

SILVER CREEK WATER CORPORATION  
P.O. BOX 102  
SELLERSBURG, IN 47172  
(812) 246-2889

RECEIVED  
DEC 02 2010

December 2, 2010

INDIANA UTILITY REGULATORY COMMISSION

Brenda Howe, Secretary of the Commission  
Indiana Utility Regulatory Commission  
101 West Washington Street, Suite 1500  
Indianapolis, Indiana 46204

**RE: Request for Supplier Cost Tracker**

Silver Creek Water Corporation hereby requests a change in its tracking charge to be processed through the Commission's 30-day filing procedure in accordance with 170 IAC1-6-3. Enclosed are the schedules prescribed by the Commission in support of the requested change in the schedule of rates and charges and they are based solely upon the change in the cost of water purchased from Indiana American Water, as reflected in the Distribution System Improvement Charge approved October 20, 2010 under Cause No. 42351 DCIC-6. Supporting documents for Silver Creek Water Corporation include the accompanying exhibits 1 through 5, the Corporation's current Schedule of Rates and Charges, Indiana American Water's Exhibit GMV-1 (Distribution System Improvement Charge,) Indiana American Water's Final Order approval on October 20, 2010, Indiana American Water's notice for Fire Protection Fees, and Silver Creek Water Corporation's previously approved tracker schedules, dated July 7, 2010 (Appendix A, B, C, D and E, respectively). Indiana American Water Company, Inc.'s invoices and Silver Creek Water Corporation's gallons sold to customers are presented in Appendix F.

Please notify us or our rate consultants, Kevin Mullikin or Sharon Martin, of Sherman, Barber, & Mullikin, CPAs, at (812) 265-5312, if you have any questions or wish to discuss this filing. Thank you for your attention and assistance.

We have provided three copies of the schedules and supporting documents to the Office of the Utility Consumer Counsel.

Yours truly,

**SILVER CREEK WATER CORPORATION**

Heidi Ham  
Office Manager

Enclosures

EXHIBIT 1

VERIFIED STATEMENT IN SUPPORT OF CHANGE IN SCHEDULE OF RATES

TO THE INDIANA UTILITY REGULATORY COMMISSION:

1. SILVER CREEK WATER CORPORATION, under and pursuant to the Indiana Utility Regulatory Commission Act, as amended, hereby files with the Indiana Utility Regulatory Commission, an increase/~~decrease~~ (strike one) in its schedule of rates for water sold in the amount of \$0.10 per 1,000 gallons.
2. The accompanying changes in the schedule of rates are based solely upon the change in the cost of water purchased by this utility computed in accordance with 170 IAC 6-5-1.
3. All of the matters and facts stated herein and in the attached exhibits are true and correct. Unless disapproved or temporarily postponed, the rate changes shall take effect for the next practical consumption period following final approval by the Commission.

SILVER CREEK WATER CORPORATION

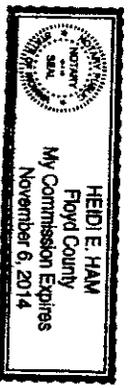
By: Paul Kelly Fees  
Executive Officer

STATE OF INDIANA )  
                          ) SS:  
COUNTY OF CLARK )

Personally appeared before me, a Notary Public in and for said County and State, this 19 day of Nov 20 18, FRED KEUHEY, who after having been duly sworn according to law, stated that he is an officer of the Silver-Creek Wtr.; that he has read the matters and facts stated above, and in all exhibits attached hereto, and that the same are true; that he is duly authorized to execute this instrument for and on behalf of the applicant herein.

Hedje Ham  
Notary Public

My Commission Expires: 11-06-14



## SCHEDULE OF WATER PURCHASES AND SALES

(1)	(2)	(3)
<u>Month</u>	(1,000 Gallons) Gallons Purchased from Supplier	Gallons Sold to Customers
October 2009	43,659.00	34,519.70
November 2009	40,147.50	33,376.00
December 2009	32,878.50	35,279.90
January 2010	43,719.00	34,326.20
February 2010	31,017.75	32,957.80
March 2010	49,391.25	34,708.50
April 2010	39,096.75	36,461.70
May 2010	45,837.00	38,774.10
June 2010	36,828.00	49,069.90
July 2010	53,914.50	51,076.50
August 2010	59,991.75	50,560.10
September 2010	<u>57,219.00</u>	<u>59,050.30</u>
Totals	<u>533,700.00</u>	<u>490,160.70</u>

COMPUTATION OF CHANGE IN COST OF WHOLESALE WATER PURCHASED  
DUE TO CHANGE IN RATE

Company Name: SILVER CREEK WATER CORPORATION Phone Number (812) 246-2889  
 Address: P.O. BOX 102, SELLERSBURG, INDIANA 47172  
 Name of Wholesale Water Supplier(s): INDIANA-AMERICAN WATER  
 Effective Date of Rate/Supplier Change: APPROVED 10/20/10 Authority - IURC Cause No: 42351 DSIC-6  
 Based Upon Water Purchased for Twelve Months Ended: SEPTEMBER, 2010

	(1)	(2)	(3)	(4)	(5)	(6)
	<u>Suppliers' Rates</u>				<u>Annual Cost of Wholesale Water Purchased</u>	
		<u>Immediately Prior To Change</u>	<u>Changed Rate</u>	<u>Purchased Water Gallons (1,000 Gal)</u>	<u>At Rates Effective Immediately Prior to Change</u>	<u>At Changed Rate</u>
Service Charge:						
Meter Size (1-4") (A)		\$ 163.21/mo.	\$ 163.21/mo.	N/A	\$ 1,958.52	\$ 0.00 (A)
Meter Size (2-6")		\$ 319.47/mo.	\$ 319.47/mo.	N/A	\$ 7,667.28	\$ 7,667.28
Meter Size (1-10")		\$ 819.51/mo.	\$ 819.51/mo.	N/A	\$ 9,834.12	\$ 9,834.12
Gallonge Charge:						
First						
Next						
Next						
Next						
Next						
Over						
All Usage		\$2,1471	\$2,1471	533,700.0	<u>\$1,145,907.27</u>	<u>\$1,145,907.27</u>
Total Service Charge & Water Charge					1,165,367.19	1,163,408.67
DSIC Charge		0%	3.16%		0.00	36,763.71
Subtotal					1,165,367.19	1,200,172.38
Rate						
<u>Component</u>		<u>Prior To Change</u>	<u>Changed Rate</u>	<u>At Rates Effective Purchased Water Gallons (1,000 Gal)</u>	<u>Immediately Prior to Change</u>	<u>At Changed Rate</u>
Fire Protection Surcharge:		\$ 0.00/mo.	\$ 190.31/mo.	N/A	\$ 0.00	\$ 4,567.44
Meter Size (2-6")		\$ 0.00/mo.	\$ 494.69/mo.	N/A	\$ 0.00	\$ 5,936.28
Meter Size (1-10")						
Total Cost of Water Purchased					<u>\$ 1,165,367.19</u>	<u>\$ 1,210,676.10</u>

(A) 4" meter will be disconnected after September and no further charges will apply

EXHIBIT 4

COMPUTATION OF WATER TRACKING FACTOR  
(Per 1,000 Gallons)

1. Cost of Purchases from Exhibit 3, Column 6	New Costs	\$1,210,676.10
2. Cost of Purchases from Exhibit 3, Column 5	Prior Costs	<u>1,165,367.19</u>
3. Increased Purchased Water Cost: (1) - (2)		45,308.91
4. Increase in Gross Receipts Taxes and Other Similar Revenue Based Tax Charges		<u>0.00</u>
5. Increased Revenue Requirements: (3) + (4)		45,308.91
6. Total Metered Water Sales: (in Gallons) From Exhibit 2, Column (3)		<u>490,160.70</u>
7. Tracking Factor: (5) ÷ (6)		<u>\$ 0.10</u>

**LEGAL NOTICE OF FILING FOR A CHANGE IN WATER RATES BY  
SILVER CREEK WATER CORPORATION**

Notice is hereby given that on NOVEMBER 10, 2010,  
SILVER CREEK WATER CORPORATION, under and pursuant to the Public Service  
Commission Act, as amended, has filed with the Indiana Utility Regulatory Commission an  
increase/decrease (strike one) in the schedule of rates and charges for water sold by its water  
utility in the amount of a \$ 0.10 per 1,000 gals./~~100 cu. ft.~~ (strike one) wholesale water  
cost tracker.

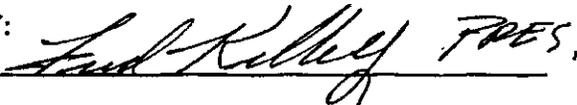
The changes in the schedule of rates and charges submitted to the Commission are based  
solely upon the change in the cost of water purchased by this utility from  
INDIANA AMERICAN WATER. The rate charges shall apply for the next practical consumption  
period following final approval by the Commission in accordance with IC § 8-1-2-42.

This is a wholesale water cost tracker that is applicable to all class of customers. Objections can  
be made to the Secretary of the Commission: IURC, 101 W. Washington St., Ste. 1500E,  
Indianapolis, IN 46204 and the Office of Utility Consumer Counselor (OUCC): OUCC, 115 W.  
Washington St., Ste. 1500S, Indianapolis, IN 46204 or at 1-888-441-2494.

SILVER CREEK WATER CORPORATION

FOR ITS WATER UTILITY

BY:



Executive Officer

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Prescribed by State Board of Accounts

General Form No. 99P (Rev. 2009)

Silver Creek Water Corp  
(Governmental Unit)

FLOYD County, Indiana

To:  
THE TRIBUNE  
303 SCRIBNER DRIVE  
NEW ALBANY, IN 47150

PUBLISHER'S CLAIM

LEGAL NOTICE OF FILING FOR A CHANGE IN WATER RATES BY SILVER CREEK WATER CORPORATION.

