STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF COMMUNITY UTILITIES OF INDIANA, INC. FOR (1) AUTHORITY TO INCREASE ITS RATES AND CHARGES FOR WATER AND WASTEWATER UTILITY SERVICE; (2) APPROVAL OF NEW SCHEDULES OF RATES AND CHARGES APPLICABLE THERETO; AND (3) APPROVAL OF NEW DEPRECIATION RATES	)	CAUSE NO. 44724

PETITIONER'S RESPONSE TO COMMISSION DOCKET ENTRY QUESTIONS DATED FEBRUARY 2, 2017

Petitioner Community Utilities of Indiana, Inc. hereby submits its response to the questions set forth in the Indiana Utility Regulatory Commission's February 2, 2017 Docket Entry.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on February 6, 2017, a copy of the foregoing was served on the following via electronic mail:

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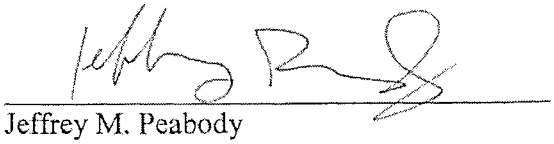


Jeffrey M. Peabody

DSM 4651217v1

WATER

REQUEST 4-1:

Per Attachment JPK-1, Page 7, Petitioner reflected total rate base as of 9/30/15 of $7,489,089. However, adding total rate base for each of Petitioner's water divisions yields $7,754,694 ($4,798,416 for Twin Lakes, $662,543 for WSC and $2,293,735 for IWSI). Please reconcile the discrepancy between these two total rate base amounts, or explain why they should not be the same.

RESPONSE:

The difference between consolidated rate base and aggregated rate base is -$265,605 ($7,489,089 - $7,754,694). This amount is offsetting to the difference noted in response to IURC DR 4-3. The reasoning for this difference is related to the allocation of costs shared between water and wastewater services. On a stand-alone basis cost accounts for items such as vehicles and computers are allocated based on the water/wastewater weight of each respective service territory's Equivalent Residential Connections ("ERC"). However, once these ERC counts are consolidated at the CUII level, the allocation weights for both water and wastewater change and therefore, the CUII balances for said cost accounts will subsequently result in a slightly different split between water/wastewater services.

REQUEST 4-2:

Please provide a breakout of Petitioner's proposed net pro forma plant of $1,406,348 shown on Attachment JPK-1, page 7, with identifying language that coincides to the language used by the parties to describe individual forecasted amounts. Please provide two columns, the first showing the gross adjustment and the second column reflecting any accumulated depreciation, if applicable. In addition, it appears that Petitioner has included $919,319 in general plant additions. If general plant additions are contemplated by Petitioner, please provide a detailed description of the general plant additions proposed and reconcile the General Plant additions proposed in Petitioner's case-in-chief with Petitioner's proposed rebuttal position.

RESPONSE:

CUII is in the process of preparing the requested information and will supplement its response.

WASTEWATER

REQUEST 4-3:

Per Attachment JPK-1, Page 8, Petitioner reflects total rate base as of 9/30/15 of $8,856,755 (before Supplemental adjustments). However, adding total rate base for each of Petitioner's wastewater divisions yields $8,511,566 ($6,510,725 for Twin Lakes, $2,080,426 for WSC). Please reconcile the discrepancy between these two total rate base amounts, or explain why they should not be the same.

RESPONSE:

When adding total rate base for each wastewater division, total rate base is $8,591,150 not $8,511,566 as suggested in this request. The difference between consolidated rate base and aggregated rate base is $265,604 ($8,856,755 - $8,591,150). This amount is offsetting to the difference noted in response to IURC DR 4-1. The reasoning for this difference is related to the allocation of costs shared between water and wastewater services. On a stand-alone basis cost accounts for items such as vehicles and computers are allocated based on the water/wastewater weight of each respective service territory's Equivalent Residential Connections ("ERC"). However, once these ERC counts are consolidated at the CUII level, the allocation weights for both water and wastewater change and therefore, the CUII balances for said cost accounts will subsequently result in a slightly different split between water/wastewater services.

