

**FILED**  
**March 31, 2023**  
**INDIANA UTILITY**  
**REGULATORY COMMISSION**

**INDIANA-AMERICAN WATER COMPANY, INC.**

**DIRECT TESTIMONY**

**OF**

**MATTHEW PRINE**

**SPONSORING ATTACHMENTS MP-1 AND MP-2**

**March 31, 2023**

**DIRECT TESTIMONY  
OF  
MATTHEW PRINE**

**INTRODUCTION**

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

A. My name is Matthew Prine, and my business address is 153 North Emerson Avenue, Greenwood Indiana 46143.

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

A. I am the President of Indiana-American Water Company, Inc. (“Indiana-American”, the “Company”, or “INAWC”).

**Q. Please summarize your educational background and work experience.**

A. I began my career employment in September of 2001 when I was hired as Staff Assistant for Congressman Dan Burton of the 5th District in Washington, DC and returned to Indiana to serve in the same capacity for the District office in 2002. In May of 2003, I was hired as a Field Representative for Congressman Steve Buyer of the 4th District. After nearly a year of service, I rejoined the office of Congressman Burton as Director of Community Affairs. In February of 2007, I was hired as Regional Manager for Anchor Consulting, Inc., with responsibilities including business development, public policy research and engagement. In November of 2008, I returned to the office of Congressman Dan Burton and accepted the position of Deputy Chief of Staff with responsibilities over personnel, district operations, and community affairs. In July of 2011, I accepted the position of Executive Director for the Indiana Utility Shareholders Association (“IUSA”) representing over 4,000 Hoosier shareholders across Indiana. During my tenure with IUSA, I developed a

1 broad understanding of utility regulation, infrastructure shortfall, capital investment and  
2 legislative reform. I began my employment with Indiana- American as Community and  
3 Government Affairs Director in July of 2014. In February of 2019, I assumed my new  
4 duties as President of Indiana-American.

5 **Q. What are your current employment responsibilities?**

6 A. I am responsible for leading the INAWC workforce throughout the State of Indiana. I am  
7 responsible for the delivery of high-quality, reliable, and sufficient water and/or wastewater  
8 services to more than 1.3 million people throughout Indiana. My responsibilities include  
9 the management of employees and processes that identify and prioritize investment needs  
10 to maintain the infrastructure required to meet regulatory standards for reliable and  
11 efficient delivery of water and wastewater services to our customers. I ultimately am  
12 responsible for taking care that our employees ensure that all activities of the Company are  
13 carried out in compliance with all local, state, and federal laws and regulations and  
14 standards of good business practice.

15 **Q. Please describe INAWC and its service area.**

16 A. INAWC is an Indiana public utility that furnishes water and wastewater service to  
17 residential, commercial, industrial, and governmental users in numerous service areas  
18 throughout the state, including Gary, Hobart, Lake Station, Merrillville, Lowell, West  
19 Lafayette, Crawfordsville, Terre Haute, Riley, Sullivan, Mecca, Wabash, Warsaw,  
20 Claypool, Kokomo, Russiaville, Sheridan, Noblesville, Muncie, Summitville, Richmond,  
21 Winchester, Shelbyville, Greenwood, New Whiteland, Franklin, Mooresville, Seymour,  
22 Newburgh, Clarksville, New Albany, Jeffersonville, Charlestown, Georgetown, and  
23 numerous unincorporated communities. The Company's operations are widely dispersed

1 throughout the state. The Company operates 32 distinct public water systems in 23  
2 counties and five wastewater systems. The Company currently provides service to  
3 approximately 328,000 water and 2,400 wastewater customers in more than 50  
4 communities throughout Indiana.

5 INAWC is a wholly-owned subsidiary of American Water Works Company, Inc.  
6 (“American Water”), a holding company that owns the stock of regulated water and  
7 wastewater service utility subsidiaries operating in multiple states. As discussed in greater  
8 detail in the Direct Testimony of INAWC witness Ms. Kari Britto, American Water Works  
9 Service Company, Inc., (“Service Company”) provides services to INAWC in accordance  
10 with an Agreement between the parties dated January 1, 1989. INAWC witness  
11 Baryenbruch underscores the value that the Company realizes from the Service Company  
12 affiliation.