Notice is hereby given that Silver Creek Water Corporation (SCWC), under and pursuant to the Public Service Commission Act, as amended, has filed with the Indiana Utility Regulatory Commission (IURC) for an increase in the schedule of rates and charges for water sold by its water utility. SCWC purchases all water from Indiana American Water, Inc. (IAWC). This increase is from a proposed settlement that was submitted October 20, 2010 for rate increase for IAWC involving the IURC and Office of Utility Consumer Counselor (OUCC) Cause Number 42351 DSIC-6. The increase could be up to, or a maximum amount of \$10 per 1,000 gallons. This is a wholesale water cost tracker applicable to customers of SCWC based solely upon the change in the cost of purchased water from IAWC and shall apply for the next practical consumption period following final approval by the IURC accordance with IC 8-1-2-42. Objections can be made to the IURC at 317-232-2703 or Brenda Howe; Secretary of the Commission; IURC, National City Center, 101 W. Washington St. Ste 1500 E.; Indianapolis, IN 46204 and the Office of Utility Consumer Counselor (OUCC) at Indiana Office of Utility Consumer Counselor, National City Center 115 W. Washington St., Ste 1500 South Indianapolis, IN 46204. Phone 1-888-441-2494, (317) 232-2494 Voice/TDD, Fax: (317) 232-5923 SILVER-

LINE COUNT

Display Master (Must not exceed two actual lines, neither of which shall total more than four solid lines of the type in which the body of the advertisement is set) - number of equivalent lines  
Head - number of lines ..... 59 .....  
Body - number of lines .....  
Tail - number of lines .....  
Total number of lines in notice ..... 59 .....

COMPUTATION OF CHARGES

59 lines, 1 column wide equals 59 equivalent lines at 2405 cents per line  
Additional charges for notices containing rule or tabular work (50 per cent of above amount) ..... \$ 14.19 .....  
Charge for extra proofs of publication (\$1.00 for each proof in excess of two) .....  
TOTAL AMOUNT OF CLAIM ..... \$ 14.19 .....

DATA FOR COMPUTING COST

Width of single column in picas 6.4 ..... Size of type 7 point.....  
Number of insertions.....

Pursuant to the provisions and penalties of IC 5-11-10-1, I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

I also certify that the printed matter attached hereto is a true copy, of the same column width and type size, which was duly published in said paper 1 times. The dates of publication being as follows:

11-17-10

Additionally, the statement checked below is true and correct:

- ..... Newspaper does not have a Web site.
- Newspaper has a Web site and this public notice was posted on the same day as it was published in the newspaper.
- ..... Newspaper has a Web site, but due to technical problem or error, public notice was posted on .....
- ..... Newspaper has a Web site but refuses to post the public notice.

Kelly Wees

ste 11-17-10

Legal Clerk

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Prescribed by State Board of Accounts

General Form No. 99P (Rev. 2006)

**LEGAL NOTICE OF FILING FOR A CHANGE IN WATER RATES BY SILVER CREEK WATER CORPORATION.**

*Silver Creek Water Corp.*  
(Governmental Unit)

To:  
THE EVENING NEWS  
221 SPRING STREET  
JEFFERSONVILLE, IN 47130

CLARK County, Indiana

**PUBLISHER'S CLAIM**

**LINE COUNT**

Display Master (Must not exceed two actual lines, neither of which shall total more than four solid lines of the type in which the body of the advertisement is set) -- number of equivalent lines \_\_\_\_\_

Head -- number of lines \_\_\_\_\_

Body -- number of lines \_\_\_\_\_ 59

Tail -- number of lines \_\_\_\_\_

Total number of lines in notice \_\_\_\_\_ 59

**COMPUTATION OF CHARGES**

59 lines, 1 column wide equals 59 equivalent lines at 2405 cents per line \_\_\_\_\_

Additional charges for notices containing rule or tabular work (50 per cent of above amount) \_\_\_\_\_ \$ 14.19

Charge for extra proofs of publication (\$1.00 for each proof in excess of two) \_\_\_\_\_

**TOTAL AMOUNT OF CLAIM** \_\_\_\_\_ \$ 14.19

**DATA FOR COMPUTING COST**

Width of single column in picas 6.4 \_\_\_\_\_

Number of insertions \_\_\_\_\_

Size of type 7 point \_\_\_\_\_

Pursuant to the provisions and penalties of IC 5-11-10-1, I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

I also certify that the printed matter attached hereto is a true copy, of the same column width and type size, which was duly published in said paper 1 times. The dates of publication being as follows:

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- Newspaper has a Web site, but due to technical problem or error, public notice was posted on \_\_\_\_\_
- Newspaper has a Web site but refuses to post the public notice.

*Kelley Wells*

Legal Clerk

Date 11-17-10

Notice is hereby given that Silver Creek Water Corporation (SCWC), under and pursuant to the Public Service Commission Act, as amended, has filed with the Indiana Utility Regulatory Commission (IURC) for an increase in the schedule of rates and charges for water sold by its water utility. SCWC purchases all water from Indiana American Water, Inc. (IAWC). This increase is from a proposed settlement that was submitted October 20, 2010 for rate increase for IAWC involving the IURC and Office of Utility Consumer Counselor (OUCC) Cause Number 42351 BSIC-6. The increase could be up to, or a maximum amount of \$10 per 1,000 gallons. This is a wholesale water cost tracker applicable to customers of SCWC based solely upon the change in the cost of purchased water from IAWC and shall apply for the next practical consumption period following final approval by the IURC accordance with IC 8-1-2-42. Objections can be made to the IURC at 317-232-2703 or Brenda Howe, Secretary of the Commission, IURC, National City Center, 101 W. Washington St. Ste 1500 E., Indianapolis, IN 46204 and the Office of Utility Consumer Counselor (OUCC) at Indiana Office of Utility Consumer Counselor, National City Center 115 W. Washington St., Ste 1500 South Indianapolis, IN 46204. Phone 1-888-441-2494, (317) 232-2494 Voice/TDD, Fax: (317) 232-5923 SILVER-CREEK WATER CORPORATION Clark County

# Appendix A

SILVER CREEK WATER CORPORATION  
P.O. BOX 102  
SELLERSBURG, INDIANA 47172

APPROVED  
PER CONFERENCE MINUTES  
FEB 07 2007

SCHEDULE OF RATES AND CHARGES  
APPROVED JUNE 5, 1985 (CAUSE NO. 37734) Indiana Utility Regulatory Commission

(a) General Service Metered Rate

For use of and service rendered by the corporation based upon the use of water supplied by said corporation:

<u>Consumption per Month</u>	<u>Rate Per 1,000 Gallons*</u>
First 10,000 gallons	\$3.17
Next 30,000 gallons	\$2.42
Next 60,000 gallons	\$1.74
Over 100,000 gallons	\$1.33

(b) Monthly Minimum Charge

Each member shall pay a minimum charge in accordance with the following applicable size of meter installed, for which the member will be entitled to the quantity of water set out in the above metered block rates.

<u>Meter Size</u>	<u>Gallons Allowed</u>	<u>Monthly Minimum Charge*</u>
5/8" or 3/4" meter	2,500	\$ 7.92
1" meter	9,900	\$ 31.63
1-1/2" meter	24,960	\$ 67.83
2" meter	39,390	\$ 104.04
3" meter	99,790	\$ 208.00
4" meter	198,910	\$ 339.59
6" meter	298,730	\$ 472.03

\*Subject to the wholesale water tracking factor listed in "Appendix A"

(c) Fire Protection Service

Service under these rates shall generally consist of stand-by service for emergencies and all water taken through such connections shall be restricted to fire emergencies unless other temporary use shall have been specifically authorized by the corporation.

	<u>Rate Per Annum</u>
Municipal hydrants, each	\$163.38
Private hydrants, each	\$163.38

## SILVER CREEK WATER CORPORATION

APPROVED:  
PER CONFERENCE MINUTE:SCHEDULE OF RATES AND CHARGES  
APPROVED JUNE 5, 1985 (CAUSE NO. 37734)

FEB 07 2007

(c) Fire Protection Service (Cont'd.)

Indiscrete Utility Requirement

Private fire hydrants shall be defined as all fire hydrants in which a municipality is not paying the annual municipal fire hydrant fee.

Each member who lives within a one thousand foot (1,000) of a four inch (4") or a six inch (6") fire hydrant shall pay the following per month:

\$1.55

<u>Automatic Sprinklers</u>	<u>Rate Per Annum</u>
1" connection	\$ 4.53
1-1/4" connection	\$ 7.07
1-1/2" connection	\$ 10.23
2" connection	\$ 18.17
3" connection	\$ 40.86
4" connection	\$ 72.60
6" connection	\$ 163.37

(d) Temporary Users

Water furnished to temporary users such as contractors shall be charged on the basis of the metered gallon rates hereinbefore set forth and the number of gallons shall be estimated and/or established by the water corporation with rented hydrant meter.

(e) Connection Charge

1) Each applicant for a 5/8 x 3/4 inch meter shall pay a charge to cover the costs of: excavating and tapping the main; furnishing and installing service pipe from the main to the meter location; furnishing and installing corporation stops; and furnishing and installing meter pit (if outside), setter and Radio Read meter. The charge for a 5/8 x 3/4 inch meter tap shall be \$1,021.00.

2) Each applicant for a tap larger than a 5/8 x 3/4 inch meter shall pay the actual cost of labor, materials, power machinery, transportation and overhead incurred for installing the tap, but shall not be less than the charge of a 5/8 x 3/4 inch meter tap.

3) Added to the fees charged in Item 1 or 2 above shall be the actual cost of all state and county permits.

SILVER CREEK WATER CORPORATION  
 SCHEDULE OF RATES AND CHARGES  
 APPROVED JUNE 5, 1985 (CAUSE NO. 37734)

APPROVED  
 PER CONFERENCE MINUTES

FEB 07 2007

Indiana Utility Regulatory Commission

(f) Membership Fee

A membership fee of \$100.00 shall be paid in addition to the connection charge, upon application for the membership in this corporation. The membership is refundable and shall be transferable only upon the books of the corporation's secretary.

