

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF CWA AUTHORITY, INC. FOR (1))
AUTHORITY TO INCREASE ITS RATES AND)
CHARGES FOR WASTEWATER UTILITY)
SERVICE IN THREE PHASES AND APPROVAL)
OF NEW SCHEDULES OF RATES AND)
CHARGES APPLICABLE THERETO; (2)) CAUSE NO. 45151
APPROVAL OF A LOW-INCOME CUSTOMER)
ASSISTANCE PROGRAM; AND (3) APPROVAL)
OF CERTAIN CHANGES TO ITS GENERAL)
TERMS AND CONDITIONS FOR WASTEWATER)
SERVICE)

SETTLEMENT TESTIMONY

OF


MARGARET A. STULL – PUBLIC’S EXHIBIT NO. 8

ON BEHALF OF THE

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

April 17, 2019

Respectfully submitted,


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CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing *Office of Utility Consumer Counselor Settlement Testimony of Margaret A. Stull* has been served upon the following counsel of record in the captioned proceeding by electronic service on April 17, 2019.

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**SETTLEMENT TESTIMONY OF OUCC WITNESS MARGARET A. STULL
CAUSE NO. 45151
CWA AUTHORITY, 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.

7 **Q: Did you previously submit direct testimony in this proceeding?**

8 A: Yes. I filed direct testimony in this proceeding that was designated as Public’s
9 Exhibit No. 1. This testimony included my professional credentials and outlined
10 various accounting issues, with supporting accounting schedules, giving effect to
11 all recommendations made by all OUCC witnesses who testified in this base rate
12 case.

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

14 A: I describe the Stipulation and Settlement Agreement on less than all issues
15 (“Settlement”) between CWA Authority, Inc. (“CWA” or “Petitioner”), the OUCC,
16 the CWA Authority Industrial Group, Citizens Action Coalition of Indiana, Inc.,
17 and the Indiana Community Action Association, (the “Settling Parties”), and I
18 explain how the public interest will be served if the Commission approves the
19 proposed Settlement.

1 **Q: Have you reviewed the settlement schedules prepared and presented by**
2 **Petitioner's witness Korlon Kilpatrick?**

3 A: Yes.

4 **Q: Do those schedules accurately portray the accounting adjustments agreed**
5 **upon in Settlement?**

6 A: Yes.

7 **Q: Did the Settling Parties reach a comprehensive settlement on all the issues?**

8 A: No. The Settling Parties reached a settlement on all matters in dispute except
9 whether CWA should retain ownership of and maintain the grinder pumps it has
10 installed as part of its septic tank elimination program ("STEP"), an issue raised by
11 the OUCC in its case.

12 **Q: Which aspects of the Settlement do you address in this testimony?**

13 A: I discuss components of the overall rate increase for Phases 1, 2, and 3, including
14 revenue funded extensions and replacements, operating revenues, reductions to
15 operating and maintenance expenses, and debt service, including the timing of the
16 Phase 2 and 3 increases. I also discuss the information for capital projects CWA
17 agreed to provide in its next base rate request, debt service true-up reporting, low-
18 income customer assistance program, changes to the balanced billing mechanism,
19 the septic tank elimination program, and detailed billing. OUCC witness Jerome
20 Mierzwa provides settlement testimony regarding rate design and class cost of
21 service study issues.

22 **Q: In your opinion, is the Settlement in the public interest?**

23 A: Yes. There are a number of customer benefits generated by the Settlement, not least
24 of which is a reduction in the amount of the rate increase imposed on customers.

1 The Settlement also provides for a low-income customer assistance program, an
2 improvement to the balanced billing mechanism, and an understanding that upon
3 the issuance of a final order, the existing system integrity adjustment will terminate.
4 The Settlement is a product of arms-length negotiations resulting in resolution of
5 all but one issue, which required all parties to compromise their positions. The
6 Settlement strikes a balance between the interest of the ratepayer and of CWA,
7 while at the same time, the numerous customer benefits outlined in the Settlement
8 and described in detail below, lead the OUCC, as the statutory representative of all
9 ratepayers, to conclude that the Settlement establishes a reasonable result, is
10 supported by the evidence, and should be approved.

11 **Q: Are the Settling Parties precluded from raising issues settled in this case in**
12 **future proceedings?**

13 A: No. An important aspect of the Settlement Agreement that allowed the issues in
14 this case to be resolved was the stipulated understanding that the Settling Parties
15 retained the ability to raise again, in subsequent Commission proceedings, issues
16 resolved in this case. The parties agreed that resolution of the issues in this case
17 should not be considered an admission or waiver of the ability to raise again the
18 regulatory issues raised and resolved in this case.

II. RATE INCREASE

19 **Q: What did CWA request in its case-in-chief?**

20 A: CWA requested Commission approval to increase its total operating revenues by
21 24.44%, or \$65,586,327 per year. CWA proposed this revenue increase be
22 implemented in three phases with a Phase 1 revenue increase of 14.74% (additional

1 revenues of \$39,542,033), a Phase 2 revenue increase of 4.78% (additional
2 revenues of \$14,714,128), and a Phase 3 revenue increase of 3.51% (additional
3 revenues of \$11,330,166). The proposed Phase 1 revenue increase is based upon a
4 historical test year ending May 31, 2018.

5 Additionally, CWA requested authorization to establish and implement a
6 low-income customer assistance program (“LICAP”) to be funded entirely by
7 CWA’s customers through a mandatory surcharge of \$0.79 per meter per month.
8 This surcharge will be applied to all CWA customers served under Sewer Rate Nos.
9 1, 2, and 5. The LICAP CWA initially proposed was designed to generate funds for
10 two forms of customer assistance: (1) an estimated \$1,789,840 for tiered customer
11 bill credits based on financial need and (2) an estimated \$500,000 for a wastewater
12 infrastructure fund to help customers keep their bills lower in the long run through
13 infrastructure investment assistance.

14 **Q: As a result of the Settlement, what is the agreed upon revenue increase?**

15 **A:** The Settling Parties have agreed to an overall revenue increase of 21.53%. Based
16 on the Settlement, CWA will be allowed to increase rates to collect, after all three
17 phases have been implemented, additional annual revenues of \$57,775,732. This
18 increase produces total annual operating revenues at Phase 3 of \$326,113,762.

19 Regarding Phase 1 rates, the Settling Parties have agreed to a revenue
20 increase of 11.88%, or additional revenues of \$31,869,738. For Phase 2, the Settling
21 Parties have agreed to a revenue increase of 4.64%, or additional revenues of

1 \$13,931,090. For Phase 3, the Settling Parties have agreed to a revenue increase of
2 3.81%, or additional revenues of \$11,974,903.

III. REVENUE REQUIREMENT

3 **Q: To what total revenue requirement did the Settling Parties agree?**

4 **A:** As reflected in Attachment A to the Settlement, the Settling Parties agreed to a total
5 revenue requirement, after all three phases have been implemented, of
6 \$326,113,762. Table 1 presents the revenue requirement detail for each phase.

Table 1: Settled Revenue Requirement

	Phase 1	Phase 2	Phase 3
O&M Expenses	\$ 77,247,012	\$ 77,460,541	\$ 77,553,879
Other Taxes	28,510,842	30,056,855	30,678,848
Debt Service	138,537,726	146,829,463	153,102,141
Extensions and Replacements	66,000,000	70,000,000	75,000,000
Total Revenue Requirement	310,295,580	324,346,859	336,334,868
Revenue Requirement Offsets			
Other Income, net	(2,180,250)	(2,180,250)	(2,180,250)
Connection Fees	(8,121,088)	(8,121,088)	(8,121,088)
Additional Bad Debt Expense	213,527	93,338	80,232
Net Revenue Requirement	\$ 300,207,769	\$ 314,138,859	\$ 326,113,762

A. Operating and Maintenance Expenses

7 **Q: In the context of an overall settlement, did the Settling Parties agree to total**
8 **operating and maintenance expense?**

9 **A:** Yes. As reflected in Table 1 above, the Settling Parties agreed to total operating
10 and maintenance expense of \$77,460,540 in Phase 1, \$77,553,878 in Phase 2, and
11 \$77,634,110 in Phase 3.¹ This represents an overall reduction of \$702,332
12 (\$78,336,442 - \$77,634,110) from CWA's case-in-chief position, another customer

¹ These operating and maintenance expense amounts include additional bad debt expenses associated with the operating revenue increase in each phase. The amount of operating and maintenance expense before the gross-up for bad debt expense is \$77,247,012 (Phase 1), \$77,460,540 (Phase 2), and \$77,553,878 (Phase 3).

1 benefit created by the Settlement. Taken as a whole, the negotiated adjustments
2 represent agreements reached by the Settling Parties as part of the overall package
3 of settlement terms.

