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INDIANA UTILITY
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF AMERICAN SUBURBAN)
UTILITIES, INC. FOR APPROVAL OF) CAUSE NO. 44676 S1
COMPLIANCE FILING AND PHASE III RATES)

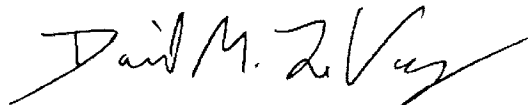
PUBLIC'S EXHIBIT NO. 3

TESTIMONY
OF
MARGARET A. STULL
ON
BEHALF OF
THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

IURC
PUBLIC'S
EXHIBIT NO. 3
4-22-21 DATE REPORTER

February 24, 2021

Respectfully submitted,



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CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing *Public's Exhibit No. 3, Testimony of Margaret A. Stull on Behalf of the Indiana Office of Utility Consumer Counselor's* has been served upon the following counsel of record in the captioned proceeding by electronic service on February 24, 2021.

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TESTIMONY OF OUCC WITNESS MARGARET A. STULL
CAUSE NO. 44676-S1
AMERICAN SUBURBAN UTILITIES, INC.

I. INTRODUCTION

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

2 A: My name is Margaret A. Stull, and my business address is 115 W. Washington St.,
3 Suite 1500 South, Indianapolis, Indiana, 46204.

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

5 A: I am employed by the Indiana Office of Utility Consumer Counselor ("OUCC") as
6 a Chief Technical Advisor in the Water/Wastewater Division. My qualifications are
7 set forth in Appendix "A" attached to this testimony.

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

9 A: This sub-docket addresses the appropriate Phase III rate change to incorporate the
10 improvements to American Suburban Utilities, Inc.'s ("ASU" or "Petitioner")
11 Carriage Estates Wastewater Treatment Plant ("CE-III"). On November 7, 2019,
12 ASU submitted its Phase III compliance filing, including an "In Service
13 Certification," stated these improvements had been placed into operation as of
14 October 18, 2019, and proposed a 21.87% rate increase. On September 30, 2020,
15 ASU subsequently filed a "Notice of Completion of Construction." I present the
16 OUCC's recommended Phase III rates based on the OUCC's determination and
17 recommended value of CE-III Phase 2 improvements actually constructed and
18 completed as of September 30, 2020. This process of implementing Phase III rates
19 requires updating accumulated depreciation from Phase II rates to the date of
20 completion, which the OUCC submits occurred on October 1, 2020, and

1 recognizing changes in operating revenues net of taxes and depreciation expense.
2 Since Phase II rates were implemented in March 2017, the OUCC's review
3 indicates increased utility plant in service ("UPIS") of \$4,014,800, a net rate base
4 addition of \$1,962,609, and a net increase in net operating income at present rates
5 of \$240,041 yielding a calculated decrease in rates of 2.72%. On January 29, 2020,
6 the Commission issued a Prehearing Conference Order that, among other things,
7 granted approval of a 21.87% interim Phase III rate increase, subject to refund,
8 pending the resolution of this sub-docket. Because ASU had not completed these
9 improvements as required by its approved Settlement Agreement with the OUCC
10 in Cause No. 44272 and as certified in its November 7, 2019 filing, the OUCC
11 considers a full refund of the interim rates is due to ratepayers through September
12 30, 2020. Because the OUCC's proposed Phase III rate change is not a rate increase,
13 the OUCC also considers a full refund of the interim rate increase is due to
14 ratepayers from October 1, 2020 through the date a final order is issued in this sub-
15 docket. I present the OUCC's calculation of these refunds and recommend monthly
16 bill credits over a twelve-month period.

17 **Q: What review and analysis did you perform to prepare your testimony?**

18 A: I reviewed ASU's compliance filing to implement Phase III rates filed on
19 November 7, 2019. I also reviewed ASU's compliance filing to implement Phase
20 II rates filed on March 17, 2017. I reviewed ASU's Indiana Utility Regulatory
21 Commission ("IURC") annual reports for the years 2015 through 2019. I reviewed
22 the final order issued on November 30, 2016 in Cause No. 44676/ 44700. Finally,
23 I prepared discovery questions and reviewed ASU's responses.

1 Q: Are you sponsoring any schedules or attachments?

2 A: Yes. I sponsor the following attachments and schedules:

3 OUCC Attachment MAS-1 – Phase III Rate Schedules

4 Schedule 1 – Recommended Phase III Revenue Requirement

5 Schedule 2 – Gross Revenue Conversion Factor

6 Schedule 3 – Reconciliation of Net Operating Income Statement

7 Adjustments to Pro Forma Present Rates

8 Schedule 4 – Pro Forma Net Operating Income Statement

9 Schedule 5 – OUCC Operating Revenue Adjustments

10 Schedule 6 – OUCC Operating Expense Adjustments

11 Schedule 7 – Original Cost Rate Base

12 Schedule 8 – OUCC Rate Base Adjustments

13 Schedule 9 – OUCC Recommended Tariff

14 OUCC Attachment MAS-2 – ASU’s Response to OUCC Data Request Nos.
15 8-1, 8-2, 8-3, 16-11, and 16-12

16 OUC Attachment MAS-3 – Calculation of Customer Refund and Analysis of
17 customer class billing determinants

III. PHASE III RATES

A. ASU Proposal

18 **Q: What Phase III rate increase does ASU propose in this sub-docket?**

19 A: ASU proposes a 21.87% across-the-board rate increase per its November 7, 2019

20 Phase III compliance filing. This rate increase is based on an October 18, 2019

21 completion date for its CE-III Phase 2 improvements and a \$7,951,450 net increase

22 to rate base.

Table 1: Comparison of ASU's Phase II and Proposed Phase III Rate Base

	Phase II	Phase III	Phase III More (Less)
Utility Plant in Service	\$ 23,390,929	\$ 32,915,729	\$ 9,524,800
Furniture and Equipment	675,237	675,237	-
Vehicles	316,959	316,959	-
Total UPIS	24,383,125	33,907,925	9,524,800
Accumulated Depreciation	(5,900,390)	(7,517,002)	(1,616,612)
CIAC	(6,620,231)	(7,024,636)	(404,405)
Amortization of CIAC	316,262	763,929	447,667
Construction Advances	(37,900)	(37,900)	-
Rate Base	<u>\$ 12,140,866</u>	<u>\$ 20,092,316</u>	<u>\$ 7,951,450</u>

1 **Q: Has ASU been authorized to implement its proposed Phase III rate increase?**

2 A: Yes. In the Commission's Pre-hearing Conference Order dated January 29, 2020,
3 ASU was allowed to implement its proposed 21.87% Phase III rate increase, subject
4 to refund, pending the resolution of this sub-docket.

B. OUCC recommendation

5 **Q: Does the OUCC agree that construction of ASU's CE-III Phase 2**
6 **improvements were complete on October 18, 2019 as stated in its "In Service**
7 **Certification"?**

8 A: No. As explained particularly in the testimony of OUCC witness Scott Bell, ASU
9 was not done constructing its CE-III Phase 2 improvements and should not be
10 considered to have completed them when it filed its Phase III compliance filings on
11 November 7, 2019. ASU subsequently submitted a "Notice of Completion of
12 Construction" on September 30, 2020.

13 **Q: What Phase III rate change does the OUCC recommend in this sub-docket?**

14 A: The OUCC recommends a 2.72% rate decrease based on a completion date of
15 September 30, 2020 and the value of the CE-III Phase 2 improvements actually

1 constructed (OUCC Attachment MAS-1). The OUCC proposes this rate decrease
2 be prospective from the date of an order in this sub-docket. Table 2 compares
3 ASU's rate calculation to the OUCC's.

Table 2: Rate Calculation Comparison

	ASU	OUCC	OUCC More (Less)
Calculated Rate Base	\$ 20,092,316	\$ 14,103,475	\$ (5,988,841)
Times: Weighted Cost of Capital	8.31%	8.31%	0.00%
Allowable Net Operating Income	1,669,671	1,171,999	(497,672)
Less: Adjusted Net Operating Income	(1,068,889)	(1,248,953)	(180,064)
NOI Shortfall	600,782	(76,954)	(677,736)
Divide by: Revenue Conversion Factor	72.680%	72.680%	0.00%
Required Increase in Operating Revenues	826,616	(105,881)	(932,497)
Divide by: Adjustable Operating Revenues	3,779,999	3,895,218	115,219
Percentage Rate increase Required	21.87%	-2.72%	-24.59%

4 **Q: Why would rates decrease when rate base is increasing?**

5 A: While the OUCC recommends an increase to rate base, other components of the
6 rate calculation have been updated, due to the phase-in process discussed below,
7 and the result of these changes is a rate decrease. Table 3 compares the current
8 revenue requirement under Phase II, as adjusted for the Cause No. 45032 tax
9 investigation, with the OUCC's recommended Phase III revenue requirement. A
10 summary of the revenue requirement components is also included in Table 3.

Table 3: Revenue Requirement Component Comparison

		(A) Phase II as Adjusted by	(B) OUCC	(B) - (A) OUCC More (Less)
	Phase II	TCJA	OUCC	More (Less)
Original Cost Rate Base	\$ 12,140,866	\$ 12,140,866	\$ 14,103,475	\$ 1,962,609
Times: Weighted Cost of Capital	8.31%	8.31%	8.31%	
Allowed Net Operating Income	1,008,906	1,008,906	1,171,999	163,093
Less: Adjusted Net Operating Income	(705,941)	(1,008,912)	(1,248,953)	(240,041)
Net Operating Income (Surplus) Deficiency	<u>\$ 302,965</u>	<u>\$ (6)</u>	<u>\$ (76,954)</u>	<u>\$ (76,948)</u>
<u>Adjusted Net Operating Income:</u>				
Operating Revenues	\$ 3,304,687	\$ 3,579,565	\$ 4,004,893	\$ 425,328
Operating Expenses	1,616,671	1,616,671	1,616,671	-
Depreciation Expense	604,197	604,197	704,567	100,370
Amortization Expense	(165,506)	(165,506)	(176,851)	(11,345)
IURC Fee	-	(240)	217	457
Payroll Tax	40,291	40,291	40,291	-
Utility Receipts Tax	46,252	50,100	56,055	5,955
Property Tax	164,005	164,005	167,492	3,487
Income Tax	292,836	261,135	347,498	86,363
	<u>\$ 705,941</u>	<u>\$ 1,008,912</u>	<u>\$ 1,248,953</u>	<u>\$ 240,041</u>

C. Phase-in of Rates

- 1 **Q: How does the rate order require Phase II and Phase III rates to be**
2 **implemented?**
- 3 **A:** Paragraph F, pages 39 - 40, of the Commission's Final Order in Cause No. 44676
4 discusses the implementation of Phase II and Phase III rates. The Commission
5 required ASU to update accumulated depreciation and to account for the actual cost
6 of the major projects to the extent actual costs do not exceed the approved amounts.
7 Similarly, for contributions in aid of construction ("CIAC"), ASU shall provide the
8 actual amount of CIAC and an explanation of how it arrived at that figure. ASU
9 shall update CIAC and the amortization of CIAC based on actual results.
- 10 **Q: Did the Commission require ASU to update certain operating revenues and**
11 **expenses when phasing in rates?**
- 12 **A:** Yes. The Commission required ASU to provide the actual customer count with an
13 explanation of how it arrived at that figure. ASU is required to update (1) operating

1 revenues (2) depreciation expense, (3) property tax, and (4) income tax expense.

2 ASU is not allowed to update retained earnings in its capital structure.

3 **Q: Did ASU comply with these requirements?**

4 A: It appears ASU provided everything required except for the report with the actual
5 and approved amount of plant for the major projects by plant account. I could not
6 find this report on the Commission's website for either ASU's Phase II or Phase III
7 rate phase-in compliance filings.