(g) Reconnection Charge \$45.00

When the service is turned off for nonpayment of bill, or for any reason beyond the control of the corporation a reestablishment of service is required by any member, this charge will be made by the corporation for discontinuance and, if requested by the member, reestablishment of service. This charge is for services during the period of 8:00 a.m. to 4:30 p.m. weekdays. This charge, together with any arrears due, must be received before 4:30 p.m. to restore service the same business day.

(h) Reconnection Surcharge \$10.00

This charge will be made in addition to the \$45.00 reconnection charge for reestablishment of service on Saturday, Sunday, holidays and before 8:00 a.m. or after 4:30 p.m. on weekdays.

(i) Reinstallation/ Lock Surcharge \$44.00

When a meter has been removed or locked following service disconnection due to unauthorized use of the service and/or meter by a member, there shall be assessed a surcharge for the removal or locking and reinstallation of the meter. This charge as well as any costs for materials needed for repairs shall be in addition to the applicable reconnection charge and/or reconnection surcharge.

(j) General Service Charge \$44.00

This charge will be made for any trip to the members premises at their request for conditions on the members responsibility side of the meter during the period of 8:00 a.m. to 4:30 p.m. weekdays.

(k) General Service Surcharge \$10.00

This charge will be made in addition to the \$45.00 general service charge for such service on Saturday, Sunday, holidays, and before 8:00 a.m. or after 4:30 p.m. on weekdays.

## SILVER CREEK WATER CORPORATION

APPROVED  
PER CONFERENCESCHEDULE OF RATES AND CHARGES  
APPROVED JUNE 5, 1985 (CAUSE NO. 37734)

FEB 07 2007

(l) Collection and Deferred Payment Charges

Indiana Utility Regulatory Commission

All bills for water services not paid within seventeen (17) days from the due date thereof, as stated in such bills, shall be subject to the collection or deferred payment charge of ten percent (10%) on the first \$3.00 and three percent (3%) on the excess over \$3.00.

(m) Returned Check/ Drafting Charge

\$18.00

This charge will be made for each instance that a check or bank drafting issued in payment is returned to the corporation by the depository bank, such check or drafting not having been honored by the bank for any reason.

(n) Postage Charge-Delinquent Accounts

At any time a delinquent billing for water services is required to be mailed, an additional charge of twenty-five cents (\$.25) shall be made for postage.

(o) Rates Applicable to All Users

The rates herein set out shall apply to all users and/or members, regardless of prior and existing contracts calling for different rates whether lower or higher.

SILVER CREEK WATER CORPORATION

SCHEDULE OF RATES AND CHARGES

APPENDIX A

APPROVED BY  
CONFERENCE MINUTES

JUL 07 2010

UTILITY  
REGULATORY COMMISSION

Water Tracking Adjustment - The water tracking factor set forth in this schedule is applicable where clearly denoted on other rate schedules and shall be occasioned solely by changes in the wholesale cost of water, in accordance with 170 IAC 6-5-1.

Water Tracking Rate

\$1.76 per 1,000 Gallons

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(1) Inclusive of the following tracking factor:

\$ 0.04 per 1,000 gallons approved December 7, 1994.

\$ 0.11 per 1,000 gallons approved July 31, 1996.

\$ 0.17 per 1,000 gallons approved February 11, 1998.

\$ 0.42 per 1,000 gallons approved October 6, 1999.

\$ 0.13 per 1,000 gallons approved February 25, 2004.

\$ 0.08 per 1,000 gallons approved March 2, 2005.

\$ 0.12 per 1,000 gallons approved October 24, 2007.

\$ 0.05 per 1,000 gallons approved May 28, 2008.

\$ 0.05 per 1,000 gallons approved June 17, 2009.

\$ 0.59 per 1,000 gallons approved 7/7/10

APPROVED FOR USE ON AND AFTER 7/7/10

SILVER CREEK WATER CORPORATION

SCHEDULE OF RATES AND CHARGES

APPROVED \_\_\_\_\_, 2010, (Cause No. )

Water Tracking Adjustment - The water tracking factor set forth in this schedule is applicable where clearly denoted on other rate schedules and shall be occasioned solely by changes in the wholesale cost of water, in accordance with 170 IAC 6-5-1.

Water Tracking Rate	\$0.10 per 1,000 Gallons
Previous Water Tracking Rate	<u>1.76</u> per 1,000 Gallons
Total Water Tracking Rate	<u>\$1.86</u> per 1,000 Gallons

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Inclusive of the following tracking factor:

\$1.86 per 1,000 gallons approved \_\_\_\_\_.

# Appendix B

COPY

FILED

STATE OF INDIANA

AUG 04 2010

INDIANA UTILITY REGULATORY COMMISSION

INDIANA UTILITY  
REGULATORY COMMISSION

PETITION OF INDIANA-AMERICAN )  
WATER COMPANY, INC. FOR )  
APPROVAL OF (A) A NEW )  
DISTRIBUTION SYSTEM IMPROVEMENT )  
CHARGE ("DSIC") PURSUANT TO IND. )  
CODE CHAP. 8-1-31; (B) A NEW RATE )  
SCHEDULE REFLECTING THE DSIC; )  
AND (C) INCLUSION OF THE COST OF )  
ELIGIBLE DISTRIBUTION SYSTEM )  
IMPROVEMENTS IN ITS DSIC )

CAUSE NO. 42351 DSIC-6

PETITION AND SUBMISSION OF CASE-IN-CHIEF

INDIANA-AMERICAN WATER COMPANY, INC. ("Petitioner") respectfully requests approval of a new distribution system improvement charge ("DSIC") and certain related relief described below. In support of this request, Petitioner respectfully shows the Commission:

1. Petitioner's Corporate and Regulated Status. Petitioner is an operating public utility, incorporated under the laws of the State of Indiana, with its principal office and place of business at 555 East County Line Road, Greenwood, Indiana. Petitioner is subject to regulation by the Commission in the manner and to the extent provided by the laws of the State of Indiana, including Ind. Code § 8-1-2-1 *et seq.*

2. Petitioner's Operations. Petitioner provides water utility service to customers in numerous municipalities and counties throughout the State of Indiana for residential, commercial, industrial, public authority, sale for resale, and public and private fire protection purposes. Petitioner also provides sewer utility service in Wabash and Delaware Counties.

3. DSIC Statute. Ind. Code Chap. 8-1-31 authorizes the Commission to approve DSICs in order to allow water utilities to automatically adjust their basic rates and charges to recover a pretax return and depreciation expenses on eligible distribution system improvements. Eligible distribution system improvements are defined as new used and useful water utility plant projects that (a) do not increase revenues by connecting the distribution system to new customers, (b) are in service and (c) were not included in the public utility's rate base in its most recent general rate case. Ind. Code § 8-1-31-5. The rate of return allowed on eligible distribution system improvements is equal to the public utility's weighted cost of capital. The DSIC may not produce revenues in excess of 5% of the public utility's base revenue level approved in the utility's most recent general rate proceeding. Ind. Code § 8-1-31-13. The DSIC may be calculated based on a reasonable estimate of sales in the period the DSIC will be in effect. Ind. Code § 8-1-31-14. At the end of each twelve month period, the public utility shall adjust the DSIC charge to reconcile the difference between DSIC revenues and DSIC costs during that period. *Id.*

4. Petitioner's Proposed DSIC. Pursuant to 170 I.A.C. 6-1.1-4, Petitioner is attaching hereto the testimony and evidence constituting its case-in-chief. The manner in which the proposed DSIC has been calculated and its compliance with the statutory requirements is explained in more detail in Petitioner's case-in-chief.

5. Calculation of DSIC. Petitioner proposes to treat the DSIC as per the Commission's April 2, 2008 Order in Cause No. 42351-DSIC-4 ("DSIC-4 Order"), in that the rate would be a percentage that would be applied to both the consumer's volumetric and metered service charge rates. Consistent with the Commission's April 30, 2010 Order in Cause No. 43680, Petitioner will compute the DSIC as a single percentage of bills that will be the same for all rate groups.

6. Reconciliation of DSIC-5. The Commission's DSIC-5 Order was issued on April 15, 2009. In accordance with 170 I.A.C. 6-1.1-8, Petitioner filed a Reconciliation Report which reconciled the first twelve months that the DSIC-5 rates were in effect as well as the previously unreconciled period for DSIC-4 (April 2, 2009 through April 14, 2009). Included in the Petitioner's case-in-chief is an updated Reconciliation Report which includes the reconciliation for the period of April 15, 2010 through May 2, 2010, which was the final DSIC billing period before the DSIC surcharge was re-set to zero due to the implementation of new rates under Cause No. 43680.

7. No Publication of Notice of Filing Required. Indiana Code § 8-1-31-8(c) exempts DSIC petitions from the requirement in Ind. Code § 8-1-2-61(a) for publication of notice of the filing by a public utility of a petition respecting rates. Therefore, Petitioner has not made any such newspaper publication.

8. Applicable Statutory Provisions. Petitioner considers that the provisions of Ind. Code § 8-1-2-23, and Ind. Code Chap. 8-1-31, among others, are applicable to the subject matter of this petition.

9. Attorneys for Petitioner. Nicholas K. Kile (Atty. No. 15203-53) and Jeffrey M. Peabody (Atty. No. 28000-53) of Barnes & Thornburg LLP, 11 South Meridian Street, Indianapolis, Indiana 46204, are counsel for Petitioner and are duly authorized to accept service of papers in this Cause on Petitioner's behalf.

WHEREFORE, Petitioner respectfully prays that the Commission promptly conduct a hearing in this proceeding in accordance with Ind. Code Chap. 8-1-31, and make such investigation

as is necessary or advisable in this Cause. Thereafter, Petitioner respectfully prays that the Commission issue an Order in this Cause:

- (a) Approving Petitioner's proposed new Distribution System Improvement Charge;
- (b) Approving Petitioner's proposed DSIC rate schedule;
- (c) Approving the cost of its eligible distribution system improvements in its DSIC; and
- (d) Granting all other proper relief.

