

## ARTICLE 8.5. SEWAGE DISPOSAL SERVICES

### Rule 4. Extension of Sewer Mains

#### 170 IAC 8.5-4-1 "Applicant" defined

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 1. As used in this rule, "applicant" means a person requesting the main extension in order to receive sewer utility service from the utility. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-1; filed Dec 5, 1990, 3:35 p.m.: 14 IR 566; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

#### 170 IAC 8.5-4-2 "Commission" defined

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 2. As used in this rule, "commission" refers to the Indiana utility regulatory commission. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-2; filed Dec 5, 1990, 3:35 p.m.: 14 IR 566; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

#### 170 IAC 8.5-4-3 "Completion date of the main extension" defined

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 3. As used in this rule, "completion date of the main extension" means the date the utility declares the main extension to be in service and releases it for taps. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-3; filed Dec 5, 1990, 3:35 p.m.: 14 IR 566; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

#### 170 IAC 8.5-4-4 "Cost of connecting" defined

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 4. As used in this rule, "cost of connecting" means the average of the utility's costs for the same size service connection incurred during the preceding calendar year including, if provided by the utility, the service pipe, tap, and installation thereof or portions thereof; however, the cost of connecting shall not be applicable under this rule for those portions of such cost recovered from an applicant by a utility in the form of a tap or similar charge. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-4; filed Dec 5, 1990, 3:35 p.m.: 14 IR 566; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-5 "Cost of the main extension" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 5. As used in this rule, "cost of the main extension" means the cost of installing the main as determined in sections 30 through 33 of this rule. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-5; filed Dec 5, 1990, 3:35 p.m.: 14 IR 566; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-6 "Customer" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 6. As used in this rule, "customer" means a person being supplied with sewer utility service. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-6; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-7 "Deposit" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 7. As used in this rule, "deposit" means the amount required to be deposited by or on behalf of each applicant or prospective customer for a main extension prior to the utility commencing construction of the main extension. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-7; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-8 "Estimated annual revenue" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 8. As used in this rule, "estimated annual revenue" for an applicant connecting to the main means the utility's average annual revenue per applicant from comparable customers in the calendar year preceding such connection, adjusted to reflect any changes in the applicable rates and charges of the utility for such service. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-8; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-9 "Frontage" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 9. As used in this rule, "frontage" means the footage, ten (10) feet minimum length, of a lot or tract (but not an easement) boundary that is parallel to or curvilinear to, and immediately adjacent to a main extension in a public thoroughfare or easement. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-9; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-10 "Immediate revenue allowance" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 10. As used in this rule, "immediate revenue allowance" means the amount of three (3) times the estimated annual revenue less the cost of connecting for an applicant. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-10; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-11 "Lot" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 11. As used in this rule, "lot" means a parcel of land as platted, or if the area to be served is not platted, the equivalent of a parcel of land as determined in accordance with section 29 of this rule. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-11; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-12 "Main" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 12. As used in this rule, "main" means a pipe owned by the utility which connects to service pipes for transmitting sewage effluent. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-12; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-13 "Main extension" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 13. As used in this rule, "main extension" means the mains and appurtenances installed by the utility to provide the sewer utility service requested by or on behalf of the applicant or prospective customer, but does not include the service pipes. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-13; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-14 "Original depositor" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 14. As used in this rule, "original depositor" means an applicant who enters into a main extension agreement and makes a deposit with the utility. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-14; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-15 "Person" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 15. As used in this rule, "person" means an individual, firm, corporation, governmental agency, or other entity. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-15; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-16 "Prospective customer" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 16. As used in this rule, "prospective customer" means a person who is not an original depositor, but whose lot or frontage directly abuts the main extension between its original beginning and its original end point. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-16; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-17 "Public thoroughfare" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 17. As used in this rule, "public thoroughfare" means a road, street, or way which has been dedicated for use by the public and accepted by the appropriate governmental authority. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-17; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-18 "Refund" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 18. As used in this rule, "refund" means the subsequent connector's fees, subsequent connector's revenue allowances, and revenue allowances from depositor-authorized connections of lots included in the original depositor's main extension agreement that must be paid by the utility to the original depositor for ten (10) years after the completion date of the main extension. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-18; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-19 "Revenue allowance from depositor-authorized connection" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 19. As used in this rule, "revenue allowance from depositor-authorized connection" means the amount of three (3) times the estimated annual revenue less the cost of connecting that the utility may refund to original depositor for connections for lots or unplatted areas owned, controlled, or designated by the original depositor and does not include an immediate revenue allowance. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-19; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16*