4 **Q: To what operating and maintenance expense adjustments did the Settling**
5 **Parties agree?**

6 A: The Settling Parties agreed to an overall reduction to operating and maintenance
7 expense of \$650,000, including the following adjustments: (1) a \$7,000 decrease to
8 reflect the removal of a fine paid to IDEM; (2) a \$69,980 decrease to labor costs
9 reflecting a compromise between CWA's proposed 3% pay increase and the
10 Industrial Group's proposed 2% pay increase; (3) a \$558,631 decrease to salaries
11 and wage expense reflecting a reduction to the short-term incentive plan payout
12 applicable to all employees; and (4) a \$14,389 decrease in annual rate case expense.
13 (See paragraph 3 of the Settlement.)

B. Extensions and Replacements

14 **Q: In the context of an overall settlement, did the Settling Parties agree to total**
15 **revenue funded extensions and replacements?**

16 A: Yes. CWA has agreed to reduce the amount of its proposed *pro forma* revenue
17 funded extensions and replacements ("E&R") in each of the three phases of its
18 proposed revenue increase. In Phase 1, CWA reduced its proposed E&R from \$72
19 million to \$66 million. In Phase 2, CWA reduced its proposed E&R from \$76 million
20 to \$70 million. Finally, in Phase 3, CWA agreed to reduce its proposed E&R from
21 \$80 million to \$75 million. In total, CWA agreed to reduce its annual revenue
22 funded E&R by \$17 million over the course of its proposed three phase rate increase

1 (\$228 million - \$211 million). (See paragraphs 4, 7, and 10 of the Settlement.) The
 2 reduction to revenue funded E&R was added to the amount to be funded through
 3 debt financing in each phase.

Table 2: Revenue Funded Extensions and Replacements

	CWA		
	Proposed	Settlement	Difference
Phase 1	\$ 72,000,000	\$ 66,000,000	\$ (6,000,000)
Phase 2	76,000,000	70,000,000	(6,000,000)
Phase 3	80,000,000	75,000,000	(5,000,000)
	\$ 228,000,000	\$ 211,000,000	\$ (17,000,000)

4 **Q: Do the Settlement terms on revenue funded extensions and replacements**
 5 **garner significant customer benefits?**

A: Yes. These Settlement terms represent a substantial compromise among the parties,
 balancing CWA's desire to reduce its reliance on debt financing while tempering
 the impact of the proposed rate increase to customers.

C. Debt Service

6 **Q: In the context of an overall settlement, did the Settling Parties agree to a debt**
 7 **service revenue requirement?**

8 A: Yes. The Settling Parties agreed on a debt service revenue requirement that
 9 anticipates the issuance of both open market financing as well as State Revolving
 10 Fund ("SRF") financing in Phase I, including associated reduced interest rates. The
 11 agreed debt service revenue requirement also incorporates additional borrowing
 12 due to the agreed reductions to revenue funded E&R as well as CWA's agreement
 13 to forgo seeking certain system integrity adjustment revenues.

1 **Q: To what interest rates did the Settling Parties agree to determine the debt**
2 **service revenue requirement?**

3 A: The Settling Parties agreed to the following rates, subject to true-up: Phase 1 –
4 3.55%; Phase 2 – 3.80%; and Phase 3 – 4.05%. (See paragraph 5 of the Settlement.)

5 **Q: To what debt service revenue requirement did the Settling Parties agree?**

6 A: Based on the settlement terms described above, the Settling Parties agreed to the
7 following debt service revenue requirement, subject to true-up: Phase 1 -
8 \$138,537,726; Phase 2 - \$146,829,463; and Phase 3 - \$153,102,141.

9 **Q: Did the Settling Parties agree that CWA would file a true-up report once it**
10 **issues debt?**

11 A: Yes. The Settling Parties agreed that CWA would file a true-up report with the
12 Commission, along with revised rate schedules, within 30 days of the issuance of
13 debt contemplated in each phase as a part of this rate case. This true-up report
14 should include the following details: (1) the terms of the debt issuance, (2) whether
15 there is a debt service reserve, (3) the interest rate, (4) the annualized debt service
16 amount, (5) revised rate schedules, and (6) updated tariffs, as necessary. (See
17 paragraph 28 of the Settlement.)

18 **Q: What is the agreement among the Settling Parties regarding whether or not**
19 **updated tariffs are necessary?**

20 A: The Settling Parties agree that revised rates need not be implemented following the
21 issuance of debt if both the OUCC and CWA agree in writing that the rate change
22 need not be implemented due to the immateriality of the change. However, the
23 Commission in its sole discretion may order CWA to implement revised rates
24 notwithstanding this agreement. (See paragraph 28 of the Settlement.)