DATED this 4<sup>th</sup> day of August, 2010.



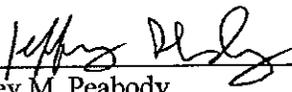
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Attorneys for Petitioner  
INDIANA-AMERICAN WATER COMPANY, INC.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing Petition and Submission of Case-in-Chief has been served via hand-delivery to the Indiana Office of Utility Consumer Counselor, PNC Bank Building, 115 West Washington Street, Suite 1500 South, Indianapolis, Indiana 46204 this 4<sup>th</sup> day of August, 2010.

  
\_\_\_\_\_  
Jeffrey M. Peabody

INDS01 1214958v2

**PETITIONER'S EXHIBIT GMV**

**INDIANA AMERICAN WATER COMPANY, INC.**

**CAUSE NUMBER 42351 DSIC-6**

**DIRECT TESTIMONY**

**OF**

**GARY M. VERDOUW**

**ON**

**PROPOSED DISTRIBUTION SYSTEM  
IMPROVEMENT CHARGE**

**SPONSORING PETITIONER'S EXHIBITS GMV-1 THROUGH GMV-5**



1 management, rate studies, and other functions for a growing electric distribution  
2 cooperative serving over 13,000 consumers. I was employed at Capital Electric until  
3 October of 2004, at which time I moved to the Saint Louis area. In February, 2005, I  
4 accepted the position of Senior Financial Analyst – Rates and Regulations with the  
5 Service Company. I was promoted to Manager of Rates and Regulation in April of 2008.  
6 In my current position, I work with rates and rate issues for regulated subsidiaries of  
7 American, including Indiana American Water Company (“Indiana American” or  
8 “Company”).

9  
10 **Q. Have you testified in any prior regulatory action?**

11 **A.** Yes. I have testified in numerous proceedings and types of proceedings before the  
12 Indiana Utility Regulatory Commission (“IURC” or “Commission”), the Public Utilities  
13 Commission of Ohio, and the Illinois Commerce Commission.

14  
15 **Q. Please summarize your educational and professional qualifications.**

16 **A.** I graduated from the University of Mary in Bismarck, North Dakota in 1981 with a  
17 Bachelor of Science degree in Business Administration. I returned to the University of  
18 Mary and completed a second major in Accounting in May of 1988. I have attended the  
19 Utility Rate Seminar sponsored by the National Association of Regulatory Utility  
20 Commissioners (“NARUC”) Water Committee and have participated in various  
21 continuing education programs sponsored by my former employers and by the Service  
22 Company. I am a member of the American Water Works Association (“AWWA”) and  
23 am currently a member of the IURC Water Rate Design Committee.

1  
2 **Q. What is the purpose of your testimony in this proceeding?**

3 A. The purpose of my testimony is to describe Indiana American's proposed Distribution  
4 System Improvement Charge, which is better known as "DSIC."

5  
6 **Q. What is a DSIC?**

7 A. A DSIC is a mechanism by which water utilities can make periodic adjustments to their  
8 rates and charges to earn a return on eligible improvements and to recover depreciation  
9 expense on those improvements. In 2000, the Indiana Legislature enacted Indiana Code  
10 Chapter 8-1-31 that permits Indiana water utilities to implement DSICs. Other states  
11 have similar statutes. The DSIC is an innovative ratemaking mechanism that encourages  
12 and assists water utilities to make the investments necessary to replace aging  
13 infrastructure.

14  
15 **DSIC Revenue Requirements**

16 **Q. Please explain how the proposed DSIC would operate.**

17 A. Pursuant to the DSIC statute, not more often than once every twelve months, Petitioner  
18 can adjust its rates to recover a return on eligible improvements ("Improvements") and  
19 depreciation expense relating to the Improvements. Improvements eligible to be included  
20 in the DSIC are new used and useful water utility plant projects that: (1) do not increase  
21 revenues by connecting the distribution system to new customers; (2) are in service; and  
22 (3) were not included in Petitioner's rate base in its most recent general rate case. The  
23 DSIC will be based on a reasonable estimate of sales for the period in which the DSIC

1 will be in effect. Petitioner will adjust the DSIC for any difference between the revenues  
2 recovered by the DSIC ("DSIC Revenues") and the actual DSIC costs at the end of each  
3 twelve month period. Cumulative DSIC Revenues are capped so the total DSIC revenues  
4 will not exceed 5% of the base revenue level approved in the last rate order. To the  
5 extent Improvements are included in Petitioner's rate base in future rate orders, the DSIC  
6 will be reset to zero to reflect the recovery of the capital costs and depreciation on the  
7 Improvements in base rates.

8

9 **Q. Does the Petitioner currently have a DSIC surcharge in effect?**

10 A. No. The DSIC surcharge that was approved in Cause No. 42351 DSIC-5 was reset to  
11 zero as of May 2, 2010 with the approval of new base rates effective as of May 3, 2010 as  
12 approved by the Commission's April 30, 2010 order in Cause No. 43680 (the "2010 Rate  
13 Order").

14

15 **Q. What Improvements does Petitioner propose to include in its DSIC?**

16 A. Petitioner proposes to include non-revenue producing projects placed in service between  
17 July 1, 2009 and June 30, 2010 that were not included in rate base in the 2010 Rate  
18 Order.

19

20 **Q. What properties were included in Petitioner's rate base in the 2010 Rate Order?**

21 A. The rate base cutoff in Cause No. 43680 consisted of property in service as of June 30,  
22 2009. As such, the Improvements included with this DSIC filing were placed into service  
23 after June 30, 2009 and were not included in rate base in the Company's last rate case.

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**Q. The Commission has promulgated rules at 170 IAC 6-1.1 setting forth certain requirements for DSIC filings. Has the Company complied with these rules?**

**A. Yes. Further, Appendix A of GAO 2005-4 contains specific forms and formats for DSIC applications.**

The application form contains twelve specific requirements. Company Witness Hoffman and I have addressed each of the requirements.

The Company has included in Petitioner's Exhibit SSH-1 the required information to define each DSIC project: Account Number (Asset Class); Description; Cost of Materials; Labor Costs; Non-Construction Costs; and Total Costs. The Company has also provided on Petitioner's Exhibit SSH-1 the task order (work order) number and the in-service date for each project.

**Q. Will any of the projects listed in Petitioner's Exhibit SSH-1 result in an increase in revenues resulting from the connection of new customers to the Company's distribution system?**

**A. No.**

**Q. Does the Company have invoices and other cost support for all projects included in the filing?**

1 A. Yes. Consistent with prior DSIC proceedings, we are prepared to file the information if  
2 required by the Commission or requested by the Office of Utility Consumer Counselor  
3 ("OUCC") or other intervening parties.  
4

5 **Q. Please identify and discuss the document that has been marked as Petitioner's**  
6 **Exhibit GMV-1.**

7 A. Petitioner's Exhibit GMV-1 is Petitioner's proposed DSIC rate schedule, First Revised  
8 Appendix A, including the DSIC rates. The Company is proposing to treat the DSIC  
9 surcharge as per the Commission's April 2, 2008 Order in Cause No. 42351 DSIC-4, in  
10 that the rate would be a percentage that would be applied to both the consumer's  
11 volumetric and metered service charge revenues. In addition, as per the 2010 Rate Order,  
12 the Company computed the DSIC as a single percentage of bills that will be the same for  
13 all rate groups. The DSIC Percentage Rate shown on Petitioner's Exhibit GMV-1 is  
14 3.16% for all water groups. This DSIC Percentage is also shown on Line 20 of the  
15 Calculation of DSIC-6 Revenue Requirement schedule included as Petitioner's Exhibit  
16 GMV-3.  
17

18 **Q. Has a reconciliation of the previous DSIC (Cause No. 42351 DSIC-5) been filed?**

19 A. Yes. The Commission's DSIC-5 Order was issued on April 15, 2009. In accordance  
20 with 170 I.A.C. 6-1.1-8, Petitioner filed a Reconciliation Report which reconciled the  
21 first twelve months that the DSIC-5 rates were in effect as well as the previously  
22 unreconciled period for DSIC-4 (April 2, 2009 through April 14, 2009). Included as  
23 Petitioner's Exhibit GMV-2 is an updated Reconciliation Report which also includes the

1 reconciliation for the period of April 15, 2010 through May 2, 2010, which was the final  
2 DSIC billing period before the DSIC surcharge was re-set to zero due to the  
3 implementation of new rates under Cause No. 43680. The total amount under recovered  
4 in the reconciliation period from DSIC-4 and DSIC-5 is \$1,000,040.65. The Company  
5 has made an adjustment to its filing to include that under recovered amount in the  
6 calculation of total DSIC revenues for Cause No. 42351 DSIC-6. The reconciliation of  
7 the variance from Cause No. 42351 DSIC-4 and DSIC-5 is shown as Line 14 of  
8 Petitioner's Exhibit GMV-3, Calculation of DSIC-6 Revenue Requirement.

