

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**PETITION OF JACKSON COUNTY WATER)
UTILITY, INC., FOR AUTHORITY TO ISSUE)
LONG TERM DEBT AND CHANGES TO ITS)
RATES, CHARGES AND TARIFF)**

CAUSE NO. 44986

TESTIMONY

OF


RICHARD J. COREY - PUBLIC'S EXHIBIT NO. 4

ON BEHALF OF THE

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

November 8, 2018

Respectfully Submitted,



Daniel M. Le Vay, Atty. No. 22184-49
Deputy Consumer Counselor

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing *Office of Utility Consumer Counselor Testimony of Richard J. Corey* has been served upon the following counsel of record in the captioned proceeding by electronic service on November 8, 2018.

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TESTIMONY OF OUCC WITNESS RICHARD J. COREY
CAUSE NO. 44986 PHASE II
JACKSON COUNTY WATER UTILITY, INC.

I. INTRODUCTION

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

2 A: My name is Richard J. Corey, and my business address is 115 West Washington
3 Street, Suite 1500 South, Indianapolis, Indiana 46204.

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

5 A: I am employed the Indiana Office of Utility Consumer Counselor ("OUCC") as a
6 Utility Analyst in the Water/Wastewater Division. My qualifications and
7 experience are described in Appendix A.

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

9 A: Jackson County Water Utility, Inc. ("Jackson County" or "Petitioner") requests an
10 across the board rate increase of 5.73%. As a result of its review and analysis, the
11 OUCC proposes a rate increase of 2.52%. The purpose of my testimony is to
12 present the OUCC's position as reflected in the OUCC schedules I have attached
13 to my testimony. I propose adjustments to operating expenses to reflect changes
14 to the IURC fee and the removal of additional non-allowed costs.

15 **Q: What actions did you take to prepare your testimony?**

16 A: I reviewed Petitioner's testimony, schedules, and workpapers. I conducted the
17 OUCC's field audit on September 6 and 7, 2018. I reviewed Jackson County's
18 Indiana Utility Regulatory Commission ("Commission" or "IURC") Annual
19 Reports for 2015, 2016, and 2017. I reviewed the Commission's final order from
20 Jackson County's last rate case (Cause No. 44461). I reviewed ratepayer

1 comments submitted to the OUCC. I prepared discovery questions and reviewed
2 Petitioner's responses.

3 **Q: Do you sponsor any schedules or attachments?**

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

5 Schedule 1 – Comparison of Petitioner's and OUCC's Revenue Requirements

6 Schedule 2 – Comparative Balance Sheet as of December 31, 2017, 2016 and
7 2015.

8 Schedule 3 – Comparative Income Statement for the Twelve Months Ended
9 December 31, 2017, 2016 and 2015.

10 Schedule 4 – *Pro Forma* Net Operating Income Statement

11 Schedule 5 – Expense Adjustments

12 Schedule 6 - Proposed Rates and Charges

13 Attachment RJC – 1 – Petitioner's Response to OUCC Data Request No. 4.6

14 Attachment RJC – 2 – Disallowed Costs

II. PROPOSED RATE INCREASE

15 **Q: What level of rate increase is Petitioner requesting?**

16 A: Petitioner proposes to increase its current rates by 5.73% to generate an additional
17 \$201,136 of revenues. Petitioner proposes to implement the rate increase across-
18 the-board and in a single phase.

19 **Q: What are the principal drivers of Petitioner's requested increase?**

20 A: The principal drivers of Petitioner's requested rate increase are increased
21 operating expenses and increased debt service and debt service reserve
22 requirements.

23 **Q: What rate increase does the OUCC recommend?**

24 A: The OUCC recommends an overall across-the-board rate increase of 2.52% to

1 produce an increase in water revenues of \$88,323 per year. Table 1 compares
2 Jackson County's overall proposed revenue requirement with the OUCC's
3 proposal.