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**170 IAC 8.5-4-20 "Service pipe" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 20. As used in this rule, "service pipe" means a sanitary sewer line leading directly from the premises to the main adjacent to such premises. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-20; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-21 "Subsequent connector" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 21. As used in this rule, "subsequent connector" means a person who was not an original depositor but subsequently applies for sewer service and who connects to the main within ten (10) years after the completion date of the main extension. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-21; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-22 "Subsequent connector's fee" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 22. As used in this rule, "subsequent connector's fee" means the cash fee equal to the cost per lot of the main extension determined in accordance with sections 29 through 31 of this rule, multiplied by the number of lots for which service is requested. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-22; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-23 "Subsequent connector's revenue allowance" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 23. As used in this rule, "subsequent connector's revenue allowance" means three (3) times the estimated annual revenue for the subsequent connector less the cost of connecting. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-23; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-24 "Tap" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 24. As used in this rule, "tap" means a fitting owned by the utility and inserted by it into a main to which a service pipe is attached. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-24; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug*

2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA)

**170 IAC 8.5-4-25 "Total required deposit" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 25. As used in this rule, "total required deposit" means the amount by which the cost of the main extension exceeds the immediate revenue allowance for the original depositor. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-25; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-26 Free extension**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 26. A utility, upon written request for service by an applicant, shall extend a main and connect the applicant free of charge to provide the service requested if:

(1) the cost of the main extension does not exceed the immediate revenue allowance for the applicant; and

(2) the applicant agrees to take service within nine (9) months following the completion date of the main extension.

(*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-26; filed Dec 5, 1990, 3:35 p.m.: 14 IR 569; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-27 Main extension; exception to commission approval**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 27. If the cost of the main extension is greater than the free extension cost provided in section 26 of this rule, that extension shall be made, upon receipt by the utility of a signed agreement and a deposit from the applicant, without specific approval of the agreement by the commission. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-27; filed Dec 5, 1990, 3:35 p.m.: 14 IR 569; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-28 Main extension route**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 28. (a) The utility shall use good engineering and sewer utility practices in determining the route for all main extensions. Any facilities installed in connection with main extensions shall become the property of the sewer utility.

(b) The utility shall determine the total length of the extension from its existing main to serve the extension to the end of the lot or frontage of the most remote applicant to be served.

(c) If the end lot or frontage is a corner lot or frontage abutting an intersecting street in which no main is located, the end of the new extension may not extend beyond the intersecting street corner of that lot.

(d) If the street in which the main is to be laid dead ends in a cul-de-sac or appears to be permanently dead ended against a railroad, creek, river, or other major physical or natural barrier, the end point of the main extension, if serving the most remote lot or frontage, shall be the point of the most remote service pipe connection, which connection point shall be at least ten (10) feet beyond the lot line. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-28; filed Dec 5, 1990, 3:35 p.m.: 14 IR 569; readopted*

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**170 IAC 8.5-4-29 Number of lots served by main extension**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 29. A determination shall be made of the number of lots to be served by the main extension. The determination may include only lots which directly abut the main extension between its original beginning and its original end point. If any part of the main extension is located within an area platted or to be platted, the number of lots shown within the plat to be served shall be included in the determination. If any part of the main extension is located in an unplatted area, the number of lots to be included shall be determined by dividing the total frontage of the main extension within the unplatted area on either or both sides of the public thoroughfare or easement in which the main is located by one hundred (100) feet and rounded to the nearest whole number of lots, provided either or both sides are available for future development and not restricted against usage because of limited access or other reasons. The determination of the number of lots for a particular extension may include a combination of platted and unplatted lots as defined in this section. Any further main extension subsequently connected to the original main extension shall, for all purposes under this rule, constitute a separate main extension. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-29; filed Dec 5, 1990, 3:35 p.m.: 14 IR 569; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-30 Main extension cost**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 30. (a) The cost of the main extension may, as determined by the utility, be either:

- (1) the estimated cost of the extension; or
- (2) the actual cost of a developer-installed extension.

(b) For any special construction, or for any other facility involved in a main extension, the cost shall be the utility's best estimate of the cost of the main, special construction, or related facilities based upon current available information.

(c) If the utility's future extension plans require a larger main than is reasonably necessary to serve the applicants and prospective customers, the difference in the cost for the larger main size and increased material and installation cost, if any, shall be borne by the utility.

(d) The estimated cost shall be adjusted to the actual cost by the utility, in which event the actual cost as finally determined shall constitute the cost of the main extension. If the main extension agreement provides for the adjustment of the estimated cost of the main extension to the actual cost, the adjustment shall be made upon completion of the main extension. If the actual cost of the extension is less than the estimated cost, the utility shall refund the difference to the original depositor as soon as the actual cost has been determined. If the actual cost of the extension exceeds the estimated cost, then the utility shall bill the original depositor for, and such depositor shall pay, the difference between the estimated cost and the actual cost. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-30; filed Dec 5, 1990, 3:35 p.m.: 14 IR 569; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-31 Cost per lot**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 31. The cost per lot shall be determined by:

- (1) the total number of lots to be served by the main extension divided into the cost of the main extension; or

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(2) the cost of the main extension shall be divided proportionately on the basis of respective lot frontage for all lots to be served by the main extension.