9  
10 **Q. Why is the reconciliation variance so high in this case?**

11 A. Prior to Cause No. 42351 DSIC-4, the DSIC surcharge was calculated on the volumetric  
12 portion of a customer's billing only, and was included on the customer's bill as a  
13 volumetric rate per hundred cubic feet ("CCF"). In Cause No. 42351 DSIC-4, the  
14 Company proposed an optional calculation methodology for the DSIC surcharge, which  
15 was a percentage applied to the customer's total volumetric and metered service charge  
16 bill. The percentage DSIC surcharge methodology was approved by the Commission in  
17 Cause No. 42351 DSIC-4 on April 2, 2008, and again in the DSIC-5 Order. The  
18 surcharge percentage used in DSIC-4 and DSIC-5 was based on total water revenue, even  
19 though the revenue category of Public and Private Fire Protection did not receive a DSIC  
20 surcharge. Because of this, the surcharge calculated was not sufficient to recover the  
21 entire revenue requirement for DSIC-4 and DSIC-5, resulting in an under recovery of the  
22 approved revenue requirement. The surcharge calculation error was not discovered until  
23 the Company completed its annual reconciliation of DSIC-4, which was filed with the

1 Commission on May 1, 2009. A technical conference was conducted on June 9, 2009  
2 with all parties in the case to explain the under recovery and to inform the parties that a  
3 similar under recovery would be reported with the reconciliation filed for DSIC-5. The  
4 surcharge percentage calculation was corrected in this filing and should greatly reduce  
5 any under recovery of the revenue requirement by the Company.  
6

7 **Q. Please identify Petitioner's Exhibit GMV-3.**

8 A. Petitioner's Exhibit GMV-3 is the calculation of the DSIC-6 Revenue Requirement,  
9 which was prepared under my direction and supervision.  
10

11 **Q. Please discuss how the Company calculated the Net Investor Supplied DSIC**  
12 **Additions.**

13 A. The Company reduced the DSIC Improvements of \$35,434,974 (shown on Line 1 of  
14 Petitioner's Exhibit GMV-3) by the amount of the related plant retirements associated  
15 with the DSIC Improvements. This is consistent with the DSIC-5 Order. The amount of  
16 the retirements made from July 2009 through June 2010, as shown on Line 2 of  
17 Petitioner's Exhibit GMV-3, was \$2,563,448. This amount includes reconciled  
18 retirements to "true up" estimated retirements that were included in DSIC-5 and were  
19 described by Mr. Stacy Hoffman in his testimony included in DSIC-5, as well as an  
20 estimate of retirements that have yet to be completed but will be done as a part of the  
21 additions included in Line 1 of Petitioner's Exhibit GMV-3. These estimates are further  
22 discussed in the testimony provided by Mr. Hoffman and included as part of this case.  
23 The Company further adjusted retirements for the actual amount of the cost of removal,

1 net of salvage in the amount of \$3,412,195. This amount includes reconciled cost of  
2 removal to "true up" estimated cost of removal that was included in DSIC-5 and was  
3 described by Mr. Hoffman in his testimony included in DSIC-5. The cost of removal is  
4 shown on Line 3 of Petitioner's Exhibit GMV-3. Line 4 of Petitioner's Exhibit GMV-3  
5 reflects the total reimbursement of costs by the Indiana Department of Transportation  
6 ("INDOT"), as well as others, including State Revolving Funds ("SRF"), relative to  
7 DSIC projects included in DSIC-6. These reimbursements are described further by Mr.  
8 Hoffman in his testimony. As shown on Line 4, total reimbursement by INDOT and  
9 others for projects included in DSIC-6 totals \$1,825,388. The resulting Net Investor  
10 Supplied DSIC Additions is \$34,458,333 and is shown on Line 5 of Petitioner's Exhibit  
11 GMV-3. The Company has included the cost of removal, net of salvage, to properly  
12 reflect the level of investment associated with the DSIC Improvements.

13  
14 **Q. Were any of the Improvements funded by a source other than the Petitioner, such as**  
15 **a grant, contribution, or reimbursement?**

16 A. With the exception of the reimbursements made by INDOT and others and shown on  
17 Line 4 of Petitioner's Exhibit GMV-3, all other net investor supplied DSIC additions  
18 were funded by the Company.

19  
20 **Q. Please explain the rate of return used to determine the earnings requirement for the**  
21 **Improvements.**

22 A. The rate of return is Petitioner's weighted average cost of capital computed from  
23 Petitioner's actual permanent capital structure as of June 2010. The long-term debt cost

1 rate used in the calculation is the average embedded debt cost rate as of June 2010. The  
2 common equity cost rate of 10.00% is the rate approved by the Commission in the 2010  
3 Rate Order. This methodology for determining the rate of return is prescribed by the  
4 DSIC statute. Petitioner's Exhibit GMV-4 shows the derivation of the weighted cost of  
5 capital of 7.40% and the pre-tax rate of return of 10.61%. When this rate of return is  
6 multiplied by the net investor-supplied original cost of the DSIC Improvements, the pre-  
7 tax return is \$3,656,028, as shown on Line 8 of Petitioner's Exhibit GMV-3.

8

9 **Q. Has the Commission approved all of the long-term debt issues included in this**  
10 **calculation of return?**

11 A. Yes.

12

13 **Q. How was the net operating income level grossed up for state and federal income**  
14 **taxes?**

15 A. As shown on Page 1 of 3 of Petitioner's Exhibit GMV-4, the Company calculated a gross  
16 revenue conversion factor of 1.7075 utilizing those taxes which will be in effect during  
17 the time the DSIC Revenues are billed. These taxes are the Utilities Receipts Tax of  
18 1.4%, the State Income Tax (Corporate Adjusted Gross Income Tax) of 8.5%, and the  
19 Federal Income Tax of 35%. The gross revenue conversion factor was multiplied by the  
20 weighted cost of the non-debt components of the capital structure to determine the pre-  
21 tax return of 10.61%.

22

23 **Q. How was the depreciation expense applicable to the Improvements determined?**

1 A. In order to determine the depreciation expense of \$789,647, as shown on Line 10 of  
2 Petitioner's Exhibit GMV-3, the annual depreciation rates by primary plant account  
3 previously approved by this Commission were multiplied by the Improvements, net of  
4 related retirements. The depreciation rates used were those that were approved by the  
5 Commission in Cause No. 43081 and made effective in conjunction with the rate increase  
6 approved by the Commission in Cause No. 43187.

7  
8 **Q. Please explain how the DSIC volumetric and metered service charge rate was**  
9 **calculated.**

10 A. The annual revenue requirement was calculated by using the final volumetric and  
11 metered service charge revenue by district and tariff group as approved in the 2010 Rate  
12 Order. The resulting projected volumetric and meter revenue is shown on Line 18 of  
13 Petitioner's Exhibit GMV-3 and totals \$172,276,310. Since Public and Private Fire  
14 Protection do not receive a DSIC surcharge, the revenue requirement for Public and  
15 Private Fire Protection is not included in the surcharge calculation.

16  
17 **Q. How was the volumetric and meter revenue estimate in the period in which the**  
18 **DSIC will be in effect determined?**

19 A. Based upon the filing date of the petition in this Cause, and the timeline of 60 days  
20 specifically stated in the DSIC statute, the Company anticipates an effective date by early  
21 October 2010. The final revenue requirement approved in the 2010 Rate Order was used  
22 as it is reasonably close to the twelve months ended October, 2010.

23

1 Q. **Would the proposed DSIC produce total DSIC Revenues exceeding 5% of Indiana**  
2 **American's base revenue level approved by the 2010 Order?**

3 A. No. Total DSIC revenues for DSIC-6 are \$5,445,718 as shown on Line 16 of Petitioner's  
4 Exhibit GMV-3. Line 22 of Petitioner's Exhibit GMV-3 shows the total base water  
5 revenue approved in Cause No. 43680 in the amount of \$193,382,147. If total DSIC  
6 Revenues as shown on Line 16 are divided by the total base water revenue as shown on  
7 Line 22, the resulting percentage shown on Line 24 of Petitioner's Schedule GMV-3 is  
8 2.82%. Therefore, the total DSIC Revenues do not exceed 5% of Petitioner's base  
9 revenue level.

10

11 Q. **Has the Company provided an affidavit from an officer attesting to the veracity of**  
12 **the statements and information submitted in this DSIC filing?**

13 A. Yes. Attached as Petitioner's Exhibit GMV-5 is the affidavit attesting to the veracity of  
14 the statements and information submitted in this DSIC filing.

15

16 Q. **Does this conclude your prepared direct testimony?**

17 A. Yes.

1 VERIFICATION

1

2

3

4

5

6

I, Gary M. VerDouw, American Water Works Service Company, Inc., Manager of Rates  
and Regulation for Indiana American Water Co., Inc., affirm under penalties of perjury that the  
foregoing representations are true and correct to the best of my knowledge, information and  
belief.

7

8

9

  
\_\_\_\_\_  
Gary M. VerDouw

---

**Distribution System Improvement Charge (DSIC)**

The Distribution System Improvement Charge (DSIC) Percentage set forth on this schedule is applicable where clearly denoted on other rate schedules, and this percentage shall be added to the volumetric rates and metered service charges billed. Changes to the DSIC shall be occasioned by filings in accordance with Indiana Code Chapter 8-1-31.

**All Water Groups**

DSIC Percentage Rate                      3.16 %      ←      Final Order 10/20/10

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Issued: \_\_\_\_\_ Effective: \_\_\_\_\_

Issued by: Alan J. DeBoy, President  
Indiana American Water Company  
555 E. County Line Road  
Greenwood, Indiana 46143

# Appendix C

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF INDIANA-AMERICAN WATER )  
 COMPANY, INC. FOR APPROVAL OF (A) A )  
 DISTRIBUTION SYSTEM IMPROVEMENT ) CAUSE NO. 42351 DSIC-6  
 CHARGE ("DSIC") PURSUANT TO IND. CODE )  
 CHAP. 8-1-31; (B) A NEW RATE SCHEDULE ) APPROVED: OCT 20 2010  
 REFLECTING THE DSIC; AND (C) INCLUSION )  
 OF THE COST OF ELIGIBLE DISTRIBUTION )  
 SYSTEM IMPROVEMENTS IN ITS DSIC )

**BY THE COMMISSION:**  
 Carolene Mays, Commissioner  
 David E. Veleta, Administrative Law Judge

On August 4, 2010, Indiana-American Water Company, Inc ("Indiana-American" or "Petitioner") filed with the Commission its Petition and Submission of Case-in-Chief for approval of a new distribution system improvement charge ("DSIC") pursuant to Indiana Code § 8-1-31 and 170 I.A.C. 6-1.1-1 *et seq.* As required by 170 I.A.C. 6-1.1-4, Petitioner's August 4, 2010 Petition constituted its case-in-chief in support of the requested DSIC. On August 12, 2010, Petitioner filed the supplemental testimony of Stacy S. Hoffman and a revised version of Petitioner's Exhibit SSH-1. On September 3, 2010, the Indiana Office of the Utility Consumer Counselor ("Public") filed a report on Petitioner's proposed DSIC pursuant to Indiana Code § 8-1-31-9.

Pursuant to notice given as provided by law, proof of which was incorporated into the record by reference and placed in the official files of the Commission, a public evidentiary hearing was convened in this Cause on September 29, 2010 at 9:30 a.m. EDT in Room 224 of the PNC Center, Indianapolis, Indiana. At the public hearing, the prefiled evidence of Petitioner and the Public was offered and admitted into the record of the proceedings of this Cause. No members of the general public appeared or participated at the evidentiary hearing.

Having considered the evidence and being duly advised, the Commission now finds:

1. **Notice and Jurisdiction.** Due, legal and timely notice of the public hearing in this Cause was given and published as required by law. Petitioner is a "public utility" within the meaning of that term in Indiana Code § 8-1-2-1 and is subject to the jurisdiction of the Commission in the manner and to the extent provided by the laws of the State of Indiana. The Commission has jurisdiction over Petitioner and the subject matter of this proceeding.
2. **Petitioner's Characteristics.** Petitioner is an Indiana corporation engaged in the business of rendering water utility service to customers in numerous municipalities and counties throughout the State of Indiana for residential, commercial, industrial, public authority, sale for resale and public and private fire protection purposes. Petitioner also provides sewer utility

service in Wabash and Delaware Counties.

3. **Relief Requested.** Petitioner seeks approval of a DSIC pursuant to Indiana Code § 8-1-31, a new rate schedule reflecting the DSIC, and approval of the costs of the eligible Distribution System Improvements ("Improvements") in Petitioner's DSIC. Petitioner's most recent rate order was approved in Cause No. 43680 on April 30, 2010 (the "2010 Rate Order"). Petitioner's most recent DSIC was approved in Cause No. 42351 DSIC 5 on April 15, 2009 (the "DSIC-5 Order"), but the DSIC was reset to zero as a result of the 2010 Rate Order. In accordance with the Commission's rules, Petitioner submitted a Reconciliation Report on May 13, 2010, which included the twelve month reconciliation of DSIC-5 (April 15, 2009 through April 14, 2010) as well as the previously unreconciled period for DSIC-4 (April 2, 2009 through April 14, 2009). Petitioner's Case-in-Chief included an updated Reconciliation Report which includes the reconciliation for the period of April 15, 2010 through May 2, 2010, which was the final DSIC billing period before the DSIC surcharge was re-set to zero due to the implementation of new rates pursuant to the 2010 Rate Order.

The rate base cutoff in Cause No. 43680 consisted of property in service as of June 30, 2009. Therefore, Petitioner proposes to implement a DSIC to include non-revenue producing projects placed in service between July 1, 2009 and June 30, 2010 that were not included in rate base in Petitioner's rate base in the 2010 Rate Order. Petitioner's proposed DSIC would produce total annual DSIC revenues of \$5,445,718, which would equate to an increase of approximately 2.82% above the base revenue level approved in Petitioner's 2010 Rate Order.

4. **Petitioner's Direct Evidence.** Petitioner presented the direct evidence of Gary M. VerDouw, Manager of Rates and Regulations for American Water Works Service Company, and Stacy S. Hoffman, Director of Engineering for Indiana-American.

A. **Calculation of DSIC-6.** Mr. VerDouw testified regarding the filing requirements and methodology for calculating the DSIC. Mr. VerDouw provided evidence concerning the calculation of the proposed DSIC and sponsored Petitioner's proposed rate schedules reflecting the DSIC in the same format as the existing tariff on file with the Commission. He explained that Petitioner is proposing to treat the DSIC as per the Commission's April 2, 2008 Order in Cause No. 42351 DSIC-4, in that the rate would be a percentage that would be applied to both the consumer's volumetric and metered service charge revenues. He further explained that, as per the 2010 Rate Order, Petitioner calculated the DSIC as a single percentage of bills that will be the same for all rate groups.

Mr. VerDouw testified that Petitioner proposes to include only non-revenue producing projects placed in service before June 30, 2010 that were not included in rate base in the 2010 Rate Order. He added that all DSIC projects included in Petitioner's request are new used and useful water utility plant projects that: (1) do not increase revenues by connecting the distribution system to new customers; (2) are in service; and (3) were not included in Petitioner's rate base in the 2010 Rate Order. He further testified that the final revenue requirement approved in the 2010 Rate Order provides a reasonable estimate of sales for the period in which the DSIC is to be in effect.

Mr. VerDouw then discussed how Petitioner calculated the Net Investor Supplied DSIC Additions. He stated that Petitioner reduced the DSIC Improvements of \$35,434,974 by the amount of the related plant retirements associated with the DSIC Improvements, consistent with the DSIC-5 Order. Mr. VerDouw stated that retirements in the amount of \$2,563,448 made from July 2009 through June 2010 include reconciled retirements to "true up" estimated retirements that were included in DSIC-5 and were described by Mr. Stacy Hoffman in his testimony included in DSIC-5, as well as an estimate of retirements that have yet to be completed but will be done as a part of the DSIC Additions. Mr. VerDouw explained that he further adjusted the retirement amount for the actual amount of the cost of removal, net of salvage in the amount of \$3,412,195. Mr. VerDouw stated that there were total reimbursements from the Indiana Department of Transportation ("INDOT") as well as others, including State Revolving Funds ("SRF"), in the amount of \$1,825,388. These reimbursements were removed from the DSIC Improvements, resulting in Net Investor Supplied DSIC Additions of \$34,458,333, as shown on Line 5 of Petitioner's Exhibit GMV-3.

Mr. VerDouw also sponsored Petitioner's Exhibit GMV-4, Petitioner's rate of return summary. Mr. VerDouw explained that the rate of return used in this proceeding is Petitioner's weighted average cost of capital computed from the actual permanent capital structure as of June 2010. He testified that Petitioner used the embedded debt cost rate as of June 2010 to determine the long-term debt cost rate. The common equity cost rate of 10.00% was determined in the 2010 Rate Order, and the weighted cost of capital is 7.40%, and a pre-tax return of 10.61%. Mr. VerDouw stated that the resulting pre-tax return is \$3,656,028 when the pre-tax overall rate of return is multiplied by the Net Investor Supplied Improvements.

Mr. VerDouw stated that Petitioner determined its depreciation expense of \$789,647 by using the annual depreciation rates by primary plant account previously approved by the Commission, multiplied by the DSIC improvements, net of related retirements.

Mr. VerDouw testified and provided exhibits showing that the proposed DSIC Revenues are within the 5% range of Petitioner's base revenues as approved by the Commission in the 2010 Rate Order.

Petitioner's witness Stacy S. Hoffman sponsored Petitioner's Exhibit SSH-1,<sup>1</sup> which provides a brief description of each Improvement project, the costs of each project, the date each project was placed in service, the account number assigned to each project based on accounting standards found in NARUC's Uniform System of Accounts and Petitioner's Operation area where each project exists.

Mr. Hoffman provided greater individual detail regarding the Improvements exceeding \$100,000 in total costs. For each of these Improvements, he explained why it was needed, the resulting benefits to Petitioner and its customers and whether the plant had been retired. As to the remaining projects, Mr. Hoffman summarized the descriptions of benefits and needs in the aggregate. This is consistent with Petitioner's presentation in its past DSIC cases. Mr. Hoffman

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<sup>1</sup> According to Mr. Hoffman's supplemental testimony, a revised version of Petitioner's Exhibit SSH-1 was filed to provide corrections to the in-service dates for a few of the projects.

stated that Petitioner has invoices and other cost support for all projects listed in Petitioner's Exhibit SSH-1.

Mr. Hoffman generally described the Improvements as either replacement or reinforcement infrastructure. He explained that replacement infrastructure includes mains, valves, hydrants, service lines and meters, while reinforcement infrastructure consists of mains, valves and hydrants with the purpose of improving pressure and flow of the existing distribution system.

Mr. Hoffman testified that some of the retirements associated with the new infrastructure have not been completed because the transfer of services from the existing main to the replacement main would have required curtailment of service. Mr. Hoffman explained that in those cases, both the replacement main and the existing main needed to remain in service to maintain service for all customers during the transfer process. Mr. Hoffman testified that in these cases where both mains remain in service, the retirements have been completed in the Company's accounting because the Company knows accurate asset types and quantities, and vintage of assets being retired. Mr. Hoffman also testified that for these cases, removal costs have been estimated by work order and are reflected in Petitioner's Exhibit SSH-1. Mr. Hoffman proposes to reconcile any variance between the estimated and actual removal costs in Petitioner's reconciliation report.

Mr. Hoffman testified that all Improvements listed in Petitioner's Exhibit SSH-1 meet the DSIC statutory requirements. He stated that none of the projects increase revenues by connecting the distribution system to new customers, all of the projects are in service, none of the projects were included in the rate base in the last general rate proceeding, all necessary local, state and federal permits, approvals and authorizations have been obtained, and there was no affiliate involvement in any of the transactions. Mr. Hoffman explained that as Director of Engineering he has familiarity with these projects through regular communication with Indiana-American Engineering staff during the planning, design and construction phases of these projects. Indiana-American project managers also confirm projects are in service through a physical inspection and then enter in-service dates for completed projects in the Indiana-American accounting software system.

Mr. Hoffman testified regarding the funding of the Improvements. He stated that Petitioner made application to the SRF for grants and loans for various infrastructure improvement projects, and subsequently was awarded \$1,080,000 in SRF grants and \$1,000,082 in SRF loans for funding several projects in Kokomo, Richmond, Muncie, Gary, Farmersburg and Terre Haute. He said that these projects were completed, are in-service, and are included in this filing. Mr. Hoffman testified that the offsetting reimbursements and contributions received by Petitioner in connection with this DSIC filing are summarized in Petitioner's Exhibit SSH-4.

Mr. Hoffman stated Petitioner has a five-year Strategic Capital Expenditure Plan that provides for budgeted amounts of approximately \$124,500,000 for replacement mains, hydrants, services and meters for the period 2011-2015. He testified that the budgeted amount for water main replacements required by state and local governments as a result of road improvements and other projects is approximately \$34,000,000 over the same time period.

5. **Public's Report.** The Public presented its report, which included the testimony of Harold H. Riceman. Mr. Riceman described his review of Petitioner's application for DSIC and concluded that the Petitioner provided adequate support for its DSIC request and that the DSIC filing appears substantiated and correctly calculated.

6. **Commission Discussion and Findings.**

A. **DSIC Requirements.** Indiana Code § 8-1-31-1 *et seq.* authorizes the Commission to approve a DSIC in order to allow a water utility to adjust its basic rates and charges to recover a pre-tax return and depreciation expense on eligible distribution system improvements. Indiana Code § 8-1-31-5 defines eligible distribution system improvements as new, used and useful water utility plant projects that:

- (a) do not increase revenues by connecting the distribution system to new customers;
- (b) are in service; and
- (c) were not included in the public utility's rate base in its most recent general rate case.

Under Indiana Code § 8-1-31-6, the rate of return allowed on eligible distribution system improvements is equal to the public utility's weighted cost of capital. Unless the Commission finds that such determination is no longer representative of current conditions, Indiana Code § 8-1-31-12 provides that the cost of common equity to be used in determining the weighted cost of capital shall be the most recent determination by the Commission in a general rate proceeding of the public utility.

B. **DSIC Rule.** Indiana Code § 8-1-31-17 authorizes the Commission to adopt by order certain procedures for DSIC administration that are consistent with the provisions of Indiana Code § 8-1-31-1 *et seq.* Pursuant to that authority, the Commission promulgated regulations establishing the policy and procedure governing the efficient recovery of depreciation expenses and pretax returns associated with eligible distribution system improvements. On November 2, 2005, the Commission promulgated General Administrative Order 2005-4, which provided specific forms and formats intended to streamline the application process for establishing a DSIC, facilitate the administration of a DSIC and benefit the public interest.

C. **Approval of Proposed DSIC.** Petitioner's direct evidence provides a detailed explanation of the methodology used to calculate the proposed DSIC revenue requirements of \$5,445,718. The total cost for the net investor supplied DSIC Additions is \$34,458,333, and the evidence shows the pre-tax return associated with those additions, as calculated in accordance with Indiana Code § 8-1-31-1 *et seq.*, is \$3,656,028. The revenue requirement for depreciation on the Improvements is \$789,647. The total revenue requirement associated with the DSIC-6 improvements is 2.82% of the revenues authorized in Petitioner's last rate case and thus is not subject to reduction under Indiana Code § 8-1-31-13.

Furthermore, the evidence shows that all of the projects reflected in the proposed DSIC are in service, will not result in the addition of new customers to Petitioner's system and fall into NARUC Accounts 331, 333, 334, 335. As such, they are eligible for inclusion in a DSIC.

Exhibit GMV-3  
% Increase in revenue 2.82%;  
limited to 5.0%

Exhibit GMV-1  
DSIC % Rate All Water Groups 3.16%

Based on the evidence presented, the Commission finds that Petitioner's request for a DSIC complies with the requirements of Indiana Code § 8-1-31-1 and 170 I.A.C. 6-1.1-1 *et seq.* Further, Petitioner's proposed DSIC is non-discriminatory, reasonable and just. Petitioner is therefore authorized to collect from each of its present and future water customers a DSIC as set forth in Petitioner's Exhibit GMV-1.

**D. Reconciliation of Petitioner's DSIC.** Petitioner should be prepared to reconcile the DSIC approved by this Order in the manner prescribed by Indiana Code § 8-1-31-14 and 170 I.A.C. 6-1.1-8. Under Indiana Code § 8-1-31-14, at the end of each 12-month period a DSIC is in effect the difference between the revenues produced by the DSIC and the expenses and the pre-tax reflected in it should be reconciled and the difference refunded or recovered as the case may be through adjustment of the DSIC.

**IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION, that:**

1. A Distribution System Improvement Charge ("DSIC") calculated on a percentage of bill basis and designed to generate \$5,445,718 in additional annual revenues shall be and hereby is approved for Petitioner Indiana-American Water Company, Inc.

2. Prior to placing into effect the above-authorized DSIC, Petitioner shall file with the Water/Sewer Division of the Commission an appendix to its schedule of rates and charges for water service.

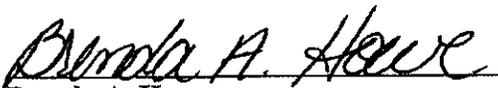
3. The above-authorized DSIC shall be subject to reconciliation as described in Finding No. 6.D. above.

4. This Order shall be effective on and after the date of its approval.

**ATTERHOLT, LANDIS AND ZIEGNER CONCUR; MAYS ABSENT:**

**APPROVED: OCT 20 2010**

**I hereby certify that the above is a true and correct copy of the Order as approved.**

  
**Brenda A. Howe**  
**Secretary to the Commission**

# Appendix D

Indiana Fire Protection Surcharge Letter V1

**Indiana American Water**

P.O. Box 578, Alton IL 62002  
1-800-492-8373

08/26/2010

Silver Creek Water Corp  
PO Box 102  
Sellersburg IN 47172-0102

Account Number: 10-0296230-4  
Premise Number: 100166515  
Bulk Mill Grant Rd

Dear Indiana American Water Customer:

Indiana American Water is proud to provide quality water service to our customers. Our focus on customer service means making sure you understand the charges included on your water bill. Therefore, we want to make you aware of a recently discovered billing oversight that affects you and a number of other customers across the state that should be paying a Public Fire Protection Surcharge in accordance with the company's approved rates and tariffs.

The rates and tariffs dictate that all customers located in communities that have authorized the surcharge, as well as those located within 1,000 feet of a fire hydrant (measured from the fire hydrant to the nearest point on the property line of the customer) on the Company's distribution mains in areas not within municipal boundaries, shall be assessed this fee, based on meter size at the relevant property. If multiple meters are installed, the surcharge(s) shall be based upon the total of all meters installed.

The charge is assessed to recover a portion of the additional costs associated with installing and maintaining fire hydrants, as well as the additional capacity, treatment and distribution system infrastructure necessary to provide adequate fire protection capabilities to the affected areas.

Through a review of our billing records, we have discovered that you are not currently being billed for this charge. To correct this error, your Indiana American Water bill beginning this month and moving forward will include a monthly charge for this fee based on the size of your water meter. The Public Fire Protection Surcharge associated with the typical 5/8" residential water meter is \$3.80 per month. A chart showing the specific impact by meter size is shown below for your convenience.

Size of Meter	Monthly Charge
5/8"	\$ 3.80
3/4"	\$ 5.79
1"	\$ 9.59
1-1/2"	\$ 19.10
2"	\$ 30.52
3"	\$ 57.15
4"	\$ 95.20
6"	\$ 190.31
8"	\$ 304.46
10"	\$ 494.69
12"	\$ 818.09

This charge will be shown on your bill as a line item entitled "Fire Protection Surcharge". Indiana American Water will not be billing you for any past un-collected amounts for this surcharge.

# Appendix E

VERIFIED STATEMENT IN SUPPORT OF CHANGE IN SCHEDULE OF RATES

TO THE INDIANA UTILITY REGULATORY COMMISSION:

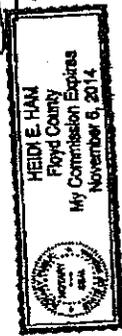
1. SILVER CREEK WATER CORPORATION, under and pursuant to the Indiana Utility Regulatory Commission Act, as amended, hereby files with the Indiana Utility Regulatory Commission, an increase/decrease (strike one) in its schedule of rates for water sold in the amount of \$0.52 per 1,000 gallons.
2. The accompanying changes in the schedule of rates are based solely upon the change in the cost of water purchased by this utility computed in accordance with 170 IAC 6-5-1.
3. All of the matters and facts stated herein and in the attached exhibits are true and correct. Unless disapproved or temporarily postponed, the rate changes shall take effect for the next practical consumption period following final approval by the Commission.

SILVER CREEK WATER CORPORATION

By: Glen R. Linnick, Sr.  
Executive Officer

STATE OF INDIANA )  
                          ) SS:  
COUNTY OF CLARK )

Personally appeared before me, a Notary Public in and for said County and State, this 18 day of May, 2010, Alexis Linnick, who after having been duly sworn according to law, stated that he is an officer of the Silver-Creek Water; that he has read the matters and facts stated above, and in all exhibits attached hereto, and that the same are true; that he is duly authorized to execute this instrument for and on behalf of the applicant herein.