D. Original Cost Rate Base

8 **Q: Please explain the \$5,988,841 difference between ASU's proposed Phase III**
9 **rate base and that recommended by the OUCC.**

10 A: This difference is primarily due to (1) the difference between the pre-approved cost
11 of the CE-III Phase 2 improvements and the actual values incurred to construct the
12 project and (2) additional accumulated depreciation due to the delay in completing
13 construction of the CE-III Phase 2 improvements. Table 4 presents a comparison
14 of the various rate base components proposed by ASU to that recommended by the
15 OUCC.

Table 4: Rate Base Comparison

	ASU	OUCC	OUCC More (Less)	
UPIS	\$ 33,907,925	\$ 28,397,925	\$ (5,510,000)	Decreased CE-III Phase 2 Values
Accum. Depreciation	(7,517,002)	(8,124,226)	(607,224)	Add'l year of depreciation
CIAC	(7,024,636)	(7,074,036)	(49,400)	Additional 2019 CIAC
Accum. Amortization	763,929	941,712	177,783	Add'l year of amortization
Advances	(37,900)	(37,900)	-	
Total Rate Base	<u>\$ 20,092,316</u>	<u>\$ 14,103,475</u>	<u>\$ (5,988,841)</u>	

1 **Q: Please explain the difference between the Option 2 CE-III Phase 2 costs as**
2 **approved and the value determined by the OUCC.**

3 A: ASU was pre-approved for \$9,999,400 of CE-III Phase 2 project costs under Option
4 2 plus another \$1.5 million related to phosphorus removal for a total of
5 \$11,499,400. \$1,974,600 of this amount (CE-III headworks) has already been
6 included in rate base as part of the Phase II rate increase in March 2017. That leaves
7 \$8,024,800 (\$9,999,400 - \$1,974,600) of CE-III Phase 2 improvements for
8 inclusion in Phase III rates along with \$1.5 million of phosphorus removal project
9 costs. OUCC witness James T. Parks, explains in his testimony that several Option
10 2 improvements have not been constructed and placed into service by ASU (OUCC
11 Attachment MAS-1, Schedule 8, Adjustment No. 8-11). Based on project costs
12 estimated by ASU during preapproval, or the rate case, Mr. Parks calculated
13 \$4,280,000 of the approximately \$10.0 million of CE-III Phase 2 improvements
14 were not constructed or placed into service, leaving \$3,744,800 (\$9,999,400 –
15 1,974,600 – \$4,280,000) to be included in Phase III rates. Further, of the \$1.5
16 million allowed for the phosphorus removal assets, Mr. Parks determined ASU only
17 provided \$270,000 of the value of plant to be included in Phase III rates. Table 5
18 compares the pre-approved CE-III Phase 2 costs with the value after removing the
19 value of components not provided.

Table 5: CE-III Project Costs

	<u>Pre-Approved</u>	<u>Incurred</u>	<u>Incurred More (less)</u>
Headworks	\$ 1,974,600	\$ 1,974,600	\$ -
Remaining CE-III Project	8,024,800	3,744,800	(4,280,000)
Phosphorus Removal	1,500,000	270,000	(1,230,000)
	<u>\$ 11,499,400</u>	<u>\$ 5,989,400</u>	<u>\$ (5,510,000)</u>

1 **Q: Did the OUCC include an estimate of 2020 system development charges**
2 **collected by ASU through September 2020 in its recommended rate base?**

3 A: No. The OUCC did not include any 2020 system development charges in its
4 calculation of rate base or Phase III rates as those amounts are unknown to me at
5 this time.

E. Pro Forma Net Income at Present Rates

6 **Q: Please explain the \$180,064 difference between ASU's proposed Adjusted Net**
7 **Operating Income and that recommended by the OUCC.**

8 A: This difference is primarily due to (1) increased operating revenues at current rates
9 offset by increased utility receipts tax and income tax and (2) a reduction in
10 depreciation expense due to the lower CE-III project costs and an increase in CIAC
11 amortization. Table 6 compares each component of net income that comprises this
12 difference.

Table 6: Net Operating Income Comparison

	ASU	OUCC	OUCC More (Less)
Operating Revenue	\$ 3,889,674	\$ 4,004,893	\$ 115,219
Depreciation Expense	(842,317)	(704,567)	137,750
Amortization Expense	175,616	176,851	1,235
IURC Fee	-	(217)	(217)
Utility Receipts Tax	(52,906)	(56,055)	(3,149)
Property Tax	(172,278)	(167,492)	4,786
Income Tax Expense	(271,938)	(347,498)	(75,560)
			<u>\$ 180,064</u>

13 **Q: How do the OUCC's recommended operating revenues differ from those**
14 **proposed by ASU?**

15 A: ASU's proposed operating revenues were based on September 2019 billing
16 determinants. The OUCC's proposed operating revenues are based primarily on

September 2020 billing determinants as provided by ASU in response to OUC
discovery (Attachment MAS-2). Table 7 compares revenue by customer class as
proposed by ASU to that determined by the OUC.

Table 7: Operating Revenue Comparison

	ASU	OUC	OUC More (Less)
Residential	\$ 1,730,377	\$ 1,845,906	\$ 115,529
Mobile Home	235,697	225,323	(10,374)
Multi-Family	1,462,302	1,479,366	17,064
Motels/Hotels	204	3,268	3,064
Service Stations	1,647	1,647	-
Schools	173,677	173,709	32
Commercial	176,095	165,999	(10,096)
Late Fees	14,675	14,675	-
Connection Fees	95,000	95,000	-
	<u>\$ 3,889,674</u>	<u>\$ 4,004,893</u>	<u>\$ 115,219</u>

Q: You say the operating revenues you used are based primarily on September 2020 billing determinants. Please explain.

A: I used the September 2020 billings to calculate annual revenues for every customer class except commercial metered revenues. I based the revenues for this customer class on the average monthly sales during the period February through September 2020 multiplied by 12. Some of the billing determinant data provided by ASU, including that provided for its metered commercial customer class, appeared to be anomalous.¹ Therefore, rather than use incorrect billing determinants as the basis for my pro forma metered commercial operating revenues, I considered revenues

¹ For instance, the OUC requested total billings for each metered commercial volumetric block. One would expect that the number of billings for each block would decline as consumption increased but this was not the case in several instances in the data provided. Also, most of the customer classes are billed a flat rate but, in several instances, the billings multiplied by the flat rate did not match the revenues provided. See OUC Attachment MAS-2 for the billing determinant information provided and OUC Attachment MAS-3 for analysis of billing determinant data provided.

1 based on the average monthly metered commercial sales dollars to be a reasonable
2 alternative. Average metered commercial sales for the period February through
3 September 2020 were \$13,833 (\$110,666/8 months) compared to September 2020
4 sales of \$16,465. Therefore, my use of average metered commercial sales is a
5 conservative estimate.

6 **Q: How do the OUCC's recommended operating expenses and taxes differ from**
7 **those proposed by ASU?**

8 **A:** The OUCC's recommended depreciation expense and property tax expense are less
9 than the amounts proposed by ASU due to the reduced CE-III Phase 2 values
10 recommended by the OUCC. The OUCC's amortization expense is higher due to
11 an increase in contributions in aid of construction to reflect the system development
12 charges collected during the period October through December 2019. The OUCC's
13 utility receipts tax and income tax expenses are higher due to the higher operating
14 revenues recommended by the OUCC.

IV. RATEPAYER REFUNDS

A. Full Refund from February through September 2020

15 **Q: Why does the OUCC propose a full refund is due ratepayers for the period**
16 **February through September 2020?**

17 **A:** ASU implemented its proposed Phase III rate increase under the assumption that it
18 had completed construction of the CE-III Project and placed it into service. These
19 interim rates were implemented subject to refund pending a final order in this sub-
20 docket. As discussed by Mr. Bell, the OUCC considers ASU did not complete its
21 CE-III Phase 2 improvements until September 30, 2020. Therefore, ratepayers
22 should not have been paying increased rates that included a return on and of

improvements that were not yet completed. A full refund should be made to ratepayers for this period that the interim rates were in effect.

Q: What refund does the OUCC propose is due ratepayers for the period February through September 2020?

A: The OUCC considers the total refund for this period to be \$541,971.51 based on the specific rate increase applied to each rate. Table 8 presents the refund by customer class. Table 9 presents the determination of the rate increase for each rate class. See also OUCC Attachment MAS-3, page 1 of 10.

Table 8: Full Refund by Customer Class Through September 2020

	(A) Phase III Rates Billed	(B) Phase II Rates	(A) - (B) Refund	(C) Rate Increase %
Residential	\$ 1,476,460.92	\$ 1,211,554.52	\$ 264,906.40	21.865%
Mobile Home	184,151.80	151,115.03	33,036.77	21.862%
Multi-Family	1,192,122.27	978,263.98	213,858.29	21.861%
Motel/Hotel	2,654.72	2,178.55	476.17	21.857%
Service Station	1,337.92	1,097.84	240.08	21.868%
Schools	53,379.00	43,823.32	9,555.68	21.805%
Metered Commercial	110,665.90	90,767.78	19,898.12	21.922%
	<u>\$ 3,020,772.53</u>	<u>\$ 2,478,801.02</u>	<u>\$ 541,971.51</u>	

Table 9: Phase III Interim Rate Increase by Rate Class

	Phase II	(D) TCJA	(E) Phase III	(E)/(B) % Increase
Residential	\$ 56.51	\$ 53.19	\$ 64.82	21.865%
Mobile Home	36.74	34.58	42.14	21.862%
Multi Family	45.78	43.09	52.51	21.861%
Motels/Hotels	18.08	17.02	20.74	21.857%
Service Stations	145.80	137.23	167.24	21.868%
Schools	2.83	2.66	3.24	21.805%
Commercial	\$ 70.79	\$ 66.60	\$ 81.20	21.922%

Q: Please explain how you determined the amount of the refund due ratepayers.

A: The method I propose takes the operating revenues billed by customer class as provided by ASU and removes the amount of the interim increase. The difference

1 between the operating revenues billed and the operating revenues sans the interim
2 rate increase yields the required ratepayer refund.

3 More specifically, the first step is to calculate the total operating revenues
4 (\$3,020,773) billed for usage during the period February through September 2020
5 (billed March through October 2020). The next step is to calculate the revenues by
6 customer class for the same period (Column A of Table 8). All of this billing
7 information was provided to the OUCC by ASU through discovery responses
8 (Attachment MAS-2). The next step is to calculate the rate increase percentage for
9 each customer class as shown in Table 9 above. While the rate increase was
10 implemented across-the-board, the rates vary slightly by customer class. The next
11 step is to calculate what the revenues during this period would have been without
12 the Phase III interim rate increase (see Table 8, Column (B)). The refund is the
13 difference between Column (A) and Column (B) in Table 8 above.

14 **Q: Why do you propose this methodology to calculate the amount of the refund**
15 **due ratepayers?**

16 **A:** As discussed previously, there were anomalies in the billing determinant data
17 provided by ASU wherein, among other things, the number of billings times the
18 monthly rate did not yield the revenues provided by ASU. Rather than use billing
19 determinants with questionable accuracy, I considered the method described above
20 to be the most straight forward approach to determine the refund.

B. Refund from October 2020 through Issuance of a Final Order

1 **Q: What refund does the OUCC recommend for the period October 2020 through**
2 **the issuance of a final order in this sub-docket?**

3 A: Because the OUCC is not recommending a rate increase, the OUCC considers that
4 a full refund of the interim Phase III rate increase should be returned to ratepayers
5 for the period October 2020 through the date a final order is issued in this sub-
6 docket. Because the date of the final order is not yet known, the OUCC cannot
7 calculate the dollar amount of such a refund at this time. Based on the same
8 methodology discussed above, the OUCC has calculated a refund for the period
9 October through December 2020 of \$208,372 (OUCC Attachment MAS-3, page 2
10 of 10).