Table RJC-1: Comparison of Overall Revenue Requirement

	<u>Petitioner</u>	<u>OUCC</u>	<u>(Less)</u>
Operating Expenses	\$ 1,982,511	\$ 1,980,347	\$ (2,164)
Taxes other than Income	47,310	47,310	0
Extensions and Replacements	458,000	458,000	-
Debt Service	1,160,255	1,123,889	(36,366)
Debt Service Reserve	74,119	-	(74,119)
Total Revenue Requirements	3,722,196	3,609,546	(112,649)
Less:			
Interest Income	(10,998)	(10,998)	-
Net Revenue Requirements	<u>\$ 3,711,198</u>	<u>\$ 3,598,548</u>	<u>\$ (112,649)</u>
Less:			
Revenue at Current Rates Subject to Inc.	(3,250,201)	(3,250,201)	-
Other Revenues at Current Rates	<u>(260,130)</u>	<u>(260,130)</u>	<u>-</u>
Net Revenue Increase Required	200,866	\$ 88,217	(112,649)
Add: Additional IURC Fee	<u>269</u>	<u>106</u>	<u>(163)</u>
Recommended Increase	<u>201,136</u>	<u>88,323</u>	<u>(112,813)</u>

4 **Q: What are the differences between the overall revenue requirement proposed**
5 **by Jackson County and that recommended by the OUCC?**

6 A: OUCC Schedule 1, page 2 of 2, lists all differences in the OUCC's and Jackson
7 County's' operating expenses The OUCC's lower proposed operating expenses
8 are due to adjustments to Petitioner's IURC fee and certain expenses that are
9 disallowed for rate making purposes. Also, the OUCC proposes adjustments to
10 Petitioner's debt service and debt service reserve revenue requirements.

III. REVENUE ADJUSTMENTS

1 **Q: Please explain Petitioner's adjustment to normalize *pro forma* annual**
2 **revenues.**

3 A: Petitioner proposes a normalization adjustment that accounts for the change in the
4 number of the utility's residential customers during the test year. Also, Petitioner
5 recommends an adjustment that reflects additional revenue resulting from
6 customer growth due to its proposed projects. Finally, Petitioner proposes a
7 reduction to operating revenues to reflect the one time sale of scrap metal.

8 **Q: How is Petitioner's adjustment to account for the change in the number of**
9 **utility customers during the test year calculated?**

10 A: To determine the net additional annual bills that would result due to growth
11 during the test year, Petitioner multiplied the increase in monthly test year bulk
12 sales, commercial, multi-family, public government and residential customers by
13 the increase in the number of bills that would have been invoiced had those
14 customers been a customer for the entire year. The result was a net increase of
15 131 customer bills. Petitioner then multiplied the 131 additional customer bills
16 by the average monthly bill at existing rates, or \$40.06, to calculate a customer
17 growth adjustment of \$5,248. (131 bills of \$40.06 equals \$5,248.)

18 **Q: Please explain Petitioner's adjustment for customer growth from new**
19 **projects.**

20 A: In response to OUCC Data Request No. 4.6¹, Petitioner indicated it estimated the
21 additional revenues to come from the extended service using historical
22 experience. They projected the number of customer bills would increase on
23 average by 1,743 per year. Multiplying the average annual increase by the

¹ See Attachment RJC 1.

1 average customer bill of \$40.06 resulted in an annual adjustment of \$69,816.

2 **Q: Do you accept Petitioner's proposed revenue adjustment for the change in**
3 **the number of customers during the test year, customer growth due to its**
4 **new projects and the adjustment for non-recurring revenues?**

5 A: Yes.

IV. OPERATING EXPENSE ADJUSTMENTS

6 **Q: What operating expense adjustments did Petitioner propose?**

7 A: Petitioner proposed several operating expense adjustments, including adjustments
8 to salaries and wages, employee benefits, payroll taxes, pension expense, rate case
9 expense, IDEM fee and IURC fee. Total operating expense adjustments proposed
10 by Jackson County resulted in an increase of \$204,692 to test year operating
11 expenses and taxes other than income of \$2,750,331 yielding *pro forma* operating
12 expenses and taxes other than income of \$2,955,023.