1 **Q: Did the Settling Parties agree to any other debt service related terms?**

2 A: Yes. In Phase 1, CWA represents it anticipates issuing open market debt in August
3 2019 and state revolving fund debt thereafter. The Settling Parties agree not to seek
4 any mechanism to address potential over-collection between the implementation of
5 Phase 1 rates and the initial borrowing(s), so long as the Phase 1 SRF is issued on
6 or before November 1, 2019. (See paragraph 29 of the Settlement.)

7 **Q: To what did the Settling Parties agree if Phase 1 SRF debt is not issued on or**
8 **before November 1, 2019?**

9 A: If Phase 1 SRF debt is not completed on or before November 1, 2019, CWA will
10 use the debt service attributable to the Phase 1 SRF debt as an offset to the amount
11 of Phase 1 SRF debt borrowed. Specifically, the Phase 1 SRF debt service realized
12 between the date a Final Order is issued and the date the Phase 1 SRF debt issuance
13 is closed will be used as an offset to the Phase 1 SRF principal amount borrowed.

14 **Q: Why are the debt service Settlement terms in the public interest?**

15 A: The debt service Settlement terms represent a significant compromise among the
16 Settling Parties and provide customer benefits by incorporating a reduced interest
17 rate to reflect CWA's intention to issue SRF debt in addition to open market debt.

18 Despite an increase in the amount borrowed, this settlement represents a
19 reduction in the debt service revenue requirement as follows: Phase 1 - \$970,890
20 (\$138,537,726 - \$139,508,616); Phase 2 - \$1,748,681 (\$146,829,463 -
21 \$148,578,144); and Phase 3 - \$2,108,264 (\$153,102,141 - \$155,210,405).

D. Operating Revenues

1 **Q: In the context of an overall settlement, did the Settling Parties agree to**
2 **operating revenues?**

3 A: Yes. The Settling Parties agreed to *pro forma* operating revenues at present rates
4 for the test year of \$268,338,030.

5 **Q: To what did the Settling Parties agree regarding system integrity adjustment**
6 **revenues?**

7 A: The Settling Parties agreed CWA will not seek to recover system integrity
8 adjustment (“SIA”) revenues uncollected as of the issuance of an order in this
9 Cause. CWA will also not seek to recover any revenue shortfall for the period from
10 August 2018 through July 2019 (i.e., SIA 3) either through the filing of a new SIA
11 petition or through the final reconciliation of SIA 2. Because CWA proposed to
12 use SIA revenues to “cash” fund part of its capital improvement plan, the Settling
13 Parties agreed to increase the amount of debt borrowing. (See paragraph 12 of the
14 Settlement.)

IV. BALANCED BILLING MECHANISM

15 **Q: Did CWA propose any changes to its balanced billing mechanism in its case-**
16 **in-chief?**

17 A: No.

18 **Q: Did the OUCC propose any changes to CWA’s balanced billing mechanism?**

19 A: Yes. The OUCC proposed CWA bill customers based on their winter average
20 consumption or their actual consumption, whichever is lower.

21 **Q: To what did the Settling Parties agree regarding balanced billing?**

22 A: The Settling Parties agreed that CWA would update its balanced billing mechanism
23 to bill Residential customers their winter average consumption or their actual

1 consumption, whichever is lower. The updated balanced billing mechanism will no
2 longer apply to multi-family customers, who will be billed based on their actual
3 consumption on a monthly basis.² (See paragraph 13 of the Settlement.)

4 **Q: Does this Settlement term impact the rate increase for non-industrial**
5 **customers?**

6 A: Yes. Because billing determinants will be reduced due to this “lower of”
7 mechanism, the Settling Parties agreed to a 680,000 CCF reduction to the non-
8 industrial customer class to design the rates that will be used to implement the
9 approved revenue requirement. (See paragraph 14 of the Settlement.)

10 **Q: Why are the balanced billing mechanism Settlement terms in the public**
11 **interest?**

12 A: Due to the changes to the balanced billing mechanism, customers will no longer be
13 billed for consumption they did not actually use.

