

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**IN THE MATTER OF THE PETITION OF
THE CITY OF MARION, INDIANA FOR
APPROVAL TO ISSUE BONDS AND
ADJUST ITS RATES AND CHARGES**

CAUSE NO. 45838

PETITION

TO THE INDIANA UTILITY REGULATORY COMMISSION:

The City of Marion, Indiana (“Petitioner” or “Marion”), respectfully requests that the Indiana Utility Regulatory Commission (“Commission”) grant it approval to issue bonds and adjust its rates and charges for water service. In support of its Petition, Marion states:

1. Marion is an Indiana municipality and political subdivision of the State of Indiana that operates a municipal water utility pursuant to Ind. Code § 8-1.5-3 (the “Utility”). The office for the Utility is located at 1540 N. Washington St., Marion, Indiana 46952.
2. The Utility is a municipally owned utility as defined by Ind. Code § 8-1-2-1(h) that serves approximately 11,000 residential, commercial, industrial, wholesale, and irrigation and fire protection customers. Marion believes that by virtue of Ind. Code §§ 8-1.5-2-19, 8-1-2-61, 8-1.5-3-8, and 8-1-2-103(d), the Commission has jurisdiction over this matter. Additional statutes that may be applicable in this Cause may be found at Ind. Code ch. 8-1-2.
3. The Utility owns, operates, manages, or controls wells, treatment facilities, transmission facilities, distribution facilities, land, land rights, equipment, materials, supplies, working capital, and other property that are used and useful for the rendering of potable water and fire protection service to its customers. The Utility provides water to residential, commercial, industrial, and agricultural customers in Grant County, Indiana.
4. The Utility has experienced increased costs and expenses since its last rate increase was approved by the Commission in its final order issued on March 30, 2005, in Cause No. 42720. These rates and charges no longer produce revenues sufficient for Marion to pay all the expenses incident to the operation of the Utility, including maintenance costs, operating charges, upkeep, repairs, depreciation, and interest charges on bonds and other obligations, provide a sinking fund for the liquidation of bonds or other evidences of indebtedness, provide adequate money for working capital, provide adequate money for

making extensions and replacements to the extent not provided for through depreciation, provide a debt service reserve for bonds and other obligations, or to provide money for the payment of any taxes that may be assessed against the Utility. Therefore, the existing rates are unlawful.

5. Marion proposes in this Cause new water rates and charges which will be sufficient to pay the Utility's expenses, including for operation, maintenance, extensions, and replacements, and to pay the principal and interest on the proposed indebtedness. Marion is proposing to increase its rates over five (5) phases to mitigate any adverse impact to its customers.
6. As required by Ind. Code § 8-1-2-42, more than fifteen (15) months have passed since the filing date of the Utility's last request for a general increase in its basic rates and charges. Marion proposes a historic test year comprising of the twelve month period ending May 31, 2022, with adjustments for changes that are fixed, known, and measurable and in effect within twelve months after the test year.
7. In order to provide adequate and efficient water service and maintain the Utility in a sound physical and financial condition, the Utility must make necessary extensions, replacements, and improvements to its waterworks system. Petitioner proposes to obtain the necessary funds for said extensions, replacements, and improvements from the issuance of new debt in the principal amount not to exceed \$14,200,000 through the Drinking Water State Revolving Fund Loan Program ("DWSRF") or sold on the open market. The proceeds from the debt will be used to pay for necessary extensions, replacements, and improvements to the Utility's waterworks system.
8. Marion's Common Council has approved the issuance of long-term debt and the establishment of a new schedule of water rates and charges, which are the subject of this Cause.
9. Included with this *Petition*, Marion is submitting its case-in-chief, which includes the pre-filed testimony and exhibits of Chuck Binkerd, Patrick R. Pinkerton, P.E., Jennifer Z. Wilson, CPA, and Andrew Burnham, including supporting attachments, schedules, and workpapers.
10. Pursuant to 170 IAC 1-1.1-9(a)(8), Petitioner will file a proposed procedural schedule within thirty (30) days of the date of this Petition. Petitioner will seek to reach an agreement with the Indiana Office of Utility Consumer Counselor regarding the proposed procedural schedule for this proceeding.
11. The attorneys representing Petitioner in this proceeding who are authorized to accept service of papers on behalf of the Marion are:

J. Christopher Janak, Atty. No. 18499-49
Jacob T. Antrim, Atty. No. 36762-49
BOSE MCKINNEY & EVANS LLP
111 Monument Circle, Suite 2700
Indianapolis, IN 46204
(317) 684-5249 Direct Dial
(317) 223-0249 Fax
JJanak@boselaw.com
JAntrim@boselaw.com

WHEREFORE, the Petitioner, the City of Marion, Indiana, respectfully requests that the Commission: (a) promptly establish a procedural schedule in this Cause; (b) conduct such hearings as the Commission believes necessary and appropriate; (c) authorize Marion to issue bonds as supported by the evidence; (d) authorize Marion to adjust its rates and charges for water utility service; (e) approve Marion's new schedule of rates and charges; and (f) for all other appropriate relief.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "J. Christopher Janak", written over a horizontal line.

J. Christopher Janak, Atty. No. 18499-49

Jacob T. Antrim, Atty. No. 36762-49

BOSE McKINNEY & EVANS LLP

111 Monument Circle, Suite 2700

Indianapolis, IN 46204

(317) 684-5000 Telephone

(317) 684-5173 Fax

JJanak@boselaw.com

JA.trim@boselaw.com


*Counsel for Petitioner,
City of Marion, Indiana*

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CERTIFICATE OF SERVICE

I certify that on January 10, 2022, the foregoing was filed electronically with the Indiana Utility Regulatory Commission using the Commission's electronic filing system and was served electronically on the parties below:

Indiana Office of Utility Consumer Counselor
infomgt@oucc.in.gov



J. Christopher Jarak, Atty No. 18499-49