REQUEST 4-4:

Please provide a breakout of Petitioner's proposed net pro forma plant of $3,074,372 shown on Attachment JPK-1, page 8, with identifying language that coincides to language used by the Parties to describe individual forecasted amounts. Please provide two columns, the first showing the gross adjustment and the second column reflecting any accumulated depreciation, if applicable. In addition, it appears that Petitioner has included $491,112 in general plant additions. If general plant additions are contemplated by Petitioner, please provide a detailed description of the general plant additions proposed and reconcile the General Plant additions proposed in Petitioner's case-in-chief with Petitioner's rebuttal position.

RESPONSE:

CUII is in the process of preparing the requested information and will supplement its response.

McCutchan

REQUEST 4-5:

Please discuss how CUII made the determination that it was more cost-effective to replace the North GST as opposed to rehabilitate the Peabody tank (McCutchan, pg 10, lines 3-5). Please provide a copy of the analysis supporting the determination.

RESPONSE:

Although a formal analysis was not presented, CUII made the determination based on input from RHMG and Tank Industry Consultants. See response to Request 4-7 (below) for summary of alternatives reviewed and discussed with CUII staff.

REQUEST 4-6:

Please state the projected average annual O&M for the South GST.

RESPONSE:

The projected annual O&M for the South GST is as follows:

Item	Cost	Frequency	Average Annual Operation and Maintenance Cost
Tank level element; clean and check calibration [1]	$100.00	Annually	$100.00
Professional Engineering Inspection	$5,000.00	Once every 5 years	$1,000.00
Dewater Tank and Clean, Remove Sediment [2]	$2,000.00	Once every 5 years	$400.00
Touch up paint, small repairs	$1,000.00	Once every 5 years	$200.00
Repaint Tank Interior	$180,000.00	Once every 20 years	$9,000.00
Repaint Tank Exterior	$100,000.00	Once every 20 years	$5,000.00
Total Annual Operation and Maintenance Cost			**$15,700.00**

[1] Materials only. Excludes costs for estimated 3 hours of internal labor.
[2] Equipment rental, disinfection, sampling, and sediment disposal costs only. Excludes costs for estimated 48 hours of internal labor.

REQUEST 4-7:

On page 4, lines 2-7 of your rebuttal testimony, you state that rehabilitation options were eliminated based on costs and/or the resulting condition. Please provide documentation of those costs.

RESPONSE:

The table below provides tabular summary of the rehabilitation options for the ground storage tank.

Repair Method	Est. Capital Cost	Est. Life Extension of Tank/Service
Non-Structural Liner[1] (SprayShield $225,000)	$400,000	0 Years
Structural Liner[2] (SprayWall $520,000)	$695,000	20 Years
Reinforcing[3]	Not Available	5 Years
Patching[3]	Not Available	3 Years
Panel Replacement[4] (Bottom Ring)	$450,000	10 Years
Tank Replacement	$550,000	30 Years +

1. Will require repair of tank elements to provide structural base for application of lining system. The lining system does not address any structural issues with the tank.
2. Will require repair of tank elements to provide structural base for application of lining system. The lining system does not address any structural issues with the tank cover.
3. Spot repairs to tank panels / elements. Does not address the overall structural integrity of the tank.
4. Does not address any structural issues with the top tank panels or tank cover.

McCuthan or Kersey

REQUEST 4-8:

Please identify CUII's timeline for addressing the issues identified in the TIC report (JTP-5).

RESPONSE:

The Company's most recent forecast indicated the issues identified in the TIC report will be addressed within the 2nd quarter of 2018.

REQUEST 4-9:

Please discuss whether CUII includes lifetime O&M costs when evaluating options for construction projects, and specifically in analyzing alternatives for the elevated storage tank.

RESPONSE:

Yes, CUII includes lifetime O&M costs when evaluating options for construction and other capital projects. This includes the analysis of alternatives for the elevated storage tank. These costs will include factors such as: the cost of maintaining system pressure via alternative means, costs and impact of system power outage, costs of painting and/or rehabbing the existing tank, costs of rehabbing and maintaining alternative pressure and supply continuity, costs and impacts of potential main breaks due to system pressure regulation, and so forth.

Lubertozzi (Substitution for Haas)

REQUEST 4-10:

Please provide an update regarding the status of the SCADA project

RESPONSE:

The Company has delayed proceeding with the SCADA project, per the OUCC's recommendation.

REQUEST 4-11:

Please provide the name of the individual who is/was responsible for the scoping and selection of equipment for the SCADA project.

