-361-25 | MISC NONMASS | 246,746.12 | 2007 | | 19,739.68 |
| FNS408 | BRIDGEWATER D1 | WC-361-25 | PVC8 | 34.91 | 2007 | | 2.80 |
| FNS409 | BRIDGEWATER D2 | WC-361-25 | PVC8 | 4.87 | 2007 | | 0.40 |
| FNS410 | BRIDGEWATER G1 | WC-361-25 | PVC8 | 56,856.63 | 2007 | | 4,548.52 |
| FNS411 | BRIDGEWATER G1 | WC-361-25 | PVC10 | 34,845.62 | 2007 | | 2,787.64 |
| FNS412 | COUNTRYSIDE 11B | WC-361-25 | MISC NONMASS | 145,530.00 | 2007 | | 11,642.40 |
| FNS413 | JERRY BROWN - LABOR ONLY | WC-361-25 | MISC NONMASS | 359.36 | 2007 | | 28.76 |
| FNS414 | VILLAS OF OAKRIDGE | WC-361-25 | PVC8 | 43,038.60 | 2007 | | 3,443.08 |
| FNS415 | BRIDGEWATER CLUB I | WC-361-25 | PVC8 | 354,662.00 | 2008 | | 21,279.72 |
| FNS416 | BROOKSIDE 4B | WC-361-25 | PVC8 | 175,161.30 | 2008 | | 10,509.69 |
| FNS417 | COOL CREEK VILLAGE PHASE 1 | WC-361-25 | PVC8 | 49,125.00 | 2008 | | 2,947.50 |
| FNS418 | MAPLE KNOLL OFFSITE | WC-361-25 | PVC10 | 36,613.00 | 2008 | | 2,196.78 |
| FNS419 | MAPLE KNOLL OFFSITE | WC-361-25 | PVC8 | 41,287.00 | 2008 | | 2,477.22 |
| FNS420 | MAPLE VILLAGE SECTION 2 | WC-361-25 | PVC8 | 155,000.00 | 2008 | | 9,300.00 |
| FNS421 | MAPLES AT SPRINGMILL SECTION 2 | WC-361-25 | PVC10 | 31,224.75 | 2008 | | 1,873.50 |
| FNS422 | MAPLES AT SPRINGMILL SECTION 2 | WC-361-25 | PVC8 | 65,630.76 | 2008 | | 3,937.86 |
| FNS423 | TWO GAITS AT VIKING MEADOWS | WC-361-25 | PVC8 | 184,729.00 | 2008 | | 11,083.74 |
| FNS424 | VILLAGES OF OAK MANOR 2 | WC-361-25 | PVC8 | 109,375.00 | 2008 | | 6,562.50 |
| FNS425 | MAPLE KNOLL - LABOR ONLY | WC-361-25 | MISC NONMASS | 89.12 | 2008 | | 5.34 |
| FNS426 | BRIDGEWATER C - LABOR ONLY | WC-361-25 | MISC NONMASS | 87.79 | 2008 | | 5.28 |
| FNS427 | WASHINGTON WOODS LS | WC-361-25 | MISC NONMASS | 622,936.60 | 2008 | | 37,376.19 |
| FNS428 | BAINBRIDGE | WC-361-25 | PVC8 | 121,805.00 | 2009 | | 4,872.20 |
| FNS429 | SPRING MILL COMMON | WC-361-25 | PVC8 | 137,332.00 | 2009 | | 5,493.28 |
| FNS430 | AUTOZONE - CLEAN OUTS AND LATERALS | WC-361-25 | MISC NONMASS | 10,000.00 | 2009 | | 400.00 |
| FNS431 | COOL CREEK VILLAGE 2 | WC-361-25 | PVC12 | 70,000.00 | 2009 | | 2,800.00 |
| FNS432 | MAPLE KNOLL SEC 4 | WC-361-25 | PVC8 | 88,017.00 | 2010 | | 1,760.34 |
| FNS433 | MAPLES AT SPRINGMILL SEC 1 | WC-361-25 | PVC8 | 126,926.40 | 2010 | | 2,538.53 |
| FNS434 | MAPLES AT SPRINGMILL SEC 1 | WC-361-25 | PVC10 | 269,718.60 | 2010 | | 5,394.37 |
| FNS435 | BRIDGEWATER I & J - LABOR | WC-361-25 | MISC NONMASS | 201.56 | 2010 | | 4.03 |
| FNS436 | ANDOVER SEC 4 | WC-361-25 | PVC6 | 22,848.00 | 2011 | | 0.00 |
| FNS437 | ANDOVER SEC 4 | WC-361-25 | PVC8 | 8,828.00 | 2011 | | 0.00 |
| FNS438 | ANDOVER SEC 4 | WC-361-25 | PVC12 | 143,724.70 | 2011 | | 0.00 |
| FNS439 | ANDOVER SEC 4 | WC-361-25 | DIP36 | 6,300.00 | 2011 | | 0.00 |
| FNS440 | MAPLE KNOLL SEC 4B | WC-361-25 | PVC8 | 19,340.00 | 2011 | | 0.00 |
| FNS441 | MAPLE VILLAGE SECTION 4 | WC-361-25 | PVC8 | 15,687.00 | 2011 | | 0.00 |
| FNS442 | BLUE GRASS AT VIKING MEADOWS SEC 1 | WC-361-25 | PVC8 | 23,049.00 | 2011 | | 0.00 |
| FSS100 | MULBERRY FARMS 2 | WC-361-25 | MISC NONMASS | 71,843.00 | 1999 | | 15,805.46 |
| FSS101 | VILLAGE FARMS 17 | WC-361-25 | MISC NONMASS | 40,611.00 | 1999 | | 8,934.42 |
| FSS102 | CROSSINGS 5B & 5C | WC-361-25 | MISC NONMASS | 44,233.00 | 1999 | | 9,731.26 |
| FSS103 | MEADOWS 4B | WC-361-25 | MISC NONMASS | 24,312.00 | 1999 | | 5,348.64 |
| FSS104 | VILLAGE FARMS 18 | WC-361-25 | MISC NONMASS | 31,370.00 | 2000 | | 6,274.00 |
| FSS105 | CENTENNIAL 2 | WC-361-25 | MISC NONMASS | 323,411.00 | 2000 | | 64,682.20 |
| FSS106 | CENTENNIAL 3 | WC-361-25 | MISC NONMASS | 342,842.00 | 2000 | | 68,568.40 |
| FSS107 | CENTENNIAL 4 | WC-361-25 | MISC NONMASS | 79,148.00 | 2000 | | 15,829.60 |
| FSS108 | CENTENNIAL T/H | WC-361-25 | MISC NONMASS | 34,216.00 | 2000 | | 6,843.20 |
| FSS109 | CENTENNIAL 5 | WC-361-25 | MISC NONMASS | 21,542.00 | 2001 | | 3,877.56 |
| FSS110 | SETTERS PLACE | WC-361-25 | MISC NONMASS | 80,785.00 | 2001 | | 14,541.30 |
| FSS111 | VILLAGE FARMS ESTATES | WC-361-25 | MISC NONMASS | 38,594.00 | 2001 | | 6,946.92 |
| FSS112 | CENTENNIAL 6 | WC-361-25 | MISC NONMASS | 127,411.00 | 2001 | | 22,933.98 |
| FSS69 | SANITARY SEWER LINES, WASHINGTON TWP, CIAC | WC-361-25 | MISC NONMASS | 3,675.14 | 1974 | | 2,866.61 |
| FSS70 | SANITARY SEWER LINES, WASHINGTON TWP, CIAC | WC-361-25 | MISC NONMASS | 214,958.93 | 1976 | | 158,114.24 |
| FSS71 | SANITARY SEWER LINES, WASHINGTON TWP, CIAC | WC-361-25 | MISC NONMASS | 99,529.00 | 1977 | | 70,997.35 |
| FSS72 | SANITARY SEWER LINES, WASHINGTON TWP, CIAC | WC-361-25 | MISC NONMASS | 51,362.11 | 1978 | | 35,496.92 |
| FSS73 | SANITARY SEWER LINES, WASHINGTON TWP, CIAC | WC-361-25 | MISC NONMASS | 10,723.43 | 1979 | | 7,172.78 |
| FSS74 | VILLAGE FARMS SEC 4, CIAC | WC-361-25 | MISC NONMASS | 53,405.27 | 1980 | | 34,535.41 |
| FSS75 | MEADOWS | WC-361-25 | MISC NONMASS | 71,056.68 | 1994 | | 23,843.46 |
| FSS76 | MERRIMAC | WC-361-25 | MISC NONMASS | 138,125.94 | 1994 | | 46,348.93 |
| FSS77 | VILLAGE FARMS | WC-361-25 | MISC NONMASS | 29,764.40 | 1994 | | 9,987.61 |
| FSS78 | SPRINGMILL | WC-361-25 | MISC NONMASS | 30,431.24 | 1994 | | 10,211.37 |
| FSS79 | BRENTWOOD VILLAGE | WC-361-25 | MISC NONMASS | 98,868.00 | 1995 | | 29,660.40 |
| FSS80 | SPRINGDALE FARMS 1 | WC-361-25 | MISC NONMASS | 96,744.00 | 1995 | | 29,023.20 |
| FSS81 | SPRINGDALE LIFT STATION | WC-361-25 | MISC NONMASS | 1,821.00 | 1995 | | 570.58 |
| FSS82 | SILVERTHORNE I | WC-361-25 | MISC NONMASS | 91,394.00 | 1996 | | 25,590.32 |
| FSS83 | CROSSINGS 3 | WC-361-25 | MISC NONMASS | 74,426.00 | 1996 | | 20,839.28 |
| FSS84 | CROSSINGS 4 | WC-361-25 | MISC NONMASS | 34,355.00 | 1996 | | 9,619.40 |
| FSS85 | MEADOWS 3 | WC-361-25 | MISC NONMASS | 198,532.00 | 1996 | | 55,588.96 |
| FSS86 | MERRIMAC 2 | WC-361-25 | MISC NONMASS | 181,136.00 | 1996 | | 50,718.08 |
| FSS87 | SETTER'S RUN 1 | WC-361-25 | MISC NONMASS | 187,985.00 | 1996 | | 52,635.80 |
| FSS88 | SPRINGDALE FARMS 2 | WC-361-25 | MISC NONMASS | 67,389.00 | 1996 | | 18,868.92 |
| FSS89 | MULBERRY | WC-361-25 | MISC NONMASS | 98,012.00 | 1997 | | 25,483.12 |