13 **Q. What is the purpose of your Direct Testimony in this proceeding?**

14 A. As the President of the Company, I believe that it is important to articulate the reasons why  
15 we are seeking rate relief, and to describe to all the stakeholders the contributions that we  
16 make to the State of Indiana in providing water and wastewater services - critical resources  
17 that are vital to our customers’ health, welfare, and economic well-being. I discuss the  
18 major drivers of the Company’s request for rate relief in this proceeding, which is primarily  
19 the significant capital investments and other expenditures that the Company has made and  
20 plans to make through April 2025. I believe it is appropriate that we explain how our  
21 ratemaking proposals in this case are intended to support the more efficient use of water,  
22 investment in our system, and the long-term interests of our customers. Finally, I discuss

1 the Company's corporate citizenship and community outreach efforts, which are  
2 emblematic of who we are as a Company.

3 **Q. Who will testify on behalf of the Company and what subjects will they address?**

4 A. The following witnesses provide Direct Testimony in support of the Company's request:

- 5 • Gregory D. Shimansky, Director, Rates & Regulatory, testifies on the test period  
6 used in this case and the Company's overall revenue requirement, rate base,  
7 depreciation, amortization, pension costs, and other post-employment benefit  
8 ("OPEB") costs, including the Company's request for regulatory accounting  
9 treatment of pension/OPEB costs, production costs, and certain costs associated  
10 with the proposed new Universal Affordability tariff. He also presents the  
11 Company's proposals related to (1) an over-collection associated with the repeal of  
12 the Utility Receipts Tax, and (2) a surcharge related to an Infrastructure  
13 Development Zone established in Montgomery County.
- 14 • Matthew H. Hobbs, Director of Engineering, testifies on the used and useful nature  
15 of the utility plant in service included in this rate case, explains the Company's  
16 overall approach to capital management, and describes the significant capital  
17 investments we have made and plan to make. He also describes the Company's  
18 plans for future source of supply investments.
- 19 • Kari C. Britto, Senior Manager of Business Operations, describes the Company's  
20 water and wastewater operations, commitment to water quality and safety, ongoing  
21 efforts to improve water and wastewater efficiency, and employee levels and  
22 compensation.

- 1           • Charles B. Rea, Senior Director, Regulatory Pricing and Affordability, sponsors the  
2           Company’s cost of service analysis and rate design proposals, affordability  
3           analyses, and revenue projections including adjustments to INAWC’s historical  
4           billing determinants.
- 5           • Nicholas Furia, Assistant Treasurer, testifies on the projected capital structure to be  
6           used for computing the weighted average cost of capital (“WACC”) for Indiana-  
7           American. The WACC is used as the authorized overall rate of return on rate base  
8           in this Cause.
- 9           • Ann E. Bulkley, Principal at The Brattle Group, testifies on the reasonableness of  
10          the Company’s requested cost of common equity, capital structure, and requested  
11          authorized net operating income as compared to a fair return on the fair value of the  
12          Company’s assets.
- 13          • Jennifer M.B. Grisham, Senior Manager of Regulatory Services, discusses and  
14          supports the level of operations and maintenance (“O&M”) expense as it relates to:  
15          (1) labor and labor-related costs, (2) pension/benefits, (3) support services, (4)  
16          contract services, and (5) taxes other than income, with the exception of property  
17          taxes which will be covered by Witness Cifuentes.
- 18          • Manuel Cifuentes, Jr., Senior Principal Regulatory Analyst, discusses and supports  
19          the level of operations and maintenance (“O&M”) expense as it relates to: (1)  
20          production costs, (2) other operating expenses that are not covered by Witness  
21          Grisham, and (3) property taxes.
- 22          • Thomas G. O’Drain, Director of National Categories and Corporate Procurement,  
23          testifies to the support for current and projected chemical pricing.

- 1 • Pat Baryenbruch, President of Baryenbruch and Company, LLC, supports the  
2 necessity of services provided by Service Company as shown by the Company’s  
3 Service Company Market Cost Comparison.
- 4 • Larry E. Kennedy, Senior Vice President, Concentric Energy Advisors, Inc.,  
5 testifies on the comprehensive depreciation study for water and wastewater plant in  
6 service.