11 **Q: What refund should be provided if the Commission determines a Phase III**
12 **rate increase should be implemented?**

13 A: If the Commission determines a Phase III rate increase must be implemented, then
14 ASU should be required to refund to ratepayers the difference between the
15 authorized increase and the interim increase for the period October 2020 through
16 the date an order is issued in this sub-docket.

17 **Q: What does the OUCC recommend regarding implementation of a ratepayer**
18 **refund?**

19 A: The OUCC recommends the ratepayer refund be credited to customers over a
20 twelve-month period from the date a final order is issued in this sub-docket. The
21 OUCC further recommends ASU be required to submit an updated calculation of
22 any refund due ratepayers, by customer class, through the date a final order is issued
23 in this sub-docket. Finally, the OUCC recommends ASU be required to submit a

1 compliance filing reflecting the total bill credits by customer class for each month
2 such credits were given and demonstrating the full refund has been made.

V. RECOMMENDATIONS

3 **Q: What are your recommendations?**

4 A: I recommend the Commission authorize a 2.72% Phase III rate decrease
5 prospectively from the final order date. I also recommend ASU be required to
6 refund the interim rate increase collected from ratepayers from inception through
7 the issuance of a final order in this sub-docket. I further recommend this refund be
8 credited to customers over a twelve-month period.

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

10 A: Yes.

APPENDIX A - QUALIFICATIONS

1 **Q: Please describe your educational background and experience.**

2 A: I graduated from the University of Houston at Clear Lake City in August 1982 with
3 a Bachelor of Science degree in accounting. From 1982 to 1985, I held the position
4 of Gas Pipeline Accountant at Seagull Energy in Houston, Texas. From 1985 to
5 2001, I worked for Enron in various positions of increasing responsibility and
6 authority. I began in gas pipeline accounting, was promoted to a position in
7 financial reporting and planning, for both the gas pipeline group and the
8 international group, and finally was promoted to a position providing accounting
9 support for infrastructure projects in Central and South America. In 2002, I moved
10 to Indiana, where I held non-utility accounting positions in Indianapolis. In August
11 2003, I accepted my current position with the OUCC. In 2011, I was promoted to
12 Senior Utility Analyst. Since joining the OUCC I have attended the National
13 Association of Regulatory Utility Commissioners ("NARUC") Eastern Utility Rate
14 School in Clearwater Beach, Florida, and the Institute of Public Utilities' Advanced
15 Regulatory Studies Program in East Lansing, Michigan. I have also attended several
16 American Water Works Association and Indiana Rural Water Association
17 conferences. I have also attended several NARUC Sub-Committee on Accounting
18 and Finance Spring and Fall conferences. I have participated in the National
19 Association of State Utility Consumer Advocates ("NASUCA") Water Committee
20 and the NASUCA Tax and Accounting Committee. In March 2016 I was appointed

1 chair of the NASUCA Tax and Accounting Committee and was reappointed to an
2 additional two-year term in November 2019.

3 **Q: Have you held any professional licenses?**

4 A: Yes. I passed the CPA exam in 1984 and was licensed as a CPA in the State of
5 Texas until I moved to Indiana in 2002.

6 **Q: Have you previously testified before the Indiana Utility Regulatory**
7 **Commission?**

8 A: Yes. I have testified before the Commission as an accounting witness in various
9 causes involving water, wastewater, electric, and gas utilities.

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

Comparison of ASU's and OUCC's
Overall Recommended Phase III Revenue Requirement

	ASU	OUCC	OUCC More (Less)
Calculated Rate Base	\$ 20,092,316	\$ 14,103,475	\$ (5,988,841)
Times: Weighted Cost of Capital (As Authorized by Order)	8.31%	8.31%	0.00%
Allowable Net Operating Income	1,669,671	1,171,999	(497,672)
Less: Adjusted Net Operating Income	(1,068,889)	(1,248,953)	(180,064)
Deficit	600,782	(76,954)	(677,736)
Divide by: Revenue Conversion Factor	72.680%	72.680%	0.00%
Required Increase (Decrease) in Operating Revenues	826,616	(105,881)	(932,497)
Divide by: Adjustable Operating Revenues	3,779,999	3,895,218	115,219
Percentage Rate Increase Required	21.87%	-2.72%	-24.59%
Pro Forma Adjustable Operating Revenue for Phase III	\$ 4,606,685	\$ 3,789,337	\$ (817,348)

AMERICAN SUBURBAN UTILITIES, INC.**Cause No. 44676-S1****Gross Revenue Conversion Factor**

Line				
1	Gross Revenue Change		100.0000%	\$ (105,881)
2	Less: Bad Debt Expense		<u>0.0000%</u>	-
3				
4	Sub-total		100.0000%	
5	Less: IURC Fee per Order		0.1074%	(114)
6				
7	Income Before State Income taxes		99.8926%	
8				
9	Less: State Income Tax	(6.5% x Line 7)	6.4930%	(6,875)
10	Utility Receipts Tax	(1.4% x Line 4)	<u>1.4000%</u>	(1,482)
11				
12	Income before Federal income Taxes		91.9996%	
13				
14	Less: Federal income Tax	(21% x Line 12)	<u>19.3199%</u>	<u>(20,456)</u>
15				
16	Change in Operating Income		<u>72.6797%</u>	<u>\$ (76,954)</u>
17				
18	Gross Revenue Conversion Factor		<u>137.5900%</u>	

AMERICAN SUBURBAN UTILITIES, INC.**Cause No. 44676-S1****Reconciliation of Net Operating income Statement Adjustments to
Pro forma Present Rates**

	<u>ASU ^(A)</u>	<u>OUCC</u>	<u>OUCC More (less)</u>
Operating Revenues			
Unmetered Sales	\$ 292,555	\$ 382,802	\$ 90,247
Metered Sales	17,554	42,526	24,972
	<u>310,109</u>	<u>425,328</u>	<u>115,219</u>
O&M Expense			
Depreciation Expense	238,120	100,370	(137,750)
CIAC Amortization	(10,110)	(11,345)	(1,235)
Other Taxes			
Utility Receipts Tax	2,806	5,955	3,149
Property Tax	8,273	3,487	(4,786)
IURC Fee	240	457	217
Income Tax Expense			
State Income Tax Expense	2,806	19,106	16,300
Federal Income Tax Expense	8,273	67,257	58,984
Total Operating Expenses and Taxes	<u>250,408</u>	<u>185,287</u>	<u>(65,121)</u>
Net Operating income	<u>\$ 59,701</u>	<u>\$ 240,041</u>	<u>\$ 180,340</u>

(A) ASU adjustments from Phase II, including TCJA adjustments, per workpaper WP-3A. .

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

ASU Proposed Adjustments to Phase II with TCJA

	Phase II with TCJA	ASU	ASU More (Less)
<u>Operating Revenues</u>			
Unmetered Operating Revenues	\$ 3,346,417	\$ 3,638,972	\$ 292,555
Metered Commercial Revenues	123,473	141,027	17,554
Late Fees from Rate Case	14,675	14,675	-
Connection Fees from Rate Case	95,000	95,000	-
Total Operating Revenues	<u>3,579,565</u>	<u>3,889,674</u>	<u>310,109</u>
<u>Operating Expenses</u>			
Operation and Maintenance Expenses	1,616,671	1,616,671	-
Depreciation Expense	604,197	842,317	238,120
CIAC Amortization	(165,506)	(175,616)	(10,110)
Additional IURC Fee	(240)	-	240
<u>Taxes Other Than Income Taxes</u>			
FICA Tax	40,291	40,291	-
Utility Receipts Tax	50,100	52,906	2,806
Property Taxes	164,005	172,278	8,273
Total Taxes Other Than Income Taxes	<u>254,396</u>	<u>265,475</u>	<u>11,079</u>
Income Taxes			
State Income Tax Expense	70,247	71,001	754
Federal Income Tax Expense	190,888	200,937	10,049
	<u>261,135</u>	<u>271,938</u>	<u>10,803</u>
Total Operating Expenses	<u>2,570,653</u>	<u>2,820,785</u>	<u>250,132</u>
Net Operating Income	<u>\$ 1,008,912</u>	<u>\$ 1,068,889</u>	<u>\$ 59,977</u>

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

Pro Forma Net Operating Income

	Phase II Rates with Phase II Expenses	TCJA Adjustments		Phase II Rates with Phase II UPIS & TCJA	Adjustments	Ref.	Pro forma Present Rates	Adjustments	Ref.	Phase III
		Phase I	Phase II							
<u>Operating Revenues</u>										
Unmetered Operating Revenues	\$ 3,562,007	\$ (205,965)	\$ (9,625)	\$ 3,346,417	\$ 382,802	5-1	\$ 3,729,219	\$ (101,369)		\$ 3,627,850
Metered Commercial Revenues	131,427	(7,599)	(355)	123,473	42,526	5-2	165,999	(4,512)		161,487
Late Fees from Rate Case	14,675			14,675			14,675			14,675
Connection Fees from Rate Case	95,000			95,000			95,000			95,000
Total Operating Revenues	3,803,109	(213,564)	(9,980)	3,579,565	425,328		4,004,893	(105,881)	Sch 1	3,899,012
<u>Operating Expenses</u>										
Operation and Maintenance Expenses	1,616,671			1,616,671			1,616,671			1,616,671
Depreciation Expense	604,197			604,197	100,370	6-1	704,567			704,567
CIAC Amortization	(165,506)			(165,506)	(11,345)	6-2	(176,851)			(176,851)
Additional IURC Fee	-	(229)	(11)	(240)	457	6-3	217	(114)	Sch 2	103
<u>Taxes Other Than Income Taxes</u>										
FICA Tax	40,291			40,291			40,291			40,291
Utility Receipts Tax	53,230	(2,990)	(140)	50,100	5,955	6-4	56,055	(1,482)	Sch 2	54,573
Property Taxes	164,005			164,005	3,487	6-5	167,492			167,492
Total Taxes Other Than Income Taxes	257,526	(2,990)	(140)	254,396	9,442		263,838	(1,482)		262,356
<u>Income Taxes</u>										
State Income Tax Expense	84,778	(13,882)	(649)	70,247	19,106	6-6	89,353	(6,875)	Sch 2	82,478
Federal Income Tax Expense	396,531	(196,463)	(9,180)	190,888	67,257	6-7	258,145	(20,456)	Sch 2	237,689
	481,309	(210,345)	(9,829)	261,135	86,363		347,498	(27,331)		320,167
Total Operating Expenses	2,794,197	(213,564)	(9,980)	2,570,653	185,287		2,755,940	(28,927)		2,727,013
Net Operating Income	\$ 1,008,912	\$ -	\$ -	\$ 1,008,912	\$ 240,041		\$ 1,248,953	\$ (76,954)		\$ 1,171,999

AMERICAN SUBURBAN UTILITIES, INC.**Cause No. 44676-S1****OUCC Operating Revenue Adjustments**

<u>Customer Class</u>	<u>Flat Rate Per Month</u>	<u>Number of Units</u>	<u>Annualized Revenue</u>
Residences or Residential Equivalents	\$ 53.19	2,892 ⁽¹⁾	\$ 1,845,906
Mobile Home	34.58	543 ⁽¹⁾	225,323
Multiple Family - Per Unit	43.09	2,861 ⁽¹⁾	1,479,366
Motels and Hotels - Per Unit	17.02	16 ⁽¹⁾	3,268
Service Stations	137.23	1 ⁽¹⁾	1,647
Schools (per Student, faculty and staff member	2.66	5,442 ⁽²⁾	173,709
Total Unmetered Revenues			3,729,219
Metered Commercial User	13,833.24 ⁽³⁾		165,999
Annualized Revenues at Present Rates			\$ 3,895,218

(1) Number of Units Billed by Customer Class as of September 30, 2020

(2) Number of Students, Faculty, and Staff at the five schools

(3) Average Monthly Commercial Revenues in 2020

(5-1)**Unmetered Sales**

To adjust unmetered sales for customer count as of September 2020.