V. LOW-INCOME CUSTOMER ASSISTANCE PROGRAM

14 **Q: Have the Settling Parties reached agreement on how the low-income customer**
15 **assistance program will be funded?**

16 A: Yes. The Settling Parties agree the total program cost for the low-income customer
17 assistance program (“LICAP”) will be funded by both ratepayers and CWA. CWA
18 will contribute \$200,000 annually to the program while a \$.45 meter charge will be
19 established designed to provide \$1,300,000 to the program from customers. (See
20 paragraph 16 of the Settlement.) In the OUCC’s case, we emphasized our position
21 that the program should be funded by sources other than captive ratepayers such as

² Multi-family dwellings that are individually metered will continue to be considered residential customers and will be eligible for the balanced billing mechanism.

1 one or more of CEG's other business entities. CWA's commitment to contribute
2 \$200,000 annually to the program resulting in \$1.5 million annually for CWA's
3 low-income customer assistance program is a fair and reasonable step toward that
4 end.

5 **Q: Did the Settling Parties agree to any other terms regarding the LICAP**
6 **program?**

7 A: Yes. The Settling Parties agreed CWA would add a question and answer to the
8 "Frequently Asked Questions" section of customers' bills explaining that a
9 customer's bill includes a charge to fund CWA's low-income customer assistance
10 program. Paragraph 16 of the Settlement provides the question and answer
11 language agreed to by the Settling Parties.

12 **Q: How did the Settling Parties agree to allocate the LICAP funding between bill**
13 **discounts and the infrastructure fund?**

14 A: The Settling Parties agreed that \$400,000 would be allocated to a wastewater
15 infrastructure fund with the remaining \$1.1 million to be used for bill credits
16 provided to eligible customers.

17 **Q: Did the Settling Parties agree how any unspent funds would be handled?**

18 A: Yes. The Settling Parties agreed that unspent funds, if any, would be set aside and
19 used for the program in subsequent years. Any such unspent funds will be in
20 addition to annual funding to be provided by CWA and ratepayers. (See paragraph
21 17 of the Settlement.)

22 **Q: Did the Settling Parties agree on any LICAP reporting requirement?**

23 A: Yes. The Settling Parties agreed that during the term LICAP remains in effect,
24 CWA will file a report with the Commission on or before August 31 of each year

1 providing information on the following metrics for the prior program year: (1)
2 participation, (2) value of assistance, (3) demand, and (4) money at risk. (See
3 paragraph 18 of the Settlement.)

4 **Q: Why are the Settlement terms on the LICAP in the public interest?**

5 A: The LICAP is intended to provide bill relief to qualifying, low-income customers
6 based on their need. CWA proposed in its prefiled testimony that the LICAP be
7 funded entirely through a fixed customer charge that would be adjusted on an
8 annual basis, while the OUCC's testimony advocated that CWA procure program
9 funding through sources other than its proposed customer charge (Rider C). The
10 Settlement strikes a balance between these two positions, providing for both
11 ratepayer and CWA funding of the LICAP. The Settlement balances the cost of the
12 program with the needs of low-income customers and, despite a reduction in the
13 overall funding of the program, still provides significant customer assistance.

VI. OTHER SETTLEMENT TERMS

A. Capital Improvements

14 **Q: What capital improvement project information did the Settling Parties agree**
15 **would be provided in CWA's future rate cases?**

16 A: In its future rate cases, CWA agrees that for those costs that make up the capital
17 program portion of its revenue requirement, whether funded through rate revenue
18 or through the issuance of debt, CWA will provide the following information in its
19 case-in-chief, in a spreadsheet format: (a) project name; (b) project number; (c) a
20 brief description of the project including an explanation why the project is needed
21 at this time; (d) any prioritization ranking of the project, if applicable; (e) a brief

1 description of alternatives considered, if applicable; (f) whether the project
2 addresses new or existing infrastructure; (g) identification of the project name and
3 number latest, or most applicable, engineering report for the project, if available;
4 (h) estimated project start date; (i) estimated completion date; (j) the total project
5 cost estimate class; (k) estimated total project cost estimate at completion (broken
6 down between construction cost and total non-construction cost (one value)), which
7 will be provided confidentially; (l) a brief explanation of how the estimated total
8 project cost was determined (*i.e.* historical costs; estimated cost from a detailed
9 engineering report; estimate or opinion of typical cost; an assignable balance or
10 budget number; a per unit cost, *etc.*); and (m) amount of project cost included in
11 the annual revenue requirement.. (See paragraph 24 of the Settlement.)