7 **Q. Please identify the attachments you will be sponsoring and for which you will be**  
8 **providing testimony.**

9 A. I am sponsoring the notice we are sending to all Indiana-American customers about this  
10 rate case. The notice we send will be provided in Attachment MP-1. I am also sponsoring  
11 the published notice required by Indiana Code, which will be provided in Attachment  
12 MP-2. In addition, a copy of this notice is being posted to the INAWC website at  
13 <https://www.amwater.com/inaw/customer-service-billing/your-water-rates>.

14 **REASONS FOR RATE RELIEF REQUESTED**

15 **Q. When were INAWC’s current rates established?**

16 A. The base rates currently in effect were authorized by the Commission’s final Order in  
17 Cause No. 45142 issued in June 2019. As described in more detail by Mr. Shimansky, base  
18 rates implemented upon approval of INAWC’s Step 2 compliance filing pursuant to that  
19 Order were made effective as of May 1, 2020. INAWC also implemented a distribution  
20 system improvement charge (“DSIC”) pursuant to the Commission’s Orders in Cause Nos.  
21 42351 DSIC-12, -13 and -14 as well as the Service Enhancement Improvement (“SEI”)  
22 charge pursuant to the Commission’s Orders in Cause Nos. 45609 SEI 1 and 45609 SEI 1  
23 S1, which are described by Mr. Shimansky. In addition, as Mr. Shimansky explains, the

1 Company adjusted rates to give effect to the Settlement approved in Cause No. 45032 S4  
2 and implemented the repeal of the Utility Receipts Tax effective November 23, 2022.

3 **Q. What amount of rate relief is the Company seeking in this case, and what is the test**  
4 **year revenue requirement in this case?**

5 A. The Company is seeking approximately \$86.7 million or 31% increase in revenues, based  
6 on its test year revenue requirement of approximately \$366.2 million. The test year  
7 proposed in this case is the twelve-month period ending April 30, 2025. In addition, \$35.3  
8 million of DSIC and \$5.2 million of SEI surcharge revenues will be consolidated into base  
9 rates, which brings the total rate base to \$1,845.3 million. As Mr. Shimansky explains in  
10 his Direct Testimony, the Company is proposing to implement this increase in three steps:  
11 Step 1 upon issuance of an Order in this case, Step 2 at the beginning of the future test  
12 period and Step 3 at the end of the future test period.

13 **Q. What are the major drivers of the Company's need for rate relief?**

14 A. The Company has and continues to manage its business responsibly and effectively,  
15 especially in this rising inflationary environment, and continues to provide high quality  
16 service to its customers. A significant driver of this rate case is INAWC's ongoing  
17 infrastructure investment, which accounts for one third (approximately \$25 million) of our  
18 total requested rate increase. From the end of the test year in the last rate case through the  
19 end of test year in this case (April 2025), the Company will have invested over \$876.1  
20 million in its water and wastewater systems and incurred increased financing costs of this  
21 investment.<sup>1</sup> The Company also is requesting a moderate increase in O&M expenses,

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<sup>1</sup> Increased costs of financing are discussed in the Direct Testimony of Nicholas Furia and Ann Bulkley.



1 largely driven by an increased (i) demand on Company resources associated with the  
2 acquisition of seven water and wastewater systems and organic customer growth since the  
3 Company's last rate case totaling over thirteen thousand additional customer connections,  
4 (ii) increased regulatory requirements, including new drinking water and wastewater  
5 standards, as well as stricter regulatory limits, and (iii) improved organizational structure  
6 and enhanced business processes. These expenditures enhance the safety, reliability and  
7 resiliency of Indiana-American's water and wastewater system, improve customer service,  
8 and support the health and welfare of the communities we serve.