Pro forma Unmetered Sales per above	\$ 3,729,219
Less: Unmetered Sales per TCJA Revenue Requirement	<u>3,346,417</u>

Adjustment Increase (Decrease) \$ 382,802

(5-2)**Metered Commercial Sales**

To adjust metered sales for customer count as of September 2020 and average consumption in 2020.

Metered Commercial Sales - February through September 2020	\$ 110,666
Divided by: 8 months	<u>8</u>
Average Metered Commercial Sales - 2020	13,833.24
Times: 12 months	<u>12</u>
Pro forma Unmetered Sales per above	165,999
Less: Unmetered Sales per TCJA Revenue Requirement	<u>123,473</u>

Adjustment Increase (Decrease) \$ 42,526

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

Operating Revenue Comparison

<u>Customer Class</u>	Phase II w/TCJA	Phase III		OUCG More (Less)	
		ASU	OUCG	Phase II w/TCJA	ASU
Residences or Residential Equivalents	\$ 1,534,267	\$ 1,730,377	\$ 1,845,906	\$ 311,639	\$ 115,529
Mobile Home	236,077	235,697	225,323	(10,754)	(10,374)
Multiple Family - Per Unit	1,373,297	1,462,302	1,479,366	106,069	17,064
Motels and Hotels - Per Unit	-	204	3,268	3,268	3,064
Service Stations	1,643	1,647	1,647	4	-
Schools (per Student, faculty and staff member	166,224	173,677	173,709	7,485	32
Metered Commercial User	158,382	176,095	165,999	7,617	(10,096)
	3,469,890	3,779,999	3,895,218	425,328	115,219
Late Fees from Rate Case	14,675	14,675	14,675	-	-
Connection Fees from Rate Case	95,000	95,000	95,000	-	-
	<u>\$ 3,579,565</u>	<u>\$ 3,889,674</u>	<u>\$ 4,004,893</u>	<u>\$ 425,328</u>	<u>\$ 115,219</u>

<u>Calculation of Revenues by Class With TCJA:</u>	Phase I Adjusted	Phase II	Phase II - TCJA
Residences or Residential Equivalents	\$ 1,412,725	\$ 1,633,110	\$ 1,534,267
Mobile Home	217,375	251,286	236,077
Multiple Family - Per Unit	1,264,507	1,461,770	1,373,297
Motels and Hotels - Per Unit	-	-	-
Service Stations	1,513	1,749	1,643
Schools (per Student, faculty and staff member	153,056	176,933	166,224
Metered Commercial User	145,836	168,586	158,382
	<u>\$ 3,195,012</u>	<u>\$ 3,693,434</u>	<u>\$ 3,469,890</u>
Across-the-Board Rate Increase (Decrease)		15.60%	-6.05%

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCC Operating Expense Adjustments

(6-1)

Depreciation Expense

To adjust "Depreciation Expense" to allow for the Utility Plant in Service to include the Phosphorus and CE-III Phase II.

Adjusted UPIS	\$ 28,397,925
Less: Land and Land Rights	(215,245)
Depreciable Utility Plant in Service	28,182,680
Times: Annual Depreciation Rate	2.50%
Pro Forma Annual Depreciation Expense	704,567
Less: Amount for Phase II Submission	(604,197)

Adjustment Increase (Decrease) \$ 100,370

(6-2)

CIAC Amortization

To adjust "CIAC Amortization" to allow for annual amortization of Contribution in Aid of Construction.

Contribution in Aid of Construction - Sewer	\$ (7,074,036)
Times: Annual Amortization Percentage	2.5%
Pro Forma Annual Amortization Expense	(176,851)
Less: Amount for Phase II Submission	165,506

Adjustment Increase (Decrease) \$ (11,345)

IURC Fee

To adjust Operating Expenses for IURC Fee on revenue adjustments.

Pro Forma Increase in Operating Revenues	\$ 425,328
Times: Utility Receipts Tax Rate	0.1074%

Adjustment Increase (Decrease) \$ 457

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCC Expense Adjustments

(6-4)

Utility Receipts Tax

To adjust "Taxes Other Than Income Taxes" for Utility Receipts Tax on revenue adjustments.

Pro Forma Operating Revenues at Present Rates	\$	4,004,893	
Less: Exemption		(1,000)	
Taxable Operating Revenues		4,003,893	
Times: Utility Receipts Tax Rate		1.4%	
Pro Forma Utility Receipts Tax		56,055	
Less: Amount included in TCJA Compliance		(50,100)	
Adjustment Increase (Decrease)	\$	5,955	

(6-5)

Property Tax

To adjust "Property Taxes" for additional property tax associated with actual CE-III improvements placed in service

Estimated Phase III Utility Plant Additions	9,524,800		
Actual Phase III Utility Plant Additions	4,014,800	42.15%	
Estimated Phase III Additional Property Tax per Order		8,273	
Times: Percent of Estimated Phase III Plant Additions		42.15%	
Adjustment Increase (Decrease)		\$	3,487

(6-6)

State Income Tax Expense

To adjust "Income Taxes" for Indiana State Corporate Tax.

Total Phase III Adjusted Operating Revenues	\$	4,004,893	
Less: Phase III Operation and Maintenance Expenses		(1,616,671)	
Less: Phase III Net Depreciation Expense		(527,716)	
Less: Adjusted Phase III Taxes Other Than Income Taxes		(264,055)	
Add: Adjusted Phase III Utility Receipts Tax		56,055	
Less: Synchronized Interest		(277,838)	
Adjusted State Taxable Income		1,374,668	
Times: Indiana Corporate Income Tax Rate		6.5%	
Pro forma State Income Tax Expense	\$	89,353	
Less: Amount for Phase II Submission as adjusted for CN 45032-S15		(70,247)	
Adjustment Increase (Decrease)	\$	19,106	

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCG Expense Adjustments

(6-7)

Federal Income Tax Expense

To adjust "Income Taxes" for Federal Income tax 21% rate.

Adjusted State Taxable Income	\$	1,374,668
Less: State Income Taxes		(89,353)
Less: Utility Receipts Tax		<u>(56,055)</u>
Adjusted Federal Taxable Income		1,229,260
Times: Federal Income Tax Rate		<u>21.00%</u>
Pro forma Federal Income Tax Expense	\$	258,145
Less: Amount for Phase II Submission as adjusted for CN 45032-S15		<u>(190,888)</u>

Adjustment - Decrease	Adjustment Increase (Decrease)	<u><u>\$ 67,257</u></u>
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Calculation of Synchronized Interest Expense:

Net Original Cost Rate Base	\$	14,103,475
Times: Weighted Cost of Debt		<u>1.97%</u>
Synchronized Interest Expense	\$	<u><u>277,838</u></u>

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

Original Cost Rate Base

	<u>March 31, 2015</u>	<u>Adjustments Amount</u>	<u>Ref.</u>	<u>Adjusted March 31, 2015</u>	<u>Adjustments Amount</u>	<u>Ref.</u>	<u>Phase III</u>
Wastewater Plant in Service	\$ 17,636,363	\$ (70,011)	8-1	\$ 17,432,460	\$ 2,351,074	8-6	\$ 27,405,729
		(180,968)	8-2		(59,182)	8-7	
		32,805	8-3		1,716,000	8-8	
		14,271	8-4		(24,023)	8-9	
					1,974,600	8-10	
					3,744,800	8-11	
					270,000	8-12	
Furniture and Equipment	675,237			675,237			675,237
Vehicles	316,959			316,959			316,959
Total Utility Plant in Service	18,628,559	(203,903)		18,424,656	9,973,269		28,397,925
Less: Accumulated Depreciation	(5,104,584)	72,208	8-5	(5,032,376)	83,205	8-13	(8,124,226)
					(2,524,302)	8-14	
					(261,516)	8-15	
					(208,221)	8-16	
					(181,016)	8-17	
Net Utility Plant in Service	13,523,975	(131,695)		13,392,280	6,881,419		20,273,699
Less: Net CIAC	(6,590,571)			(6,590,571)	(483,465)	8-18	(6,132,324)
					906,180	8-19	
					1,653	8-20	
					1,881	8-21	
					18,000	8-22	
					6,963	8-23	
					7,035	8-24	
					-	8-25	
Less: Advances for Construction	(37,900)			(37,900)			(37,900)
Net Original Cost Rate Base	<u>\$ 6,895,504</u>	<u>\$ (131,695)</u>		<u>\$ 6,763,809</u>	<u>\$ 7,339,666</u>		<u>\$ 14,103,475</u>

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

Net Original Cost Rate Base Comparison

	Phase II w/TCJA	Phase III		OUCC More (Less)	
		ASU	OUCC	Phase II w/TCJA	ASU
Wastewater Plant in Service	\$ 23,390,929	\$ 32,915,729	\$ 27,405,729	\$ 4,014,800	\$ (5,510,000)
Furniture and Equipment	675,237	675,237	675,237	-	-
Vehicles	316,959	316,959	316,959	-	-
Total Utility Plant in Service	24,383,125	33,907,925	28,397,925	4,014,800	(5,510,000)
Less: Accumulated Depreciation	(5,900,390)	(7,517,002)	(8,124,226)	(2,223,836)	(607,224)
Net Utility Plant in Service	18,482,735	26,390,923	20,273,699	1,790,964	(6,117,224)
Less: Net CIAC	(6,303,969)	(6,260,707)	(6,132,324)	171,645	128,383
Less: Advances for Construction	(37,900)	(37,900)	(37,900)	-	-
Net Original Cost Rate Base	<u>\$ 12,140,866</u>	<u>\$ 20,092,316</u>	<u>\$ 14,103,475</u>	<u>\$ 1,962,609</u>	<u>\$ (5,988,841)</u>

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCC Rate Base Adjustments

(8-1)

UPIS - Cottages Lift Station

To adjust "Wastewater Plant in Service" for the eight L-3 Corporation Invoices added in 2012 for the Cottages Lift Station.

Adjustment Increase (Decrease) **\$ (70,011)**

(8-2)

UPIS - Country Home Wastewater Treatment Plant

To adjust "Wastewater Plant in Service" for the disallowed cost of the County Home Wastewater Treatment Plant from 1999.

Adjustment Increase (Decrease) **\$ (180,968)**

(8-3)

UPIS - Capitalized Phase I Operating Expenses

To adjust "Wastewater Plant in Service" for expenses from the test year that were agreed to be capitalized in Phase I.

2014 Expenses	\$ 29,971
2015 Expenses	<u>2,834</u>

Adjustment Increase (Decrease) **\$ 32,805**

(8-4)

UPIS - Back-up Generator

To adjust "Wastewater Plant in Service" for the Water Back Up Generator from 2004.

Adjustment Increase (Decrease) **\$ 14,271**

(8-5)

Accumulated Depreciation

To adjust "Accumulated Depreciation" to the calculated amount per the Order.

Adjustment Increase (Decrease) **\$ 72,208**

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCC Rate Base Adjustments

(8-6)

UPIS - Big 3 Project

To adjust "Wastewater Plant in Service" for the Big 3 Project for the lessor of the approved or actual costs.

