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FILED  
November 2, 2018  
INDIANA UTILITY  
REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF SWITZERLAND COUNTY NATURAL )  
GAS COMPANY, INC. FOR AUTHORITY TO )  
CHANGE ITS RATES, CHARGES, TARIFFS, RULES, )  
AND REGULATIONS )

CAUSE NO. 45117

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

PUBLIC'S EXHIBIT NO. 3

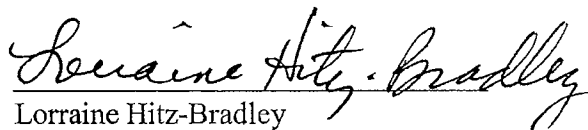
TESTIMONY OF OUCC WITNESS

EDWARD T. RUTTER

IURC  
PUBLIC'S  
EXHIBIT NO. 3  
12-21-18 DATE REPORTER AT

NOVEMBER 2, 2018

Respectfully submitted,



Lorraine Hitz-Bradley  
Atty. No. 18006-29  
Deputy Consumer Counselor

**TESTIMONY OF OUCC WITNESS EDWARD T. RUTTER  
CAUSE NO. 45117  
SWITZERLAND COUNTY NATURAL GAS CO., INC.**

**I. INTRODUCTION**

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

2   A:    My name is Edward T. Rutter, and my business address is 115 West Washington  
3       St., Suite 1500 South Tower, 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 Natural Gas Division. My educational background  
7       and professional experience are detailed in Appendix ETR-1 attached to this  
8       testimony.

9   **Q:**    What is the purpose of your direct testimony?

10  A:    My testimony addresses Switzerland County Natural Gas Co., Inc.'s  
11       ("Switzerland") request in this Cause to recover rate case expenses in the amount  
12       of \$230,500. My testimony demonstrates that as a small utility, Switzerland has the  
13       ability and right to file an application for a rate change under 170 Ind. Admin. Code  
14       14-1 *et seq.*, ("Small-U" filings). Switzerland is aware of the Small-U filing  
15       procedure because it filed a Small-U in 2010, and new rates were approved by the  
16       Commission in Cause No. 43897-U on January 5, 2011. I discuss the adverse  
17       impact that Switzerland's choice not to take advantage of the Small-U filing will  
18       have on Switzerland's ratepayers.

## II. SMALL U FILINGS

1   **Q:   Besides 170 I.A.C. 14-1-1, has the Commission provided guidance regarding**  
2   **the Small-U filing procedure?**

3   **A:**   Yes. The Commission's brochure on Small-U filings for rate changes states this  
4       procedure is designed for small utilities that "need to increase rates but don't have  
5       the staff or the money needed to finance a full-blown rate case." The brochure goes  
6       on to explain:

7               The small utility rate application was established to provide small  
8               utilities with an opportunity to increase rates and charges through a  
9               less costly regulatory procedure. Under the small utility rate  
10              application procedure, a utility completes standard forms that can be  
11              obtained through the Commission. These forms can be filed with the  
12              Commission without the need for an attorney or accountant.<sup>1</sup>

13   **Q:   Does Switzerland qualify as a small utility under 170 I.A.C. 14-1?**

14   **A:**   Yes. 170 I.A.C. 14-1-1(h) defines a small utility as follows:

15              "Small utility" means any public or municipally owned utility subject to  
16              jurisdiction of the commission that:

- 17              (1) serves less than five thousand (5,000) customers as of the date any  
18              application for rate change is filed;  
19              (2) primarily provides retail service to customers; and  
20              (3) does not serve extensively another utility.

21              According to Switzerland's 2017 annual report, it serves approximately 710  
22              customers, including the Belterra casino complex. Switzerland's testimony  
23              indicates it primarily provides retail service to customers, and did not serve  
24              extensively another utility. Direct Testimony of Kerry A. Heid, page 3, lines 8-14.

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<sup>1</sup> IURC Small Utility Filing Brochure, [https://www.in.gov/iurc/files/Small\\_Utility\\_Filing\\_Brochure\(1\).pdf](https://www.in.gov/iurc/files/Small_Utility_Filing_Brochure(1).pdf),  
accessed 9/25/2018. (Attachment ETR-1, pp. 1-4.)

1 Therefore, Switzerland meets the requirements for a Small-U filing, is able to use  
2 the Commission's Small-U rate change application form, and can submit a small  
3 utility filing to change its rates. Doing so would effectuate the Commission's  
4 purpose for the small utility filing process by allowing Switzerland to change its  
5 rates without incurring the expense of filing a full rate case.

