

December 15, 2017

INDIANA UTILITY

REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF HAMMOND WATER WORKS)
 DEPARTMENT FOR AUTHORITY TO ISSUE) Cause No. 45026
 BONDS, NOTES OR OTHER OBLIGATIONS)

VERIFIED PETITION

Hammond Water Works Department ("Hammond") respectfully requests permission to issue long-term debt. In support of this petition, Hammond shows that:

1. Hammond is a municipal water utility organized and existing under and through the laws of the State of Indiana. Hammond's office is located at 6505 Columbia Avenue, Hammond, Indiana.
2. Hammond owns, operates, manages, and controls plant, property, equipment, and facilities which are used and useful for the collection, purification, pumping, distribution, and furnishing of potable water. Hammond provides potable water to customers in Lake County and to the City of Hammond, which conducts additional downstream sales in Indiana and Illinois.
3. Hammond is a municipally owned utility as defined by Ind. Code § 8-1-2-1 and as such is subject to jurisdiction of the Indiana Utility Regulatory Commission ("Commission") only in the manner and to the extent provided by the laws of the State of Indiana, including among other things, the approval of long-term financing. *See* Ind. Code § 8-1.5-2-19, which is applicable to the subject matter of this proceeding.
4. Hammond must make necessary additions, extensions, replacements, and improvements to its waterworks system to continue to provide reasonable and adequate service. Hammond proposes to obtain the funds for these additions, extensions, replacements, and improvements from revenues and from the issuance of new waterworks revenue bonds through

the Hammond Bond Bank. Hammond will seek \$7.5 million in revenue bonds from the Hammond Bond Bank, which is a reasonable method for financing the planned improvements. The principal and interest of the new waterworks revenue bonds will be payable solely from future revenues of Hammond's waterworks.

5. Revenues provided through current rates will be adequate to meet the carrying cost and expense of operating upgraded plant facilities and other operational requirements. Hammond does not seek a rate increase in conjunction with this requested approval of long-term financing.

6. The extensions, replacements, and improvements for which authority is sought to issue the bonds, notes, or other obligations are reasonably necessary for Petitioner to provide adequate and efficient utility service. The revenue bonds which Petitioner seeks authority to issue are a reasonable method of financing such extensions, replacements, and improvements. Therefore, the issuance of the proposed revenue bonds and the establishment of the new schedule of rates and charges should be approved by the Commission.

7. Contemporaneous with this Petition, Hammond is submitting its case-in-chief, which includes the Prefiled Testimony and Exhibits of Edward Krusa, Chief Executive Operator, and Karl Cender, Certified Public Accountant.

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

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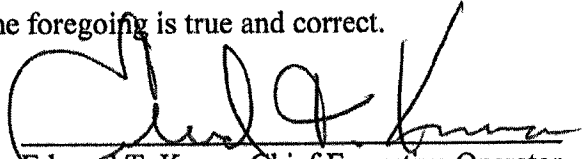
WHEREFORE, Hammond Water Works Department, by counsel, respectfully requests this Commission to enter this Petition of record, set this matter for a Preliminary Conference at the earliest time convenient; hold such public hearings as are necessary; authorize Hammond to incur long-term debt as supported by the evidence, issue a final order in this Cause; and for all other relief justice would require in the proceeding.

Respectfully submitted,


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Counsel for Petitioner
Hammond Water Works Department

I affirm under the penalties of perjury that the foregoing is true and correct.

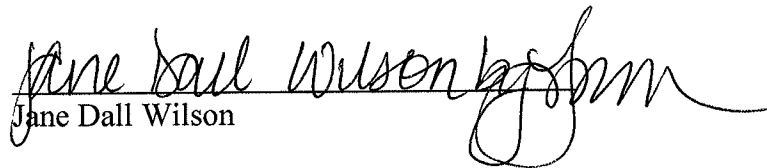
A handwritten signature in black ink, appearing to read 'Edward T. Krusa', written over a horizontal line.

Edward T. Krusa, Chief Executive Operator
Hammond Water Works Department

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing was served upon the following by electronic mail
this 15th day of December, 2017.

Indiana Office of Utility Consumer Counselor
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Jane Dall Wilson