Actual Big 3 Construction Costs		\$ 3,378,883
Pre Approved Amount	\$ 2,100,000	
Easement Acquisition Costs	148,919	
Dewatering Allowance	100,000	
Capitalized Expenses from Test Year	2,155	
Total Big 3 Approved Amount		\$ 2,351,074

Adjustment Increase (Decrease) \$ 2,351,074

(8-7)

UPIS Retirements - Big 3 Project

To adjust "Wastewater Plant in Service" for the plant retirements associated with Big 3.

Adjustment Increase (Decrease) \$ (59,182)

(8-8)

UPIS - Klondike Road Project

To adjust "Wastewater Plant in Service" for the lesser of actual or approved Klondike Road project costs.

Expenses from Test Year Associated with Klondike Road	\$ 49,590
Klondike Road Construction Costs	1,703,720
Total Klondike Road Construction Costs	\$ 1,753,310
Approved Amount Klondike Road	\$ 1,716,000

Adjustment Increase (Decrease) \$ 1,716,000

(8-9)

UPIS Retirements - Klondike Road

To adjust "Wastewater Plant in Service" for the plant retirements associated with Klondike Road.

Adjustment Increase (Decrease) \$ (24,023)

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCG Rate Base Adjustments

(8-10)

UPIS - Carriage Estates Phase 1

To adjust "Wastewater Plant in Service" for the lesser of actual or approved CE-III Phase 1 project costs.

Actual CE-III Phase I Construction Costs	\$	1,974,600
Approved Amount CE-III Phase I	\$	1,975,200

Adjustment Increase (Decrease)	<u>\$</u>	<u>1,974,600</u>
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(8-11)

UPIS - Carriage Estates Phase 2

To adjust "Wastewater Plant in Service" to reflect the actual improvements built per the testimony of OUCG witness James T. Parks.

Option 2 Costs Approved	\$	9,999,400
Less: Headworks costs included in Phase II		<u>(1,974,600)</u>
Remaining Costs	\$	8,024,800

Less Items not built:

- Rehab CSBR tanks for continued wastewater service (not done)	1,294,000
- Mixers - 4 per CSBR tank (24 total) for Bio-P removal (not installed)	800,000
- Conversion of Existing Chlorine Contact/Post Air Tank to Supernatant Decanting Tank (not done)	180,000
- New Aeration/ UV Control Building (reduced sq. ft.)	226,000
- Air Blowers and Existing Blower Building (5 fewer blowers)	300,000
- New Control/ Laboratory Building (not built)	356,000
- Convert Existing Control Building (not done)	138,000
- CSBR Control and SCADA Panel with Instrumentation (no EBPR)	500,000
- Asphalt Paving (no paving completed)	247,000
- Electric operated 16" and 8" valves (12 valves not installed)	<u>239,000</u>
	<u>(4,280,000)</u>

Adjustment Increase (Decrease)	<u>\$</u>	<u>3,744,800</u>
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(8-12)

UPIS - Phosphorus Removal

To adjust "Wastewater Plant in Service" for the lesser of actual or approved Phosphorus Removal project costs.

Actual Phosphorus Removal Costs	\$	270,000
Approved Amount Phosphorus Removal	\$	1,500,000

Adjustment Increase (Decrease)	<u>\$</u>	<u>270,000</u>
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AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCG Rate Base Adjustments

(8-13)

Accumulated Depreciation - Retirements

To adjust "Accumulated Depreciation" for the plant retirements associated with Big 3 and Klondike Road (shown in Adjustments 7 and 9).

Big 3 Retirement	\$	59,182	
Klondike Road Retirement		<u>24,023</u>	
Adjustment Increase (Decrease)	\$		<u><u>83,205</u></u>

(8-14)

Accumulated Depreciation Since March 31, 2015

To adjust "Accumulated Depreciation" for depreciation since March 31, 2015.

Adjusted Utility Plant in Service at March 31, 2015	\$	18,424,656	
Less: Land and Land Rights (Sewer)		<u>(66,326)</u>	
Depreciable Utility Plant in Service		18,358,330	
Times: Annual Depreciation Rate		<u>2.50%</u>	
Annual Depreciation			458,958
Divided by: Twelve			<u>12</u>
Monthly Depreciation			38,247
Times: Number of Months (April 2015 to September 2020)			<u>66</u>
Adjustment Increase (Decrease)	\$		<u><u>(2,524,302)</u></u>

(8-15)

Accumulated Depreciation - Big 3 Project

To adjust "Accumulated Depreciation" for depreciation on Big 3 project.

Total Big 3 Approved Amount	\$	2,351,074	
Less: Land and Land Rights		<u>(148,919)</u>	
Total Big 3 Depreciable Amount		2,202,155	
Times: Annual Depreciation Rate		<u>2.50%</u>	
Annual Depreciation			55,054
Divided by: Twelve			<u>12</u>
Monthly Depreciation			4,588
Times: Number of Months (January 2016 through September 2020)			<u>57</u>
Adjustment Increase (Decrease)	\$		<u><u>(261,516)</u></u>

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCS Rate Base Adjustments

(8-16)

Accumulated Depreciation - Klondike Road

To adjust "Accumulated Depreciation" for depreciation on Klondike Road project.

Total Klondike Road Construction Costs	\$ 1,753,310	
Times: Annual Depreciation Rate	2.50%	
Annual Depreciation	43,833	
Divided by: Twelve	12	
Monthly Depreciation		3,653
Times: Number of Months (January 2016 through September 2020)		57

Adjustment Increase (Decrease) \$ (208,221)

(8-17)

Accumulated Depreciation - Carriage Estates Headworks

To adjust "Accumulated Depreciation" for depreciation on CE-III Phase I project (headworks).

Total CE-III Phase I Construction Costs	\$ 1,974,600	
Times: Annual Depreciation Rate	2.50%	
Annual Depreciation	49,365	
Divided by: Twelve		12
Monthly Depreciation		4,114
Times: Number of Months (February 2017 through September 2020)		44

\$ (181,016)

(8-18)

Additional System Development Charges Since March 2015

To adjust CIAC to include additional system development charges collected during 2015 - 2020.

Additional SDC CIAC in 2015	\$ 14,060
Additional SDC CIAC in 2016	15,600
Additional SDC CIAC in 2017	191,860
Additional SDC CIAC in 2018	101,343
Additional SDC CIAC in 2019 (per IURC Annual Report)	160,602
Additional SDC CIAC through September 2020	

Adjustment Increase (Decrease) \$ (483,465)

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCS Rate Base Adjustments

(8-19)

Additional Amortization of CIAC since March 2015

To adjust "CIAC" to include additional amortization.

Contribution in Aid of Construction - Sewer as of 3/15/15	\$ 6,590,571
Times: Annual Amortization Percentage	2.5%
Annual Amortization of CIAC	164,764
Divided by: Twelve	12
Monthly Amortization of CIAC	13,730
Times: Number of Months (April 2015 to September 2019)	66
Calculated Amortization of CIAC	906,180

Adjustment Increase (Decrease) \$ 906,180

(8-20)

Additional Amortization of CIAC - 2015

To adjust CIAC to include amortization of CIAC added in 2015.

Additional Contribution in Aid of Construction in 2015	\$ 14,060
Times: Annual Amortization Percentage	2.5%
Annual Amortization of CIAC	352
Divided by: Twelve	12
Monthly Amortization of CIAC	29
Times: Number of Months (January 2016 to September 2020)	57
Calculated Amortization of CIAC	1,653

Adjustment Increase (Decrease) \$ 1,653

(8-21)

Additional Amortization of CIAC - 2016

To adjust CIAC to include amortization of CIAC added in 2016.

Additional Contribution in Aid of Construction in 2016	\$ 15,600
Times: Annual Amortization Percentage	2.5%
Annual Amortization of CIAC	390
Divided by: Twelve	12
Monthly Amortization of CIAC	33
Times: Number of Months (January 2016 through September 2020)	57
Calculated Amortization of CIAC	1,881

Adjustment Increase (Decrease) \$ 1,881

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCG Rate Base Adjustments

(8-22)

Additional Amortization of CIAC - 2017

To adjust CIAC to include amortization of CIAC added in 2017.

Additional Contribution in Aid of Construction in 2017	\$ 191,860
Times: Annual Amortization Percentage	2.5%
Annual Amortization of CIAC	4,796
Divided by: Twelve	12
Monthly Amortization of CIAC	400
Times: Number of Months (January 2017 through September 2020)	45
Calculated Amortization of CIAC	18,000

Adjustment Increase (Decrease) \$ 18,000

(8-23)

Additional Amortization of CIAC - 2018

To adjust CIAC to include amortization of CIAC added in 2018.

Additional Contribution in Aid of Construction in 2018	\$ 101,343
Times: Annual Amortization Percentage	2.5%
Annual Amortization of CIAC	2,534
Divided by: Twelve	12
Monthly Amortization of CIAC	211
Times: Number of Months (January 2018 through September 2019)	33
Calculated Amortization of CIAC	6,963

Adjustment Increase (Decrease) \$ 6,963

(8-24)

Additional Amortization of CIAC - 2019

To adjust CIAC to include amortization of CIAC added in 2019.

Additional Contribution in Aid of Construction in 2019	\$ 160,602
Times: Annual Amortization Percentage	2.5%
Annual Amortization of CIAC	4,015
Divided by: Twelve	12
Monthly Amortization of CIAC	335
Times: Number of Months (January 2019 through September 2019)	21
Calculated Amortization of CIAC	7,035

Adjustment Increase (Decrease) \$ 7,035

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCG Rate Base Adjustments

(8-25)

Additional Amortization of CIAC - 2020

To adjust CIAC to include amortization of CIAC added in 2020.

Additional Contribution in Aid of Construction in 2020	\$ -
Times: Annual Amortization Percentage	<u>2.5%</u>
Annual Amortization of CIAC	-
Divided by: Twelve	<u>12</u>
Monthly Amortization of CIAC	-
Times: Number of Months (January 2019 through September 2019)	<u>9</u>
Calculated Amortization of CIAC	<u>-</u>

Adjustment Increase (Decrease) \$ -

AMERICAN SUBURBAN UTILITIES, INC.
Cause No. 44676-S1

OUCC Recommended Tariff

						Phase III		
			Phase I	Phase II	Phase II			
			Rates (1)	Rates (2)	(TCJA)	ASU	OUCC	OUCC
					Rates (3)			More (Less)
Flat Rates for One Month Consumption Period								
Residences or Residential Equivalents			\$ 48.89	\$ 56.51	\$ 53.19	\$ 64.82	\$ 51.74	\$ (13.08)
Mobile Home			31.78	36.74	34.58	42.14	33.64	(8.50)
Multiple Family - Per Unit			39.60	45.78	43.09	52.51	41.92	(10.59)
Motels and Hotels - Per Unit			15.64	18.08	17.02	20.74	16.56	(4.18)
Service Stations			126.12	145.80	137.23	167.24	133.50	(33.74)
Schools (per student, faculty and staff member)			2.45	2.83	2.66	3.24	2.59	(0.65)
Metered Rates for One Month Consumption								
Applicable to Metered Commercial Customers								
First	10,000	Gallons	\$ 6.124	\$ 7.079	\$ 6.660	\$ 8.12	\$ 6.479	\$ (1.64)
Next	10,000	Gallons	6.076	7.024	6.610	8.06	6.430	(1.63)
Next	100,000	Gallons	5.626	6.504	6.122	7.46	5.955	(1.51)
Next	200,000	Gallons	5.060	5.850	5.506	6.71	5.356	(1.35)
Next	200,000	Gallons	4.417	5.106	4.806	5.86	4.675	(1.19)
Next	500,000	Gallons	3.397	3.927	3.696	4.50	3.595	(0.91)
Over	1,020,000	Gallons	2.266	2.620	2.466	3.01	2.399	(0.61)
Minimum Charge								
Commercial User								
(based on 10,000 gallons per month)			61.24	\$ 70.79	\$ 66.60	\$ 81.20	\$ 64.79	\$ (16.41)

(1) Rates and Charges were effective December 2016.