12 **Q: Did the Settling Parties agree on any additional terms regarding the project**
13 **information to be provided in future CWA rate cases?**

14 A: Yes. The Settling Parties agreed that the narrative description, which may often
15 times be repetitive due to the nature of the projects, is intended to be sufficient for
16 the OUCC to understand why the project needs to be completed, without unduly
17 burdening CWA in preparing its case-in-chief. Additionally, the listing of projects
18 will be current as of filing CWA's case-in-chief. Additionally, the listing of projects
19 will be current as of the filing CWA's case-in-chief and representative of the
20 planned capital program at the time of filing but may not be the actual program that
21 is constructed.

1 **Q: Did the Settling Parties agree to terms regarding OUCC access to specific**
2 **project reports or studies?**

3 A: Yes. The Settling Parties agreed that to the extent the OUCC has asked for copies
4 of or access to reports or studies that exist and are voluminous or difficult to access,
5 CWA will communicate that fact as soon as possible so CWA and the OUCC may
6 work together to find reasonable solutions to avoid unnecessary burden to CWA,
7 while affording reasonable access to the OUCC without undue delay. (See
8 paragraph 25 of the Settlement.)

9 **Q: Did the Settling Parties agree to any additional terms regarding capital**
10 **projects?**

11 A: Yes. The Settling Parties agreed that in CWA's next rate case, CWA will not object
12 to data request(s) seeking (1) the date the following projects were completed and
13 the total project cost for Project Nos. 92BE02095, 92BE02630, 92SO02062, WW-
14 BE-10-001, 92MT01601, 92LS02673, 92LS02675 and 92RR02609; and (2) the
15 amount spent during the Capital Investment Requirements Period on fleet
16 purchases under Project No. 92FL03341. (See paragraph 26 of the Settlement.)

17 **Q: Why are the Settlement terms on capital projects in the public interest?**

18 A: The Settlement Agreement adds clarity to the level of support CWA will provide
19 for its capital projects in future cases, and the public interest is served when the
20 consumer parties receive meaningful support for capital expenditures as early in the
21 review process as possible.

B. Septic Tank Elimination Program

1 **Q: Did the Settling Parties agree to any terms regarding CWA's Septic Tank**
2 **Elimination Program?**

3 A: Yes. The Settling Parties agreed that, as part of the annual Septic Tank Elimination
4 Program ("STEP") report that CWA files with the Commission, CWA will provide
5 the following information: (a) how many houses could be served by each STEP
6 project, (b) how many homeowners CWA actually connects, (c) how many septic
7 systems CWA permanently closes, (d) total amount invested in each STEP project,
8 and (e) the cumulative amount invested in all STEP projects. (See paragraph 27 of
9 the Settlement.)

C. Detailed Billing Information

10 **Q: To what did the Settling Parties agree regarding the OUCC's proposal that**
11 **CWA provide its customers with a detailed monthly bill?**

12 A: The Settling Parties agreed that CWA would add a question and answer to the
13 "Frequently Asked Questions" section of the customer's bill that would explain
14 how a customer could request a detailed bill that would provide monthly bills with
15 more detail on specific charges. Additionally, once a year CWA will include in
16 customer bills an explanation of how customers may request the detailed billing
17 option and a sample of a detailed bill. (See paragraph 31 of the Settlement.)

18 **Q: Why are the Settlement terms on detailed billing information in the public**
19 **interest?**

20 A: These terms provide customers instructions on how to gain access to more detailed
21 information about their monthly utility bill. With this information, customers can
22 analyze their utility consumption and make informed decisions.

VII. CONCLUSION

1 **Q: Given the revenue requirement reductions discussed in your testimony, does**
2 **the Settlement represent a fair compromise of disputed issues that reasonably**
3 **protect consumer interests?**

4 A: Yes. The customer benefits generated by the Settlement are detailed throughout my
5 testimony. The Settlement represents a compromise that the OUCC and other
6 Settling Parties support as fair, reasonable, and beneficial to both the utility and
7 customers. The Settling Parties also value the certainty and speed of implementing
8 negotiated outcomes such as this. The Settlement is in the public interest, supported
9 by the evidence, and should be approved.

10 **Q: Does this conclude your settlement testimony?**

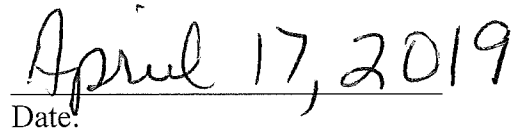
11 A: Yes.

AFFIRMATION

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



By: Margaret A. Stull
Cause No. 45151
Indiana Office of
Utility Consumer Counselor


Date: