

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF CWA AUTHORITY, INC. FOR (1))
AUTHORITY TO INCREASE ITS RATES AND)
CHARGES FOR WASTEWATER SERVICE AND)
APPROVAL OF A NEW SCHEDULE OF RATES AND)
CHARGES APPLICABLE THERETO, INCLUDING A)
NEW RATE FOR LOW-INCOME CUSTOMERS; (2)) CAUSE NO. 44685
APPROVAL OF CERTAIN CHANGES TO ITS)
GENERAL TERMS AND CONDITIONS FOR)
WASTEWATER SERVICE; AND (3))
ESTABLISHMENT OF A SUBDOCKET)
PROCEEDING TO ADDRESS CERTAIN COST)
ALLOCATION ISSUES.)
)

**COMPLIANCE FILING PROVIDING FOR A RATE DECREASE IN ACCORDANCE
WITH FINDING PARAGRAPH 6 OF THE COMMISSION'S JULY 26, 2017 ORDER IN
CAUSE NO. 44685-S1**

Pursuant to finding paragraph 6 of the July 26, 2017 Order in Cause No. 44685-S1 (“Satellite Subdocket”), CWA Authority, Inc. (“CWA” or “Petitioner”) is filing this revenue reconciliation, which results in a rate decrease for its other customer classes, forty-five (45) days prior to the rate increase for Satellite Customers that is scheduled to occur on January 1, 2021, per the Special Contracts as approved in the Satellite Subdocket. Included with this filing are the attached workpapers and proposed revised rate schedules. The proposed revised rate schedules contained herein were calculated using and are dependent upon the revised rates schedules that were filed as a part of CWA’s Phase 2 debt true-up compliance filing made on October 16, 2020, in Cause No. 45151. Additionally, the proposed revised rates were designed to allow the excessive surcharges to remain unchanged consistent with the design considerations agreed upon in the Settlement Agreement in Cause No. 45151. The allocation to the Industrial class was adjusted accordingly to compensate for such treatment of the excessive surcharges. Other items of note

regarding this filing include the following: (1) The rate adjustment contained herein reflects a planned increase to those Satellite Customers that are subject to Special Contracts per the Order in the Satellite Subdocket. This increase is offset by a decrease in the retail customer rates per the same Order; and (2) The increase in the Satellite Customer revenues per this filing are already factored into the Phase 3 rates presented in the debt true-up compliance filing made on October 16, 2020.

It is CWA's understanding that if there is no objection made by the Office of Utility Consumer Counselor ("OUCC") or any Intervenor within ten (10) days of this filing and Commission staff agrees with CWA's calculation, then the new rate schedules would go into effect concurrent with the rate increase to Satellite Customers.

Respectfully submitted,

/s/ Lauren R. Toppen
Attorney for Petitioner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served by electronic mail this 19th day of October 2020, to the following:

Leja D. Courter
Indiana Office of Utility Consumer Counselor
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Joseph P. Rompala
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/s/ Lauren R. Toppen
Lauren R. Toppen

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Calculation of Reduction to Retail Revenues

Line No.					Reference	
1	Satellite Cost of Service		\$	15,323,000	/per Order in 44685-S1	
2	Satellite Customer Subsidy		\$	9,909,400	/per Order in 44685-S1	
3	Satellite Customer Contribution		\$	5,413,600	/line 1 - line 2	
4	Satellite volume (Mgals)			6,165,602	/per Order in 44685-S1	
	A	B		C	D	
				Reduction to Retail Revenues		
5	Existing Satellite Contribution		\$	5,413,600	/line 3	
6	1/1/2019	0.9718	\$	5,991,732	\$ 578,132	/Col. C: column B x line 4; Col. D: line 6 - lin5
7	1/1/2020	1.1721	\$	7,226,702	\$ 1,234,970	/Col. C: column B x line 4; Col. D: line 7 - lin6
8	1/1/2021	1.4148	\$	8,723,094	\$ 1,496,392	/Col. C: column B x line 4; Col. D: line 8 - lin7
9	1/1/2022	1.707	\$	10,524,683	\$ 1,801,589	/Col. C: column B x line 4; Col. D: line 9 - lin8
10	1/1/2023	2.026	\$	12,491,510	\$ 1,966,827	/Col. C: column B x line 4; Col. D: line 10 - lin9
11	1/1/2024	2.2556	\$	13,907,132	\$ 1,415,622	/Col. C: column B x line 4; Col. D: line 11 - lin10
12	1/1/2025	2.4852	\$	15,322,754	\$ 1,415,622	/Col. C: column B x line 4; Col. D: line 12 - lin11