(2) Rates and Charges were effective March 2017.

(3) Rates and Charges were effective February 2019.

OUCG DR 8-1

**DATA INFORMATION REQUEST
American Suburban Utilities, Inc.**

Cause No. 44676 S1

Information Requested:

When did ASU begin billing customers its authorized Phase III rate?

Information Provided:

February 1-28, 2020 Usage, payable March 25, 2020.

OUCC DR 8-2

DATA INFORMATION REQUEST
American Suburban Utilities, Inc.

Cause No. 44676 S1

Information Requested:

Please state the amount of Phase III revenues billed for each month from implementation of ASU's Phase III rate increase through September 2020.

Information Provided:

These are ASU's total revenues for each month:

Feb 2020:	\$383,646.22
Mar 2020:	\$382,223.83
Apr 2020:	\$365,481.42
May 2020:	\$367,813.11
Jun 2020:	\$369,479.51
Jul 2020:	\$373,220.52
Aug 2020:	\$381,032.29
Sep 2020:	\$397,875.62

OUCC DR 8-3

**DATA INFORMATION REQUEST
American Suburban Utilities, Inc.**

Cause No. 44676 S1

Information Requested:

Please provide the following customer billing information for each month of the period during which ASU billed its Phase III rate increase (from implementation through September 2020):

- a. Number of Residential customer billings;
- b. Number of Mobile Home customer billings;
- c. Number of Multiple Family customer billings;
- d. Number of Motel and Hotel customer billings;
- e. Number of Service Station customer billings;
- f. Number of School customer billings and the number of “student, faculty and staff member” units billed for each such billing;
- g. Number of metered commercial customers;
- h. Consumption for metered commercial customers;
- i. Metered commercial consumption billed at the rate for the first 10,000 gallons (\$8.12);
- j. Metered commercial consumption billed at the rate for the next 10,000 gallons (\$8.06);
- k. Metered commercial consumption billed at the rate for the next 100,000 gallons (\$7.46);
- l. Metered commercial consumption billed at the rate for the next 200,000 gallons (\$6.71);
- m. Metered commercial consumption billed at the rate for the next 200,000 gallons (\$5.86);
- n. Metered commercial consumption billed at the rate for the next 500,000 gallons (\$4.50); and
- o. Metered commercial consumption billed at the rate for consumption over 1,020,000 gallons (\$3.01).

Information Provided:

- a. See attached.

- b. See attached.
- c. See attached.
- d. See attached.
- e. See attached.
- f. See attached.
- g. See attached.
- h. See attached.
- i. See attached.
- j. See attached.
- k. See attached.
- l. See attached.
- m. See attached.
- n. See attached.
- o. See attached.

a.

mg.

C.b.

e.

f.d.

	Feb-20		Mar-20		Apr-20	
	# Cust	Billed	# Cust	Billed	# Cust	Billed
First 10,000 Gallons (\$8.12)	42	\$ 3,318.38	44	\$ 3,572.80	47	\$ 3,816.40
Next 10,000 Gallons (\$8.06)	9	\$ 1,113.65	10	\$ 1,182.76	8	\$ 897.85
Next 100,000 Gallons (\$7.46)	13	\$ 4,848.08	10	\$ 3,811.24	9	\$ 3,351.04
Next 200,000 Gallons (\$6.71)	2	\$ 3,432.71	2	\$ 2,996.56	2	\$ 3,278.38
Next 200,000 Gallons (\$5.86)	0	\$ -	0	\$ -	0	\$ -
Next 500,000 Gallons (\$4.50)	0	\$ -	0	\$ -	0	\$ -
Over 1,020,000 Gallons (\$3.01)	0	\$ -	0	\$ -	0	\$ -

	May-20		Jun-20		Jul-20	
	# Cust	Billed	# Cust	Billed	# Cust	Billed
First 10,000 Gallons (\$8.12)	51	\$ 4,060.00	43	\$ 3,491.60	44	\$ 3,521.37
Next 10,000 Gallons (\$8.06)	3	\$ 366.92	11	\$ 1,297.81	10	\$ 1,262.97
Next 100,000 Gallons (\$7.46)	10	\$ 3,580.96	9	\$ 3,598.62	9	\$ 3,627.06
Next 200,000 Gallons (\$6.71)	3	\$ 4,984.67	4	\$ 5,228.18	4	\$ 5,067.10
Next 200,000 Gallons (\$5.86)	0	\$ -	0	\$ -	1	\$ 2,507.64
Next 500,000 Gallons (\$4.50)	0	\$ -	0	\$ -	0	\$ -
Over 1,020,000 Gallons (\$3.01)	0	\$ -	0	\$ -	0	\$ -

	Aug-20		Sep-20	
	# Cust	Billed	# Cust	Billed
First 10,000 Gallons (\$8.12)	42	\$ 3,410.40	38	\$ 3,085.60
Next 10,000 Gallons (\$8.06)	10	\$ 1,150.52	14	\$ 1,693.75
Next 100,000 Gallons (\$7.46)	12	\$ 5,499.60	13	\$ 6,235.76
Next 200,000 Gallons (\$6.71)	4	\$ 5,926.02	2	\$ 2,842.23
Next 200,000 Gallons (\$5.86)	0	\$ -	1	\$ 2,607.26
Next 500,000 Gallons (\$4.50)	0	\$ -	0	\$ -
Over 1,020,000 Gallons (\$3.01)	0	\$ -	0	\$ -

OUCC DR 16-11

**DATA INFORMATION REQUEST
American Suburban Utilities, Inc.**

Cause No. 44676 S1

Information Requested:

OUCC Data Request No. 8-2 requested the following:

Please state the amount of Phase III revenues billed for each month from implementation of ASU's Phase III rate increase through September 2020.

Please supplement ASU's response to OUCC DR No. 8-2 for the amount of Phase III revenues billed from implementation of ASU's Phase III rate increase for the months of October, November, and December 2020.

Information Provided:

October 2020	\$391,802.42
November 2020	\$383,950.34
December 2020	\$385,685.64

OUCC DR 16-12

**DATA INFORMATION REQUEST
American Suburban Utilities, Inc.**

Cause No. 44676 S1

Information Requested:

OUCC Data Request No. 8-3 requested the following:

Please provide the following customer billing information for each month of the period during which ASU billed its Phase III rate increase (from implementation through September 2020):

- a. Number of Residential customer billings;
- b. Number of Mobile Home customer billings;
- c. Number of Multiple Family customer billings;
- d. Number of Motel and Hotel customer billings;
- e. Number of Service Station customer billings;
- f. Number of School customer billings and the number of “student, faculty and staff member” units billed for each such billing;
- g. Number of metered commercial customers;
- h. Consumption for metered commercial customers:
- i. Metered commercial consumption billed at the rate for the first 10,000 gallons (\$8.12);
- j. Metered commercial consumption billed at the rate for the next 10,000 gallons (\$8.06);
- k. Metered commercial consumption billed at the rate for the next 100,000 gallons (\$7.46);
- l. Metered commercial consumption billed at the rate for the next 200,000 gallons (\$6.71);
- m. Metered commercial consumption billed at the rate for the next 200,000 gallons (\$5.86);
- n. Metered commercial consumption billed at the rate for the next 500,000 gallons (\$4.50); and
- o. Metered commercial consumption billed at the rate for consumption over 1,020,000 gallons (\$3.01).

Please supplement ASU's response to OUCC DR No. 8-3 to provide the requested information for the months of October, November, and December 2020.

Information Provided:

See Attachments OUCC DR 16-12(a-g).pdf and OUCC DR 16-12(h-o).pdf.

Date Report Done		5-Nov-20	5-Dec-20	5-Jan-21
a.	Res Sewer			
	# Customers	2896	2906	2912
	Amt. Billed	\$ 189,639.50	\$ 189,125.29	\$ 190,078.17
g.	Metered Sewer			
	# Customers	68	68	70
	Amt. Billed	\$ 14,161.87	\$ 12,318.45	\$ 10,383.33
c.	Multi-Family Units	236	236	235
	# Units - # Cust.	2861	2882	2880
	Amt. Billed	\$ 150,231.11	\$ 151,326.82	\$ 151,228.80
b.	Mobile Homes	6	6	6
	# Units - # Cust.	543	543	543
	Amt. Billed	\$ 22,882.02	\$ 22,882.02	\$ 22,882.02
e.	Service Stations			
	# Customers	1	1	1
	Amt. Billed	\$ 167.24	\$ 167.24	\$ 167.24
f.	Schools	5	5	5
	# Stu. & Fac.	4441	2407	3276
	Amt. Billed	\$ 14,388.84	\$ 7,798.68	\$ 10,614.24
d.	Hotel, Motel, BB			
	# Customers	1	1	1
	Amt. Billed	\$ 331.84	\$ 331.84	\$ 331.84
	Total Billed	\$ 391,802.42	\$ 383,950.34	\$ 385,685.64

	Oct-20		Nov-20		Dec-20	
	# Cust	Billed	# Cust	Billed	# Cust	Billed
First 10,000 Gallons (\$8.12)	41	\$ 3,329.20	42	\$ 3,410.40	54	\$ 4,371.27
Next 10,000 Gallons (\$8.06)	12	\$ 1,417.70	13	\$ 1,482.78	5	\$ 551.08
Next 100,000 Gallons (\$7.46)	12	\$ 4,971.64	10	\$ 3,521.70	11	\$ 3,841.92
Next 200,000 Gallons (\$6.71)	3	\$ 4,443.33	3	\$ 3,903.57	1	\$ 1,619.06
Next 200,000 Gallons (\$5.86)	0	\$ -	0	\$ -	0	\$ -
Next 500,000 Gallons (\$4.50)	0	\$ -	0	\$ -	0	\$ -
Over 1,020,000 Gallons (\$3.01)	0	\$ -	0	\$ -	0	\$ -

Revenues by Customer Class Per DR 8-3

Consumption Month	Billing Month	Total Revenues Per DR 8-2	Residential	Mobile	Multi Fam	Motel	Service Station	Schools	Metered Comm
Feb-20	Mar-20	\$ 383,646.22	\$ 180,458.88	\$ 23,977.66	\$ 148,501.78	\$ 331.84	\$ 167.24	\$ 17,496.00	\$ 12,712.82
Mar-20	Apr-20	382,223.83	181,422.51	22,882.02	148,393.26	331.84	167.24	17,463.60	11,563.36
Apr-20	May-20	365,481.42	182,198.15	22,882.02	148,393.26	331.84	167.24	165.24	11,343.67
May-20	Jun-20	367,813.11	182,880.96	22,882.02	148,393.26	331.84	167.24	165.24	12,992.55
Jun-20	Jul-20	369,479.51	183,293.58	22,882.02	149,023.38	331.84	167.24	165.24	13,616.21
Jul-20	Aug-20	373,220.52	184,661.35	22,882.02	149,046.13	331.84	167.24	145.80	15,986.14
Aug-20	Sep-20	381,032.29	191,378.76	22,882.02	150,140.09	331.84	167.24	145.80	15,986.54
Sep-20	Oct-20	397,875.62	190,166.73	22,882.02	150,231.11	331.84	167.24	17,632.08	16,464.61
Total Revenues at Interim Rates		3,020,772.52	1,476,460.92	184,151.80	1,192,122.27	2,654.72	1,337.92	53,379.00	110,665.90
Total Revenues at Phase II Rates		\$ 2,478,801.02	1,211,554.52	151,115.03	978,263.98	2,178.55	1,097.84	43,823.32	90,767.78
Difference - Refund		\$ 541,971.51	\$ 264,906	\$ 33,037	\$ 213,858	\$ 476	\$ 240	\$ 9,556	\$ 19,898

Revenues by Customer Class Per DR 16-12

Consumption Month	Billing Month	Total Revenues Per DR 16-11	Residential	Mobile	Multi Fam	Motel	Service Station	Schools	Metered Comm
Oct-20	Nov-20	\$ 391,802.42	\$ 189,639.50	\$ 22,882.02	\$ 150,231.11	\$ 331.84	\$ 167.24	\$ 14,388.84	\$ 14,161.87
Nov-20	Dec-20	383,950.34	189,125.29	22,882.02	151,326.82	331.84	167.24	7,798.68	12,318.45
Dec-20	Jan-21	385,685.64	190,078.17	22,882.02	151,228.80	331.84	167.24	10,614.24	10,383.33
Total Revenues at Interim Rates		1,161,438.40	568,842.96	68,646.06	452,786.73	995.52	501.72	32,801.76	36,863.65
Total Revenues at Phase II Rates		953,066.04	466,781.24	56,330.98	371,560.00	816.96	411.69	26,929.73	30,235.44
Difference - Refund		\$ 208,372.36	102,061.72	12,315.08	81,226.73	178.56	90.03	5,872.03	6,628.21

American Suburban Utilities, Inc.

Cause No. 44676-S1

Calculation of % Increase by Rate Class by Phase

OUCC Attachment MAS-3

Cause No. 44676-S1

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	(A)	(B)	(B)/(A)	(C)	(C)/(B)	(C)/(A)	(D)	(D)/(C)	(E)	(E)/(D)	(F)	(F)/(E)	(G)	(G)/(E)
Tariff	Pre-44676	Phase I Interim Rates	% Increase	Phase I	% Decrease	% Increase	Phase II	% Increase	TCJA	% Decrease	ASU Phase III	% Increase	OUCC Phase III	% Decrease
Residential	\$ 47.50	\$ 50.29	5.87%	\$ 48.89	-2.78%	2.93%	\$ 56.51	15.59%	\$ 53.19	-5.88%	\$ 64.82	21.865%	\$ 51.74	-2.73%
Mobile Home	30.88	32.70	5.89%	31.78	-2.81%	2.91%	36.74	15.61%	34.58	-5.88%	42.14	21.862%	33.64	-2.72%
Multi Family	38.48	40.74	5.87%	39.60	-2.80%	2.91%	45.78	15.61%	43.09	-5.88%	52.51	21.861%	41.92	-2.72%
Motels/Hotels	15.20	16.09	5.86%	15.64	-2.80%	2.89%	18.08	15.60%	17.02	-5.86%	20.74	21.857%	16.56	-2.70%
Service Stations	122.55	129.76	5.88%	126.12	-2.81%	2.91%	145.80	15.60%	137.23	-5.88%	167.24	21.868%	133.50	-2.72%
Schools	2.38	2.52	5.88%	2.45	-2.78%	2.94%	2.83	15.51%	2.66	-6.01%	3.24	21.805%	2.59	-2.63%
Commercial														
minimum	\$ 59.50	\$ 63.00	5.88%	\$ 61.24	-2.79%	2.92%	\$ 70.79	15.59%	\$ 66.600	-5.92%	\$ 81.20	21.922%	\$ 64.79	-2.72%
1st 10,000	5.9500	6.3000	5.88%	6.1240	-2.79%	2.92%	7.0790	15.59%	6.6600	-5.92%	8.12	21.92%	6.479	-2.72%
Next 10,000	5.9040	6.2520	5.89%	6.0760	-2.82%	2.91%	7.0240	15.60%	6.6100	-5.89%	8.06	21.94%	6.430	-2.72%
Next 100,000	5.4670	5.7890	5.89%	5.6260	-2.82%	2.91%	6.5040	15.61%	6.1220	-5.87%	7.46	21.86%	5.955	-2.73%
Next 200,000	4.9170	5.2040	5.84%	5.0600	-2.77%	2.91%	5.8500	15.61%	5.5060	-5.88%	6.71	21.87%	5.356	-2.72%
Next 200,000	4.2920	4.5420	5.82%	4.4170	-2.75%	2.91%	5.1060	15.60%	4.8060	-5.88%	5.86	21.93%	4.675	-2.73%
Next 500,000	3.3010	3.4960	5.91%	3.3970	-2.83%	2.91%	3.9270	15.60%	3.6960	-5.88%	4.50	21.75%	3.595	-2.73%
Over 1,020,000	2.2020	2.3310	5.86%	2.2660	-2.79%	2.91%	2.6200	15.62%	2.4660	-5.88%	3.01	22.06%	2.399	-2.72%

Consumption Month	Billing Month	Billings	(A)		Difference	(B)			(A) x (B)		(A) / (B)	
			Revenues at Interim Rates	Revenue at Phase II Rates		Average Rate	Interim Rate	Difference	Revenues per Billings	Difference	Calculated Billings	Difference
Feb-20	Mar-20	2,780	\$ 180,458.88	\$ 148,080.97	\$ 32,377.91	\$ 64.91	\$ 64.82	\$ 0.09	\$ 180,199.60	\$ (259.28)	2,784.00	(4.00)
Mar-20	Apr-20	2,789	181,422.51	148,871.71	32,550.80	65.05	64.82	0.23	180,782.98	(639.53)	2,798.87	(9.87)
Apr-20	May-20	2,801	182,198.15	149,508.19	32,689.96	65.05	64.82	0.23	181,560.82	(637.33)	2,810.83	(9.83)
May-20	Jun-20	2,814	182,880.96	150,068.49	32,812.47	64.99	64.82	0.17	182,403.48	(477.48)	2,821.37	(7.37)
Jun-20	Jul-20	2,826	183,293.58	150,407.07	32,886.51	64.86	64.82	0.04	183,181.32	(112.26)	2,827.73	(1.73)
Jul-20	Aug-20	2,834	184,661.35	151,529.44	33,131.91	65.16	64.82	0.34	183,699.88	(961.47)	2,848.83	(14.83)
Aug-20	Sep-20	2,874	191,378.76	157,041.61	34,337.15	66.59	64.82	1.77	186,292.68	(5,086.08)	2,952.46	(78.46)
Sep-20	Oct-20	2,892	190,166.73	156,047.04	34,119.69	65.76	64.82	0.94	187,459.44	(2,707.29)	2,933.77	(41.77)
Totals			\$ 1,476,460.92	\$ 1,211,554.52	\$ 264,906.40				\$ 1,465,580.20	\$ (10,880.72)		
Oct-20	Nov-20	2,896	\$ 189,639.50	\$ 155,614.41	\$ 34,025.09	65.48	64.82	0.66	\$ 187,718.72	\$ (1,920.78)	2,925.63	(29.63)
Nov-20	Dec-20	2,906	189,125.29	155,192.46	33,932.83	65.08	64.82	0.26	188,366.92	(758.37)	2,917.70	(11.70)
Dec-20	Jan-21	2,912	190,078.17	155,974.37	34,103.80	65.27	64.82	0.45	188,755.84	(1,322.33)	2,932.40	(20.40)
Totals			\$ 568,842.96	\$ 466,781.24	\$ 102,061.72				\$ 564,841.48	\$ (4,001.48)		

Consumption Month	Billing Month	Billings	(A)			(B)			(A) x (B)		(A) / (B)	
			Revenues at Interim Rates	Revenue at Phase II Rates	Difference	Average Rate	Interim Rate	Difference	Revenues per Billings	Difference	Calculated Billings	Difference
Feb-20	Mar-20	569	\$ 23,977.66	\$ 19,676.08	\$ 4,301.58	\$ 42.14	\$ 42.14	\$ -	\$ 23,977.66	\$ -	569.00	-
Mar-20	Apr-20	543	22,882.02	18,776.99	4,105.03	42.14	42.14	-	22,882.02	-	543.00	-
Apr-20	May-20	543	22,882.02	18,776.99	4,105.03	42.14	42.14	-	22,882.02	-	543.00	-
May-20	Jun-20	543	22,882.02	18,776.99	4,105.03	42.14	42.14	-	22,882.02	-	543.00	-
Jun-20	Jul-20	543	22,882.02	18,776.99	4,105.03	42.14	42.14	-	22,882.02	-	543.00	-
Jul-20	Aug-20	543	22,882.02	18,776.99	4,105.03	42.14	42.14	-	22,882.02	-	543.00	-
Aug-20	Sep-20	543	22,882.02	18,776.99	4,105.03	42.14	42.14	-	22,882.02	-	543.00	-
Sep-20	Oct-20	543	22,882.02	18,776.99	4,105.03	42.14	42.14	-	22,882.02	-	543.00	-
Totals			\$ 184,151.80	\$ 151,115.01	\$ 33,036.79				\$ 184,151.80	\$ -		
Oct-20	Nov-20	543	\$ 22,882.02	\$ 18,776.99	\$ 4,105.03	42.14	42.14	-	\$ 22,882.02	\$ -	543.00	-
Nov-20	Dec-20	543	22,882.02	18,776.99	4,105.03	42.14	42.14	-	22,882.02	-	543.00	-
Dec-20	Jan-21	543	22,882.02	18,776.99	4,105.03	42.14	42.14	-	22,882.02	-	543.00	-
Totals			\$ 68,646.06	\$ 56,330.97	\$ 12,315.09				\$ 68,646.06	\$ -		

Consumption Month	Billing Month	Billings	(A)			(B) Phase III			(A) x (B)		(A) / (B)	
			Revenues at Interim Rates	Revenue at Phase II Rates	Difference	Average Rate	Interim Rate	Difference	Revenues per Billings	Difference	Calculated Billings	Difference
Feb-20	Mar-20	2828	\$ 148,501.78	\$ 121,861.61	\$ 26,640.17	\$ 52.51	\$ 64.82	\$ (12.31)	\$ 183,310.96	\$ 34,809.18	2,290.99	537.01
Mar-20	Apr-20	2826	148,393.26	121,772.56	26,620.70	52.51	64.82	-12.31	183,181.32	34,788.06	2,289.31	536.69
Apr-20	May-20	2826	148,393.26	121,772.56	26,620.70	52.51	64.82	-12.31	183,181.32	34,788.06	2,289.31	536.69
May-20	Jun-20	2826	148,393.26	121,772.56	26,620.70	52.51	64.82	-12.31	183,181.32	34,788.06	2,289.31	536.69
Jun-20	Jul-20	2838	149,023.38	122,289.64	26,733.74	52.51	64.82	-12.31	183,959.16	34,935.78	2,299.03	538.97
Jul-20	Aug-20	2838	149,046.13	122,308.31	26,737.82	52.52	64.82	-12.3	183,959.16	34,913.03	2,299.38	538.62
Aug-20	Sep-20	2859	150,140.09	123,206.02	26,934.07	52.51	64.82	-12.31	185,320.38	35,180.29	2,316.26	542.74
Sep-20	Oct-20	2861	150,231.11	123,280.71	26,950.40	52.51	64.82	-12.31	185,450.02	35,218.91	2,317.67	543.33
Totals			\$ 1,192,122.27	\$ 978,263.97	\$ 213,858.30				\$ 1,471,543.64	\$ 279,421.37		
Oct-20	Nov-20	2861	\$ 150,231.11	\$ 123,276.67	\$ 26,954.44	52.51	64.82	-12.31	\$ 185,450.02	\$ 35,218.91	2,317.67	543.33
Nov-20	Dec-20	2882	151,326.82	124,175.78	27,151.04	52.51	64.82	-12.31	186,811.24	35,484.42	2,334.57	547.43
Dec-20	Jan-21	2880	151,228.80	124,095.35	27,133.45	52.51	64.82	-12.31	186,681.60	35,452.80	2,333.06	546.94
Totals			\$ 452,786.73	\$ 371,547.80	\$ 81,238.93				\$ 558,942.86	\$ 106,156.13		