### 9 **AFFORDABILITY**

10 **Q. In general, why is INAWC's proposed rate increase reasonable and appropriate?**

11 A. INAWC's proposed rate increase is reasonable and appropriate because, as I previously  
12 discussed, it is driven primarily by the need to make the expenditures necessary to keep  
13 our water and wastewater service safe and reliable. Such expenditures cannot be avoided  
14 indefinitely and are in the long-term best interests of our customers. If such expenditures  
15 are not made, our customers will be adversely impacted in the long run as costs will  
16 increase even more. For example, when mains are not replaced in a timely fashion, or  
17 equipment is neglected, our costs rise, as unanticipated main breaks can create water  
18 quality issues, unexpected expenses, and disruption to our communities. INAWC's  
19 proposed rate increase is reasonable and appropriate because, as I previously discussed, it  
20 is driven primarily by the need to make the expenditures necessary to keep our water and  
21 wastewater service safe and reliable.

1 **Q. Has INAWC evaluated the impact of the proposed rate increases on its customers?**

2 A. Yes, we have. We know our water and wastewater service is critical, and we know how  
3 important it is for that service to remain affordable. By April 30, 2025, an Indiana-  
4 American residential customer under Area 1 water rates (98% of the Company's residential  
5 customers take service under Area 1 rates), using 133.33 gallons of water per day, would  
6 pay approximately \$712.25 per year for water under our rate proposal, excluding fire  
7 services. Put another way, under the Company's proposed rates in Area 1, an annual  
8 residential water bill of \$712.25 equates to about \$1.95 per day. Therefore, for less than  
9 \$2.00 per day an average residential customer has all the water he or she and their family  
10 need to drink, cook, wash, and maintain their general health and well-being. A typical  
11 wastewater customer, again using 133.33 gallons of water per day, would pay  
12 approximately \$97.53 per month.

13 **Q. Has the Company performed an analysis of the affordability of your service under**  
14 **the proposed rates?**

15 A. Yes. Mr. Rea has conducted a detailed analysis of the affordability of our historical and  
16 proposed rates based on the relationship of median household income for customers in our  
17 service territory to our utility bills over time. Even with the rate increase requested in this  
18 case, Mr. Rea's analysis demonstrates that our water service, overall, has become more  
19 affordable over time and will remain affordable under the Company's proposed rates.

20 **Q. How does INAWC maintain the affordability of its water service?**

21 A. As I noted previously, an important way that we maintain affordability is by continuously  
22 seeking to improve our business processes and make investments that improve operational  
23 efficiencies, and we have been very successful in doing so. As Mr. Hobbs and Ms. Britto

1 explain, we use targeted investments to permit us to work smarter and more efficiently as  
2 well as leveraging the power of our organization to both share learning on best practices  
3 and purchase equipment and supplies at advantageous terms. All these help us manage and  
4 contain cost increases.

5 **Q. Notwithstanding the overall affordability of INAWC’s rates, are there customers who**  
6 **might face affordability issues?**

7 A. Yes, some of our customers face challenging economic circumstances. Thus, Mr. Rea also  
8 examined the affordability of our rates for our more vulnerable customers. His assessment  
9 compares annualized bills for “basic water service” (i.e., service that is necessary and  
10 reasonable to meet basic household needs for drinking, cooking, sanitation, and general  
11 health service that does not include seasonal discretionary water use) to measures of  
12 household income for lower income groups.

13 **Q. Is the Company proposing any changes to its water service rate design for customers**  
14 **who might face affordability issues?**

15 A. Yes. The Company is proposing (1) an allowance-based rate for all water service  
16 customers and (2) a Universal Affordability Tariff to further address the affordability of  
17 water service for vulnerable customers.

18 **Q. Why is the Company proposing an allowance-based rate design in this proceeding?**

19 A. An allowance-based rate will enhance the affordability of Basic Water Service, especially  
20 for the Company’s more economically vulnerable customers, without the need for these  
21 customers to directly apply for assistance.

1 **Q. Please explain how an allowance-based rate design improves the affordability of**  
2 **service for the Company’s more economically vulnerable customers.**

3 A. As explained in more detail by Mr. Rea, an allowance-based rate is a rate design that  
4 features a level of usage offered to all customers at no additional charge above the fixed  
5 charge for service. Instead of a volumetric rate that applies to all usage, there would be a  
6 level of usage provided to all customers (first 1,500 gallons of usage per month) at no  
7 additional charge. An allowance-based rate design improves the affordability of Basic  
8 Water Service by reducing monthly bills for lower monthly usage amounts (which tend to  
9 equate more to Basic Water Service) and increasing monthly bills for higher monthly usage  
10 amounts (which tend to equate more to discretionary seasonal water use).