13 **Q: Does the OUCC accept any of Petitioner's proposed operating expense**
14 **adjustments?**

15 A: Yes. The OUCC accepts Petitioner's adjustments to salaries and wages,
16 employee benefits, payroll taxes, pension expense, rate case expense, and IDEM
17 fee.

18 **Q: What other operating expense adjustment do you propose?**

19 A: I propose an adjustment to Petitioner's IURC fee. I also propose an adjustment to
20 remove test year transactions that are disallowed for rate making purposes. The
21 total operating expense adjustments I propose result in an increase of \$202,527 to
22 test year operating expense of \$2,750,331 to yield *pro forma* operating expenses
23 of \$2,952,858.

1. IURC Fee

1 **Q: Please explain how Petitioner calculated its proposed IURC fee calculation.**

2 A: To calculate its proposed *pro forma* present and *pro forma* proposed IURC fee
3 Petitioner used an IURC fee rate of .1338381%, which resulted in an adjustment
4 of \$269. In the OUCC's calculation of *pro forma* present and *pro forma* proposed
5 IURC fee, I used the current IURC fee rate for the period July 1, 2018 through
6 June 30, 2019 of .1202041%, which resulted in an adjustment of negative \$307.
7 See OUCC Schedule 1 and OUCC Schedule 5, Adjustment 1.

2. Disallowed Items

8 **Q: Please explain the OUCC's adjustment for disallowed expense.**

9 A: My review of Petitioner's books indicated Petitioner spent \$1,686 for celebrations
10 and gifts for its employees during the test year. Such items are considered to
11 provide no benefit to ratepayers, and their cost should not be included as an
12 operating expense for ratemaking purposes. Therefore, I removed these items
13 from test year operating expenses. See OUCC Schedule 5, Adjustment 2.

V. EXTENSIONS AND REPLACEMENTS

14 **Q: Has Jackson County requested a provision for extensions and replacements**
15 **in its proposed revenue requirement?**

16 A: Yes. Jackson County proposed a *pro forma* revenue requirement of \$458,000 for
17 extensions and replacements. The provision is equal to the amount that was
18 approved by the Commission in Petitioner's last rate case (Cause No. 44461).

19 **Q: Do you accept Petitioner's proposed provision for extensions and**
20 **replacements?**

21 A: Yes.

VI. DEBT SERVICE

1 **Q: Has Jackson County requested a provision for debt service in its proposed**
2 **revenue requirement?**

3 A: Yes. Jackson County proposed debt service of \$1,160,255 for its existing bonds.

4 **Q: Does the OUCC accept Jackson County's proposed debt service for its**
5 **existing and proposed bonds?**

6 A: No. The OUCC proposes Petitioner receive a debt service revenue requirement of
7 \$1,123,889. OUCC witness Edward Kaufman discusses why Petitioner's
8 proposed amount of debt service should be reduced.

VII. DEBT SERVICE RESERVE

9 **Q: Has Jackson County requested debt service reserve in its proposed revenue**
10 **requirement?**

11 A: Yes. Jackson County proposed debt service reserve of \$74,119.

12 **Q: Does the OUCC accept Jackson County's proposed debt service reserve?**

13 A: No. As more fully explained by OUCC witness Edward Kaufman, the OUCC
14 recommends Petitioner's proposed debt service reserve revenue requirement be
15 rejected as unnecessary.

VIII. OUCC RECOMMENDATIONS

16 **Q: Please summarize your recommendations to the Commission.**

17 A: I recommend the Commission authorize a 2.52% increase in operating revenues,
18 on an across-the-board basis, to provide Jackson County the opportunity to collect
19 \$3,598,548 in net revenues.