Consumption Month	Billing Month	Billings	(A)			(B)			(A) x (B)		(A) / (B)	
			Revenues at Interim Rates	Revenue at Phase II Rates	Difference	Average Rate	Interim Rate	Difference	Revenues per Billings	Difference	Calculated Billings	Difference
Feb-20	Mar-20	16	\$ 331.84	\$ 272.32	\$ 59.52	\$ 20.74	\$ 20.74	\$ -	\$ 331.84	\$ -	16.00	-
Mar-20	Apr-20	16	331.84	272.32	59.52	20.74	20.74	-	331.84	-	16.00	-
Apr-20	May-20	16	331.84	272.32	59.52	20.74	20.74	-	331.84	-	16.00	-
May-20	Jun-20	16	331.84	272.32	59.52	20.74	20.74	-	331.84	-	16.00	-
Jun-20	Jul-20	16	331.84	272.32	59.52	20.74	20.74	-	331.84	-	16.00	-
Jul-20	Aug-20	16	331.84	272.32	59.52	20.74	20.74	-	331.84	-	16.00	-
Aug-20	Sep-20	16	331.84	272.32	59.52	20.74	20.74	-	331.84	-	16.00	-
Sep-20	Oct-20	16	331.84	272.32	59.52	20.74	20.74	-	331.84	-	16.00	-
Totals			\$ 2,654.72	\$ 2,178.56	\$ 476.16				\$ 2,654.72	\$ -		
Oct-20	Nov-20	16	\$ 331.84	\$ 272.32	\$ 59.52	20.74	20.74	-	\$ 331.84	\$ -	16.00	-
Nov-20	Dec-20	16	331.84	272.32	59.52	20.74	20.74	-	331.84	-	16.00	-
Dec-20	Jan-21	16	331.84	272.32	59.52	20.74	20.74	-	331.84	-	16.00	-
Totals			\$ 995.52	\$ 816.96	\$ 178.56				\$ 995.52	\$ -		

Consumption Month	Billing Month	Billings	(A)			(B)			(A) x (B)		(A) / (B)	
			Revenues at Interim Rates	Revenue at Phase II Rates	Difference	Average Rate	Interim Rate	Difference	Revenues per Billings	Difference	Calculated Billings	Difference
Feb-20	Mar-20	1	\$ 167.24	\$ 137.23	\$ 30.01	\$ 167.24	\$ 167.24	\$ -	\$ 167.24	\$ -	1.00	-
Mar-20	Apr-20	1	167.24	137.23	30.01	167.24	167.24	-	167.24	-	1.00	-
Apr-20	May-20	1	167.24	137.23	30.01	167.24	167.24	-	167.24	-	1.00	-
May-20	Jun-20	1	167.24	137.23	30.01	167.24	167.24	-	167.24	-	1.00	-
Jun-20	Jul-20	1	167.24	137.23	30.01	167.24	167.24	-	167.24	-	1.00	-
Jul-20	Aug-20	1	167.24	137.23	30.01	167.24	167.24	-	167.24	-	1.00	-
Aug-20	Sep-20	1	167.24	137.23	30.01	167.24	167.24	-	167.24	-	1.00	-
Sep-20	Oct-20	1	167.24	137.23	30.01	167.24	167.24	-	167.24	-	1.00	-
Totals			\$ 1,337.92	\$ 1,097.84	\$ 240.08				\$ 1,337.92	\$ -		
Oct-20	Nov-20	1	\$ 167.24	\$ 137.23	\$ 30.01	167.24	167.24	-	\$ 167.24	\$ -	1.00	-
Nov-20	Dec-20	1	167.24	137.23	30.01	167.24	167.24	-	167.24	-	1.00	-
Dec-20	Jan-21	1	167.24	137.23	30.01	167.24	167.24	-	167.24	-	1.00	-
Totals			\$ 501.72	\$ 411.69	\$ 90.03				\$ 501.72	\$ -		

American Suburban Utilities, Inc.
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Analysis of School Revenues and Billing Determinants

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Consumption Month	Billing Month	Billings	(A)			(B)			(A) x (B)		(A) / (B)	
			Revenues at Interim Rates	Revenue at Phase II Rates	Difference	Average Rate	Interim Rate	Difference	Revenues per Billings	Difference	Calculated Billings	Difference
Feb-20	Mar-20	5,400	\$ 17,496.00	\$ 14,363.94	\$ 3,132.06	\$ 3.24	\$ 3.24	\$ -	\$ 17,496.00	\$ -	5,400.00	-
Mar-20	Apr-20	5,390	17,463.60	14,337.34	3,126.26	3.24	3.24	-	17,463.60	-	5,390.00	-
Apr-20	May-20	51	165.24	135.66	29.58	3.24	3.24	-	165.24	-	51.00	-
May-20	Jun-20	51	165.24	135.66	29.58	3.24	3.24	-	165.24	-	51.00	-
Jun-20	Jul-20	51	165.24	135.66	29.58	3.24	3.24	-	165.24	-	51.00	-
Jul-20	Aug-20	45	145.80	119.70	26.10	3.24	3.24	-	145.80	-	45.00	-
Aug-20	Sep-20	45	145.80	119.70	26.10	3.24	3.24	-	145.80	-	45.00	-
Sep-20	Oct-20	5,442	17,632.08	14,475.66	3,156.42	3.24	3.24	-	17,632.08	-	5,442.00	-
Totals			\$ 53,379.00	\$ 43,823.32	\$ 9,555.68				\$ 53,379.00	\$ -		
Oct-20	Nov-20	4,441	\$ 14,388.84	\$ 11,813.01	\$ 2,575.83	3.24	3.24	-	\$ 14,388.84	\$ -	4,441.00	-
Nov-20	Dec-20	2,407	7,798.68	6,402.59	1,396.09	3.24	3.24	-	7,798.68	-	2,407.00	-
Dec-20	Jan-21	3,276	10,614.24	8,714.13	1,900.11	3.24	3.24	-	10,614.24	-	3,276.00	-
Totals			\$ 32,801.76	\$ 26,929.73	\$ 5,872.03				\$ 32,801.76	\$ -		

American Suburban Utilities, Inc.
Cause No. 44676-S1
Analysis of Metered Commerical Revneues and Billing Determinants

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Metered Commercial Customer Billings

				Rate Block 1		Rate Block 2		Rate Block 3		Rate Block 4		Rate Block 5	
				Billings	First 10,000	Billings	Next 10,000	Billings	Next 100,000	Billings	Next 200,000	Billings	Next 200,000
Consumption	Billing Month	Billings											
Feb-20	Mar-20	66	\$ 12,712.82	42	\$ 3,318.38	9	\$ 1,113.65	13	\$ 4,848.08	2	\$ 3,432.71		
Mar-20	Apr-20	66	11,563.36	44	3572.8	10	1182.76	10	3811.24	2	2996.56		
Apr-20	May-20	66	11,343.67	47	3816.4	8	897.85	9	3351.04	2	3278.38		
May-20	Jun-20	66	12,992.55	51	4060	3	366.92	10	3580.96	3	4984.67		
Jun-20	Jul-20	67	13,616.21	43	3491.6	11	1297.81	9	3598.62	4	5228.18		
Jul-20	Aug-20	68	15,986.14	44	3521.37	10	1262.97	9	3627.06	4	5067.1	1	2507.64
Aug-20	Sep-20	68	15,986.54	42	3410.4	10	1150.52	12	5499.6	4	5926.02		
Sep-20	Oct-20	68	16,464.61	38	3085.6	14	1693.75	13	6235.76	2	2842.23	1	2607.26
			<u>\$ 110,665.90</u>		<u>\$ 28,276.55</u>		<u>\$ 8,966.23</u>		<u>\$ 34,552.36</u>		<u>\$ 33,755.85</u>		<u>\$ 5,114.90</u>
Oct-20	Nov-20	68	\$ 14,161.87	41	\$ 3,329.20	12	\$ 1,417.70	12	\$ 4,971.64	3	\$ 4,443.33		
Nov-20	Dec-20	68	12,318.45	42	3410.4	13	1482.78	10	3521.7	3	3903.57		
Dec-20	Dec-21	70	10,383.33	54	4371.27	5	551.08	11	3841.92	1	1619.06		
			<u>\$ 36,863.65</u>		<u>\$ 11,110.87</u>		<u>\$ 3,451.56</u>		<u>\$ 12,335.26</u>		<u>\$ 9,965.96</u>		

AMERICAN SUBURBAN UTILITIES, INC.**Cause No. 44676-S1**

FILED
February 24, 2021
INDIANA UTILITY
REGULATORY COMMISSION

**Comparison of ASU's and OUCC's
Overall Recommended Phase III Revenue Requirement**

	ASU	OUCC	OUCC More (Less)
Calculated Rate Base	\$ 20,092,316	\$ 14,103,475	\$ (5,988,841)
Times: Weighted Cost of Capital (As Authorized by Order)	8.31%	8.31%	0.00%
Allowable Net Operating Income	1,669,671	1,171,999	(497,672)
Less: Adjusted Net Operating Income	(1,068,889)	(1,248,953)	(180,064)
Deficit	600,782	(76,954)	(677,736)
Divide by: Revenue Conversion Factor	72.680%	72.680%	0.00%
Required Increase (Decrease) in Operating Revenues	826,616	(105,881)	(932,497)
Divide by: Adjustable Operating Revenues	3,779,999	3,895,218	115,219
Percentage Rate Increase Required	21.87%	-2.72%	-24.59%
Pro Forma Adjustable Operating Revenue for Phase III	\$ 4,606,685	\$ 3,789,337	\$ (817,348)

American Suburban Utilities, Inc.
Cause No. 44676-S1
Refund Calculation - February - September 2020

FILED
February 24, 2021
INDIANA UTILITY
REGULATORY COMMISSION

OUCS Attachment MAS-3
Cause No. 44676-S1
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Revenues by Customer Class Per DR 8-3

Consumption Month	Billing Month	Total Revenues Per DR 8-2	Residential	Mobile	Multi Fam	Motel	Service Station	Schools	Metered Comm
Feb-20	Mar-20	\$ 383,646.22	\$ 180,458.88	\$ 23,977.66	\$ 148,501.78	\$ 331.84	\$ 167.24	\$ 17,496.00	\$ 12,712.82
Mar-20	Apr-20	382,223.83	181,422.51	22,882.02	148,393.26	331.84	167.24	17,463.60	11,563.36
Apr-20	May-20	365,481.42	182,198.15	22,882.02	148,393.26	331.84	167.24	165.24	11,343.67
May-20	Jun-20	367,813.11	182,880.96	22,882.02	148,393.26	331.84	167.24	165.24	12,992.55
Jun-20	Jul-20	369,479.51	183,293.58	22,882.02	149,023.38	331.84	167.24	165.24	13,616.21
Jul-20	Aug-20	373,220.52	184,661.35	22,882.02	149,046.13	331.84	167.24	145.80	15,986.14
Aug-20	Sep-20	381,032.29	191,378.76	22,882.02	150,140.09	331.84	167.24	145.80	15,986.54
Sep-20	Oct-20	397,875.62	190,166.73	22,882.02	150,231.11	331.84	167.24	17,632.08	16,464.61
Total Revenues at Interim Rates		3,020,772.52	1,476,460.92	184,151.80	1,192,122.27	2,654.72	1,337.92	53,379.00	110,665.90
Total Revenues at Phase II Rates		\$ 2,478,801.02	1,211,554.52	151,115.03	978,263.98	2,178.55	1,097.84	43,823.32	90,767.78
Difference - Refund		\$ 541,971.51	\$ 264,906	\$ 33,037	\$ 213,858	\$ 476	\$ 240	\$ 9,556	\$ 19,898