# FILED April 22, 2022 INDIANA UTILITY REGULATORY COMMISSION

#### STATE OF INDIANA

## INDIANA UTILITY REGULATORY COMMISSION

PETITION OF THE BOARD OF SANITARY COMMISSIONERS OF THE SANITARY DISTRICT OF THE CITY OF EAST CHICAGO, INDIANA, FOR AUTHORITY TO INCREASE ITS RATES AND CHARGES FOR WASTEWATER SERVICE, AND FOR APPROVAL OF NEW SCHEDULES OF WASTEWATER RATES AND CHARGES.

**CAUSE NO. 45632** 

Verified Settlement Testimony of

Jessica A. York

On behalf of

The East Chicago Sanitary District Industrial Group

April, 22, 2022



#### STATE OF INDIANA

#### INDIANA UTILITY REGULATORY COMMISSION

PETITION OF THE BOARD OF SANITARY COMMISSIONERS OF THE SANITARY DISTRICT OF THE CITY OF EAST CHICAGO, INDIANA, FOR AUTHORITY TO INCREASE ITS RATES AND CHARGES FOR WASTEWATER SERVICE, AND FOR APPROVAL OF NEW SCHEDULES OF WASTEWATER RATES AND CHARGES.

12

**CAUSE NO. 45632** 

### **Verified Settlement Testimony of Jessica A. York**

1 Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS. 2 Α Jessica A. York. My business address is 16690 Swingley Ridge Road, Suite 140, 3 Chesterfield, MO 63017. 4 Q ARE YOU THE SAME JESSICA A. YORK WHO PREVIOUSLY FILED DIRECT 5 **TESTIMONY IN THIS PROCEEDING?** 6 Α Yes, I am. 7 ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING? Q 8 Α I am appearing for the East Chicago Sanitary District Industrial Group ("Industrial 9 Group" or "IG"). 10 Q WHAT IS THE PURPOSE OF YOUR TESTIMONY? 11 Α My testimony supports the agreed upon revenue allocation in the Joint Stipulation and

Settlement Agreement ("Settlement Agreement" or "Settlement") between ECSD, the

Office of Utility Consumer Counselor ("OUCC"), and the Industrial Group, collectively
the "Settling Parties."

#### 3 Q DO YOU RECOMMEND APPROVAL OF THE SETTLEMENT?

Yes. I recommend approval of the Settlement. The Settlement is a comprehensive agreement that resolves both revenue requirement and the allocation and rate design issues raised in this rate case. The Settlement is a result of extensive arms-length negotiations between the Settling Parties in order to reach a comprehensive settlement. Notably, the Settlement is within the range of outcomes from a litigated case.

In sum, the Settlement should be approved for the following reasons:

- 1. The agreed upon revenue allocation reflects a compromise between the parties to resolve the contested issues in this case and reduce rate case expenses for all parties. The compromise revenue allocation in the Settlement is within the range of the parties' litigated positions in this cause.
- 2. The agreed revenue allocation in the Settlement is fair, reasonable, and in the public interest.
- 3. The wastewater rate adjustments contained in the settlement also represent a compromise on the contested issues in this case and reflect a preference to reduce rate case cost for all parties in this cause. The settlement wastewater rates are just and reasonable.

#### 21 Q DID THE SETTLING PARTIES REACH AGREEMENT ON THE REVENUE

#### 22 **ALLOCATION?**

10

11

12 13

14

15

16

17

18

19

20

Yes. Section 2.C of the Settlement Agreement sets forth the Settling Parties'
agreement regarding phased revenue increases. The <u>ECSD's Attachment AJR S1-2</u>
identifies the revenue allocation agreed to by all Settling Parties, as well as the agreed
rates by phase.

ı	Q	DID THE SETTLING PARTIES AGREE UPON A PARTICULAR COST OF SERVICE
2		STUDY?
3	Α	No. The Settling Parties negotiated a modified revenue allocation to adjust rates and
4		charges.
5	Q	IN YOUR OPINION, IS THE AGREED UPON REVENUE ALLOCATION RESULTING
6		FROM THE SETTLEMENT AGREEMENT REASONABLE AND IN THE PUBLIC
7		INTEREST?
8	Α	Yes. The Settlement Agreement resolves the issues related to class cost of service
9		and revenue allocation raised by the Industrial Group. To economically and efficiently
10		resolve the contested issues in this case, the settling parties have put aside their
11		differences and agreed upon a revenue allocation and wastewater rate design that
12		reduces rates for all volumetric customer classes from what ECSD proposed in its
13		case in-chief.
14	Q	DOES THIS CONCLUDE YOUR SETTLEMENT TESTIMONY?
15	Α	Yes, it does.

434800

# **ANAIGNI 70 3TAT2**

## INDIANA UTILITY REGULATORY COMMISSION

**CAUSE NO. 45632** 

PETITION OF THE BOARD OF SANITARY COMMISSIONERS OF THE SANITARY DISTRICT OF THE CITY OF EAST CHICAGO, INDIANA, FOR AUTHORITY TO INCREASE ITS RATES AND CHARGES FOR WASTEWATER SERVICE, AND FOR APPROVAL OF NEW SCHEDULES OF WASTEWATER RATES AND CHARGES.

# **Verification**

I, Jessica A. York, an Associate of Brubaker & Associates, Inc., affirm under penalties of perjury that the foregoing representations are true and correct to the best of my knowledge, information and belief.

Jessica A. York Jessica A. York April 22, 2022