REVISED ATTACHMENT "B"

WESTFIELD WASTEWATER UTILITY
UTILITY PLANT IN SERVICE
As of December 31, 2011

| Asset Number | Description | NARUC | Subtype | Original Cost | Purchase Date | Disposal Date | Accumulated Depreciation at 12-31-2011 |
|---|--|-----------|--------------|---------------|---------------|---------------|--|
| FSS90 | SILVERTHORNE | WC-361-25 | MISC NONMASS | 74,727.00 | 1997 | | 19,429.02 |
| FSS91 | SETTER'S RUN | WC-361-25 | MISC NONMASS | 98,903.00 | 1997 | | 25,714.78 |
| FSS92 | MERRIMAC 3 | WC-361-25 | MISC NONMASS | 24,112.00 | 1997 | | 6,269.12 |
| FSS93 | CROSSWINDS | WC-361-25 | MISC NONMASS | 125,829.00 | 1997 | | 32,715.54 |
| FSS94 | CROSSINGS 5A | WC-361-25 | MISC NONMASS | 76,988.00 | 1998 | | 18,477.12 |
| FSS95 | SETTER'S RUN 3 | WC-361-25 | MISC NONMASS | 89,607.00 | 1998 | | 21,505.68 |
| FSS96 | CENTENNIAL 1 | WC-361-25 | MISC NONMASS | 375,406.00 | 1998 | | 90,097.44 |
| FSS97 | VILLAGE FARMS 16 | WC-361-25 | MISC NONMASS | 120,258.00 | 1998 | | 28,861.92 |
| FSS98 | MERRIMAC 4 | WC-361-25 | MISC NONMASS | 128,722.00 | 1998 | | 30,893.28 |
| FSS99 | MEADOWS 4B OFFSITE | WC-361-25 | MISC NONMASS | 16,762.00 | 1999 | | 3,687.64 |
| Total CIAC Gravity Sewers - Collection | | | | 19,083,640.15 | | | 2,696,646.62 |
| SERVICES | | | | | | | |
| FSS113 | SEWER SERVICE INSTALLED | WC-363-20 | NONE | 24,214.55 | 1988 | | 11,056.26 |
| FSS114 | HERB BARN LIFT STATION | WC-363-20 | NONE | 3,808.33 | 1999 | | 871.27 |
| Total Services - Collection | | | | 28,022.88 | | | 11,927.53 |
| FLOW MEASURING DEVICES | | | | | | | |
| FNS512 | METERS-1994 | WC-364-20 | NONE | 11,049.78 | 1994 | | 3,757.00 |
| FNS513 | METERS-1995 | WC-364-20 | NONE | 19,089.02 | 1995 | | 12,216.96 |
| FNS514 | METERS-1996 | WC-364-20 | NONE | 102,940.86 | 1996 | | 61,770.00 |
| FNS515 | METERS-1999 | WC-364-20 | NONE | 10,888.40 | 1999 | | 5,226.47 |
| FNS516 | METERS-2001 | WC-364-20 | NONE | 20,500.00 | 2001 | | 8,200.00 |
| FNS517 | METERS-2002 | WC-364-20 | NONE | 498.50 | 2002 | | 498.50 |
| FNS518 | METERS-2003 | WC-364-20 | NONE | 120,590.81 | 2003 | | 38,589.04 |
| FNS519 | METERS-2004 | WC-364-20 | NONE | 272,499.19 | 2004 | | 76,299.79 |
| FNS520 | METERS-2005 | WC-364-20 | NONE | 243,647.11 | 2005 | | 58,475.34 |
| FNS521 | METERS-2006 | WC-364-20 | NONE | 239,646.19 | 2006 | | 47,929.25 |
| FNS522 | METERS-2007 | WC-364-20 | NONE | 173,965.23 | 2007 | | 27,834.44 |
| FNS523 | METERS-2008 | WC-364-20 | NONE | 31,040.25 | 2008 | | 3,724.83 |
| FNS524 | METERS-2009 | WC-364-20 | NONE | 7,119.27 | 2009 | | 569.54 |
| FSS115 | METERS-1974 | WC-364-20 | NONE | 1,920.00 | 1974 | | 1,425.60 |
| FSS116 | METERS-1986 | WC-364-20 | NONE | 1,200.00 | 1986 | | 583.35 |
| Total Flow Measuring Devices - Collection | | | | 1,256,594.61 | | | 347,100.10 |
| TOTAL COLLECTION PLANT | | | | 52,175,099.47 | | | 8,207,118.93 |
| SYSTEM PUMPING PLANT | | | | | | | |
| LAND | | | | | | | |
| FNS16 | EASEMENT - LIFT STATION | WS-353-30 | NONE | 9,179.00 | 2001 | | 0.00 |
| Total Land - System Pumping | | | | 9,179.00 | | | 0.00 |
| STRUCTURES AND IMPROVEMENTS | | | | | | | |
| FNS181 | LIFT STATION (PLANT) | WS-354-30 | NONE | 35,000.00 | 1964 | | 33,600.00 |
| FNS182 | LIFT STATION (APARTMENTS) | WS-354-30 | NONE | 20,000.00 | 1980 | | 12,800.00 |
| FNS183 | LIFT STATION (G.T.E.) | WS-354-30 | NONE | 25,000.00 | 1981 | | 15,000.00 |
| FNS184 | 161ST ST LIFT STATION-LANDSCAPING, TREES | WS-354-30 | NONE | 419.86 | 2000 | | 92.39 |
| FNS185 | NEW DOORS & LOCKS - LIFT STATION | WS-354-30 | NONE | 4,970.22 | 2002 | | 1,789.29 |
| FNS186 | REHAB MERRIMAC LIFT STATION | WS-354-30 | NONE | 7,503.35 | 2002 | | 2,701.17 |
| FNS187 | ACCESS DRIVE TO LIFT STATION (STONE) | WS-354-30 | NONE | 1,786.59 | 2004 | | 1,250.62 |
| FNS188 | SETTER'S RUN LS UPGRADES | WS-354-30 | NONE | 91,843.44 | 2004 | | 12,858.09 |
| FNS189 | UNION ST LS UPGRADES | WS-354-30 | NONE | 10,653.05 | 2004 | | 1,491.42 |
| FNS190 | REHAB SOUTH UNION LIFT STATION | WS-354-30 | NONE | 5,493.81 | 2004 | | 1,538.25 |
| FNS191 | REHAB LAGOON LIFT STATION | WS-354-30 | NONE | 5,878.98 | 2004 | | 1,646.12 |
| FNS192 | NEW 6" IRON PIPING IN LS WETWELL | WS-354-30 | NONE | 5,000.00 | 2005 | | 1,200.00 |
| FNS193 | ADIOS PASS LS CONVERSION | WS-354-30 | NONE | 9,899.36 | 2005 | | 1,187.94 |
| FNS194 | SETTER'S RUN LS UPGRADES | WS-354-30 | NONE | 5,316.58 | 2005 | | 637.98 |
| FNS195 | UNION ST LS UPGRADES | WS-354-30 | NONE | 472.36 | 2005 | | 56.70 |
| FNS196 | ADIOS PASS LS UPGRADES | WS-354-30 | NONE | 52,221.00 | 2006 | | 5,222.10 |
| FNS197 | SETTER'S RUN LS UPGRADES | WS-354-30 | NONE | 128.58 | 2006 | | 12.85 |
| FNS198 | SANDPIPER LS IMPROVEMENTS - ENGINEERING (DEV FUNDED CONSTRUCT) | WS-354-30 | NONE | 77,952.30 | 2006 | | 7,795.25 |
| FNS199 | WASHINGTON WOODS/ SANDPIPER LS | WS-354-30 | NONE | 409,222.21 | 2007 | | 32,737.80 |
| FNS200 | WASHINGTON WOODS/ SANDPIPER LS | WS-354-30 | NONE | 365,480.28 | 2008 | | 21,928.83 |
| FNS201 | FENCING AT VIKING MEADOWS LS | WS-354-30 | NONE | 5,195.00 | 2010 | | 207.80 |
| FNS202 | FENCING AT WASHINGTON WOODS LS | WS-354-30 | NONE | 5,895.00 | 2010 | | 235.80 |
| FNS205 | UPGRADE/INSTALL L.S. TELEMETRY & CONTROL PANELS | WS-354-30 | NONE | 121,828.10 | 2002 | | 43,858.08 |
| FNS206 | LIFT STATION PANEL COMMUNICATIONS | WS-354-30 | NONE | 9,461.37 | 2003 | | 7,569.12 |
| Total Structures - System Pumping | | | | 1,276,621.44 | | | 207,417.60 |
| PUMPING EQUIPMENT | | | | | | | |
| FNS207 | PUMP | WS-371-30 | NONE | 15,439.00 | 1990 | | 15,439.00 |
| FNS208 | LIFT STATION AUTO SWITCH | WS-371-30 | NONE | 18,260.00 | 1996 | | 5,475.00 |
| FNS209 | KIRKENDALL DRAIN LIFT STATION | WS-371-30 | NONE | 73,200.00 | 1998 | | 19,032.00 |
| FNS210 | DARTOWN ROAD LIFT STATION | WS-371-30 | NONE | 40,000.00 | 1999 | | 9,600.00 |

REVISED ATTACHMENT "B"

WESTFIELD WASTEWATER UTILITY
UTILITY PLANT IN SERVICE
As of December 31, 2011

| Asset Number | Description | NARUC | Subtype | Original Cost | Purchase Date | Disposal Date | Accumulated Depreciation at 12-31-2011 |
|--|--|-----------|---------|---------------------|---------------|---------------|--|
| FNS211 | LIFT STATION-POWER PARTS | WS-371-30 | NONE | 6,891.48 | 1999 | | 1,653.96 |
| FNS212 | LIFT STATION-ELECTRICAL PANEL | WS-371-30 | NONE | 3,396.00 | 1999 | | 815.04 |
| FNS213 | PUMP / OAK RD LIFT STATION | WS-371-30 | NONE | 13,731.70 | 2001 | | 13,731.70 |
| FNS214 | OAK RIDGE LIFT STATION | WS-371-30 | NONE | 227,264.10 | 2001 | | 45,452.80 |
| FNS215 | NEW PUMPS / 2 LIFT STATIONS | WS-371-30 | NONE | 30,249.55 | 2001 | | 30,249.55 |
| FNS216 | LIFT STATION PUMP | WS-371-30 | NONE | 3,240.00 | 2001 | | 3,240.00 |
| FNS217 | BROOKSIDE LIFT STATION IMPROVEMENTS | WS-371-30 | NONE | 6,000.00 | 2002 | | 2,160.00 |
| FNS218 | GENERATOR PLUGS WUS LIFT STATIONS | WS-371-30 | NONE | 12,088.61 | 2002 | | 10,879.74 |
| FNS219 | LIFT STATION LIDS & PUMP PARTS | WS-371-30 | NONE | 4,907.00 | 2002 | | 4,416.30 |
| FNS220 | BREAKERS FOR MERRIMAC LIFT STATION | WS-371-30 | NONE | 1,116.85 | 2002 | | 1,116.85 |
| FNS221 | SPARE PUMP FOR MERRIMAC LIFT STATION | WS-371-30 | NONE | 13,772.46 | 2002 | | 12,395.25 |
| FNS222 | PUMP FOR WESTFIELD PARK LIFT STATION | WS-371-30 | NONE | 2,526.50 | 2002 | | 2,273.85 |
| FNS223 | ALTERNATOR FOR PUMP AT OAK RD LIFT STATION | WS-371-30 | NONE | 938.75 | 2002 | | 938.75 |
| FNS224 | BROOKSIDE LIFT STATION & FORCE MAIN | WS-371-30 | NONE | 357,362.71 | 2003 | | 57,178.00 |
| FNS225 | NEW PUMP - WESTFIELD PARK RD | WS-371-30 | NONE | 2,602.00 | 2003 | | 2,081.60 |
| FNS226 | GENERATOR PLUG - OAK RD LIFT STATION | WS-371-30 | NONE | 2,455.00 | 2003 | | 2,455.00 |
| FNS227 | STARTER/CONTROL CIRCUITRY - PUMPS #1 & #2 | WS-371-30 | NONE | 5,000.00 | 2003 | | 5,000.00 |
| FNS228 | BROOKSIDE LIFT STATION & FORCE MAIN | WS-371-30 | NONE | 100,376.17 | 2004 | | 14,052.64 |
| FNS229 | NEW PUMP @ LAGOON LIFT STATION | WS-371-30 | NONE | 11,936.80 | 2004 | | 8,355.76 |
| FNS230 | PUMP FOR LS + INSTALLATION | WS-371-30 | NONE | 4,753.06 | 2005 | | 2,851.86 |
| FNS231 | NEW LS CONTROL PANEL - ADIOS PASS | WS-371-30 | NONE | 17,130.00 | 2005 | | 17,130.00 |
| FNS232 | BY-PASS LINE - PUMPING STATIONS | WS-371-30 | NONE | 4,000.00 | 2006 | | 800.00 |
| FNS233 | CONTROL PANELS - ADIOS PASS LS | WS-371-30 | NONE | 4,680.00 | 2006 | | 4,680.00 |
| FNS234 | VALVES - MERRIMAC LS | WS-371-30 | NONE | 5,822.32 | 2006 | | 5,822.32 |
| FNS235 | VALVE TURNER (1) | WS-371-30 | NONE | 17,862.47 | 2006 | | 3,572.50 |
| FNS236 | NEW PUMP - MERRIMAC LS | WS-371-30 | NONE | 11,650.00 | 2007 | | 9,320.00 |
| FNS237 | NEW PUMP - WPM LAGOON | WS-371-30 | NONE | 4,000.00 | 2007 | | 3,200.00 |
| FNS238 | NEW PUMP - 156TH & TOWNE RD | WS-371-30 | NONE | 13,004.15 | 2010 | | 2,600.83 |
| FSS44 | LIFT STATION, WASHINGTON TWP | WS-371-30 | NONE | 6,593.71 | 1974 | | 5,057.09 |
| FSS45 | COOL CREEK PLANT | WS-371-30 | NONE | 5,600.00 | 1977 | | 3,929.74 |
| FSS46 | LIFT STATION, WASHINGTON TWP | WS-371-30 | NONE | 445.42 | 1979 | | 293.20 |
| FSS47 | LIFT STATION VILLAGE FARMS SEC 4 | WS-371-30 | NONE | 12,697.40 | 1980 | | 7,958.84 |
| FSS48 | LIFT STATION VILLAGE FARMS SEC 4 | WS-371-30 | NONE | 5,111.31 | 1981 | | 3,095.06 |
| FSS49 | MT CARMEL UPGRADE | WS-371-30 | NONE | 16,134.96 | 1982 | | 9,426.94 |
| FSS50 | COOL CREEK PLANT | WS-371-30 | NONE | 23,835.18 | 1986 | | 11,897.30 |
| FSS51 | COOL CREEK EXPANSION | WS-371-30 | NONE | 135,456.40 | 1989 | | 58,966.76 |
| FSS52 | ADDITIONS | WS-371-30 | NONE | 59,074.91 | 1995 | | 18,174.96 |
| FSS53 | ADDITIONS | WS-371-30 | NONE | 125,058.19 | 1996 | | 35,814.54 |
| FSS54 | DELTA BANK - VINING LIFT STATION | WS-371-30 | NONE | 1,978.00 | 1997 | | 524.38 |
| FSS55 | GRAY ROAD LIFT STATION | WS-371-30 | NONE | 11,381.48 | 1997 | | 3,038.36 |
| FSS56 | AUTO DIALER | WS-371-30 | NONE | 1,779.35 | 1999 | | 396.00 |
| FSS57 | ADDITIONS | WS-371-30 | NONE | 7,700.00 | 2000 | | 1,553.39 |
| FSS58 | LIFT STATION | WS-371-30 | NONE | 141,911.07 | 1995 | | 43,660.30 |
| FSS59 | EXPAND LIFT STATION | WS-371-30 | NONE | 32,420.87 | 1998 | | 7,950.16 |
| FSS60 | ADDITIONS | WS-371-30 | NONE | 10,942.11 | 2001 | | 1,969.58 |
| Total Pumping Equipment - System Pumping | | | | 1,633,777.04 | | | 531,676.90 |
| TOTAL SYSTEM PUMPING | | | | 2,919,577.48 | | | 739,094.51 |
| TREATMENT PLANT | | | | | | | |
| LAND | | | | | | | |
| FNS3 | LAND - WWTP DOWN PAYMENT | WT-353-40 | NONE | 10,000.00 | 1995 | | 0.00 |
| FNS4 | LAND - WASTEWATER TREATMENT PLANT | WT-353-40 | NONE | 200,269.00 | 1996 | | 0.00 |
| Total Land - Treatment Plant | | | | 210,269.00 | | | 0.00 |
| STRUCTURES AND IMPROVEMENTS | | | | | | | |
| FNS246 | CHEMICAL BUILDING | WT-354-40 | NONE | 7,000.00 | 1980 | | 4,480.00 |
| FNS247 | SEWER OVERSIZING | WT-354-40 | NONE | 41,003.00 | 1995 | | 13,120.96 |
| FNS248 | SLUDGE GATE | WT-354-40 | NONE | 2,025.00 | 1998 | | 1,316.25 |
| FNS249 | WWTP-STRUCTURE & EXCAVATION | WT-354-40 | NONE | 472,450.00 | 1998 | | 122,837.00 |
| FNS250 | WWTP-BLDG., SBR'S, DIGESTOR | WT-354-40 | NONE | 1,699,500.00 | 1998 | | 441,870.00 |
| FNS251 | PARKING/DRIVE MAINT. BUILDING | WT-354-40 | NONE | 2,802.00 | 1998 | | 1,353.04 |
| FNS252 | WWTP - DUMPSTER PADS | WT-354-40 | NONE | 3,925.06 | 1998 | | 1,020.50 |
| FNS253 | WASTEWATER TREATMENT PLANT | WT-354-40 | NONE | 1,233,279.35 | 1998 | | 320,652.66 |
| FNS254 | WWTP-YARD PIPING & VALVES | WT-354-40 | NONE | 371,400.00 | 1998 | | 96,564.00 |
| FNS255 | WWTP-3 PHASE POWER | WT-354-40 | NONE | 57,357.00 | 1998 | | 14,912.82 |
| FNS256 | WWTP-STRUCTURE & EXCAVATION-CAP INT (SBA) | WT-354-40 | NONE | 21,208.40 | 1999 | | 5,090.03 |
| FNS257 | WWTP-BUILDINGS-CAP INT (SBA) | WT-354-40 | NONE | 76,291.00 | 1999 | | 18,309.84 |
| FNS258 | WWTP-LANDSCAPING, SIGN | WT-354-40 | NONE | 18,550.00 | 1999 | | 4,452.00 |
| FNS259 | WWTP-SITE WORK&GENERAL CON-CAP INT (SBA) | WT-354-40 | NONE | 22,856.10 | 1999 | | 5,485.45 |
| FNS260 | WWTP-YARD PIPING&VALVES-CAP INT (SBA) | WT-354-40 | NONE | 16,672.24 | 1999 | | 4,001.29 |
| FNS261 | WWTP-DESIGN&CON ENG-CAP INT (SBA) | WT-354-40 | NONE | 32,106.16 | 1999 | | 7,705.45 |
| FNS262 | WWTP - LANDSCAPING, TREES | WT-354-40 | NONE | 1,260.00 | 2000 | | 277.20 |
| FNS263 | FENCE AROUND PONDS | WT-354-40 | NONE | 17,850.00 | 2000 | | 7,854.00 |
| FNS264 | CONCRETE PAD AT UTILITY SHOP | WT-354-40 | NONE | 2,702.00 | 2000 | | 594.44 |
| FNS265 | INFLUENT STRUCTURE WWTP | WT-354-40 | NONE | 22,500.00 | 2001 | | 4,500.00 |
| FNS266 | INSULATION @ SHOP | WT-354-40 | NONE | 1,395.34 | 2001 | | 1,395.34 |

REVISED ATTACHMENT "B"

WESTFIELD WASTEWATER UTILITY
UTILITY PLANT IN SERVICE
As of December 31, 2011

| Asset Number | Description | NARUC | Subtype | Original Cost | Purchase Date | Disposal Date | Accumulated Depreciation at 12-31-2011 |
|--|--|-----------|---------|---------------|---------------|---------------|--|
| FNS267 | CONCRETE FRONT BAYS/SHOP/BARN | WT-354-40 | NONE | 2,799.95 | 2001 | | 560.00 |
| FNS268 | CONCRETE PAD FOR DUMPSTER & FUEL TANKS | WT-354-40 | NONE | 791.50 | 2002 | | 142.47 |
| FNS269 | CONCRETE SLAB AT WWTP | WT-354-40 | NONE | 616.79 | 2002 | | 111.06 |
| FNS270 | AIR-CONDITIONER AT WWTP | WT-354-40 | NONE | 1,689.31 | 2002 | | 1,520.37 |
| FNS271 | TANK BARN REHAB | WT-354-40 | NONE | 25,655.60 | 2003 | | 8,209.76 |
| FNS272 | SECURITY - LIFT STATIONS/WWTP | WT-354-40 | NONE | 21,488.20 | 2003 | | 21,488.20 |
| FNS273 | SECURITY FENCE & GATES (CSC, SHOP, WWTP) | WT-354-40 | NONE | 14,282.50 | 2004 | | 3,999.10 |
| FNS274 | PROGRAMMABLE GATES @ WWTP | WT-354-40 | NONE | 6,418.00 | 2004 | | 4,492.60 |
| FNS275 | WASTEWATER TREATMENT PLANT | WT-354-40 | NONE | 322,613.97 | 2005 | | 38,713.68 |
| FNS276 | WWTP BUILDINGS, SBR'S DIGESTER | WT-354-40 | NONE | 4,454,042.48 | 2005 | | 503,951.79 |
| FNS277 | WWTP SITE WORK & GENERAL CONDITIONS | WT-354-40 | NONE | 1,008,092.00 | 2005 | | 120,971.04 |
| FNS278 | WWTP YARD PIPING & VALVES | WT-354-40 | NONE | 1,658,591.47 | 2005 | | 181,807.04 |
| FNS279 | WWTP BUILDINGS, SBR'S DIGESTER | WT-354-40 | NONE | 365,615.45 | 2006 | | 36,561.55 |
| FNS280 | IFIX GRAPHICS CONVERSION | WT-354-40 | NONE | 7,188.00 | 2006 | | 7,188.00 |
| FNS281 | SECURITY GATE & FENCE | WT-354-40 | NONE | 1,500.00 | 2006 | | 300.00 |
| FNS282 | WWTP SITE WORK & GENERAL CONDITIONS | WT-354-40 | NONE | 34,846.97 | 2006 | | 3,484.70 |
| FNS283 | WWTP YARD PIPING & VALVES | WT-354-40 | NONE | 55,301.02 | 2006 | | 5,530.10 |
| FNS284 | WWTP OFFICE ADDITION | WT-354-40 | NONE | 111,606.08 | 2007 | | 8,928.48 |
| FNS285 | SONALERT SECURITY SYSTEM | WT-354-40 | NONE | 1,748.22 | 2007 | | 1,398.56 |
| FNS286 | WASTEWATER PLANT OFFICES REMODEL | WT-354-40 | NONE | 79,420.00 | 2008 | | 4,765.20 |
| FNS287 | WWTP LIFT STATION | WT-354-40 | NONE | 1,323,617.92 | 2007 | | 105,889.44 |
| FNS288 | WWTP LIFT STATION | WT-354-40 | NONE | 165,000.00 | 2007 | | 26,400.00 |
| FSS61 | TREATMENT PLANT | WT-354-40 | NONE | 169,093.13 | 1977 | | 112,985.93 |
| FSS62 | IMPROVEMENTS | WT-354-40 | NONE | 6,097.41 | 1979 | | 3,780.39 |
| FSS63 | TREES | WT-354-40 | NONE | 800.00 | 1986 | | 384.00 |
| FSS64 | TREES | WT-354-40 | NONE | 952.50 | 1989 | | 400.05 |
| FSS65 | TREES | WT-354-40 | NONE | 586.55 | 1990 | | 234.62 |
| FSS66 | WASTEWATER AGREEMENT (CARMEL INTERCEPTOR CAPACITY) | WT-354-40 | NONE | 748,765.00 | 1991 | | 544,934.53 |
| FSS67 | PUMP | WT-354-40 | NONE | 2,954.32 | 1998 | | 2,954.32 |
| FSS68 | WESTFIELD SEWER CAPACITY | WT-354-40 | NONE | 2,095,655.69 | 1998 | | 502,957.37 |
| Total Structures - Treatment Plant | | | | 16,811,762.68 | | | 3,332,836.63 |
| TREATMENT AND DISPOSAL EQUIPMENT | | | | | | | |
| FNS289 | UV BULB RACKS | WT-380-40 | NONE | 2,720.00 | 1998 | | 1,414.40 |
| FNS290 | WWTP - PROCESS EQUIPMENT | WT-380-40 | NONE | 1,325,100.00 | 1998 | | 689,052.00 |
| FNS291 | WWTP - ELECTRICAL COMPONENTS | WT-380-40 | NONE | 361,100.00 | 1998 | | 187,772.00 |
| FNS292 | WWTP - INSTRUMENTATION & CONTROLS | WT-380-40 | NONE | 146,350.00 | 1998 | | 76,102.00 |
| FNS293 | WWTP-PROCESS EQUIPMENT-CAP INT (SBA) | WT-380-40 | NONE | 59,484.08 | 1999 | | 28,552.34 |
| FNS294 | WWTP-ELEC COMPONENTS-CAP INT (SBA) | WT-380-40 | NONE | 16,209.87 | 1999 | | 7,780.69 |
| FNS295 | WWTP-INSTRUMENTATION-CAP INT (SBA) | WT-380-40 | NONE | 6,569.69 | 1999 | | 3,153.47 |
| FNS296 | WWTP - PUMP AT UV CHANNEL | WT-380-40 | NONE | 2,871.00 | 2000 | | 2,871.00 |
| FNS297 | ODOR CONTROL FOR GRATING/WWTP | WT-380-40 | NONE | 2,800.00 | 2001 | | 1,120.00 |
| FNS298 | MONITORING | WT-380-40 | NONE | 16,786.00 | 2001 | | 6,714.40 |
| FNS299 | FLYGT PUMP | WT-380-40 | NONE | 3,714.00 | 2001 | | 3,714.00 |
| FNS300 | OXIDIZER/WWTP | WT-380-40 | NONE | 19,359.10 | 2001 | | 7,743.60 |
| FNS301 | UV TREATMENT SYSTEM | WT-380-40 | NONE | 11,564.00 | 2002 | | 11,564.00 |
| FNS302 | UV LAMPS (WWTP) | WT-380-40 | NONE | 18,600.00 | 2004 | | 18,600.00 |
| FNS303 | NEW PUMP - WWTP | WT-380-40 | NONE | 21,000.00 | 2004 | | 14,700.00 |
| FNS304 | STORAGE CART FOR UV BULBS | WT-380-40 | NONE | 1,150.00 | 2005 | | 1,150.00 |
| FNS305 | WWTP PROCESS EQUIPMENT | WT-380-40 | NONE | 2,927,063.41 | 2005 | | 702,495.24 |
| FNS306 | WWTP ELECTRICAL COMPONENTS | WT-380-40 | NONE | 538,330.64 | 2005 | | 129,199.38 |
| FNS307 | WWTP INSTRUMENTATION & CONTROL | WT-380-40 | NONE | 1,255,034.45 | 2005 | | 274,838.61 |
| FNS308 | WWTP PROCESS EQUIPMENT | WT-380-40 | NONE | 27,246.31 | 2006 | | 5,449.25 |
| FNS309 | WWTP ELECTRICAL COMPONENTS | WT-380-40 | NONE | 19,025.50 | 2006 | | 3,805.10 |
| FNS310 | WWTP INSTRUMENTATION & CONTROL | WT-380-40 | NONE | 27,776.81 | 2006 | | 5,555.35 |
| FNS311 | AERATORS - RIVER RD PLANT | WT-380-40 | NONE | 29,508.05 | 2006 | | 29,508.05 |
| FNS312 | STORAGE TANK - WWTP | WT-380-40 | NONE | 1,433.20 | 2006 | | 1,433.20 |
| FNS313 | UN LAMPS | WT-380-40 | NONE | 10,035.00 | 2006 | | 10,035.00 |
| FNS314 | WPW LAGOON IMPROVEMENTS - ENG | WT-380-40 | NONE | 158,440.72 | 2011 | | 0.00 |
| Total Treatment and Disposal Equipment - Treatment Plant | | | | 7,009,271.83 | | | 2,224,323.09 |
| TOTAL TREATMENT PLANT | | | | 24,031,303.51 | | | 5,557,159.72 |
| GENERAL PLANT | | | | | | | |
| OFFICE FURNITURE | | | | | | | |
| FNS77 | WWTP - OFFICE/LAB FURNITURE & EQUIP. | WG-390-71 | NONE | 12,000.00 | 1998 | | 12,000.00 |
| FNS78 | FURNISH / INSTALL LAB FURNITURE | WG-390-71 | NONE | 9,349.00 | 2006 | | 9,349.00 |
| FNS79 | SEWAGE PLANT FURNITURE | WG-390-71 | NONE | 3,346.00 | 2008 | | 2,007.60 |
| FNS80 | OFFICE FURNITURE | WG-390-71 | NONE | 1,970.96 | 2008 | | 1,182.57 |
| Total Office Furniture - General Plant | | | | 26,665.96 | | | 24,539.17 |
| OFFICE MACHINERY | | | | | | | |
| FNS81 | COPIER FOR WUS OFFICE | WG-390-72 | NONE | 1,037.50 | 2002 | | 1,037.50 |
| FNS82 | PROJECTOR & DOCKING STATION | WG-390-72 | NONE | 647.32 | 2004 | | 647.32 |
| FNS83 | OFFICE EQUIPMENT - WWTP | WG-390-72 | NONE | 3,516.68 | 2005 | | 3,516.68 |
| FNS84 | BILL PREP & STUFFING MACHINE - CSC | WG-390-72 | NONE | 19,120.73 | 2006 | | 19,120.73 |

REVISED ATTACHMENT "B"

WESTFIELD WASTEWATER UTILITY
UTILITY PLANT IN SERVICE
As of December 31, 2011

| Asset Number | Description | NARUC | Subtype | Original Cost | Purchase Date | Disposal Date | Accumulated Depreciation at 12-31-2011 |
|--|--|-----------|--------------|---------------|---------------|---------------|--|
| Total Office Machinery - General Plant | | | | 24,322.23 | | | 24,322.23 |
| COMPUTER EQUIPMENT | | | | | | | |
| FNS100 | NEW COMPUTER | WG-390-73 | NONE | 1,620.00 | 2008 | | 972.00 |
| FNS101 | COMPUTERS | WG-390-73 | NONE | 1,631.00 | 2009 | | 652.40 |
| FNS85 | BILLING EQUIPMENT - BURSTER | WG-390-73 | NONE | 5,078.24 | 2000 | | 5,078.24 |
| FNS86 | MICRON COMPUTER | WG-390-73 | NONE | 635.50 | 2001 | | 635.50 |
| FNS87 | COMPUTERS & EQUIP. FOR CSC | WG-390-73 | NONE | 11,488.37 | 2002 | | 11,488.37 |
| FNS88 | COMPUTER EQUIPMENT (WWTP) | WG-390-73 | NONE | 2,302.00 | 2003 | | 2,302.00 |
| FNS89 | FLOW METER LAPTOP | WG-390-73 | NONE | 3,473.45 | 2005 | | 3,473.45 |
| FNS90 | 50 TOUCH PADS | WG-390-73 | NONE | 592.03 | 2005 | | 355.20 |
| FNS91 | LAPTOP NOTEBOOKS - WWTP | WG-390-73 | NONE | 32,719.02 | 2006 | | 32,719.02 |
| FNS92 | COMPUTER HARDWARE | WG-390-73 | NONE | 5,038.50 | 2007 | | 4,030.80 |
| FNS93 | COMPUTER HARDWARE FOR RIVER RD | WG-390-73 | NONE | 1,003.00 | 2007 | | 802.40 |
| FNS94 | COMPUTER + SOFTWARE | WG-390-73 | NONE | 3,185.00 | 2007 | | 2,548.00 |
| FNS95 | WIDE LCD MONITOR | WG-390-73 | NONE | 789.00 | 2008 | | 473.40 |
| FNS96 | NEW COMPUTER - SALT BARN | WG-390-73 | NONE | 727.00 | 2008 | | 436.20 |
| FNS97 | COMPUTER CABLE FOR BUILDING EXPANSION | WG-390-73 | NONE | 2,316.00 | 2008 | | 1,389.60 |
| FNS98 | LAPTOP | WG-390-73 | NONE | 798.00 | 2008 | | 478.80 |
| FNS99 | COMPUTER EQUIP. | WG-390-73 | NONE | 745.50 | 2008 | | 447.30 |
| FSS1 | DIALOG REAMASTER | WG-390-73 | NONE | 289.91 | 1998 | | 277.97 |
| FSS2 | METER READING | WG-390-73 | NONE | 3,630.92 | 2000 | | 3,339.02 |
| FSS3 | READERS | WG-390-73 | NONE | 1,604.40 | 2000 | | 1,475.42 |
| Total Computer Equipment - General Plant | | | | 79,666.84 | | | 73,375.09 |
| SOFTWARE | | | | | | | |
| FNS103 | EVIDENCE & INVENTORY SOFTWARE & EQUIP. | WG-390-74 | NONE | 1,292.85 | 2002 | | 1,292.85 |
| FNS104 | SOFTWARE SYSTEM UPGRADE | WG-390-74 | NONE | 946.79 | 2002 | | 946.79 |
| FNS105 | BILLING SYSTEM UPGRADE | WG-390-74 | NONE | 8,375.00 | 2003 | | 8,375.00 |
| FNS106 | SCADA SOFTWARE | WG-390-74 | NONE | 5,936.57 | 2006 | | 5,936.57 |
| FNS107 | SCADA SOFTWARE | WG-390-74 | NONE | 1,562.49 | 2007 | | 1,250.00 |
| FSS4 | UTILITY DATE SOFTWARE | WG-390-74 | NONE | 5,765.00 | 1996 | | 5,765.00 |
| FSS5 | ROUTE MAPS | WG-390-74 | NONE | 2,100.00 | 2000 | | 2,100.00 |
| FSS6 | POCKET READER | WG-390-74 | NONE | 463.59 | 2000 | | 426.32 |
| Total Software - General Plant | | | | 26,442.29 | | | 26,092.52 |
| TRANSPORTATION EQUIPMENT | | | | | | | |
| FNS110 | 2003 FORD 4X2 TRUCK #129 & RADIO | WG-391-70 | NONE | 7,927.24 | 2002 | | 7,927.24 |
| FNS111 | 2003 FORD 4X4 TRUCK #126 & RADIO | WG-391-70 | NONE | 8,741.73 | 2002 | | 8,741.73 |
| FNS112 | NEW TRACTOR WITH SPREADER (J DEERE GATOR) | WG-391-70 | NONE | 14,055.00 | 2003 | | 11,244.00 |
| FNS113 | 2003 FORD PICK-UP TRUCK \$136, RADIO & STROBES | WG-391-70 | NONE | 11,838.80 | 2003 | | 11,838.80 |
| FNS114 | 2004 FORD 4X4 TRUCK #139 | WG-391-70 | NONE | 24,778.00 | 2003 | | 24,778.00 |
| FNS115 | STROBE LIGHTS FOR #139 | WG-391-70 | NONE | 594.80 | 2004 | | 594.80 |
| FNS116 | STROBE LIGHTS FOR #143 | WG-391-70 | NONE | 307.65 | 2004 | | 307.65 |
| FNS117 | 2006 FORD 3-50 SUPER DUTY TRUCK #146 | WG-391-70 | HEAVY TRUCKS | 17,104.61 | 2005 | | 17,104.61 |
| FNS118 | 2006 FORD E250 CARGO VAN #104 | WG-391-70 | NONE | 6,913.00 | 2006 | | 6,913.00 |
| FNS119 | 2006 FORD EXPEDITION #121 | WG-391-70 | NONE | 15,629.50 | 2006 | | 15,629.50 |
| FNS120 | 2008 FORD F-350 4X4 + RADIO #106 | WG-391-70 | HEAVY TRUCKS | 10,684.86 | 2007 | | 8,547.88 |
| FSS7 | TRAILER | WG-391-70 | TRAILERS | 699.18 | 1988 | | 699.18 |
| FSS8 | TRAILER | WG-391-70 | TRAILERS | 565.62 | 2000 | | 520.15 |
| Total Transportation Equipment - General Plant | | | | 119,839.99 | | | 114,846.54 |
| TOOLS, SHOP AND GARAGE EQUIPMENT | | | | | | | |
| FNS122 | GENERATOR | WG-393-70 | NONE | 19,000.00 | 1999 | | 15,200.03 |
| FNS123 | WATER LINE TRACER | WG-393-70 | NONE | 2,264.28 | 2000 | | 996.27 |
| FNS124 | CRANE TRUCK | WG-393-70 | NONE | 3,624.00 | 2000 | | 3,624.00 |
| FNS125 | LIFT FOR SHOP (1/3 PMT) | WG-393-70 | NONE | 2,824.79 | 2001 | | 2,824.79 |
| FNS126 | ISOLATOR (2 FLOATS & FLOW METER) | WG-393-70 | NONE | 2,450.35 | 2002 | | 2,450.35 |
| FNS127 | CRANE WITH PEDESTAL | WG-393-70 | NONE | 6,000.00 | 2002 | | 5,400.00 |
| FNS128 | LINE TRACER | WG-393-70 | NONE | 3,685.32 | 2005 | | 3,685.32 |
| FNS129 | GAS DETECTOR FOR SEWER SYSTEM | WG-393-70 | NONE | 2,191.83 | 2005 | | 2,191.83 |
| FNS130 | LOCATE EQUIPMENT | WG-393-70 | NONE | 1,453.91 | 2006 | | 726.95 |
| FNS131 | GANTRY CRANE & ACCESSORIES | WG-393-70 | NONE | 1,656.69 | 2006 | | 1,656.69 |
| FNS132 | VERTICAL HYDRAULIC SHORES | WG-393-70 | NONE | 3,936.50 | 2006 | | 3,936.50 |
| FNS133 | LOCATING SYSTEM | WG-393-70 | NONE | 3,200.00 | 2006 | | 3,200.00 |
| FNS134 | GATOR MOUNTED UTILITY SPRAYER | WG-393-70 | NONE | 3,198.00 | 2007 | | 2,558.40 |
| FSS10 | SAFETY BELT | WG-393-70 | NONE | 150.00 | 1988 | | 150.00 |
| FSS11 | TOOL BOX | WG-393-70 | NONE | 140.36 | 1988 | | 140.36 |
| FSS12 | ELECTRIC WRENCH | WG-393-70 | NONE | 268.06 | 1988 | | 268.06 |
| FSS13 | BREAKER | WG-393-70 | NONE | 1,264.80 | 2000 | | 1,163.12 |
| FSS14 | LOCATOR | WG-393-70 | NONE | 630.00 | 2000 | | 579.35 |
| FSS9 | GRINDER | WG-393-70 | NONE | 246.25 | 1990 | | 246.25 |
| Total Tools, Shop and Garage Equipment - General Plant | | | | 58,185.14 | | | 50,998.27 |
| LABORATORY EQUIPMENT | | | | | | | |

REVISED ATTACHMENT "B"

WESTFIELD WASTEWATER UTILITY
UTILITY PLANT IN SERVICE
As of December 31, 2011

| Asset Number | Description | NARUC | Subtype | Original Cost | Purchase Date | Disposal Date | Accumulated Depreciation at 12-31-2011 |
|--|--|-----------|---------|---------------|---------------|---------------|--|
| FNS142 | WWTP - LAB EQUIPMENT | WG-394-70 | NONE | 8,147.56 | 2000 | | 8,147.56 |
| FNS143 | PROBE FOR WWTP | WG-394-70 | NONE | 4,914.00 | 2003 | | 3,931.20 |
| FNS144 | PORTABLE SAMPLER/WWTP | WG-394-70 | NONE | 2,935.00 | 2003 | | 2,348.00 |
| FNS145 | LAB EQUIPMENT FOR WWTP EXPANSION | WG-394-70 | NONE | 7,516.44 | 2005 | | 7,516.44 |
| FNS146 | LAB EQUIPMENT FOR WWTP EXPANSION (1) | WG-394-70 | NONE | 3,211.45 | 2006 | | 642.30 |
| FNS147 | REFRIGERATED SAMPLER EQUIP - WWTP | WG-394-70 | NONE | 4,127.17 | 2007 | | 3,301.72 |
| FNS148 | REFRIGERATED SAMPLER EQUIP - WWTP | WG-394-70 | NONE | 4,947.55 | 2008 | | 2,968.53 |
| Total Laboratory Equipment - General Plant | | | | 35,799.17 | | | 28,855.75 |
| POWER OPERATED EQUIPMENT | | | | | | | |
| FNS136 | FLUID SMOKE BLOWER W/ HONDA ENGINE | WG-395-70 | NONE | 1,865.87 | 2004 | | 1,306.13 |
| FNS137 | GENERATOR & PAD | WG-395-70 | NONE | 4,845.80 | 2006 | | 4,845.80 |
| FNS138 | MOWER | WG-395-70 | NONE | 15,425.00 | 2006 | | 15,425.00 |
| FNS139 | DIESEL GENERATOR + TRANSFER SWITCH - MERRIMAN LS | WG-395-70 | NONE | 47,796.00 | 2007 | | 38,236.80 |
| FNS140 | GENERATOR - WASHINGTON WOODS | WG-395-70 | NONE | 68,000.00 | 2007 | | 54,400.00 |
| FNS141 | MASSEY FERGUSON 3625 TRACTOR 4WD W/ SNOW BLOWER | WG-395-70 | NONE | 21,056.10 | 2007 | | 16,844.88 |
| FSS15 | GENERATOR | WG-395-70 | NONE | 500.00 | 1987 | | 500.00 |
| FSS16 | GENERATOR | WG-395-70 | NONE | 967.93 | 1988 | | 967.93 |
| FSS17 | GENERATOR | WG-395-70 | NONE | 2,362.50 | 1998 | | 2,265.22 |
| FSS18 | MOWER | WG-395-70 | NONE | 3,107.58 | 2000 | | 3,107.58 |
| Total Power Operated Equipment - General Plant | | | | 165,926.78 | | | 137,899.34 |
| COMMUNICATION EQUIPMENT | | | | | | | |
| FNS150 | NEW SINGLE PORT | WG-396-70 | NONE | 3,105.00 | 2007 | | 2,484.00 |
| FNS151 | RADIO EQUIPMENT + SOFTWARE FOR UTILITY OFFICE + INSTALLATION | WG-396-70 | NONE | 13,698.50 | 2007 | | 10,958.80 |
| FNS152 | RADIO | WG-396-70 | NONE | 1,537.50 | 2008 | | 922.50 |
| FSS19 | MOBILE RADIOS | WG-396-70 | NONE | 797.50 | 1989 | | 797.50 |
| FSS20 | KMP RADIO | WG-396-70 | NONE | 387.65 | 1989 | | 387.65 |
| FSS21 | RADIO & MICROPHONE | WG-396-70 | NONE | 354.67 | 1994 | | 354.67 |
| FSS22 | RADIO | WG-396-70 | NONE | 469.00 | 1996 | | 469.00 |
| FSS23 | RADIOS | WG-396-70 | NONE | 571.82 | 2000 | | 571.82 |
| FSS24 | RADIO | WG-396-70 | NONE | 229.32 | 2001 | | 229.32 |
| Total Communication Equipment - General Plant | | | | 21,150.96 | | | 17,175.25 |
| MISCELLANEOUS EQUIPMENT | | | | | | | |
| FNS153 | 2 SUBMERSIBLE LEVEL TRANSMITTERS | WG-397-70 | NONE | 1,526.00 | 2002 | | 1,526.00 |
| FNS154 | FIRE PROOF SAFE | WG-397-70 | NONE | 699.50 | 2004 | | 699.50 |
| FNS155 | TRANSMITTER PROBES | WG-397-70 | NONE | 4,425.00 | 2006 | | 4,425.00 |
| FNS156 | WEATHER STATION - WWTP | WG-397-70 | NONE | 1,041.91 | 2006 | | 1,041.91 |
| FNS157 | SEWER CAMERA | WG-397-70 | NONE | 3,500.00 | 2006 | | 3,500.00 |
| FNS158 | PALLET SCALE | WG-397-70 | NONE | 1,149.00 | 2007 | | 919.20 |
| FNS159 | AMETAK SUBMERSIBLE TRANSMITTERS | WG-397-70 | NONE | 2,447.00 | 2007 | | 1,957.60 |
| FNS160 | SEWER CAMERA | WG-397-70 | NONE | 17,758.18 | 2008 | | 10,654.92 |
| FNS161 | RADIODETECTION GATOR CAM 332 CAMERA SYSTEM | WG-397-70 | NONE | 3,703.15 | 2010 | | 740.63 |
| FNS162 | SARTORIUS (SCALE) | WG-397-70 | NONE | 1,500.00 | 2010 | | 300.00 |
| FSS25 | CABINETS | WG-397-70 | NONE | 666.66 | 1981 | | 666.66 |
| FSS26 | SCALES | WG-397-70 | NONE | 117.00 | 1981 | | 117.00 |
| FSS27 | GAS DETECTOR | WG-397-70 | NONE | 1,075.00 | 1987 | | 1,075.00 |
| FSS28 | PIPE & DETECTOR | WG-397-70 | NONE | 1,750.00 | 1987 | | 1,750.00 |
| FSS29 | TRANS. TRAIL | WG-397-70 | NONE | 1,464.10 | 1988 | | 1,464.10 |
| FSS30 | SEWER PLUG | WG-397-70 | NONE | 266.03 | 1988 | | 266.03 |
| FSS31 | MLSU | WG-397-70 | NONE | 499.77 | 1989 | | 499.77 |
| FSS32 | REPEATER | WG-397-70 | NONE | 2,257.52 | 1989 | | 2,257.52 |
| FSS33 | RESPIRATOR | WG-397-70 | NONE | 451.21 | 1990 | | 451.21 |
| FSS34 | GENERAL EQUIPMENT | WG-397-70 | NONE | 555.90 | 1990 | | 555.90 |
| FSS35 | VALVE LOCATOR | WG-397-70 | NONE | 167.00 | 1990 | | 167.00 |
| FSS36 | SENSION 1 | WG-397-70 | NONE | 930.40 | 1999 | | 873.85 |
| FSS37 | GENERAL EQUIPMENT | WG-397-70 | NONE | 899.66 | 1999 | | 844.97 |
| FSS38 | GENERAL EQUIPMENT | WG-397-70 | NONE | 3,966.87 | 2000 | | 3,647.96 |
| FSS39 | GAS DETECTOR | WG-397-70 | NONE | 1,409.55 | 2001 | | 1,288.60 |
| FSS40 | WASHINGTON TWP | WG-397-70 | NONE | 1,918.33 | 1982 | | 1,918.33 |
| FSS41 | FLOWMETER | WG-397-70 | NONE | 5,260.98 | 1995 | | 5,260.98 |
| FSS42 | EXTENSION WAND | WG-397-70 | NONE | 1,958.25 | 1996 | | 1,958.25 |
| FSS43 | CURB VALVE | WG-397-70 | NONE | 254.75 | 2001 | | 229.28 |
| Total Miscellaneous Equipment - General Plant | | | | 63,618.72 | | | 51,037.16 |
| OTHER EQUIPMENT | | | | | | | |
| FNS163 | DEPOSITORY DROP BOX | WG-398-70 | NONE | 242.50 | 1996 | | 242.50 |
| FNS164 | PAYMASTER BURSTER MACHINE | WG-398-70 | NONE | 797.50 | 1998 | | 797.50 |
| FNS165 | RADIO READ LIFT STATIONS - 6 RTU SYSTEMS | WG-398-70 | NONE | 41,427.00 | 2000 | | 18,227.88 |
| FNS166 | NEW SIGN & DROP BOX AT CSC BUILDING | WG-398-70 | NONE | 1,542.50 | 2003 | | 1,542.50 |
| FNS167 | NEW DROP BOX AT TOWN HALL | WG-398-70 | NONE | 561.50 | 2003 | | 561.50 |
| FNS168 | NEW DROP BOX AT TRUSTEE'S OFFICE | WG-398-70 | NONE | 647.00 | 2005 | | 647.00 |
| FNS169 | INSTALLATION OF RADIO REMOTE METERS | WG-398-70 | NONE | 2,774.25 | 2005 | | 665.82 |
| FNS170 | EXTENSION CONNECTORS | WG-398-70 | NONE | 2,052.25 | 2006 | | 410.45 |
| FNS171 | LEVEL REDUCER ALARM | WG-398-70 | NONE | 5,024.00 | 2006 | | 5,024.00 |

REVISED ATTACHMENT "B"

WESTFIELD WASTEWATER UTILITY
UTILITY PLANT IN SERVICE
As of December 31, 2011

| Asset Number | Description | NARUC | Subtype | Original Cost | Purchase Date | Disposal Date | Accumulated Depreciation at 12-31-2011 |
|--|--|-----------|---------|----------------------|---------------|---------------|--|
| FNS172 | MONUMENT SIGNAGE AT WPW | WG-398-70 | NONE | 24,780.50 | 2008 | | 7,434.15 |
| | Total Other Equipment - General Plant | | | 79,849.00 | | | 35,553.30 |
| | TOTAL GENERAL PLANT | | | 701,467.08 | | | 584,694.62 |
| | Total Utility Plant in Service - Westfield Wastewater | | | 79,827,447.54 | | | 15,088,067.78 |
| Total CIAC Lines | | | | 19,083,640.15 | | | 2,696,646.62 |
| Total "For Ratemaking Only" Lines | | | | 15,763,107.77 | | | 0.00 |
| Grand Total Excluding Ratemaking Only Lines | | | | 64,064,339.77 | | | 15,088,067.78 |

From: [Fishkin, Joel](#)
To: [Karner, Sabine E.](#)
Cc: [Lynn, Dana](#); [Stull, Margaret](#)
Subject: RE: Cause No. 42773 Compliance Filing Opening Balance Sheets
Date: Thursday, October 29, 2015 1:01:20 PM

Sabine,

We have a follow up request on the material you sent us on October 20, 2015.

On Attachment Q5 you have Corrections to South Plant Original Cost, \$8.6 million on the water side and \$1.1 million on the sewer side. The footnote states: "The Original Cost of the South Plant assets was restated to reflect original cost rather than the net book value at the time of the City's acquisition of Hamilton Western Utilities." Please provide documentation including cost support and a more detailed explanation supporting the Corrections to South Plant Original Cost related to the Hamilton Western Utilities acquisition.

From: Karner, Sabine E. [mailto:SKarner@citizensenergygroup.com]
Sent: Tuesday, October 20, 2015 10:24 AM
To: Fishkin, Joel <JFishkin@urc.IN.gov>
Cc: Kilpatrick, Korlon L. <KKilpatrick@citizensenergygroup.com>
Subject: RE: Cause No. 42773 Compliance Filing Opening Balance Sheets

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

Good morning Joel,

Please find attached our responses. I hope they will clear things up but please feel free to follow up via email or phone if you have any more questions. I am sorry I do not have the email addresses for Michelle, Dana and Curt, I would appreciate it if you could share the responses with them.

Thank you!

Sabine Karner
317-927-4457

From: Fishkin, Joel [mailto:JFishkin@urc.IN.gov]
Sent: Tuesday, October 06, 2015 7:49 AM
To: Kilpatrick, Korlon L.
Cc: Funk, Michelle; Lynn, Dana; Gassert, Curt
Subject: RE: Cause No. 42773 Compliance Filing Opening Balance Sheets

Korlon,

Thank you for the additional information. The information sparked other questions and review of the testimony in the Cause sparked questions about the lack of debt on equity on the balance

sheet. Attached is a second round of questions. I think two weeks should be sufficient time to respond.

**Westfield Wastewater
Rate Base and Return**

Attachment SEK-R3

| Line No. | | Amount |
|----------|---|----------------|
| | Per Order in Cause No. 44273 and approved Settlement Agreement | |
| | (A) | |
| 1 | Net "12/31/2011-Plant" as of 12/31/2015, testimony of Aaron Johnson <i>Jeffrey Willman</i> | \$ 27,477,000 |
| | (B) | |
| 2 | Remaining Fair Value Increment as of 12/31/2015, testimony of Aaron Johnson <i>Jeffrey Willman</i> | \$ 16,283,048 |
| | Net original cost of plant put in service after 12/31/2011 | |
| | (C) | |
| 3 | Original cost added since 12/31/2011 through end of test year | \$ 9,051,337 |
| 4 | Accum. depreciation on assets added since 12/31/2011, through 12/31/2015 | \$ (453,105) |
| 5 | Expected major additions through 12/31/2016 | \$ 5,695,562 |
| 6 | Net plant added since 12/31/2011 | \$ 14,293,794 |
| | (D) | |
| 7 | Original cost of contributions in aid of construction (CIAC) included in (C) | \$ (3,340,245) |
| 8 | Original cost of customer advances for construction (CAFC) included in (C) | \$ (421,080) |
| 9 | Total net contributed property and advances | \$ (3,761,325) |
| | (E) | |
| | Shared Services plant in service as of 12/31/2015 | |
| 10 | Corporate Support Services, original cost net of depreciation | \$ 45,605,305 |
| 11 | % to Westfield Wastewater | 1.57% |
| 12 | Amount to Westfield Wastewater | \$ 716,003 |
| 13 | Shared Field Services, original cost net of depreciation | \$ 2,277,444 |
| 14 | % to Westfield Wastewater | 0.52% |
| 15 | Amount to Westfield Wastewater | \$ 11,843 |
| | (F) | |
| 16 | Total Rate Base lines 1, 2, 6, 9, 12, 15 | \$ 55,020,363 |
| 17 | Weighted Cost testimony of Sara Mamuska-Morris | 8.76% |
| 18 | Return line 16 * line 17 | \$ 4,819,784 |