Allocation of Retail Revenue Reduction and Determination of Per Unit Reduction

Line No.		A	B	C	D
1	1/1/2021 Reduction to Retail Revenues		\$1,496,392		
		Allocation %	Reduction Amount	Units	Per Unit Reduction
2	Non-Industrial	0.844	\$1,262,955	23,592,216 Mgal	0.0535
3	Self-Reporting	0.156	\$233,437	4,835,851 Mgal	0.0483
	Surcharges				
4	BOD	0.000	\$0	28,314,146 lbs.	0.0000
5	TSS	0.000	\$0	14,795,572 lbs.	0.0000
6	NH ₃ -N	0.000	\$0	604,634 lbs.	0.0000

Non-Industrial Volume Determination including Unmetered Customers

	Units	Contributed Volume	
Tier 1			
7	Non-Industrial - Tier 1	11,614,948 Mgal	/Cause No. 45151, Compliance Filing dated July 31, 2019
8	Unmetered Residential - 1 occ	0 Mgal	/column B x 3 Mgal
9	Unmetered Residential - 2 occ	0 Mgal	/column B x 3.6 Mgal
10	Unmetered Residential - 3 occ	0 Mgal	/column B x 5.4 Mgal
11	Unmetered Residential - 4 occ	0 Mgal	/column B x 7.2 Mgal
12	Unmetered Commercial - Small	0 Mgal	/column B x 3.75 Mgal
13	Unmetered Commercial - Large	0 Mgal	/column B x 7.5 Mgal
14	Subtotal - Tier 1	11,614,948 Mgal	
Tier 2			
15	Non-Industrial - Tier 2	11,064,371 Mgal	/Cause No. 45151, Compliance Filing dated July 19, 2019
16	Unmetered Commercial - Large	0 Mgal	/column B x 3 Mgal
17	Subtotal - Tier 2	11,064,371 Mgal	
18	Indexed Tier 1 volumes	1.0825	/line 14 + column B x line 17

SEWER RATE NO. 1

NONINDUSTRIAL SEWAGE DISPOSAL SERVICE

AVAILABILITY:

The Nonindustrial rates and charges shall be applied to all Nonindustrial Customers of the Utility as defined in Section 1 of the Utility's Terms and Conditions for Sewage Disposal Service. The Monthly Base Charge, together with the variable Treatment Charges, are subject to the Monthly Minimum Charge as noted in the table below.

RATE:

All Nonindustrial Customers of the Utility shall pay a fixed Monthly Base Charge per connection and a variable Treatment Charge as shown in the table below.*

Metered Monthly Rates	Phase 2 Eff. <u>1/1/21</u>
Monthly Minimum Charge	\$46.50 <u>46.33</u>
Monthly Base Charge	\$21.25
Treatment Charges:	
First 7,500 gallons (\$/1,000 gal.)	\$8.41 <u>518.3616</u>
First 10 CCF (\$/CCF)	\$6.31 <u>136.2712</u>
Over 7,500 gallons (\$/1,000 gal.)	\$9.10 <u>949.0514</u>
Over 10 CCF (\$/CCF)	\$6.83 <u>216.7886</u>

In addition to the charges above, the Environmental Compliance Plan Recovery Mechanism rate from Rider A, the System Integrity Adjustment rate from Rider B, and the Low Income Customer Assistance Program rate from Rider C shall apply.