11 **Q. In addition to an allowance-based rate design, you mentioned INAWC is proposing a**  
12 **Universal Affordability Tariff to assist its most vulnerable customers. What is**  
13 **INAWC’s proposal?**

14 A. We recognize that, even with an allowance-based rate design to our service offerings,  
15 affordability of service may still be an issue for our most vulnerable customers. Therefore,  
16 the Company is proposing a Universal Affordability Tariff to help the estimated 54,000  
17 residential water service customers with household incomes at or below 150% of the FPL.  
18 As Mr. Rea explains, the Company’s proposed Universal Affordability Tariff will make  
19 water service more affordable for this group of customers by offering a range of 30% to  
20 80% discounts based on FPL on applicable base rates for qualifying customers. The  
21 discount offered under this tariff would reduce a typical Basic Water Service bill for a  
22 three-person household from \$58 per month under proposed rates to \$40 per month, which

1 is a discount of 30% on the total bill and is less than what these customers would pay for  
2 Basic Water Service under the Company's current rates.

3 **Q. Is the Company making any additional ratemaking proposals associated with the**  
4 **Universal Affordability Tariff?**

5 A. Yes, as Mr. Shimansky discusses in his Direct Testimony, the Company is seeking to defer  
6 costs associated with customer education, communication, and administration of the  
7 Universal Affordability Tariff. It is appropriate to do so because participation levels,  
8 number of customers, and volumes will vary. This regulatory account proposal will allow  
9 only for the costs incurred to be collected.

10 **ADDITIONAL RATEMAKING PROPOSALS**

11 **Q. Please briefly discuss the additional ratemaking proposals INAWC is requesting in**  
12 **this case.**

13 A. There are two. We are requesting regulatory accounting treatment for the Company's  
14 production costs and regulatory accounting treatment for Pension and OPEB expenses.

15 **Q. Please provide an overview of the Company's requests for regulatory accounting**  
16 **treatment.**

17 A. As described in the testimony of Company witness Shimansky, INAWC is requesting  
18 regulatory accounting treatment for production costs as well as pension and other post-  
19 employment benefit ("OPEB") costs. Given the significant fluctuation in these expenses,  
20 which are largely beyond the Company's control, the Company requests that the  
21 Commission allow INAWC to record any amounts above or below the amount authorized

1 in rates to a regulatory asset or liability, as appropriate, from the effective date of new rates  
2 in this proceeding until Indiana-American's next base rate case.

3 **Q. Why is INAWC requesting regulatory accounting treatment for production costs?**

4 A. As Company witnesses O'Drain and Cifuentes explain, the current state of chemical  
5 markets and energy are the driving factors in production costs. The production cost deferral  
6 would protect both the Company's customers and INAWC against this volatility in  
7 production expenses.

8 **Q. Why is INAWC requesting regulatory accounting treatment for pension and OPEB  
9 costs?**

10 A. As explained by Company witness Shimansky, fluctuations in financial market conditions  
11 have resulted in a material change to the Company's historical pension and OPEB expense  
12 levels. Given the significant fluctuation in these expenses, the Company requests that the  
13 Commission allow the Company to record any amounts above or below the amount  
14 authorized in rates to a regulatory asset or liability, as appropriate, from the effective date  
15 of new rates in this proceeding until the Company's next base rate case. INAWC is  
16 proposing this pension/OPEB expense deferred accounting to protect both the Company's  
17 customers and INAWC against the volatility in pension/OPEB expense.