### III. ANALYSIS OF REQUESTED RATE CASE EXPENSE

6 **Q: How much is Switzerland seeking to recover in rate case expense in this Cause?**

7 A: Switzerland's requested rate case expense in this case is \$230,500.

8 **Q: What rate case expense adjustment has Switzerland proposed?**

9 A: Switzerland proposes an annual \$35,944 increase in rate case expense, as shown in  
10 Petitioner's Schedule C-1, Adjustment 3(c). This includes \$230,000 for the  
11 estimated cost of filing the rate case, and \$500 for mailing notices to customers.  
12 The total of \$230,500 is amortized over a period of 5 years, resulting in a \$46,100  
13 annual amortization. Removing the \$10,156 that was amortized in the test year  
14 results in the annual amortization increase of \$35,944 as requested in this  
15 proceeding.

16 **Q: Do you agree with Switzerland's proposed adjustment to rate case expense?**

17 A: No. If the Commission were to approve the full rate case expense Switzerland  
18 requested, over the life of the rates each customer would pay \$89.24 per year related  
19 to rate case expense alone. In terms of equity and fairness, this result is  
20 unacceptable.

1    **Q:    At the beginning of your testimony, you mentioned Switzerland previously**  
2    **made a small utility filing in Cause No. 43897 U. How much was the rate case**  
3    **expense in that Cause?**

4    A:    Switzerland and the OUCC settled on rate case expense of \$30,750 for an annual  
5           amortization over five years in the amount of \$6,150. The final order in that Cause  
6           was issued on January 5, 2011. Even with calculating inflation for the last eight  
7           years, and with the \$30,750 amount as a baseline, rate case expense would be  
8           nowhere near the \$230,500 amount Switzerland is requesting in this Cause.

9    **Q:    Do you agree with the amortization period?**

10   A:    Yes. The average time between Switzerland's last five rate case filings is 4.46  
11           years. Switzerland is proposing a five-year amortization period and that is in line  
12           with its prior filings.

13   **Q:    What is Switzerland's requested revenue increase?**

14   A:    Switzerland is requesting a revenue increase of \$83,699. *See* Petitioner's Exhibit  
15           C.

16   **Q:    What impact does the requested rate case expense have on retail customer**  
17    **rates?**

18   A:    Multiplying the requested annual amortization of \$46,100 by the revenue  
19           conversion factor proposed by the OUCC of 1.3743 (Attachment ILG-1, Schedule  
20           1, page 1) equals an annual revenue requirement of \$63,360. Dividing \$63,360 by  
21           710 customers results in the sum of \$89.24 per year per customer (approximately  
22           \$7.44 per month) that Switzerland's customers will pay attributable to rate case  
23           expense. Since the current approved rates include an annual amortization of rate  
24           case expense in the amount of \$10,156, the rate case expense proposed in this  
25           petition is an increase of \$35,944 (\$46,100 - \$10,156), or a revenue increase impact

1 of \$49,401. The revenue increase of \$49,401 attributable to rate case expense is  
2 59% ( $\$49,401/\$83,699 = 59.02\%$ ) of the total increase requested by Switzerland in  
3 this proceeding. Therefore, more than half of Switzerland's proposed revenue  
4 increase is attributable to rate case expense, which could have been minimized if  
5 Switzerland had filed a rate case pursuant to the Small-U rule, 170 I.A.C. 14-1, *et*  
6 *seq.*

7 **Q: What amount of rate case expense has Switzerland incurred?**

8 A: In OUCC DR 1.10, the OUCC requested Switzerland provide copies of rate case  
9 expense invoices received and/or paid through June 30, 2018. In OUCC DR 7.3,  
10 the OUCC requested Switzerland provide copies of rate case expense invoices  
11 received and/or paid from June 30, 2018 to August 31, 2018. The response to DR  
12 7.3 was received on October 9, 2018. *See* Attachment ETR-2. The invoices  
13 indicate Switzerland's rate case expenses – legal, accounting, and cost of service –  
14 total \$72,418 through August 31, 2018. Attachment ETR-3. I reviewed the work  
15 done by Switzerland to date to prepare the case-in-chief, pre-filed direct testimony  
16 and work papers, responses to the OUCC's data requests and attorney time. After  
17 that review, I believe an additional 65% or an additional \$47,072 ( $\$72,418 \times 65\% =$   
18  $\$47,072$ ) to what was invoiced through August 31, 2018 to date is a reasonable  
19 estimate of the amount of work still required to bring this case to a close. I then  
20 rounded the result of \$119,490 ( $\$72,418 + \$47,072$ ) up to \$120,000 to calculate a total  
21 rate expense, through the post-order compliance filing. The total recommended rate  
22 case expense of \$120,000 should cover the additional cost of Switzerland's rebuttal  
23 testimony, any witness preparation for the one day hearing, attendance and