MINIMUM BILL PER MONTH:

Each Nonindustrial Customer will pay a Monthly Minimum Charge if the combined Base Charge, Treatment Charges, and Rider A charge are less than the Monthly Minimum Charge. Seasonal customers will receive bills during all Months of the year even when only the Monthly Minimum Charge is due.

***BILLING FOR RESIDENTIAL CUSTOMERS FROM MAY THROUGH NOVEMBER:**

In the case of Residential Customers, the monthly billing for Sewage Disposal Service for the Months of May through November shall be based upon the monthly average of the water billed during the previous Months December through March *or* the Customer's actual usage, whichever is lower. In the event the monthly average of the water billed during such previous Months December through March is less than 3,000 gallons (4 CCF), the Customer will pay the Monthly Minimum Charge reflected in the above table. This would apply to new customers that did not have usage billed in any or all of the Months December through March. CCF refers to 100 cubic feet and is approximately equivalent to 750 gallons.

SEWER RATE NO. 1 - NONINDUSTRIAL SEWAGE DISPOSAL SERVICE (Cont'd.)

UNMETERED SEWER CUSTOMERS:

All Residential Customers of the Utility who have an unmetered water source shall pay a monthly charge based on the number of occupants in the household. The charge will be calculated using a fixed Monthly Base Charge per connection and a variable Treatment Charge based on 1,800 gallons per occupant.

Unmetered Monthly Rates	Phase 2 Eff. <u>1/1/21</u>
1 occupant (Monthly Minimum Charge)	\$46.50 <u>46.33</u>
2 occupants (3,600 gallons)	\$51.54 <u>51.35</u>
3 occupants (5,400 gallons)	\$66.69 <u>66.40</u>
4 or more occupants (7,200 gallons)	\$81.84 <u>81.45</u>

All other Nonindustrial Customers of the Utility who have an unmetered water source shall pay a monthly charge based on their estimated Monthly discharge. The charge will be calculated using a fixed Monthly Base Charge per connection and a variable Treatment Charge based on tiers below.

Unmetered Monthly Rates	Phase 2 Eff. <u>1/1/21</u>
Small Flat Rate (5-10 ccf)	\$52.81 <u>52.61</u>
Large Flat Rate (11 ccf and above)	\$111.69 <u>111.12</u>

In addition to the charges above, the Environmental Compliance Plan Recovery Mechanism rate from Rider A, the System Integrity Adjustment from Rider B, and the Low Income Customer Assistance Program rate from Rider C shall apply to Unmetered Sewer Customers.

WATER USED FOR FIRE PROTECTION:

Where a metered water supply is used for fire protection as well as for other uses, the Utility may, at its sole discretion, make adjustments in the sewer user charge as may be equitable. In such cases the burden of proof as to the type of water usage shall be upon the Customer.

Where a metered water supply is used for fire protection only, the sewer user charge shall not apply.

PAYMENT:

If the bill is not paid within seventeen days after its date of issue, a Late Payment Charge will be added as provided in Appendix A.

SEWER RATE NO. 2

INDUSTRIAL SEWAGE DISPOSAL SERVICE

AVAILABILITY:

The Industrial rates and charges shall be applied to all Industrial Customers of the Utility as defined in Section 1 of the Utility's Terms and Conditions for Sewage Disposal Service. The Monthly Base Charge, together with the variable Treatment Charges, are subject to the Monthly Minimum Charge as noted in the table below and billed according to Rule 7.1.

RATE:

All Industrial Customers of the Utility shall pay a fixed Monthly Base Charge per connection, in addition to variable Treatment and Surveillance Charges as shown in the table below.