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

21 A: Yes.

APPENDIX A

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

2 A: I graduated from Indiana University with a Bachelor of Science degree majoring
3 in accounting. Upon graduation, I took a position as an accountant for Tousley-
4 Bixler Construction Company for whom I worked until 1984. At that time, I
5 began attending Indiana University School of Law. After graduating from law
6 school in 1988, I was employed by the public accounting firm of Boyd, Stamper
7 & Leeds and participated in the preparation of compilations, audits, and corporate
8 and individual tax returns. From 1990 to 1993, I worked for the CPA firm of
9 Myers & Stauffer, which specializes in Medicaid accounting, consulting and rate
10 setting. After a short tenure with the OUCC as a Principal accountant in 1993, I
11 became Controller, Corporate Secretary, and a member of the Board of Directors
12 of General Acceptance Corporation. I returned to the OUCC in 1998 as an
13 Assistant Utility Consumer Counselor and represented the interests of the public
14 before the Indiana Utility Regulatory Commission ("Commission") in a variety of
15 Gas, Water and Telecommunications cases. I assumed my current position as a
16 Utility Analyst with the OUCC in April of 2005. Since joining the OUCC, I have
17 attended the NARUC Annual Regulatory Studies Program, the NARUC Utility
18 Rate School, and other continuing educations programs. I became licensed as a
19 Certified Public Accountant in 1983. Having left the practice of public
20 accounting in 1993, my license is currently inactive. I am also an inactive
21 member of the Indiana Bar in good standing.

1 **Q: Have you previously testified before the Indiana Utility Regulatory**
2 **Commission?**

3 **A:** Yes. I have testified in many cases before the Commission including a number of
4 applications by municipal, not-for-profit and investor owned water utilities for
5 financing authority and changes to rates and charges.

JACKSON COUNTY WATER UTILITY, INC.
CAUSE NUMBER 44986

**Comparison of Petitioner's and OUCC's
Revenue Requirements**

	<u>Per Petitioner</u>	<u>Per OUCC</u>	<u>Sch Ref</u>	<u>OUCC More (Less)</u>
Operating Expenses	\$ 1,982,511	\$ 1,980,347	4	\$ (2,164)
Taxes other than Income	47,310	47,310	PET	-
Extensions and Replacements	458,000	458,000	PET	-
Debt Service	1,160,255	1,123,889	ERK	(36,366)
Debt Service Reserve	74,119	-	ERK	(74,119)
Total Revenue Requirements	3,722,196	3,609,546		(112,649)
Less: Interest Income	(10,998)	(10,998)	PET	-
Net Revenue Requirements	3,711,198	3,598,548		(112,649)
Less: Revenues at current rates subject to increase	(3,250,201)	(3,250,201)	PET	-
Other revenues at current rates	(260,130)	(260,130)	PET	-
Net Revenue Increase Required	200,867	88,217		(112,649)
Add: Additional IURC Fee	269	106		(163)
				-
Recommended Increase	<u>\$ 201,136</u>	<u>\$ 88,323</u>		<u>\$ (112,812)</u>
Recommended Percentage Increase	<u>5.73%</u>	<u>2.52%</u>		<u>-3.21%</u>

<u>Current Rate for 5,000 Gallons</u>	<u>Proposed</u>		<u>OUCC More (Less)</u>
	<u>Petitioner</u>	<u>OUCC</u>	
Current Rate = \$53.75	\$ 56.82	\$ 55.11	\$ (1.71)

JACKSON COUNTY WATER UTILITY, INC.
CAUSE NUMBER 44986

COMPARATIVE BALANCE SHEET
As of December 31,

<u>ASSETS</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Utility Plant:			
Utility Plant in Service	\$ 29,972,320	\$ 29,023,939	\$ 28,205,321
Less: Accumulated Depreciation	(10,616,201)	(9,962,098)	(9,263,714)
Net Utility Plant in Service	<u>19,356,119</u>	<u>19,061,841</u>	<u>18,941,607</u>
Non-utility Property, Net	71,773	71,773	71,772
Restricted Assets:			
Restricted Cash	<u>1,469,645</u>	<u>1,283,643</u>	<u>1,199,249</u>
Total Restricted Assets	<u>1,469,645</u>	<u>1,283,643</u>	<u>1,199,249</u>
Current Assets:			
Cash and Cash Equivalents	508,177	585,013	165,011
Cash Restricted for Current Maturities	699,629	932,145	844,346
Accounts Receivable	283,380	312,940	243,815
Materials and Supplies	124,391	146,352	149,254
Current Portion of Deferred Charges	28,221	28,221	
Prepays	<u>15,379</u>	<u>13,457</u>	<u>12,670</u>
Total Current Assets	<u>1,659,177</u>	<u>2,018,128</u>	<u>1,415,096</u>
Deferred Debits			
Deferred Charges	56,441	84,662	141,103
Other Deferred Debits			<u>517,917</u>
Total Deferred Debits	<u>56,441</u>	<u>84,662</u>	<u>659,020</u>
Total Assets	<u>\$ 22,613,155</u>	<u>\$ 22,520,047</u>	<u>\$ 22,286,744</u>

