IURC PETITIONER'S

EXHIBIT NO.

10-14-20 A.T.
DATE REPORTER

OFFICIAL EXHIBITS

# Petitioner's Exhibit 2

#### STATE OF INDIANA

### INDIANA UTILITY REGULATORY COMMISSION

PETITION OF THE TOWN OF CEDAR LAKE,	)	
LAKE COUNTY, INDIANA, FOR APPROVAL	)	
TO ADJUST ITS RATES AND CHARGES AND	)	CAUSE NO.
ISSUE RONDS	•	

#### **VERIFIED PETITION**

#### TO THE INDIANA UTILITY REGULATORY COMMISSION:

Petitioner, the Town of Cedar Lake, Lake County, Indiana ("Cedar Lake"), hereby files this Verified Petition ("Petition") with the Indiana Utility Regulatory Commission ("Commission") seeking authority to adjust its rates and charges and issue long-term indebtedness. In support of its Petition, Cedar Lake states:

- 1. Cedar Lake owns and operates a municipal water utility ("Utility") that serves approximately 2,162 residential, commercial, and industrial customers (as of December 31, 2019). The Utility's office is located at 7408 Constitution Avenue, Cedar Lake, Indiana 46303.
- 2. The Utility is a "municipally owned utility", as defined in Indiana Code § 8-1-2-1(h), and is subject to the jurisdiction of the Commission.
- 3. Cedar Lake seeks authorization to establish a new schedule of rates and charges for water service and to issue revenue bonds in a principal amount not to exceed \$3,900,000 ("Bonds") to finance certain improvements to the Utility.
- 4. Cedar Lake's current rates and charges for water utility service no longer produce revenues sufficient for Cedar Lake to pay all the expenses incident to the operation of the Utility, including, but not limited to, operation and maintenance costs, extensions and replacements, taxes, principal and interest payments on debt obligations, payment in lieu of property taxes, and

providing adequate funds for working capital. The existing rates are, therefore, insufficient and unlawful.

- 5. Cedar Lake is proposing new water rates and charges which will be sufficient to pay the Utility's expenses as authorized by Indiana Code § 8-1.5-3-8, and other applicable law.
- 6. Cedar Lake seeks to issue the Bonds on a parity with previously issued and outstanding waterworks bonds, and Cedar Lake has determined that the issuance of the Bonds will not affect the previously-issued waterworks bonds or the rights of their holders.
  - 7. The Utility does not have any outstanding indebtedness to the federal government.
- 8. Included with this Petition, Cedar Lake is submitting its case in chief, which includes the pre-filed testimony and exhibits of Pamela Sue Sargent Haase, Certified Public Accountant; Neil J Simstad, Professional Engineer; and Randell C. Niemeyer, President of the Town Council of the Town of Cedar Lake, Lake County, Indiana.
- 9. Cedar Lake's case in chief includes, among other things, work papers, revenue requirements, revenues, expenses, and proforma tariff sheets. Cedar Lake's case in chief contemplates a test year ended December 31, 2019, with adjustments and projections thereto.
- 10. Cedar Lake requests that: (i) a pre-hearing conference be held in this matter as soon as possible; and (ii) the Commission issue a Final Order within three hundred (300) days from the date of filing this Petition consistent with Indiana Code § 8-1-2-42.7.
- 11. Cedar Lake considers Indiana Code §§ 8-1-2-61, 8-1.5-2-19, and 8-1.5-3-8 to be applicable to the relief requested by this Petition.
- 12. In its most recent proceeding before the Commission, Cedar Lake executed, and the Commission approved, a settlement agreement ("Settlement Agreement") between Cedar Lake and the Office of Utility Consumer Counselor ("OUCC"). The Settlement Agreement required that Cedar Lake file a rate case within three (3) years and seek approval to merge its

different monthly user rate schedules into a single tariffed rate. Consistent with this requirement, Cedar Lake now seeks approval in this Cause of a single tariffed monthly service rate for all its users.

13. Service of all petitions, motions, reports, testimony, exhibits, or papers of any kind, to be served upon Cedar Lake should be served on Cedar Lake's counsel of record as here noted:

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WHEREFORE, Petitioner, the Town of Cedar Lake, Indiana, respectfully requests that the Commission set this matter for a preliminary hearing as soon as possible, hold such further hearings as the Commission believes necessary and appropriate, grant Cedar Lake's request as stated herein, and for all other appropriate relief.

Respectfully Submitted,

J. Christopher Janak, Esq., Attorney No. 18499-49 Jeffrey A. Earl, Esq., Attorney No. 27821-64 Bose McKinney & Evans LLP 111 Monument Circle, Suite 2700 Indianapolis, IN 46204 (317) 684-5000 | (317) 684-5173 Fax

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Counsel for Petitioner, Town of Cedar Lake, Lake County, Indiana

#### **VERIFICATION**

I have read the foregoing Verified Petition and the allegations contained therein are true and correct to the best of my knowledge and belief.

TOWN OF CEDAR LAKE, LAKE COUNTY,

INDIANA

Randell C. Niemeyer, Town Council President

## **CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing "Verified Petition" was served upon the following by hand delivery or regular mail this  $\frac{15 \pm}{100}$  day of April, 2020:

Indiana Office of the Utility Consumer Counselor PNC Center, Suite 1500 South 115 West Washington Street Indianapolis, IN 46204

J. Christopher Janak

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