*(Indiana Utility Regulatory Commission; 170 IAC 8.5-4-31; filed Dec 5, 1990, 3:35 p.m.: 14 IR 570; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA)*

### **170 IAC 8.5-4-32 Cost options**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 32. (a) The utility shall file with the commission, for approval, its choice of the following options with appropriately revised rules:

(1) For the main extension, the applicant shall be allowed to pay the cost of the main extension, and the full gross-up state and federal taxes associated with the cost of the extension and the applicant shall receive refunds as provided in sections 36 through 37 of this rule.

(2) For the main extension, the applicant shall be allowed to pay the cost of the main extension exclusive of the tax associated with the main extension, and the applicant shall receive refunds as provided in sections 36 through 37 of this rule.

(3) For the main extension, the applicant shall be allowed the option of paying the cost of the main extension and full gross-up state and federal taxes associated with the cost of the main extension, and the applicant shall receive refunds as provided in sections 36 through 37 of this rule, or paying the cost of the main extension exclusive of the tax associated with the main extension, and the applicant shall forfeit all rights to immediate revenue allowances and to refunds, except for subsequent connector's fees.

(b) If the utility desires to change its option after initial filing, the utility shall submit its requested revisions to the commission for approval. *(Indiana Utility Regulatory Commission; 170 IAC 8.5-4-32; filed Dec 5, 1990, 3:35 p.m.: 14 IR 570; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA)*

### **170 IAC 8.5-4-33 Total required deposit**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 33. (a) In the case of a residential real estate development, immediate revenue allowance may not be deducted from the cost of the main extension in determining the amount of the total required deposit, except for those residential dwelling units, if any, where construction has commenced above the first floor level.

(b) In the case of a commercial or industrial real estate development, immediate revenue allowance may not be deducted from the cost of the main extension in determining the amount of the total required deposit, except where building construction has commenced and pertinent data, such as customer types, service pipe, metering arrangements, and sewer demands, have been furnished to the utility, to allow the utility to determine the estimated annual revenue from that development.

(c) The total required deposit for a main extension may either be made in a cash payment or it may be secured by an irrevocable letter of credit acceptable to the utility and issued by a national banking association or a bank chartered under the laws of the state. The deposit may also be secured in any other manner which is mutually acceptable to the parties and which guarantees payment of the deposit immediately upon completion of the main extension.

(d) If permitted by the utility, the main extension may be installed by the developer or the developer's contractor according to the extension and installation policies of the utility, and the actual cost of the developer-installed extension shall be considered the total required deposit.

(e) A utility may allocate, or permit original depositors to allocate, the total required deposit on the basis of the number of lots, the respective lot frontage, or any other basis mutually acceptable to the original depositors. *(Indiana Utility Regulatory Commission; 170 IAC 8.5-4-33; filed Dec 5, 1990, 3:35 p.m.: 14 IR 570; errata filed Mar 11, 1991, 3:55 p.m.: 14 IR 1455;*



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*readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA)*

### **170 IAC 8.5-4-34 Subsequent connector fee**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 34. (a) Within ten (10) years after the completion date of the main extension, a utility shall not permit a subsequent connector to connect to a main extension until after the subsequent connector has paid the required subsequent connector's fee to the utility.

(b) Applicants for service connections for lots in subdivision and tract developments which are included in the original depositor's main extension agreement, are not required to pay a subsequent connector's fee, unless otherwise specifically provided for in the main extension agreement.

(c) If a prospective customer with frontage land that was unplatted on one (1) or both sides of the street at the time the main extension was installed later subdivides this frontage prior to the expiration of the ten (10) years after the completion date of the main extension in such a manner that some or all lots will not require service directly from that main extension, the customer is considered to have requested another extension from that main extension to serve the customer's land. The utility in that case shall collect from the prospective customer prior to installing the requested second extension, a subsequent connector's fee for each equivalent lot of the frontage land used in determining the main extension cost per lot and which will not be served directly by the original main extension. *(Indiana Utility Regulatory Commission; 170 IAC 8.5-4-34; filed Dec 5, 1990, 3:35 p.m.: 14 IR 571; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA)*

### **170 IAC 8.5-4-35 Refunds**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 35. (a) Refunds shall be paid for a period of ten (10) years after the completion date of the main extension to the original depositor in proportion to the respective deposits, unless the original depositor for the main extension forfeited all rights to refunds, except subsequent connector's fees, as provided in section 32(a)(3) of this rule.

(b) However, no refunds shall be required to be made by the utility until the number of customers actually connected to the main extension equals the number of applicants for which an immediate revenue allowance was included in computing the total required deposit for the main extension. The refunds shall be paid annually or more frequently at regular intervals at the discretion of the utility.

(c) Total refunds to any original depositor shall not exceed the amount of the original deposit except in the case of a phased residential real estate development. In this situation the preliminary plat must be submitted to the utility at the time of the first request for a main extension. During the ten (10) year period beginning with the completion date of the first main extension, the amount of any refunds generated in excess of the deposit made on any phase of the development must be applied against the deposit made for any other phase of the development, so long as the total amount of refunds to the original depositor shall not at any time exceed the total amount of his deposits during the period. The utility shall not require any subsequent connector's fee which is in excess of the unrefunded balance of the aggregate of deposits received from all original depositors.

(d) The refund shall be made by mailing the payment to the original depositor's last known address as shown on the books and records of the utility. Any refund distribution which cannot be returned to an original depositor after the refund becomes due and payable must be reported as required by IC 32-9-1-42 *[Repealed by P.L.31-1995, SECTION 9, effective July 1, 1996.]* *(Indiana Utility Regulatory Commission; 170 IAC 8.5-4-35; filed Dec 5, 1990, 3:35 p.m.: 14 IR 571; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA)*

**170 IAC 8.5-4-36 Deposit**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 36. A deposit shall be held by the utility as a customer's advance for construction. Any deposit which is not subject to refund because of the running of the ten (10) year period as provided in section 35 of this rule, shall be transferred by the utility to contributions in aid of construction. If the original depositor for a main extension forfeits all rights to a refund, except for subsequent connector's fees, as provided in section 32(a)(3) of this rule, the payment must be included in contributions in aid of construction and the associated taxes shall be deducted from contributions in aid of construction. All other deposits must be held as customers' advances for construction until returned to the original depositor or be reported as required under IC 32-9-1-36 [Repealed by P.L.31-1995, SECTION 9, effective July 1, 1996.], and as provided under section 35 of this rule. (Indiana Utility Regulatory Commission; 170 IAC 8.5-4-36; filed Dec 5, 1990, 3:35 p.m.: 14 IR 571; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA)

**170 IAC 8.5-4-37 Basis for costs**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 37. If the applicant is required to make any payment, the utility shall, upon request, make the following available to the applicant:

- (1) The information used to establish the basis for the cost of the main extension.
- (2) The information used to establish the basis for the estimated annual revenue for a period of three (3) years to be realized by the utility from permanent and continuing customers on main extensions as required by this rule.

(Indiana Utility Regulatory Commission; 170 IAC 8.5-4-37; filed Dec 5, 1990, 3:35 p.m.: 14 IR 572; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA)

**170 IAC 8.5-4-38 Extension exception**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 38. A utility shall not be required to make extensions as described in this rule unless the applicants to be initially served by those extensions contract to use the service for a period of three (3) years. A bond may be required of the applicant in this situation. (Indiana Utility Regulatory Commission; 170 IAC 8.5-4-38; filed Dec 5, 1990, 3:35 p.m.: 14 IR 572; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA)

**170 IAC 8.5-4-39 Special contract**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 39. (a) A utility may require a special contract when:

- (1) the requested main extension is of such length and the prospective business to be developed by it is so meager as to make it doubtful whether the business from the extension would ever pay a fair return on the utility investment involved in such extension;
- (2) the prospects are that the patronage and demand will not be of such permanency as to warrant the capital expenditure involved;
- (3) there are industrial installations requiring extensive sewer utility investment and where the demand for sewer service

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is expected to be slight, irregular, or of unknown quantity; or

(4) there are other abnormal or extraordinary circumstances.

(b) The utility and the applicant requesting the extension may enter into a special contract establishing the terms and conditions on which the extension will be made. In the event they are unable to agree on the terms and conditions, the matter, including the contract embodying the terms and conditions, shall be submitted to the commission for a determination. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-39; filed Dec 5, 1990, 3:35 p.m.: 14 IR 572; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

**170 IAC 8.5-4-40 Prohibition exception**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 40. This rule does not prohibit a utility from making free extensions of lengths greater than specified in this rule or from providing a method of return of deposits for extensions more favorable to original depositors, so long as discrimination is not practiced among applicants or original depositors whose service requirements are similar. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-40; filed Dec 5, 1990, 3:35 p.m.: 14 IR 572; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; readopted filed Aug 2, 2013, 2:16 p.m.: 20130828-IR-170130227RFA; readopted filed Apr 11, 2019, 9:04 a.m.: 20190508-IR-170190136RFA*)

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