

FILED
April 25, 2018
INDIANA UTILITY
REGULATORY COMMISSION

PETITIONER'S EXHIBIT 8

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF THE)
CITY OF BOONVILLE, INDIANA, FOR)
APPROVAL TO ADJUST ITS RATES AND)
CHARGES AND ISSUE BONDS)

CAUSE NO. 45069

IURC
PETITIONER'S 8
EXHIBIT NO. 3-6-19
REPORTER ul

SUPPLEMENTAL TESTIMONY AND EXHIBIT

OF

JOHN M. SEEVER, CPA

OFFICIAL
EXHIBITS

ON BEHALF OF PETITIONER,

CITY OF BOONVILLE, INDIANA

PETITIONER, CITY OF BOONVILLE, INDIANA
IURC CAUSE NO. 45069
Supplemental Testimony of John M. Seever, CPA

I.

Introduction

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4 **1. Q. PLEASE STATE YOUR NAME, ADDRESS, AND OCCUPATION.**

5 A. My name is John M. Seever, and my business address is 8365 Keystone Crossing,
6 Suite 300, Indianapolis, Indiana 46240. I am a Certified Public Accountant, and
7 senior partner with the regional accounting firm of H.J. Umbaugh & Associates.

8 **2. Q. ARE YOU THE SAME JOHN SEEVER THAT PREVIOUSLY PREFILED**
9 **TESTIMONY AND EXHIBITS IN THIS CAUSE?**

10 A. Yes, I am. I previously prefiled testimony and exhibits in this case on March 26,
11 2018.

12 **3. Q. WHAT IS THE PURPOSE OF THIS SUPPLEMENTAL TESTIMONY?**

13 A. The purpose of this supplemental testimony is to revise and amend my March 26,
14 2018 testimony and exhibits. Since filing my prefiled testimony and exhibits, I
15 discovered that there were two (2) schedules in my testimony that I now need to
16 address and revise.

II.

Corrections

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20 **4. Q. MR. SEEVER, CAN YOU EXPLAIN THE GENERAL NATURE OF THE**
21 **CHANGES?**

22 A. Yes, I can. On pages 19 and 22 of my accounting report (i.e. Petitioner's Exhibit
23 5), I based the present rates column on the Tariff effective May 1, 2009 pursuant
24 to IURC Order in Cause No. 43477 S1, dated April 8, 2009. However, I have
25 since realized the Petitioner filed a True-Up Report with the IURC on February

1 24, 2011, which resulted in a new tariff effective April 29, 2011, with slightly
2 reduced rates. When applying the proposed rate increase to the lower rates as
3 reflected on the April 29, 2011 Tariff, it results in lower overall Phase I and Phase
4 II rates in this case. For this reason, I am filing the modified pages showing the
5 lower (and correct) rates.

6 5. Q. IS THE TOTAL ANNUAL PRESENT RATE REVENUES AS LISTED ON
7 PAGE 16 IN YOUR REPORT ACCURATE?

8 A. Yes. The "Total Annual Present Rate Revenues" of \$1,586,862 is accurate. The
9 metered sales and fire protection revenues for the Test Year are based on the
10 Tariff effective April 29, 2011, which are the rates in effect and being applied by
11 the Petitioner.

12 6. Q. IS THERE A CHANGE TO THE RATE INCREASE THAT THE
13 PETITIONER IS SEEKING?

14 A. No, there is not.

15 7. Q. HAVE YOU PREPARED AMENDED SCHEDULES WHICH REFLECT
16 THE PRESENT RATES BASED ON THE TARIFF EFFECTIVE APRIL
17 29, 2011?

18 A. Yes, I have. For the Commission's convenience, I am including Petitioner's
19 Exhibit 9 which replaces and supersedes the original pages 19 and 22 of
20 Petitioner's Exhibit 5 (that was filed with my prefled testimony on March 26,
21 2018). As you will see on pages 19 and 22 in Petitioner's Exhibit 9, the present

Supplemental Testimony of John M. Seever, CPA
On Behalf of Petitioner, City of Boonville Municipal Water Utility
Petitioner's Exhibit 8
IURC Cause No. 45069

1 rates now shown are based on the Tariff effective April 29, 2011, pursuant to
2 IURC Order in Cause No. 43477 S1, dated April 8, 2009, together with the rate
3 increases proposed by the Petitioner.

4 8. Q. ARE THERE ANY OTHER CHANGES?

5 A. No.

6 9. Q. MR. SEEVER, DO YOU BELIEVE THE CORRECTIONS DESCRIBED
7 HEREIN ARE REASONABLE AND APPROPRIATE?

8 A. Yes, I do.

9 10. Q. ARE YOU ALSO PROPOSING TO MAKE CERTAIN AMENDMENTS TO
10 YOUR PREFILED TESTIMONY IN THIS CAUSE?

11 A. No, I am not.

12 III.
13 Conclusion
14

15 11. Q. DOES THIS CONCLUDE YOUR TESTIMONY?

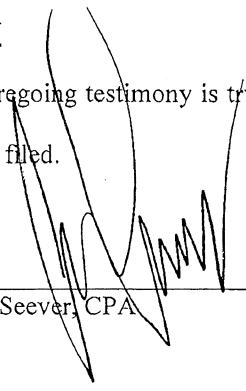
16 A. Yes, it does.

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VERIFICATION

I affirm under the penalties of perjury that the foregoing testimony is true to the best of my knowledge, information, and belief as of the date here filed.

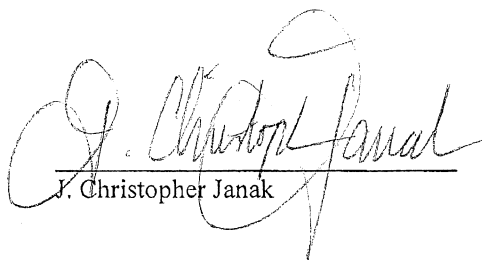


John Seever, CPA

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served upon the following counsel
of record via electronic mail this 25th day of April, 2018:

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BOONVILLE (INDIANA) MUNICIPAL WATER UTILITY

REVISED

SCHEDULE OF PRESENT AND PROPOSED RATES AND CHARGES

(Inside City)

<u>Metered Consumption (per month)</u>			<u>Present</u>	<u>Phase I</u>	<u>Phase II</u>
			(1)	(2)	(3)
First 10,000 gallons			\$6.12	\$9.76	\$10.25
Next 20,000 gallons			4.62	7.37	7.74
Next 70,000 gallons			3.08	4.91	5.16
All over 100,000 gallons			2.37	3.78	3.97
<u>Minimum Charge</u>					
		<u>Gallons Allowed</u>			
5/8 - 3/4	inch meter	2,520	15.42	24.60	25.83
1	inch meter	6,410	39.23	62.56	65.70
1 1/2	inch meter	15,560	86.89	138.58	145.53
2	inch meter	29,660	152.03	242.49	254.67
3	inch meter	93,130	348.04	554.97	583.05
4	inch meter	268,610	768.81	1,226.05	1,287.88
<u>Sales for Resale</u>					
Yankeetown			2.41	3.84	4.03
<u>Fire Protection Service</u>					
5/8	inch meter		3.54	5.65	5.93
3/4	inch meter		5.32	8.49	8.92
1	inch meter		8.94	14.26	14.98
1 1/2	inch meter		17.75	28.31	29.74
2	inch meter		28.39	45.29	47.57
3	inch meter		53.24	84.93	89.21
4	inch meter		88.73	141.54	148.67
Private hydrants, each (per annum)			779.94	1,244.16	1,306.87
<u>Automatic sprinklers:</u>					
2	inch connection & under		142.99	228.10	239.60
3	inch connection		225.35	359.48	377.60
4	inch connection		303.34	483.89	508.28
6	inch connection		455.04	725.88	762.46
8	inch connection		563.30	898.58	943.87

(1) Present rates and charges pursuant to IURC Order in Cause No. 43477 SI, dated April 8, 2009 and effective April 29, 2011.

(2) Phase I represents a 59.52% across-the-board increase in present rates and charges.

(3) Phase II represents a 5.04% across-the-board increase in Phase I rates and charges.

(See Accountants' Report and Accompanying Comments)

BOONVILLE (INDIANA) MUNICIPAL WATER UTILITY

REVISED

SCHEDULE OF PRESENT AND PROPOSED RATES AND CHARGES

(Outside City)

		Phase I			Phase II			
		Inside City Calculated Total	Additional Amount for Return	Calculated Total	Inside City Calculated Total	Additional Amount for Return	Calculated Total	Current Rate
<u>Metered Consumption (per month)</u>								
First 10,000 gallons		\$9.76	\$2.34	\$12.10	\$10.25	\$2.46	\$12.71	\$6.12
Next 20,000 gallons		7.37	1.77	9.14	7.74	1.86	9.60	4.62
Next 70,000 gallons		4.91	1.18	6.09	5.16	1.24	6.40	3.08
All over 100,000 gallons		3.78	0.91	4.69	3.97	0.95	4.92	2.37

(See Accountants' Report and Accompanying Comments)