1       testifying at the evidentiary hearing scheduled for December 21, 2018, and  
2       preparation of a proposed order.

3               However, I recommend the Commission reduce the amount to be included  
4       in rates by 50% to \$60,000, which means rate case expense will be shared equally  
5       between ratepayers and the utility. The \$60,000 is almost double the amount of  
6       rate case expense included in Switzerland's small utility filing in Cause No. 43897  
7       U. This reduction is based on my recommendation that when a small utility as  
8       defined in 170 I.A.C. 14-1 *et seq.* voluntarily chooses not to file a Small-U rate  
9       proceeding, it should only be entitled to collect 50% of the incurred or reasonably  
10      estimated rate case expense.

#### IV.     RECOMMENDATIONS

11    **Q:     What are your recommendations for rate case expense?**

12    A:     I recommend only 50% of Switzerland's actual and reasonable estimated rate case  
13       expenses, through the time of Switzerland's post-order compliance filing, be  
14       collected through rates from Switzerland's customers. Therefore, I recommend  
15       \$60,000 for rate case expenses be collected from Switzerland's customers.

16               I also recommend that, if new rates have not gone into effect five years  
17       after a final order in this Cause, Switzerland submit a revised tariff showing a  
18       reduction in its rates to eliminate this amortization.

19               The OUCC recognizes a small utility is not required to file for a rate change  
20       pursuant to 170 I.A.C. 14-1. However, a qualified small utility that chooses to  
21       abandon the benefit of a Small-U application, and thereafter incurs significant rate

1 case expense, should not be allowed to recover more than 50% of those costs from  
2 its ratepayers. Given that the amount of rate case expense is such a high percentage  
3 of Switzerland's overall rate request, the OUCC recommends the Commission send  
4 a signal that ratepayers will not be required to underwrite a decision made by  
5 management that results in significant costs that can reasonably be avoided.  
6 Authorizing half of the actual and reasonable estimated rate case expense will still  
7 provide compensation for Switzerland's consultants.

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

9 **A:** Yes.



**AFFIRMATION**

I affirm, under the penalties for perjury, that the foregoing representations are true.

A handwritten signature in dark ink, appearing to read 'Ed T Rutter', is written over a horizontal line.

Edward T. Rutter  
Chief Technical Advisor  
Indiana Office of Utility Consumer Counsel  
Cause No. 45117  
Switzerland County Natural Gas Company,  
Inc.

11/2/2018  
Date

**APPENDIX TO TESTIMONY OF**  
**OUCC WITNESS EDWARD T. RUTTER**

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

2   **A:**   I am a graduate of Drexel University in Philadelphia, PA, with a Bachelor of  
3       Science degree in Business Administration. I was employed by South Jersey Gas  
4       Company as an accountant responsible for coordinating annual budgets, preparing  
5       preliminary monthly, quarterly, annual and historical financial statements,  
6       assisting in preparation of annual reports to shareholders, all SEC filings, state  
7       and local tax filings, all FPC/FERC reporting, plant accounting, accounts payable,  
8       depreciation schedules and payroll. Once the public utility holding company was  
9       formed, South Jersey Industries, Inc., I continued to be responsible for accounting  
10      as well as for developing the consolidated financial statements and those of the  
11      various subsidiary companies including South Jersey Gas Company, Southern  
12      Counties Land Company, Jessie S. Morie Industrial Sand Company, and SJI LNG  
13      Company.

14           I left South Jersey Industries, Inc. and took a position with Associated  
15      Utility Services Inc. (AUS), a consulting firm specializing in utility rate  
16      regulation including rate of return, revenue requirement, purchased gas  
17      adjustment clauses, fuel adjustment clauses, revenue requirement development  
18      and valuation of regulated entities.

19           On leaving AUS, I worked as an independent consultant in the public  
20      utility area as well as telecommunications including cable television (CATV). I  
21      joined the OUCC in December 2012 as a utility analyst.

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

3   A:   I have previously testified before the Indiana Utility Regulatory Commission  
4       (Commission) in numerous Causes filed before the Commission. I have also  
5       testified before the regulatory commissions in the states of New Jersey, Delaware,  
6       Maryland, Pennsylvania, New York, Connecticut, Georgia, Florida, North  
7       Carolina, Ohio, Oklahoma, Virginia and Wisconsin. In addition to the states  
8       mentioned, I submitted testimony before the utility regulatory commissions in the  
9       Commonwealth of Puerto Rico and the U.S. Virgin Islands. I have also testified as  
10      an independent consultant on behalf of the U.S. Internal Revenue Service in  
11      Federal Tax Court, New York jurisdiction.

**ARTICLE 14. SMALL UTILITIES****Rule 1. Rate Changes and Financing Approval****170 IAC 14-1-1 Definitions**

Authority: IC 8-1-1-3; IC 8-1-2-4; IC 8-1-2-61.5

Affected: IC 8-1-2-61

Sec. 1. (a) The definitions in this section apply throughout this rule.

(b) "Application for rate change" means an application, filed with the commission by a utility in accordance with section 2 of this rule, that:

(1) functions as a petition or in support of a petition for rate change; and

(2) may include a financing authority request.

(c) "Commission" means the Indiana utility regulatory commission.

(d) "Customer" means any person, firm, corporation, municipality, or other government agency that has agreed, orally or otherwise, to pay for service received from a small utility, provided that, for the purposes of this rule, any customer as defined in this subsection who:

(1) has more than one (1) connection; and

(2) is rendered an individual bill for each such connection;

shall be counted as one (1) customer for each connection.

(e) "Incomplete application" means an application filed under section 2 of this rule in which either one (1) or more of the elements specified is missing or incomplete. Any blank not filled in or any interrogatory not answered in the form prescribed under section 2(a)(3) of this rule constitutes an incomplete element and therefore an incomplete application.

(f) "OUCC" means the Indiana office of utility consumer counselor.

(g) "Request for a formal public hearing" means:

(1) a written statement that a formal public hearing is wanted;

(2) filed with the secretary of the commission; and

(3) signed by those making the request who meet at least one (1) of the following standing requirements:

(A) A public or municipal corporation.

(B) Ten (10) individuals, firms, corporations, or associations.

(C) Ten (10) complainants of all or any of these classes affected by the proposed rate change.

(D) The OUCC.

(h) "Small utility" means any public or municipally owned utility subject to the jurisdiction of the commission that:

(1) serves less than five thousand (5,000) customers as of the date any application for rate change is filed;

(2) primarily provides retail service to customers; and

(3) does not serve extensively another utility.

(i) "Small utility rate change application form" means that current set of forms, schedules, blanks, and instructions generated by the commission and made available to those who would petition for a rate change under section 2 of this rule. The commission staff shall develop the set of forms, schedules, blanks, and instructions that comprise the small utility rate change application form. The forms may be revised from time to time as circumstances dictate. Furthermore, commission staff may periodically establish and publish generic rates of return for each type of utility to be used by utilities when submitting a small utility application form. (*Indiana Utility Regulatory Commission; 170 IAC 14-1-1; filed Jul 11, 1986, 9:47 a.m.: 9 IR 2918; errata, 10 IR 254; filed Jun 19, 1991, 3:45 p.m.: 14 IR 1945; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; filed Apr 21, 2008, 3:23 p.m.: 20080521-IR-170070830FRA; errata filed Jul 21, 2009, 1:33 p.m.: 20090819-IR-170090571ACA*)

**170 IAC 14-1-2 Application for rate change**

Authority: IC 8-1-1-3; IC 8-1-2-4; IC 8-1-2-61.5

Affected: IC 8-1-2-61.5

Sec. 2. (a) Any small utility availing itself of this procedure must:

(1) file an original and five (5) copies of an application for rate change with the secretary of the commission; and

(2) contemporaneously serve a copy of the application on the OUCC.

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(b) The application must include the following:

(1) A copy of the proposed notice required in subsection (d)(1) exclusive of the date specified in subsection (d)(3)(A). Proof of publication of the actual notice required in subsection (d)(1) must be filed within fifteen (15) days after the filing of the application for rate change.

(2) A copy of the proposed written notice required in subsection (d)(2) exclusive of the date specified in subsection (d)(3)(A). An actual copy of the notice required in subsection (d)(2) must be filed within fifteen (15) days after the filing of the application for rate change.

(3) A complete small utility rate change application form in its current version, which form is available from the commission.

(4) A copy of the resolution or ordinance of the utility's governing body that authorizes the application for rate change.

(c) If the small utility is a not-for-profit water or sewer utility, the application must also include the following:

(1) A verified statement by a responsible officer or manager of the small utility as to whether or not the small utility has an outstanding indebtedness to the federal government.

(2) Written consent from any agency of the federal government that is a creditor of the small utility that the utility may obtain an order affecting its rates without a formal public hearing.

(d) Notice requirements for this procedure comprise the following:

(1) Publication of a notice of filing of the application for rate change, not later than ten (10) days after the filing of the application for rate change in a newspaper of general circulation in any and all counties in which the utility renders service.

(2) Provision of written notice of the application for rate change to each customer no later than ten (10) days after the filing of the application for rate change.

(3) Both the publication of notice under subdivision (1) and the written notice under subdivision (2) shall contain the following:

(A) The date the application for rate change was filed with the commission.

(B) The statement that the utility has filed its application for rate change under IC 8-1-2-61.5 without the necessary costs of a commission hearing; however, a formal public hearing by the commission may be held if:

(i) a public or municipal corporation;

(ii) ten (10) individuals, firms, corporations, or associations;

(iii) ten (10) complainants of all or any of these classes affected by the proposed rate change; or

(iv) the OUCC;

requests a formal public hearing by filing a written signed request with the secretary of the commission. Written requests for a formal public hearing must be received by the commission within forty (40) days of the date the application for rate change was filed with the commission.

(C) The overall approximate percentage increase in revenues requested by the utility. Furthermore, if the proposed increase is other than an across-the-board increase, then the approximate percentage increase to each class of customers must be described along with any other information that fairly summarizes the nature and extent of the proposed change.

(D) The statement that there likely will be no hearing in the absence of a written request.

(E) If applicable, the amount of financing authority sought by the utility.

(F) The full name and current address and contact information for the commission.

*(Indiana Utility Regulatory Commission; 170 IAC 14-1-2; filed Jul 11, 1986, 9:47 a.m.: 9 IR 2918; errata, 10 IR 254; filed Jun 19, 1991, 3:45 p.m.: 14 IR 1946; filed Jan 5, 2000, 3:52 p.m.: 23 IR 1091; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; filed Apr 21, 2008, 3:23 p.m.: 20080521-IR-170070830FRA)*

**170 IAC 14-1-3 Incomplete applications**

Authority: IC 8-1-1-3; IC 8-1-2-4; IC 8-1-2-61.5

Affected: IC 8-1-2-61

Sec. 3. (a) In the event the initial application for rate change is an incomplete application, the commission staff shall file, within twenty (20) days of the date of the filing of the initial application, a report with the secretary of the commission. The report shall specify which elements of the application are missing or incomplete.

(b) In the event the initial application for rate change is deemed an incomplete application under subsection (a), the time frames specified under:

(1) section 4(a) of this rule;

(2) section 5(a) of this rule; and

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(3) section 6(b) of this rule; shall not be counted from the date an incomplete application was originally filed, but shall be counted from the date the commission staff files a report with the secretary of the commission stating that the small utility has corrected the deficiencies specified in the staff report filed under subsection (a) and is otherwise complete.

(c) The commission may dismiss without prejudice any incomplete application which remains on file more than ninety (90) days. (*Indiana Utility Regulatory Commission; 170 IAC 14-1-3; filed Jul 11, 1986, 9:47 a.m.: 9 IR 2919; filed Jun 19, 1991, 3:45 p.m.: 14 IR 1947; errata filed Sep 9, 1991, 10:45 a.m.: 15 IR 10; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; filed Apr 21, 2008, 3:23 p.m.: 20080521-IR-170070830FRA*)

**170 IAC 14-1-4 Review and report on application for rate change; request to file written response**

Authority: IC 8-1-1-3; IC 8-1-2-4; IC 8-1-2-61.5

Affected: IC 8-1-2-61

Sec. 4. (a) The OUCC staff shall review the application for rate change and, subject to section 3(b) of this rule, shall within ninety (90) calendar days after the filing of a complete application or substantive amendment to the application file a report with the secretary of the commission on the application making such recommendations as the OUCC deems appropriate. By order of the commission, the time for filing of the report may be extended if so requested by the OUCC.

(b) If the small utility intends to submit a written response to the OUCC staff report, the small utility shall file a notice of its intention in writing with the secretary of the commission not later than fifteen (15) days following the date that the OUCC staff report was filed.

(c) If the small utility notice is filed under subsection (b), the small utility shall file its written response to the OUCC staff report within thirty (30) days of the date the notice is filed. (*Indiana Utility Regulatory Commission; 170 IAC 14-1-4; filed Jul 11, 1986, 9:47 a.m.: 9 IR 2920; filed Jun 19, 1991, 3:45 p.m.: 14 IR 1947; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; filed Apr 21, 2008, 3:23 p.m.: 20080521-IR-170070830FRA*)

**170 IAC 14-1-5 Hearing on application**

Authority: IC 8-1-1-3; IC 8-1-2-4; IC 8-1-2-61.5

Affected: IC 8-1-2-61

Sec. 5. (a) Subject to section 3(b) of this rule, a request for formal public hearing on an application for rate change filed under this rule shall be filed with the secretary of the commission within forty (40) calendar days of the initial filing of the application for rate change, unless the commission extends the period for filing.

(b) The commission may, upon a request timely filed by any public or municipal corporation, ten (10) individuals, firms, corporations, or associations, or ten (10) complainants of all, or any, of these classes affected by the proposed rate change or by the OUCC, conduct a formal public hearing with respect to any application for rate change.

(c) The commission may require a formal public hearing on its own motion.

(d) In the event a formal public hearing is held, under this section, the small utility may elect to designate its application to serve as its prefiled evidence, constituting its case-in-chief; however, the small utility is not precluded from filing additional evidence. (*Indiana Utility Regulatory Commission; 170 IAC 14-1-5; filed Jul 11, 1986, 9:47 a.m.: 9 IR 2920; filed Jun 19, 1991, 3:45 p.m.: 14 IR 1947; filed Jan 5, 2000, 3:52 p.m.: 23 IR 1092; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; filed Apr 21, 2008, 3:23 p.m.: 20080521-IR-170070830FRA*)

**170 IAC 14-1-6 Decision on application**

Authority: IC 8-1-1-3; IC 8-1-2-4; IC 8-1-2-61.5

Affected: IC 8-1-2-61

Sec. 6. (a) If no hearing is held, the commission may issue an order on the application for rate change based on the data in the application for rate change, the report filed by the OUCC staff concerning the application for rate change, and any written response of the small utility to the OUCC staff report.

(b) Subject to section 3(b) of this rule, the commission shall not enter an order under this procedure until at least forty (40) calendar days have elapsed from the date of the initial filing of the application for rate change. (*Indiana Utility Regulatory*

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*Commission; 170 IAC 14-1-6; filed Jul 11, 1986, 9:47 a.m.: 9 IR 2920; filed Jun 19, 1991, 3:45 p.m.: 14 IR 1948; filed Jan 5, 2000, 3:52 p.m.: 23 IR 1092; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; filed Apr 21, 2008, 3:23 p.m.: 20080521-IR-170070830FRA)*

**170 IAC 14-1-7 Applicability of ex parte rules**

Authority: IC 8-1-1-3; IC 8-1-2-4; IC 8-1-2-61.5

Affected: IC 8-1-1-5; IC 8-1-2-61

Sec. 7. Under 170 IAC 1-1.5-1(c)(3), filings under this rule are exempt from the ex parte rules of the commission. However, if a formal public hearing is scheduled under IC 8-1-2-61.5(b), then the ex parte rules of the commission located in 170 IAC 1-1.5 apply from the date the hearing is noticed, except 170 IAC 1-1.5-5 regarding prior communications. *(Indiana Utility Regulatory Commission; 170 IAC 14-1-7; filed Apr 21, 2008, 3:23 p.m.: 20080521-IR-170070830FRA)*

\*

- Q 1.10:** Please provide copies of all invoices, including detail regarding name of consultant, number of hours spent, hourly rate and total amount for all invoices, received and/or paid through June 30, 2018 in relation to rate case expense for this Cause.
- A. Petitioner has received no invoices from Witness Kerry Heid related to the base rate case. Petitioner has received invoices from Barnes & Thornburg and LWG related to the base rate case and other matters. See attached. Please note that such material is confidential and should be maintained under the Confidentiality and Non-Disclosure Agreement.



STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF SWITZERLAND )  
COUNTY NATURAL GAS COMPANY, )  
INC. FOR AUTHORITY TO ISSUE ) CAUSE NO. 45117  
LONG TERM DEBT AND CHANGES TO )  
ITS RATES, CHARGES AND TARIFF )

**PETITION OF SWITZERLAND COUNTY NATURAL GAS COMPANY, INC.**  
**RESPONSES TO THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR'S**  
**SEVENTH SET OF DATA REQUESTS**

Comes now Switzerland County Natural Gas Company, Inc., by counsel, and submits to the Indiana Office of the Utility Consumer Counselor ("OUCC") its responses to the OUCC's Seventh Set of Data Requests dated September 28, 2018, as follows:

**II. Data Request.**

- Q 7.3:** Please provide copies of all invoices in relation to rate case expense for this Cause, including detail regarding the name(s) of consultant(s), number of hours spent, hourly rate and total amount for all invoices, received and/or paid from June 30, 2018 to August 31, 2018.
- A.** Petitioner is gathering this information.

SWITZERLAND COUNTY NATURAL GAS COMPANY, INC.

CAUSE NO. 45117

ACTUAL RATE CASE EXPENSE

AS OF

AUGUST 31, 2018

Attachment ETR-3

Cause No. 45117

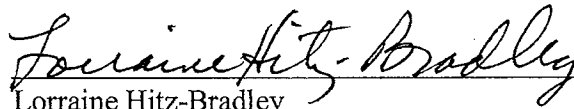
Page 1 of 1

DESCRIPTION	DATE	INVOICE NUMBER	AMOUNT
BARNES & THORNBURG LLP	14-Aug-17	2025414	\$1,783.50
BARNES & THORNBURG LLP	20-Sep-17	2036602	2,175.00
BARNES & THORNBURG LLP	8-Nov-17	2052805	87.00
BARNES & THORNBURG LLP	6-Dec-17	2062026	174.00
BARNES & THORNBURG LLP	18-Jan-18	2073809	883.50
BARNES & THORNBURG LLP	8-Feb-18	2080946	1,627.50
BARNES & THORNBURG LLP	13-Mar-18	2090792	6,510.00
BARNES & THORNBURG LLP	12-Apr-18	2099353	2,604.00
BARNES & THORNBURG LLP	16-May-18	2110087	4,045.50
BARNES & THORNBURG LLP	21-Jun-18	2117749	2,278.50
BARNES & THORNBURG LLP	23-Jul-18	2131973	6,637.30
BARNES & THORNBURG LLP	17-Aug-18	2139406	8,469.50
BARNES & THORNBURG LLP	12-Sep-18	2146403	<u>3,782.50</u>
SUB-TOTAL BARNES & THORNBURG LLP			41,057.80
LWG CPAs & ADVISORS	31-Aug-17	30576	2,336.25
LWG CPAs & ADVISORS	30-Nov-17	30777	5,285.00
LWG CPAs & ADVISORS	31-Dec-17	30809	1,620.00
LWG CPAs & ADVISORS	31-Mar-18	31065	2,000.00
LWG CPAs & ADVISORS	30-Jun-18	31528	3,740.00
LWG CPAs & ADVISORS	31-Aug-18	31661	<u>6,070.00</u>
SUB-TOTAL LWG CPAs & ADVISORS			21,051.25
HEID RATE AND REGULATORY SERVICES	18-Jul-18	1	9,975.00
HEID RATE AND REGULATORY SERVICES	3-Oct-18	N/A	<u>334.00</u>
SUB-TOTAL HEID RATE AND REGULATORY SERVICES			<u>10,309.00</u>
TOTAL			72,418.05

**CERTIFICATE OF SERVICE**

This is to certify that a copy of the foregoing *Indiana Office of Utility Consumer Counselor Public's Exhibit No. 3 Testimony of OUCC Witness Edward T. Rutter* has been served upon the following counsel of record in the captioned proceeding by electronic service on November 2, 2018.

L. Parvin Price  
**BARNES & THORNBURG LLP**  
parvin.price@btlaw.com

  
Lorraine Hitz-Bradley  
Deputy Consumer Counselor

**INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR**  
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317/232-2494 – Phone  
317/232-5923 – Facsimile