Metered Monthly Rates:	Phase 2 Eff. <u>1/1/21</u>
Monthly Minimum charge	
Tier 1	\$40.33 <u>40.18</u>
Tier 2	\$70.86 <u>70.71</u>
Tier 3	\$283.91 <u>283.76</u>
Tier 4	\$1,875.69 <u>1,875.54</u>
Monthly Base charge	
Tier 1	\$25.80
Tier 2	\$56.33
Tier 3	\$269.38
Tier 4	\$1,861.16
Treatment charges	
Per 1,000 gallons	\$4.63 <u>994.5916</u>
Per CCF	\$3.47 <u>993.4437</u>
Industrial Surveillance Rate	
Per 1,000 gallons	\$0.2022
Per CCF	\$0.1517
Total Treatment and Surveillance Rate	
Per 1,000 gallons	\$4.84 <u>214.7938</u>
Per CCF	\$3.63 <u>163.5954</u>

In addition, the Environmental Compliance Plan Recovery Mechanism rate from Rider A and the Low Income Customer Assistance Program rate from Rider C shall apply.

SEWER RATE NO. 5

SELF-REPORTING SEWAGE DISPOSAL SERVICE

AVAILABILITY:

The Self-Reporting rates and charges shall be applied to all Self-Reporting Customers of the Utility as defined in Section 1 of the Utility’s Terms and Conditions for Sewage Disposal Service.

RATE:

All Self-Reporting Customers of the Utility shall pay a fixed Monthly Base Charge per discharge meter or outfall, in addition to variable Treatment and Surveillance Charges and Excessive Strength Surcharges as shown in the table below.

Monthly Rates:	Phase 2 Eff. <u>1/1/21</u>
Monthly Minimum Charge	
Tier 1	\$40.33 <u>40.18</u>
Tier 2	\$70.86 <u>70.71</u>
Tier 3	\$283.91 <u>283.76</u>
Tier 4	\$1,875.69 <u>1,875.54</u>
Monthly Base charge	
Tier 1	\$25.80
Tier 2	\$56.33
Tier 3	\$269.38
Tier 4	\$1,861.16
Treatment charges	
Per 1,000 gallons	\$4.63 <u>4.5916</u>
Per CCF	\$3.47 <u>3.4437</u>
Industrial Surveillance Rate	
Per 1,000 gallons	\$0.2022
Per CCF	\$0.1517
Total Treatment and Surveillance Rate	
Per 1,000 gallons	\$4.84 <u>4.7938</u>
Per CCF	\$3.63 <u>3.5954</u>
Excessive Strength Surcharges-- Per pound:	
BOD in excess of 250 mg/l (\$/lb.)	\$0.3798
TSS in excess of 300 mg/l (\$/lb.)	\$0.1559
NH ₃ -N in excess of 20 mg/l (\$/lb.)	\$0.3867

In addition, the Environmental Compliance Plan Recovery Mechanism rate from Rider A and the Low Income Customer Assistance Program rate from Rider C shall apply.

SEWER RATE NO. 1

NONINDUSTRIAL SEWAGE DISPOSAL SERVICE

AVAILABILITY:

The Nonindustrial rates and charges shall be applied to all Nonindustrial Customers of the Utility as defined in Section 1 of the Utility's Terms and Conditions for Sewage Disposal Service. The Monthly Base Charge, together with the variable Treatment Charges, are subject to the Monthly Minimum Charge as noted in the table below.

RATE:

All Nonindustrial Customers of the Utility shall pay a fixed Monthly Base Charge per connection and a variable Treatment Charge as shown in the table below.*

Metered Monthly Rates	Phase 2 Eff. 1/1/21
Monthly Minimum Charge	\$46.33
Monthly Base Charge	\$21.25
Treatment Charges:	
First 7,500 gallons (\$/1,000 gal.)	\$8.3616
First 10 CCF (\$/CCF)	\$6.2712
Over 7,500 gallons (\$/1,000 gal.)	\$9.0514
Over 10 CCF (\$/CCF)	\$6.7886

In addition to the charges above, the Environmental Compliance Plan Recovery Mechanism rate from Rider A, the System Integrity Adjustment rate from Rider B, and the Low Income Customer Assistance Program rate from Rider C shall apply.

MINIMUM BILL PER MONTH:

Each Nonindustrial Customer will pay a Monthly Minimum Charge if the combined Base Charge, Treatment Charges, and Rider A charge are less than the Monthly Minimum Charge. Seasonal customers will receive bills during all Months of the year even when only the Monthly Minimum Charge is due.

***BILLING FOR RESIDENTIAL CUSTOMERS FROM MAY THROUGH NOVEMBER:**

In the case of Residential Customers, the monthly billing for Sewage Disposal Service for the Months of May through November shall be based upon the monthly average of the water billed during the previous Months December through March *or* the Customer's actual usage, whichever is lower. In the event the monthly average of the water billed during such previous Months December through March is less than 3,000 gallons (4 CCF), the Customer will pay the Monthly Minimum Charge reflected in the above table. This would apply to new customers that did not have usage billed in any or all of the Months December through March. CCF refers to 100 cubic feet and is approximately equivalent to 750 gallons.

SEWER RATE NO. 1 - NONINDUSTRIAL SEWAGE DISPOSAL SERVICE (Cont'd.)

UNMETERED SEWER CUSTOMERS:

All Residential Customers of the Utility who have an unmetered water source shall pay a monthly charge based on the number of occupants in the household. The charge will be calculated using a fixed Monthly Base Charge per connection and a variable Treatment Charge based on 1,800 gallons per occupant.

Unmetered Monthly Rates	Phase 2 Eff. 1/1/21
1 occupant (Monthly Minimum Charge)	\$46.33
2 occupants (3,600 gallons)	\$51.35
3 occupants (5,400 gallons)	\$66.40
4 or more occupants (7,200 gallons)	\$81.45

All other Nonindustrial Customers of the Utility who have an unmetered water source shall pay a monthly charge based on their estimated Monthly discharge. The charge will be calculated using a fixed Monthly Base Charge per connection and a variable Treatment Charge based on tiers below.

Unmetered Monthly Rates	Phase 2 Eff. 1/1/21
Small Flat Rate (5-10 ccf)	\$52.61
Large Flat Rate (11 ccf and above)	\$111.12

In addition to the charges above, the Environmental Compliance Plan Recovery Mechanism rate from Rider A, the System Integrity Adjustment from Rider B, and the Low Income Customer Assistance Program rate from Rider C shall apply to Unmetered Sewer Customers.

WATER USED FOR FIRE PROTECTION:

Where a metered water supply is used for fire protection as well as for other uses, the Utility may, at its sole discretion, make adjustments in the sewer user charge as may be equitable. In such cases the burden of proof as to the type of water usage shall be upon the Customer.

Where a metered water supply is used for fire protection only, the sewer user charge shall not apply.

PAYMENT:

If the bill is not paid within seventeen days after its date of issue, a Late Payment Charge will be added as provided in Appendix A.

SEWER RATE NO. 2

INDUSTRIAL SEWAGE DISPOSAL SERVICE

AVAILABILITY:

The Industrial rates and charges shall be applied to all Industrial Customers of the Utility as defined in Section 1 of the Utility's Terms and Conditions for Sewage Disposal Service. The Monthly Base Charge, together with the variable Treatment Charges, are subject to the Monthly Minimum Charge as noted in the table below and billed according to Rule 7.1.

RATE:

All Industrial Customers of the Utility shall pay a fixed Monthly Base Charge per connection, in addition to variable Treatment and Surveillance Charges as shown in the table below.

Metered Monthly Rates:	Phase 2 Eff. 1/1/21
Monthly Minimum charge	
Tier 1	\$40.18
Tier 2	\$70.71
Tier 3	\$283.76
Tier 4	\$1,875.54
Monthly Base charge	
Tier 1	\$25.80
Tier 2	\$56.33
Tier 3	\$269.38
Tier 4	\$1,861.16
Treatment charges	
Per 1,000 gallons	\$4.5916
Per CCF	\$3.4437
Industrial Surveillance Rate	
Per 1,000 gallons	\$0.2022
Per CCF	\$0.1517
Total Treatment and Surveillance Rate	
Per 1,000 gallons	\$4.7938
Per CCF	\$3.5954

In addition, the Environmental Compliance Plan Recovery Mechanism rate from Rider A and the Low Income Customer Assistance Program rate from Rider C shall apply.

SEWER RATE NO. 5

SELF-REPORTING SEWAGE DISPOSAL SERVICE

AVAILABILITY:

The Self-Reporting rates and charges shall be applied to all Self-Reporting Customers of the Utility as defined in Section 1 of the Utility’s Terms and Conditions for Sewage Disposal Service.

RATE:

All Self-Reporting Customers of the Utility shall pay a fixed Monthly Base Charge per discharge meter or outfall, in addition to variable Treatment and Surveillance Charges and Excessive Strength Surcharges as shown in the table below.

Monthly Rates:	Phase 2 Eff. 1/1/21
Monthly Minimum Charge	
Tier 1	\$40.18
Tier 2	\$70.71
Tier 3	\$283.76
Tier 4	\$1,875.54
Monthly Base charge	
Tier 1	\$25.80
Tier 2	\$56.33
Tier 3	\$269.38
Tier 4	\$1,861.16
Treatment charges	
Per 1,000 gallons	\$4.5916
Per CCF	\$3.4437
Industrial Surveillance Rate	
Per 1,000 gallons	\$0.2022
Per CCF	\$0.1517
Total Treatment and Surveillance Rate	
Per 1,000 gallons	\$4.7938
Per CCF	\$3.5954
Excessive Strength Surcharges-- Per pound:	
BOD in excess of 250 mg/l (\$/lb.)	\$0.3798
TSS in excess of 300 mg/l (\$/lb.)	\$0.1559
NH ₃ -N in excess of 20 mg/l (\$/lb.)	\$0.3867

In addition, the Environmental Compliance Plan Recovery Mechanism rate from Rider A and the Low Income Customer Assistance Program rate from Rider C shall apply.

Comparison of Monthly Bills from Current Rates with Proposed Rates and Charges

Line No.	(1)	(2)	(3)	(4)	(5)
	Monthly Volume 1,000 gal	Current Rates ¹ \$	Amount \$	Proposed Rates Increase \$	Increase %
Non-Industrial (Residential, Multi-Family, Commercial):					
1	0	46.50	46.33	(0.17)	-0.37%
2	2	46.50	46.33	(0.17)	-0.37%
3	4	54.91	54.70	(0.21)	-0.38%
4	8	88.91	88.49	(0.42)	-0.47%
5	12	125.35	124.69	(0.66)	-0.53%
6	25	243.77	242.36	(1.41)	-0.58%
7	30	289.32	287.62	(1.70)	-0.59%
8	50	471.51	468.64	(2.87)	-0.61%
9	100	926.98	921.21	(5.77)	-0.62%
10	350	3,204.33	3,184.06	(20.27)	-0.63%
11	750	6,848.09	6,804.62	(43.47)	-0.63%
Self Reporter & Industrial:					
12	0	40.33	40.18	(0.15)	-0.37%
13	10	74.2200	73.7400	(0.48)	-0.65%
14	40	250.01	248.08	(1.93)	-0.77%
15	100	540.54	535.71	(4.83)	-0.89%
16	150	782.65	775.40	(7.25)	-0.93%
17	200	1,024.75	1,015.09	(9.66)	-0.94%
18	250	1,266.86	1,254.78	(12.08)	-0.95%
19	301	1,726.85	1,712.31	(14.54)	-0.84%
20	401	2,211.06	2,191.69	(19.37)	-0.88%
21	501	2,695.27	2,671.07	(24.20)	-0.90%
22	600	3,174.64	3,145.66	(28.98)	-0.91%
23	750	3,900.96	3,864.73	(36.23)	-0.93%
24	1,000	5,111.48	5,063.18	(48.30)	-0.94%
25	1,500	7,532.53	7,460.08	(72.45)	-0.96%
26	2,000	9,953.58	9,856.98	(96.60)	-0.97%
27	2,251	12,760.73	12,652.00	(108.73)	-0.85%
28	20,000	98,703.16	97,737.16	(966.00)	-0.98%

¹ Current Rates reflect the rates that were filed in the CWA compliance filing in Cause No. 45151, dated October 16, 2020.