18 **IMPROVING WATER AND WASTEWATER EFFICIENCY**

19 **Q. Please explain the concept of water and wastewater efficiency.**

20 A. Water and wastewater efficiency means using improved practices and technologies to  
21 deliver water and wastewater services more efficiently. The Company's water and  
22 wastewater efficiency efforts include supply-side practices, such as more accurate meter

1 reading and leak detection, main replacement and repair programs, pump improvements,  
2 lift station improvements, sludge dewatering, as well as demand-side strategies, such as  
3 rate design and public education programs to encourage the wise use of water. Improving  
4 water efficiency reduces operating costs (e.g., pumping and treatment) and reduces the  
5 need to spend capital developing new supplies and expanding our infrastructure. It also  
6 reduces withdrawals from limited freshwater supplies, leaving more water for future use  
7 and improving the ambient water quality and aquatic habitat. Improving water efficiency  
8 saves customers money in the long run, protects the environment, supports integrated  
9 resource planning, and enhances the economy.

10 **Q. How is the concept of improving water and wastewater efficiency relevant to this**  
11 **case?**

12 A Improving water and wastewater efficiency is a common thread that runs throughout the  
13 entire fabric of this case. At its core, this case is about investments, expenditures and  
14 changes to operational practices that we are making to better serve our customers. Striving  
15 for increased water and wastewater efficiency is evident in our infrastructure investments  
16 to provide a better, more reliable system. Our water efficiency efforts are demonstrated by  
17 investments in new metering and innovative data collection technologies, high service  
18 pump replacements, and system booster station replacements, and by improved business  
19 processes that help us work smarter and more efficiently and, by extension, contribute to  
20 our cost control efforts. Similarly, our wastewater efficiency efforts include aeration  
21 system and piping replacements, pump station rehabilitations, and treatment plant pumping  
22 and process additions and replacements. Our ability to maintain our 2022 O&M per

1 customer at 2013 levels, as discussed by Company witness Britto in her Direct Testimony,  
2 proves the effectiveness of these efforts, and the consequent cost benefit to our customers.

3 **Q. To summarize, are the rates proposed by Indiana-American designed to produce**  
4 **investments and processes that are in the long-term best interests of the Company's**  
5 **customers?**

6 A. Yes, they are. As I noted, the investments that INAWC has made support plant that provide  
7 water and wastewater treatment that improves the lives of Indiana's citizens. At the same  
8 time, this investment provides jobs for Hoosiers that materially improve the state's  
9 economy.<sup>2</sup> We are also looking to increase the number of our staffing levels in this case,  
10 which provides good jobs but, more importantly, improves the service we offer to our  
11 customers. This case also reflects the changes to the way we do business to improve water  
12 and wastewater efficiency. INAWC continually strives to develop and implement  
13 efficiency measures that deliver improved levels of service to consumers while mitigating  
14 cost increases. As I noted, the rates we are proposing materially support the investment and  
15 activities that are needed to improve our processes and services.

## 16 **COMMUNITY INVOLVEMENT**

17 **Q. Please describe INAWC's outreach efforts in the communities that it serves.**

18 A. Indiana-American is a responsible corporate citizen and is known for its community  
19 involvement and volunteerism. Indiana-American regularly contributes to communities  
20 and organizations to support programs and events that improve the health and safety,  
21 quality of life, and education of our customers. Our management team encourages our

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<sup>2</sup> One million of investment in water and wastewater infrastructure supports 16 jobs in the economy.  
<https://thevalueofwater.org/the-facts/challenge-and-opportunity>



1 employees and their families to be active volunteers in the communities we serve. INAWC  
2 believes that community investment starts with our employees. INAWC values  
3 community service and we encourage our employees to be equally invested in the  
4 communities we serve through various charitable endeavors and volunteer activities. Our  
5 employees' commitment to the communities in which they work and live is evidenced by  
6 these efforts. Indiana-American employees volunteer over 1,000 hours per year in support  
7 of programs and events that benefit our customers and identify the needs and priorities for  
8 support at a local level.

9 For example, Indiana-American supports volunteer fire departments, the United Way, local  
10 and regional economic development, schools, parks, Meals on Wheels, literacy programs,  
11 Habitat for Humanity, conservation and community clean-up activities, among others.

12 As a Company, we focus our community investments in several key areas: water and the  
13 environment, public safety, education and workforce development, health and wellness,  
14 water and healthy living, environmental education and community sustainability. We also  
15 give back to the community by supporting innovative environmental grant programs that  
16 help improve, protect or restore drinking water supplies and surrounding watersheds.

17 The American Water Charitable Foundation (“AWCF”), an independent, 501(c)(3) private  
18 foundation supported by the shareholders of American Water, also supports local  
19 organizations in a variety of ways, including through its Keep Communities Flowing  
20 Program. The AWCF supports local programs that align with American Water’s values  
21 through three pillars of giving: Water, People and Communities. Applications are accepted

1 in three different open grant cycles throughout the year to support programs that focus on  
2 Water and Environment, Workforce Readiness, and STEM Education.

3 The AWCF has recently supported the efforts of several groups and causes in Indiana,  
4 including through:

- 5 • A \$250,000 grant to the City of Franklin to create a spray park as part of a larger  
6 amphitheater project at Young's Creek Park located in downtown Franklin, Ind.  
7 The grant was given as part of the AWCF's Building Better Communities program  
8 administered by the National Recreation and Park Association. The program helped  
9 communities served by American Water to enhance or create public park spaces or  
10 programs that encourage the community to engage in water and nature inspired  
11 play, connect to the natural world, and focus on environmental education and water-  
12 based recreation.
- 13 • A \$20,000 grant to the Muncie Children's Museum to help build a new water  
14 exhibit at the museum that incorporates interactive educational activities that  
15 explore the White River and local water resources and their significance in East  
16 Central Indiana.
- 17 • A \$25,000 grant to purchase equipment for an Advanced Manufacturing Lab at Ivy  
18 Tech Community College in Franklin, Ind. The grant will allow the organization to  
19 partner with Johnson County schools and area employers to create an early-college  
20 program for high school students in Advanced Manufacturing.
- 21 • An \$18,740 grant to implement a technology upgrade at the Falls of the Ohio  
22 Interpretive Center in Jeffersonville, Ind. to allow those with hearing, visual, and

1 sensory disabilities to have equal access to the natural, cultural and historical  
2 resources the museum provides.

- 3 • A \$10,000 grant to expand the Wonders on the Wabash program which teaches 6th  
4 grade students in Tippecanoe County the importance of water quality and how their  
5 everyday lives impact the water and environment through a hands-on teaching  
6 experience that includes a 4.5-mile raft trip down the Wabash River.
- 7 • A \$10,000 grant to the Urban League of Northwest Indiana to enhance workforce  
8 development initiatives that help close the equality gap for African-Americans and  
9 other historically underserved groups.
- 10 • A \$5,000 grant to the Indiana Agricultural Nutrient Alliance to provide education  
11 and outreach to farmers promoting best management practices that will improve  
12 water quality.
- 13 • A \$100,000 grant to develop a partnership between the Boys and Girls Club of  
14 Greater Northwest Indiana in Gary, Ind. and the Jackie Joyner-Kersey Winning in  
15 Life® Program. The program focuses on bringing leadership skills to at-risk youth  
16 in underserved communities by teaching personal and social responsibility through  
17 physical activity.

18 The American Water Charitable Foundation also supports employee volunteerism and  
19 charitable giving in the communities we serve through an Employee Volunteer and  
20 Matching Gift Program. The program provides an easy and flexible way for employees to  
21 make one-time or recurring donations to their favorite public charities, track volunteer  
22 participation, and request a match from the AWCF. All active employees and members of

1 the board of directors are eligible to participate on a 1:1 basis up to \$1,000 per employee,  
2 per calendar year.

3 We believe in investing in innovative programs that align with our core value of providing  
4 clean water for life.

5 **Q. Are there other community and customer related efforts INAWC is making?**

6 A. INAWC is always looking for ways to continue to provide safe and reliable water service  
7 to future generations, and a part of that commitment includes helping our customers  
8 understand what they can do to help.

9 We continually drive water and energy conservation through consumer and community  
10 education programs, innovative leak detection efforts, incorporating water reuse features  
11 in our operations, replacement and rehabilitation of aging infrastructure including pipelines  
12 and pumps, managing energy contracts and through the installation of alternative power  
13 supplies.

14 In terms of educating customers on the role they play in conserving our water resources,  
15 we continue to promote water conservation and wise water use across the state in several  
16 ways with messaging that resonates with customers, including:

- 17 • Website content that provides tips for customers on how they can conserve water  
18 and save money through their activities inside and outside the home. As a member  
19 of the Alliance for Water Efficiency, American Water provides a link to the  
20 organization's online Water Calculator, which allows customer to input

1 information on their water usage and receive tips on how they can save water and  
2 energy based on that data.

- 3 • Conservation blog articles that appear on the71percent.org, a company-developed  
4 blog site that provides information on water-related topics in several categories,  
5 including the environment, policy & infrastructure, play & safety, lifestyle and  
6 classroom education. This content is regularly updated on an ongoing basis and  
7 promoted through social media and search engine optimization techniques.
- 8 • News releases that focus on conservation, wise water use and water resource  
9 protection issues and tie into significant other activities and events, including the  
10 EPA's Fix-a-Leak Week, Pharmaceutical Take Back programs, household  
11 hazardous waste diversion programs, Earth Day programs, and many others.
- 12 • Social media posts that regularly promote wise water use and the resources we offer  
13 in this area to customers, including videos like the Value of Water and Conservation  
14 and Water Conservation & You posted on our YouTube site.
- 15 • Speaking and educational engagements featuring our employees covering several  
16 water-related topics, including wise water use, in partnership with local schools,  
17 service organizations, and clubs like the Boys & Girls Clubs of America and the  
18 Scouts BSA & Girls Scouts of the United States of America.
- 19 • Conservation-themed mobile hydration stations that are extensively used across our  
20 service areas, providing tap water for attendees at festivals and community events  
21 and educating the public through handouts and displays that encourage wise water  
22 use.

- Sponsorship of the Pathway to Water Quality Exhibit at the Indiana State Fair. Our employees volunteer each year to staff this popular exhibit at the Indiana State Fairgrounds, which is an interactive watershed demonstration site that incorporates visual features that promote soil and water conservation and protection best management practices. Like our other community events we attend across the state, we provide conservation-themed materials and promotional items for Fair attendees.

We are committed to excellence and making an impact in the area of water conservation. In recognizing those efforts by American Water and its regulated subsidiaries, the U.S. Environmental Protection Agency (EPA) last year awarded the company the 2022 WaterSense® Excellence in Education and Outreach Award for its efforts in promoting WaterSense® labeled products through conservation educational programs, creating and promoting a downloadable Water Leak Detection Kit, and additional wise water use educational and awareness efforts throughout the year.

As well, INAWC over the last two years has been identified in the J.D. Power Residential Water Utility Survey as the best-in-class utility in the Midwest Large category for customer awareness of water conservation programs, with 48% of customers indicating they were aware of our efforts.

Indiana-American employees live in communities across the state and are proud to partner with local organizations and businesses to help make our cities and towns more vibrant and healthy places to live, work and play.

1 In addition to our community giving and in-kind donations to charitable, philanthropic and  
2 service organizations, we help address other community-specific needs by volunteering  
3 our time, taking leadership roles in economic development organizations and initiatives,  
4 and developing partnerships.

5 As a partner to each of the communities we serve, it is important for us to understand their  
6 needs and future plans and to support those local efforts and programs. We actively  
7 participate in and provide financial support to several groups that support the economic  
8 vitality of these communities, including state and local chambers of commerce and  
9 economic development and community redevelopment organizations.

10 Quality water and wastewater utility service is a vital component of a strong local/state  
11 economy, and we are proud of the part we play in helping our communities to grow and  
12 thrive. We do that by being engaged, supporting growth and system reliability through  
13 prudent infrastructure investments, collaborating with our community partners to support  
14 their planning efforts, and developing comprehensive planning studies to guide our water  
15 and wastewater investment needs and priorities.

16 Most of the Hoosier state is blessed with an abundance of water resources, and partnerships  
17 to leverage these resources give Indiana and cities and towns across the Hoosier state a  
18 competitive advantage that ultimately benefits us all.

### 19 CONCLUSION

20 **Q. Does this conclude your Direct Testimony?**

21 A. Yes, it does.

## VERIFICATION

I, Matthew Prine, President of Indiana-American Water Company, Inc., affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.



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Matthew Prine

Date: March 30, 2023



**ATTACHMENTS MP-1 AND MP-2 WILL BE  
LATE FILED**