JACKSON COUNTY WATER UTILITY, INC.
CAUSE NUMBER 44986

COMPARATIVE INCOME STATEMENT
Twelve Months Ended December 31,

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Operating Revenues			
Water Sales	\$ 3,166,705	\$ 3,306,589	\$ 3,068,277
Penalties	11,989	19,210	17,776
Miscellaneous Operating Revenues	260,130	261,356	38,698
Total Operating Revenues	<u>3,438,824</u>	<u>3,587,155</u>	<u>3,124,751</u>
Operating Expenses			
Salaries and Wages	567,557	501,256	560,853
Employee Benefits	216,760	189,403	204,642
Purchased Water	75,915	76,364	96,322
Purchased Power	204,659	190,119	194,056
Chemicals	219,813	179,031	168,777
Materials and Supplies	162,999	127,131	146,097
Contractual Services	309,450	159,916	192,730
Transportation Expense	46,738	49,412	49,151
Insurance	40,817	47,309	46,010
Rate Case Expense Amortization			3,140
Miscellaneous Expense	64,397	61,897	90,210
Total O&M Expense	<u>1,909,105</u>	<u>1,581,838</u>	<u>1,751,988</u>
Depreciation Expense	797,101	750,921	550,507
Amortization Expense			6,827
Taxes Other than Income	44,125	40,132	38,475
Total Operating Expenses	<u>2,750,331</u>	<u>2,372,891</u>	<u>2,347,797</u>
Net Operating Income	688,493	1,214,264	776,954
Other Income (Expense)			
Interest Income	10,998	5,102	5,206
Other Income	(3,633)	69,850	(28,314)
Interest Expense	(368,081)	(396,424)	(343,551)
Total Other Income (Expense)	<u>(360,716)</u>	<u>(321,472)</u>	<u>(366,659)</u>
Net Income	<u>\$ 327,777</u>	<u>\$ 892,792</u>	<u>\$ 410,295</u>

JACKSON COUNTY WATER UTILITY, INC.
CAUSE NUMBER 44986

Pro-forma Net Operating Income Statement

	<u>Year Ended 12/31/2017</u>	<u>Adjustments</u>	<u>Sch Ref</u>	<u>Pro-forma Present Rates</u>	<u>Adjustments</u>	<u>Sch Ref</u>	<u>Pro-Forma Proposed Rates</u>
Operating Revenues							
Water Sales	\$ 3,166,705	\$ 5,248 (3,557) 69,816	PET PET PET	\$ 3,238,212	\$ 87,997	1	\$ 3,326,209
Penalties	11,989			11,989	326	1	12,315
Miscellaneous Operating Revenues	260,130			260,130			260,130
Total Operating Revenues	<u>3,438,824</u>	<u>71,507</u>		<u>3,510,331</u>	<u>88,323</u>		<u>3,598,654</u>
O&M Expense	1,909,105			1,980,347			1,980,347
Salaries and Wages		41,634	PET				
Employee Benefits		15,470	PET				
Pension Expenses		2,082	PET				
Rate Case Expense		13,833	PET				
IDEM Fee		217	PET				
IURC Fee		(307)	5-1				
Disallowed Items		(1,686)	5-2				
Depreciation Expense	797,101	128,100	PET	925,201			925,201
Taxes Other than Income	44,125	3,185	PET	47,310	106		47,416
Total Operating Expenses	<u>2,750,331</u>	<u>202,527</u>		<u>2,952,858</u>	<u>106</u>		<u>2,952,964</u>
Net Operating Income	<u>\$ 688,493</u>	<u>\$ (131,020)</u>		<u>\$ 557,473</u>	<u>\$ 88,217</u>		<u>\$ 645,690</u>

JACKSON COUNTY WATER UTILITY, INC.
CAUSE NUMBER 44986

Expense Adjustments

(1)

IURC Fee

To reflect *pro forma* IURC Fee.

Operating Revenues	3,510,331	
IURC Rate	<u>0.001202041</u>	
Pro forma IURC Fee	4,220	
Less: Test Year Expense	<u>(4,527)</u>	
Adjustment Increase (Decrease)		<u>(307)</u>

(2)

Disallowed Items

To adjust for Disallowed items.

Description	Date	Amount
Employee Cookout	8/3/2017	\$ 115
Christmas Hams	12/14/2017	1,334
Desk Clock	1/10/2017	77
Texas Road House Gift Cards	12/19/2017	<u>\$ 160</u>
Adjustment Increase (Decrease)		<u>\$ (1,686)</u>

JACKSON COUNTY WATER UTILITY, INC.
CAUSE NUMBER 44986

Current and Proposed Rates and Charges

			<u>Current</u>	<u>Petitioner Proposed</u>	<u>OUCC Proposed</u>
<u>Consumption Per Month</u>					
First	3,000 Gallons		\$ 11.01	\$ 11.64	\$ 11.29
Next	7,000 Gallons		10.36	10.95	10.62
Next	15,000 Gallons		7.87	8.32	8.07
Next	75,000 Gallons		6.32	6.68	6.48
Next	100,000 Gallons		4.80	5.08	4.92
Over	200,000 Gallons		3.85	4.07	3.95
<u>Minimum Charge per Month</u>					
		<u>Gallons Allowed</u>			
5/8	Inch Meter	2,000	22.02	23.28	22.57
3/4	Inch Meter	3,000	33.02	34.92	33.86
1	Inch Meter	5,000	53.74	56.83	55.10
1 1/2	Inch Meter	12,000	121.27	128.24	124.34
2	Inch Meter	20,000	184.26	194.81	188.89
3	Inch Meter	30,000	255.25	269.83	261.62
4	Inch Meter	50,000	381.72	403.35	391.20
6	Inch Meter	100,000	697.92	737.57	715.15
<u>Industrial Rate - User on Contract</u>					
Cost per 1,000 gallons			2.15	2.27	2.20
Monthly Customer Charge			14.92	15.78	15.30
<u>Fire Protection Service - Rate per Annum</u>					
Public Fire hydrants, each			905.11	956.97	927.88
Private Fire Hydrants, each			905.11	956.97	927.88
<u>Private Fire Service</u>					
2 inch service			135.71	143.49	139.12
3 inch service			305.51	323.02	313.20
4 inch service			543.16	574.28	556.83
6 inch service			1,222.00	1,292.02	1,252.75
8 inch service			2,172.24	2,296.71	2,226.90
10 inch service			3,394.23	3,588.71	3,479.63
12 inch service			\$ 4,887.63	\$ 5,167.68	\$ 5,010.61

	Account	Balance	Exhibit
	Other revenue/Expense	\$ (3,633)	Exhibit B
	Interest Expense	368,081	Exhibit B
	Salaries	567,557	Schedule B-2
	Employee Benefits	216,760	Schedule B-2
	Insurance	40,817	Schedule B-2
	Miscellaneous Expense	64,397	Schedule B-2

A. Please see the attached account groupings.

Q 4.4: Petitioner's rate report indicates that Utility Plant in Service increased from \$29,023,939 at the end of 2016 to \$29,973,320 at the end of 2017, or by \$948,381. However, Petitioner's adjustment 1 on Schedule C-1 calculates its depreciation expense adjustment based on an increase in Utility Plant in Service of \$6,405,000. Please reconcile these two amounts.

A. The depreciation adjustment is to increase for the plant additions that will be put into service as a result of the Phase I project. The increase in the current year is already included in the pro-forma.

Q 4.5: Petitioner's adjustment 2 on Schedule C-1 proposes a \$5,248 increase in revenues to reflect customer growth during the test year. Please provide documentation and calculations that support this proposed increase.

A. Please see the attached calculation.

Q 4.6: Petitioner's adjustment 3 on Schedule C-1 proposes a \$69,816 increase in revenues to reflect customer growth from new projects. Please provide documentation and calculations that support this proposed increase.

A. In order to lessen the impact of a rate increase as much as possible, the Petitioner estimated the revenues to come from the extended service using historical experience. This entry allows for the future revenues, accruing over a five year period, to offset any requested increase today. Please see the attached estimate by phase and month.

Q 4.7: Please see Petitioner's adjustment 5 on Schedule C-1 referring to Petitioner's proposed adjustment for rate case expense. Please provide the following:

1. Please provide an itemized listing of those items that comprise the Phase I rate expense of \$74,976. In your response please include documentation (including vouchers) that support these expenses.

A. Please see the attached.

Q.4.4

Jackson County Water Utility, Inc.
Projected Customer Growth from Extension

Customers Hooked On	Phase A	Phase B	Phase C	Total	Annual Bill Adds
August, 2018				0	
September, 2018				0	
October, 2018	4			4	
November, 2018	8			8	
December, 2018	12			12	24
January, 2019	16			16	
February, 2019	20			20	
March, 2019	24			24	
April, 2019	28			28	
May, 2019	32	1	1	34	
June, 2019	35	2	2	39	
July, 2019	38	3	3	44	
August, 2019	41	4	4	49	
September, 2019	44	5	5	54	
October, 2019	47	6	6	59	
November, 2019	50	7	7	64	
December, 2019	53	8	8	69	500
January, 2020	56	9	9	74	
February, 2020	60	10	10	80	
March, 2020	64	11	11	86	
April, 2020	68	12	12	92	
May, 2020	72	13	13	98	
June, 2020	75	14	14	103	
July, 2020	78	15	15	108	
August, 2020	81	16	16	113	
September, 2020	84	17	17	118	
October, 2020	87	18	18	123	
November, 2020	90	19	19	128	
December, 2020	93	21	21	135	1258
January, 2021	96	23	23	142	
February, 2021	100	25	25	150	
March, 2021	104	26	26	156	
April, 2021	108	27	27	162	
May, 2021	112	28	28	168	
June, 2021	115	29	29	173	
July, 2021	118	30	30	178	
August, 2021	121	31	31	183	
September, 2021	124	32	32	188	
October, 2021	127	33	33	193	
November, 2021	130	34	34	198	
December, 2021	133	36	36	205	2096
January, 2022	136	38	38	212	
February, 2022	140	40	40	220	
March, 2022	144	40	41	225	
April, 2022	148	40	42	230	

May, 2022	152	40	43	235	
June, 2022	154	41	44	239	
July, 2022	156	42	45	243	
August, 2022	158	43	46	247	
September, 2022	160	44	47	251	
October, 2022	162	45	48	255	
November, 2022	164	45	49	258	
December, 2022	166	45	51	262	2877
January, 2023	168	45	53	266	
February, 2023	170	45	55	270	
March, 2023	174	45	56	275	
April, 2023	178	45	57	280	
May, 2023	182	45	58	285	
June, 2023	184	46	59	289	
July, 2023	186	47	60	293	1958

Added Bills 8713
Annual Average 1743
Average Bill \$ ~~40.06~~

Total average revenue growth \$69,816.10

JACKSON COUNTY WATER UTILITY, INC.

Remit To Code: 3885

Pay To Name: STEVE RITTER

Invoice Number

Inv. Date

PO Number

Description

2017 employee cook 08/03/2017

items for employee cook out

08/03/2017

0000026268

Account

1-50-9-66758

Amount

\$115.41

962286

26268

SFMS01419HG-1

5/10/15 3161 00756111H

To reorder contact Safeguard at 800-952-4435

C/5720607000

\$115.41

B9B245 STOKO01 10/28/2016 03:03 -151-

JULY FUEL POINTS
REDEEM 100PTS TO SAVE .10 PER GAL.
ON ONE PURCHASE OF UP TO 35 GAL.
SAVE UP TO \$1 PER GAL AT JAY C OR
.10 PER GAL AT SHELL ON 1 FILL-UP.

FUEL POINTS THIS ORDER = 111
FUEL POINTS THIS MONTH = 208

THIS MONTHS POINTS EXPIRE 8/31/17.
VISIT WWW.JAYCFOODS.COM/FUEL
FOR DETAILS.

NEAREST PARTICIPATING LOCATIONS*
Jay C Food Plus (0.0 ml.)
2631 16th St
Bedford, IN 47421

SHELL COMPANY (0.93 ml.)
1428 16th St
BEDFORD, IN 47421

*Locations subject to change

With Our Low Prices, You Saved

\$10.59

The HoneyBaked Ham Company
3293 W. 3rd Street
Bloomington, IN 47404
(812) 336-4426
Store 1724

Visit us at HoneyBaked.com

Receipt #: 51285.22

Date : 12/21/2017 Time : 09:41 AM

Sales ID : ABBY Drawer: MGR

Qty Description	Price
23 Ham, Half Ham / 1b	1334.00
Sub Total	1334.00
Tax	0.00
Total	1334.00
Check	1334.00
Total Amt Tendered	1334.00
Change	0.00

Tell us about your visit at

MyHoneyBakedFeedback.com

to receive a Buy One Get One FREE
Sandwich offer!

Survey Code : 1724_5128522

Validation Code: _____

Offer Expires 1/4/2018

Happy Holidays!

Thank you for letting P
be a part of your h
celebrations this

We looking for
seeing you ba

6067590

06759

\$1334

149m

1 Honey Baked Ham

THE Engraver
OF SEYMOUR, INC.

1520 SCHLETER RD.
SEYMOUR, IN 47274

Phone # 812-522-6181 Fax # 812-522-3441
E-mail sales@engraverinc.com

Invoice

DATE 1/4/2017 INVOICE # 17-1010

BILL TO

JACKSON COUNTY WATER UTILITY
LARRY McINTOSH

SHIP TO

P.O. NUMBER TERMS REP NEEDED BY PHONE
Net 30 MEW 1/4/2017 812-525-9135

QUANTITY	ITEM CODE	DESCRIPTION	PRICE EACH	AMOUNT
1	BC48	BC48 PIANO FINISH DESK CLOCK - 5 YEAR	54.68	54.68
126	LASER15	LASER ENGRAVING	0.15	18.90
1	LASER LOGO	LASER ENGRAVE LOGO	3.00	3.00
		(JOB:JMISC/JCWU5YR_EMP.CDR) CLAYTON BEARD 5 YEAR BOARD MEMBER		

OK LWS
1-10-2017
0070
1-50-9-66759

THANK YOU,
WE APPRECIATE YOUR BUSINESS

Subtotal \$76.58

Sales Tax (7.0%) \$0.00

Total \$76.58

Texas Roadhouse
812-378-4632
2508 25th St.
Columbus, IN 47201
812-378-4632

Server: ToGo 3 DOB: 12/19/2017
11:19 AM 12/19/2017
Gc3/1 9/90008

SALE

MC 9437198
Card #XXXXXXXXXXXX1639
Magnetic card present: MCINTOSH LARRY W
Card Entry Method: S

Approval: 003944

Amount: \$160.00

+ Tip: _____

= Total: _____

I agree to pay the above
total amount according to the
card issuer agreement.

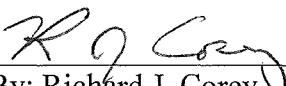
X _____

GUEST COPY


GIFT
CARDS

AFFIRMATION

I affirm the representations I made in the foregoing testimony are true to the best of my knowledge, information, and belief.



By: Richard J. Corey
Cause No. 44986
Indiana Office of
Utility Consumer Counselor



Date: