

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**PETITION OF THE CITY OF ANDERSON, )  
INDIANA, FOR AUTHORITY TO: (1) ISSUE )  
LONG TERM DEBT TO FINANCE WATER )  
SYSTEM IMPROVEMENTS; AND (2) ADJUST ) CAUSE NO. 46171  
ITS RATES AND CHARGES )**

**PETITION**

**TO THE INDIANA UTILITY REGULATORY COMMISSION:**

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

1. Anderson 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 550 Dale Keith Jones Road, Anderson, Indiana 46011.
2. The Utility is a municipally owned utility as defined by Ind. Code § 8-1-2-1(h) that serves more than 20,000 residential, commercial, industrial, and irrigation and fire protection customers. Anderson 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 Madison 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 4, 2015, in Cause No. 44510. These rates and charges no longer produce revenues sufficient for Anderson 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. Anderson 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. Anderson 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. Anderson proposes a historic test year comprising of the twelve month period ending December 31, 2023, 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 a principal amount not to exceed \$130,000,000 and an interest rate of 7% through the Drinking Water State Revolving Fund Loan Program ("DWSRF"), through the Indiana Bond Bank Community Funding Resource Program, 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. Anderson'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. Anderson proposes a five-phase rate adjustment over an approximate four year-four month time period, with average adjustments as follows: a 24.1% increase in Phase I; a 5.2% increase in Phase II; a 24.5% increase in Phase III; a 19.2% increase in Phase IV; and a 14.3% increase in Phase V. The cumulative amount of Anderson's proposed rate adjustment is approximately 121%. The rate adjustment for each of Anderson's 10 meter size rate classes will vary in each phase, ranging from a decrease of 4.4% for one rate class to an increase of 49.6% for another rate class in a single phase. For a 5/8" meter, the proposed rate adjustment ranges by phase from 3.1% to 18.1%.

10. Pursuant to 170 IAC 1-1.1-9(a)(8), Petitioner will file a proposed procedural schedule within ten (10) 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 Utility does not have any outstanding indebtedness to the federal government.
12. The attorneys representing Petitioner in this proceeding who are authorized to accept service of papers on behalf of the Anderson are:

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WHEREFORE, the Petitioner, the City of Anderson, 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 Anderson to issue bonds as supported by the evidence; (d) authorize Anderson to adjust its rates and charges for water utility service; (e) approve Anderson's new schedule of rates and charges; and (f) for all other appropriate relief.

Respectfully submitted,

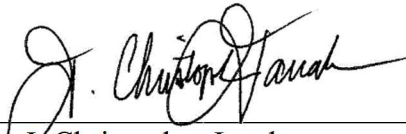


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**CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing “Petition” was served electronically upon the following this 5<sup>th</sup> day of December, 2024:

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