RESPONSE:

If and when the Company proceeds with this project, the scoping and selection of equipment will be a collaborative effort between Steve Lubertozzi, Justin Kersey, John Norton, Mike Miller and Loren Grosvenor. However, John Norton, will ultimately be the project manager of this project, if and when the Company proceeds.

REQUEST 4-12:

Please provide cost details for the project as well as an explanation of why CUII believes the project is justified along with supporting documentation.

RESPONSE:

The Company has not proposed to proceed with this project.

Kersey or Lubertozzi

REQUEST 4-13:

Please explain why CUII did not accept Cady Aquastore's proposal for supply and erection of a 473,200 gallon epoxy coated bolted steel water storage tank (OUCC DR 15- 11).

RESPONSE:

Attached as "Attachment to IURC DR 4_13", is the bid accepted by the Company, which the Company believes is being referenced in this request. The 500K gallons frequently used as a reference to describe this tank is the rounded storage capacity.

REQUEST 4-14:

Please provide the name of the individual who is/was responsible for the sizing, scoping, and selection of equipment for the hydro-tank replacement project.

RESPONSE:

The sizing, scoping and/or selection was performed by Steve Lubertozzi, Bruce Haas, Tom Tapella and Charles Alexander. Our current project manager, John Norton, will be responsible for managing these types of projects going forward.

REQUEST 4-15:

Attachment SML-R4-2, page 2 of 3, references some specific costs for alternatives considered. Please identify the source of the cost information and who prepared those numbers.

RESPONSE:

The information contained in SML-R4 was prepared by CUII's former Regional Manager, and the source of the cost information is unknown.

REQUEST 4-16:

Please provide the name of the individual who is/was responsible for the sizing, scoping, and selection of equipment for the sludge storage tank project.

RESPONSE:

The following response assumes the request is in reference to the second sludge storage tank forecasted project. Our current project manager, John Norton, will ultimately be responsible for managing these types of projects going forward. However, the sizing, scoping and selection of equipment will be a collaborative effort between Steve Lubertozzi, Justin Kersey, John Norton, Mike Miller and Loren Grosvenor.

REQUEST 4-17:

Please discuss how CUII determined that a 400K gallon bolted steel tank is appropriate to meet the future phosphorus limits at the TLUI WWTP.

RESPONSE:

We have withdrawn our previously proposed 400,000 gal. sludge storage tank and are re-evaluating our sludge storage requirements pending future IDEM requirements. We anticipate a potential limit of 1.0 mg/L phosphorus based on other regional treatment plants. Our future sizing will undergo engineering evaluation at the time a permit limit is provided. The Company also plans to explore other alternatives to an additional tank, including the use of a sludge press to aide with current storage.

REQUEST 4-18:

Please discuss whether other plant components have been studied or sized in preparation to address the 2021 phosphorus limits. Please provide the study and/or sizing summaries.

RESPONSE:

The Company does not possess any study or sizing summaries at this time.

REQUEST 4-19:

Please provide the name of the individual who is/was responsible for the sizing, scoping, and selection of equipment for the headworks upgrade project.

RESPONSE:

Our current project manager, John Norton, will ultimately be responsible for managing these types of projects going forward. However, the sizing, scoping and selection of equipment will be a collaborative effort between Steve Lubertozzi, Justin Kersey, John Norton, Mike Miller and Loren Grosvenor.

REQUEST 4-20:

Please discuss how CUII determined the sizing and type of screening and grit pump(s) appropriate for the TLUI WWTP. Please provide supporting documentation.

RESPONSE:

The Company contracted Strand Associates, Inc. to determine requirements for its headworks upgrade project. Please refer to the attached, "Attachment to IURC DR 4_20".

Lubertozzi

REQUEST 4-21:

Please provide the most recent, individual manhole inspections for each of the 534 wastewater manholes inspected in LOPS.

RESPONSE:

These inspection reports have been provided in response to OUCC DR 21_15, they are attached for your convenience as, "IURC DR 4_21.zip".

REQUEST 4-22:

Please describe in detail the surface preparations that were made for each rehabilitated manhole prior to application of the spectra-tech product.

RESPONSE:

Spectra-Tech performs the following surface preparations prior to spraying on their liner:
1. Power wash the walls of the manhole
2. Dry the walls of the manhole
3. Fill cracks in the wall of the manhole

REQUEST 4-23:

Please discuss why the spectra-tech product was selected for lining the manhole over a presumably less expensive cementitious lining. Please discuss what physical conditions were present in the manhole that made the spectra-shield product the preferred option.

RESPONSE:

Spectra-Tech lining product is warrantied for 10 years. If CUII determines that a Spectra-Tech lined manhole is leaking CUII will contact Spectra-Tech who will return and reseal the manhole.

REQUEST 4-24:

Please provide any analysis based on the manhole inspection data that defined and compared the cost of rehabilitation versus complete replacement.

RESPONSE:

No specific analysis was prepared to compare the cost of rehabilitation versus complete replacement of a manhole. However, CUII's current and former management relied upon their experience and general knowledge to determine that rehabilitation would be a cheaper alternative, and in preparation for the hearing in this Cause CUII obtained bids to replace a manhole. See Attachments to IURC DR 4_24. The costs to replace a manhole was approximately $27,000, which does not landscaping, de-watering, if needed and anything out of scope of work is additional charge. Also, this quote excluded any costs for any roadway repairs or any gas or electric lines that need to be moved.

REQUEST 4-25:

Please identity who specifically recommended the manhole rehabilitation methods on behalf of CUII.

RESPONSE:

Please refer to the Company's response to IURC DR 4-23.

REQUEST 4-26:

Please explain in detail the excavation and external manhole sealing process.

RESPONSE:

The following steps are taken when sealing manholes externally:
1. Excavate the area surrounding the manhole
2. Apply grout to seal any cracks
3. Apply tar to the crack area
4. Wrap the manhole with plastic
5. Backfill to grade

Kersey - Rebuttal

REQUEST 4-27:

Please identify and provide any CUII masterplan or other documentation quantifying or projecting increases in growth, development, or demand for water.

RESPONSE:

Please refer to the attached, "Response to IURC DR 4_27 Water System".

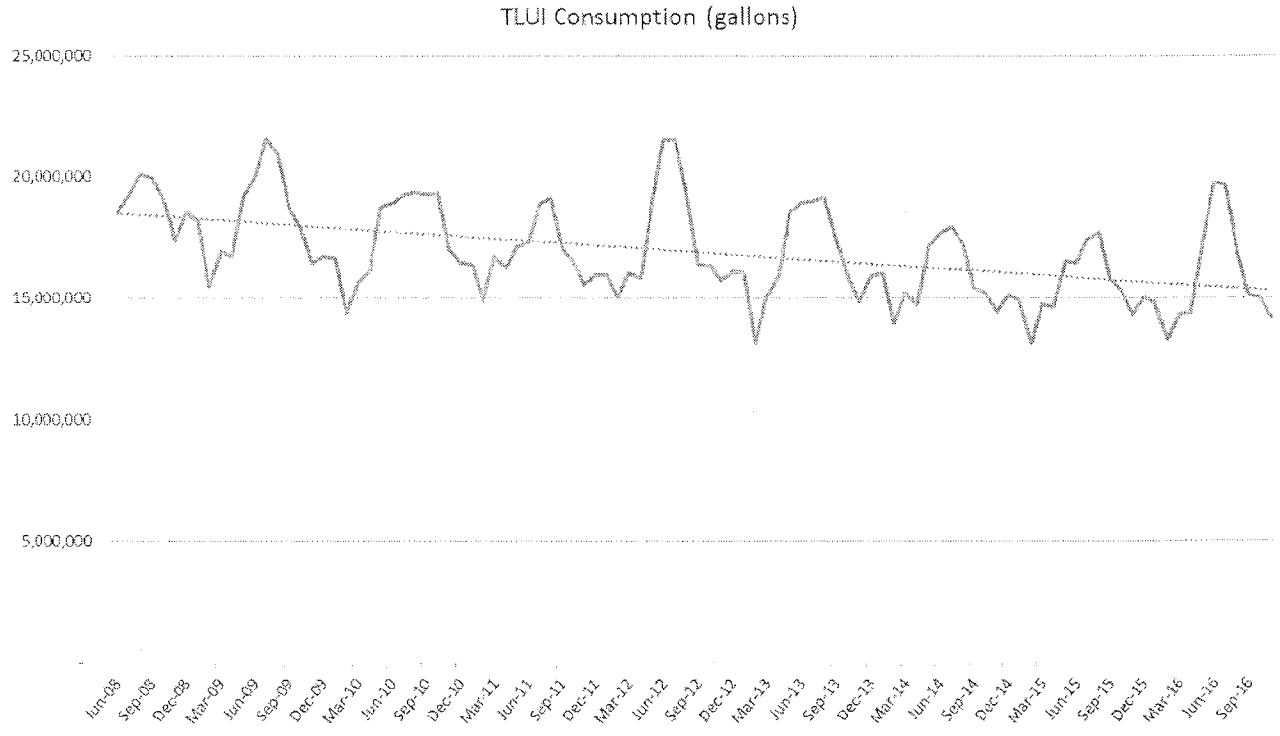
REQUEST 4-28:

Within the Twin Lakes water system, please discuss whether demand is increasing or decreasing.

RESPONSE:

Please see the below graph for reference "TLUI Consumption (gallons)", which depicts total customer consumption at TLUI over the last 8.5 years (June 2008 – November 2016). Although the trend is decisively down, at an average year-over-year change of approximately -2%, as evidenced by the summer peak in 2016 weather events, or lack of weather events, may cause deviations from the trend. The 2016 spike in customer consumption was driven by abnormally low rainfall in the June and July periods.

The Company's records indicate consumption and rainfall are negatively correlated in the summer months, and although there was approximately 9" of rainfall in the June and July periods (which is not out of line with historical norms), 50% of this rainfall occurred in the last week of July. To conclude, although the demand is decreasing, there is clear evidence that prolonged periods of abnormally low rainfall in the summer periods will cause demand to spike and deviate from the trend.



REQUEST 4-29:

On page 6, Table 1 of your rebuttal testimony, please identify if the flow depicted is instantaneous or peak. If peak, is it daily or hourly?

RESPONSE:

The question cannot be accurately answered as given for two reasons. First, Table 1 is on page 5 and Figure 1 is on page 6. There is no Table 1 on page 6. Secondly, neither Table 1 nor Figure 1 show either peak or instantaneous flow. Table 1 shows the average daily flow, in millions of gallons per day (MGD) for the month of October, 2016. In this case, the average flow was calculated as the sum of n days of flow q_i, divided by n days, $(\sum q_i)/n$, *for* $i = 1$ through n. In Figure 1 on page 6, the flow depicted is daily flow, as measured in MGD, and does not represent peak flow measured over any duration of time. Sorry for the confusion.

REQUEST 4-30:

Please discuss whether phased construction of smaller tanks was considered for any of the storage improvements.

RESPONSE:

No, the staged construction of smaller tanks was not considered for any of the storage improvements. The economies of scale for multi-dimensional systems such as water storage are fairly extreme, with beta coefficients considerably less than one. This means that each additional unit increase in size or capacity costs much less than the average unit cost of the smaller unit capacity. In layman's terms, this means that a system size of, for example, a 500,000 gallon tank might cost only twice as much as a 100,000 gallon tank. The reasons derive from the underlying nature of the system. For example, compare to two smaller tanks to a larger tank of exactly twice the volume. The two smaller tanks require twice as many valves, level indicators, chlorine monitors, foundation pours, concrete inspections, and so forth. Some of the required components would not directly correlate to tank capacity. For instance, tank wall, flooring size, piping lengths, granular fill, and so forth might scale, but less strongly than the items noted in the first example. In addition, site constraints preclude the construction of a considerable number of additional structures.

REQUEST 4-31:

Please describe the incremental costs of building an additional 100K gallons of storage.

RESPONSE:

The incremental cost of building an additional 100K gallons of storage depends on the type of material being stored, the ability to store the material over time, the tendency of the material to degrade with time, the requirements for rapid filling and release of the tank volume, the type of materials being used, the required types and styles of the various level controllers and associated valves and piping, and various other aspects of the tank design and construction. Other incremental costs could also include the costs of additional sensors and associated SCADA instrumentation and reprogramming, land acquisition costs, engineering review and design, the costs of construction permits and inspections, additional inspection and maintenance efforts, as well as other external costs. That said, based on AWWA guidelines, one might expect a 100,000 gallon to have approximately twice the unit cost per gallon of a 500,000 gallon tank. In other words, based on a $1.00 per-gallon cost for a 500,000 gallon tank, it would be reasonable to expect a 100,000 gallon tank to cost approximately $200,000, subject to the factors discussed above. Please see Attachment to IURC DR 4-31 for an excerpt from the AWWA guidelines.

REQUEST 4-32:

Please identify the approximate percentage of water loss within the Twin Lakes system. Please discuss how water loss affects the storage requirements.

RESPONSE:

The Company's records indicate its average unaccounted for water loss from 2009-2016 is 12% and its average water loss over the same period is 15%. Water loss affects the storage requirements by increasing the measured daily water production, on a direct percent to percent basis. The US EPA estimates average water loss across the US to be 16%. See EPA's report titled "Water audits and water loss control for public water systems", available at: https://www.epa.gov/sites/production/files/2015-04/documents/epa816f13002.pdf.

REQUEST 4-33:

Please provide the name of the individual within CUII who is/was responsible for the project management of the construction of the South GST project.

RESPONSE:

The South GST project was managed by Bruce Haas, Tom Tapella and Charles Alexander. Our current project manager, John Norton, will be responsible for managing these types of projects going forward.

REQUEST 4-34:

Please clarify if the SCADA project was indeed in service in 2015 as indicated on Table 1 of Mr. Haas/Lubertozzi's testimony.

RESPONSE:

The SCADA project is not in service, as the estimated completion date listed on Table 1 for the SCADA project was incorrect.

REQUEST 4-35:

Please identify how many vehicles are used primarily for CUII.

RESPONSE:

There are eleven vehicles which are used primarily for CUII, eight trucks for operations personnel's daily activities, three older vehicles are used as spare vehicle and the Company maintains one freightliner.

REQUEST 4-36:

Please explain the allocation methodology used to allocate vehicles to CUII.

RESPONSE:

Vehicle costs are recorded at the state cost center for CUII operations. These costs are automatically allocated on a monthly basis, within the Company's accounting system, to the individual operating territories of CUII based on their respective ERC weights. However, for rate making purposes, these vehicles will be manually allocated to water and wastewater divisions based on their respective ERC weights. This manual allocation also includes an adjustment for the Regional Manager's vehicle, as this vehicle is shared amongst Illinois and Indiana operations. The manual allocation of this vehicle includes an additional step, which is to allocate the vehicle based on Illinois and Indiana ERC weights.

REQUEST 4-37:

Please explain the allocation methodology used to allocate computer equipment to CUII

RESPONSE:

The vast majority of computer equipment and software costs are recorded on Water Service Corp's ("WSC") books. These costs are automatically allocated on a monthly basis to all operating subsidiaries of WSC based on their respective ERC weights. However, for rate making purposes, these costs will be manually allocated to water and wastewater divisions based on their respective ERC weights.

Both Water and Wateswater

REQUEST 4-38:

On Schedules 5W and 5S of Kersey's rebuttal testimony, Petitioner proposed new water and wastewater usage and customer normalization revenue adjustments. Petitioner stated that the water volumes and customer counts used in these adjustments were provided in a response to OUCC DR 2.2. Please provide a copy of Petitioner's response to OUCC DR 2.2 or direct Commission staff to its location in Petitioner's testimony or workpapers.

RESPONSE:

The Company's response is shown below, attached is the workpaper "Attachment to IURC DR 4_38 CUII Revenue Bridge". Within the tabs labeled with "Change" the individual territory schedules will agree to the adjustments shown on Schedules 5W and 5S.

Data Request OUCC DR 2 - 02

Please disclose how the change in Service Revenues – Water, and Service Revenues Sewer, from the base period ending 9/30/15 to the forecast period 9/30/17 which is summarized on workpaper WP-JPK-1, Schedule D is allocated between the year one change and year two change as shown on WPJPK-1, Schedule B. Please provide the requested information for Combined, Water and Sewer Operations.

Objection:

Response: Please refer to the attached document, "CUII Revenue Bridge". The lead tab, "Summary" shows the consolidated changes from the September 30, 2015 Trial Balance to the forecasted revenue period, September 30, 2017. "Year One Change" is a combination of columns C and E, "Year Two Change" is shown in column G. All supporting schedules are presented in a format consistent with Schedule D.

REQUEST 4-39:

As shown on Rebuttal Schedules 8W and 8S, Petitioner proposed general plant Phase I additions of $278,209 (line 6) and $110,750 (line 8), respectively. However, both adjustments are shown under column Phase II. Is this correct or should these adjustments be under Petitioner's Phase I column?

RESPONSE:

This presentation is correct. Phase I row additions shown under Phase II column represent forecasted plant additions from March 01, 2016 through September 30, 2016. The Company's original proposal included all plant additions through September 30, 2016 within its Phase I revenue requirement. However, these additions are presented under Phase II column as the Company has reached an agreement with the OUCC to include only plant balances through February 29, 2016 within Phase I rates.

REQUEST 4-40:

On page 17 of Attachment JPK-Rl, Petitioner reflects $0.00 for the 2015 sewer capital improvement project. However, Mr. Kersey's rebuttal testimony on page 31, provides Table 7 that reflects $148,122 for the 2015 sewer capital improvement project. Please explain this discrepancy.

RESPONSE:

There is no discrepancy. The $148,122 in spending was included within the Company's $19,091,095 "Utility Plant in Service at 2/29/2016" balance and should not have been included as incremental cost to avoid double counting.

REQUEST 4-41:

Page 31 of Mr. Kersey's rebuttal testimony, Table 7 reflects $0.00 in rebuttal for the SCADA water treatment plant, which appears to agree with Petitioner's JPK-Rl, page 8. However, looking at Petitioner's Excel file 44724_CUII_Kersey Rebuttal Workpaper CUII Schedules Final_123016, Capital Projects IN, it appears that Petitioner reflected $44,836 (cell W7) for the SCADA system in 2015 and $42,334 for the first quarter of 2016 for a total of $87,170. Has this amount been totally excluded from Petitioner's proposed rate base shown on rebuttal schedule 8W? If not, please explain.

RESPONSE:

Yes it has been totally excluded from the Company's rate base. The "Capital Projects IN" tab is the original forecast from the Company's Case-In-Chief, but is not reflective of the Company's rebuttal position.

REQUEST 4-42:

Page 31 of Mr. Kersey's rebuttal testimony, Table 7 reflects $491,097 for replacement of a 500K gallon water storage tank at WTPI and $184,151 for WSCI hydro-tank replacement. However, looking at Petitioner's rebuttal schedule 8W, Petitioner reflected $0.00 for both the ground storage tank and the hydro-tank. Please explain what appears to be a discrepancy.

RESPONSE:

There is no discrepancy. The $184,151 in spending was included within the Company's $13,445,342 "Utility Plant in Service at 2/29/2016" balance and should not have been included as incremental cost to avoid double counting. The 500K GST is included within the same plant-in-service balance in the amount of $562,797, however the Company has agreed to remove $71,700 from its rate base (included in "Disallowed Capital Costs" on Schedule 8W), which results in the $491,097 shown on Table 7 ($562,797 - $71,700 = $491,097).

REQUEST 4-43:

Also, Table 7, the rebuttal amount shown on page 31 of Mr. Kersey's testimony reflects $1,437,779. However, the column added yields $1,366,079. Please reconcile this discrepancy.

RESPONSE:

After reviewing Table 7, it appears the column simply did not calculate and should have shown a Total amount of $1,366,079 as stated. Below is a revised table:

REVISED

Table 7R: Adjustments to Forecasted Projects (Petitioner's Exhibit 3, Table 1)

No	W/S	Description	Estimated GL In-Service Date	Case-in-Chief	Rebuttal Amount	Change
1	W	SCADA Water Treatment Plant	-	$ 87,170	$ -	$ (87,170)
2	S	Second Sludge Storage Tank	-	$ 539,159	$ -	$ (539,159)
3	W	Replacement 500K Gallon Water Storage Tank at WTP 1	11/30/2015	$ 507,443	$ 491,097	$ (16,346)
4	S	TLUI WWTP Headworks Upgrades	-	$ 1,072,503	$ -	$ (1,072,503)
5	W	WSCI Hydro-tank Replacement	12/31/2015	$ 161,211	$ 184,151	$ 22,940
6	S	2015 Sewer Capital Improvement Project	12/31/2015	$ 435,775	$ 148,122	$ (287,653)
7	S	2016 Sewer Capital Improvement Project	2016	$ 443,202	$ 180,903	$ (262,299)
8	S	2017 Sewer Capital Improvement Project	2017	$ 228,112	$ 361,806	$ 133,694
TOTAL				**$ 3,474,575**	**$ 1,366,079**	**$ (2,108,496)**

Sewer

REQUEST 4-44:

Page 31 of Mr. Kersey's rebuttal testimony states that $148,122 should be included in Petitioner's forecasted utility plant in service for "2015 Sewer Capital Improvements." However, Petitioner's rebuttal schedule 8S reflects $0 for the 2015 Sewer Capital Improvements. Please reconcile this discrepancy.

RESPONSE:

Please refer to the Company's response to IURC DR 4-40.