Heidi E. Han  
Notary Public

My Commission Expires: 11-06-14

Exhibit 2

**SCHEDULE OF WATER PURCHASES AND SALES**

(1)	(2)	(3)
<u>Month</u>	<u>Gallons Purchased from Supplier</u>	<u>Gallons Sold to Customers</u>
March	36,662,250	29,769,700
April	39,616,500	36,371,000
May	52,670,250	38,479,600
June	52,528,500	46,315,200
July	55,912,500	44,729,900
August	34,908,000	42,919,400
September	48,963,000	46,485,100
October	43,659,000	34,519,700
November	40,147,500	33,376,000
December	32,878,500	35,279,900
January	43,719,000	34,326,200
February	31,017,750	32,957,800
Totals	<u>512,682,750</u>	<u>455,529,500</u>

EXHIBIT 3

COMPUTATION OF CHANGE IN COST OF WHOLESALe WATER PURCHASED  
DUE TO CHANGE IN RATE

Company Name: SILVER CREEK WATER CORPORATION Phone Number (812) 246-2889  
 Address: P.O. BOX 102, SELLERSBURG, INDIANA 47172  
 Name of Wholesale Water Supplier(s): INDIANA-AMERICAN WATER COMPANY, INC.  
 Effective Date of Rate/Supplier Change: May 3, 2010 Authority - IURC Cause No: 43680  
 Based Upon Water Purchased for Twelve Months Ended: February 28, 2010

(1)	(2)	(3)	(4)	(5)	(6)
<u>Supplier's Rates</u>					
Rate Component	Immediately Prior To Change	Changed Rate	Purchased Water Gallons	At Rates Effective Immediately Prior to Change	At Changed Rate
Service Charge:					
Meter Size (1-4")	\$ 282.18/mo.	\$ 163.21/mo.	N/A	\$ 3,386.16	\$ 1,958.52
Meter Size (2-6")	\$ 564.38/mo.	\$ 319.47/mo.	N/A	\$ 13,545.12	\$ 7,667.28
Meter Size (1-10")	\$1,467.38/mo.	\$ 819.51/mo.	N/A	\$ 17,608.56	\$ 9,834.12
Gallonnage Charge:					
First					
Next					
Over					
All Usage	\$1.5197	\$2.1471	512,682.750	\$ 779,123.98	\$1,100,781.13
Total Service Charge & Water Charge				813,663.82	1,120,241.05
DSIC Charge	4.99%	0%		<u>41,319.52</u>	<u>.00</u>
Total Cost of Water Purchased				<u>\$854,983.34</u>	<u>\$1,120,241.05</u>

EXHIBIT 4

COMPUTATION OF WATER TRACKING FACTOR  
(Per 1,000 Gallons)

1. Cost of Purchases from Exhibit 3, Column 6	New Costs	\$1,120,241.05
2. Cost of Purchases from Exhibit 3, Column 5	Prior Costs	<u>854,983.34</u>
3. Increased Purchased Water Cost: (1) - (2)		265,257.71
4. Increase in Gross Receipts Taxes and Other Similar Revenue Based Tax Charges		<u>.00</u>
5. Increased Revenue Requirements: (3) + (4)		265,257.71
6. Total Metered Water Sales: (in Gallons) From Exhibit 2, Column (3)		<u>455,529,500</u>
7. Tracking Factor: (5) ÷ (6)		\$ <u>0.59</u>

LEGAL NOTICE OF FILING FOR A CHANGE IN WATER RATES  
BY  
SILVER CREEK WATER CORPORATION

Notice is hereby given that SILVER CREEK WATER CORPORATION, under and pursuant to the Indiana Utility Regulatory Commission Act, as amended, has filed with the Indiana Utility Regulatory Commission an ~~increase/decrease~~ (strike one) in the schedule of rates and charges for water sold by its water utility in the amount of a \$0.59 per 1,000 gallons wholesale water cost tracker.

The changes in the schedule of rates and charges submitted to the Commission are based solely upon the change in the cost of water purchased by this utility from INDIANA-AMERICAN WATER COMPANY, INC. The rate changes shall apply for the next practical consumption period following final approval by the Commission.

SILVER CREEK WATER CORPORATION

By: Glenn R. Linnert, Sr.

**LEGAL NOTICE OF FILING FOR A CHANGE IN WATER RATES BY SILVER CREEK WATER CORPORATION**

*Silver Creek Water Corporation*

Notice is hereby given that Silver Creek Water Corporation (SCWC), under and pursuant to the Public Service Commission Act, as amended, on April 23, 2010 filed with the Indiana Utility Regulatory Commission (IURC) for an increase in the schedule of rates and charges for water sold by its water utility. SCWC purchases all water from Indiana American Water, Inc. (IAWC). This increase is from a proposed settlement that was submitted January 29th, 2010 for rate increase for IAWC involving the IURC and Office of Utility Consumer Counselor (OUCC) Cause Number 43680. The increase could be up to, or a maximum amount of \$5.69 per 1,000 gallons. This is a wholesale water cost transfer applicable to all customers of SCWC based solely upon the change in the cost of purchased water from IAWC and shall apply for the next practical consumption period following final approval, anticipated on May 21, 2010, by the IURC in accordance with IC 8-1-1-2-42. Objections can be made to the IURC at 317-232-2703 or Brenda Howie, Secretary of the Commission IURC, 101 W. Washington St. Ste 1500 Indianapolis, IN 46204 and the Office of Utility Consumer Counselor (OUCC) at Indiana Office of Utility Consumer Counselor, 118 W. Washington St., Ste 1800 South Indianapolis, IN 46204. Phone 1-888-441-2494, (317) 232-2484 Voice/TDD, Fax: (317) 232-6923

(Governmental Unit)

County, Indiana

To:  
THE EVENING NEWS  
221 SPRING ST  
JEFFERSONVILLE, IN 47130

**PUBLISHER'S CLAIM**

Master (Must not exceed two actual lines, neither of which shall exceed more than four solid lines of the type in which the body of the advertisement is set) - number of equivalent lines	56
number of lines	.....
number of lines	.....
number of lines	.....
total number of lines in notice	56

**AMOUNT OF CHARGES**

_____ lines _____ columns wide equals _____ equivalent lines at _____	
_____ per line	\$ 15.06
_____ all charges for notices containing rule or tabular work (50 per cent above amount)	
_____ for extra proofs of publication (\$1.00 for each proof in excess)	
<b>TOTAL AMOUNT OF CLAIM</b>	\$ 15.06

**PRINTING COST**

\_\_\_\_\_ single column in pica \_\_\_\_\_ Size of type \_\_\_\_\_ point  
\_\_\_\_\_ of insertions \_\_\_\_\_

I certify that the foregoing account is correct and that the amount claimed is legally due, after allowing all just credits, and that no part of the same is in dispute.

I certify that the printed matter attached hereto is a true copy, of the same column width and type size, as published in said paper \_\_\_\_\_ times. The dates of publication being as follows:

H  
E  
R  
E

*May 21, 2010*

Additionally, the statement checked below is true and correct:

- ..... Newspaper does not have a Web site.
- Newspaper has a Web site and this public notice was posted on the same day as it was published in the newspaper.
- ..... Newspaper has a Web site, but due to technical problem or error, public notice was posted on .....
- ..... Newspaper has a Web site but refuses to post the public notice.

Date 05/21/10

*Melissa Tolnay*  
Melissa Tolnay, Legal Clerk

**Reference Number 06523953**

APPENDIX A

SILVER CREEK WATER CORPORATION  
P.O. BOX 102  
SELLERSBURG, INDIANA 47172

APPROVED  
PER CONFERENCE MINUTES

FEB 07 2007

SCHEDULE OF RATES AND CHARGES  
APPROVED JUNE 5, 1985 (CAUSE NO. 37734)

Indiana Utility Regulatory Commission

(a) General Service Metered Rate

For use of and service rendered by the corporation based upon the use of water supplied by said corporation:

<u>Consumption per Month</u>	<u>Rate Per 1,000 Gallons*</u>
First 10,000 gallons	(\$3.17)
Next 30,000 gallons	(\$2.42)
Next 60,000 gallons	(\$1.74)
Over 100,000 gallons	(\$1.33)

(b) Monthly Minimum Charge

Each member shall pay a minimum charge in accordance with the following applicable size of meter installed, for which the member will be entitled to the quantity of water set out in the above metered block rates.

<u>Meter Size</u>	<u>Gallons Allowed</u>	<u>Monthly Minimum Charge*</u>
5/8" or 3/4" meter	2,500	\$ 7.92
1" meter	9,900	\$ 31.63
1-1/2" meter	24,960	\$ 67.83
2" meter	39,390	\$ 104.04
3" meter	99,790	\$ 208.00
4" meter	198,910	\$ 339.59
6" meter	298,730	\$ 472.03

\*Subject to the wholesale water tracking factor listed in "Appendix A"

(c) Fire Protection Service

Service under these rates shall generally consist of stand-by service for emergencies and all water taken through such connections shall be restricted to fire emergencies unless other temporary use shall have been specifically authorized by the corporation.

	<u>Rate Per Annum</u>
Municipal hydrants, each	\$163.38
Private hydrants, each	\$163.38

SILVER CREEK WATER CORPORATION

APPROVED  
PER CONFERENCE MINUTES

SCHEDULE OF RATES AND CHARGES  
APPROVED JUNE 5, 1985 (CAUSE NO. 37734)

FEB 07 2007

Indiana Utility Regulatory Commission

(c) Fire Protection Service (Cont'd.)

Private fire hydrants shall be defined as all fire hydrants in which a municipality is not paying the annual municipal fire hydrant fee.

Each member who lives within a one thousand foot (1,000) of a four inch (4") or a six inch (6") fire hydrant shall pay the following per month:

\$1.55

<u>Automatic Sprinklers</u>	<u>Rate Per Annum</u>
1" connection	\$ 4.53
1-1/4" connection	\$ 7.07
1-1/2" connection	\$ 10.23
2" connection	\$ 18.17
3" connection	\$ 40.86
4" connection	\$ 72.60
6" connection	\$ 163.37

(d) Temporary Users

Water furnished to temporary users such as contractors shall be charged on the basis of the metered gallon rates hereinbefore set forth and the number of gallons shall be estimated and/or established by the water corporation with rented hydrant meter.

(e) Connection Charge

- 1) Each applicant for a 5/8 x 3/4 inch meter shall pay a charge to cover the costs of: excavating and tapping the main; furnishing and installing service pipe from the main to the meter location; furnishing and installing corporation stops; and furnishing and installing meter pit (if outside), setter and Radio Read meter. The charge for a 5/8 x 3/4 inch meter tap shall be \$1,021.00.
- 2) Each applicant for a tap larger than a 5/8 x 3/4 inch meter shall pay the actual cost of labor, materials, power machinery, transportation and overhead incurred for installing the tap, but shall not be less than the charge of a 5/8 x 3/4 inch meter tap.
- 3) Added to the fees charged in Item 1 or 2 above shall be the actual cost of all state and county permits.

SILVER CREEK WATER CORPORATION  
SCHEDULE OF RATES AND CHARGES  
APPROVED JUNE 5, 1985 (CAUSE NO. 37734)

APPROVED  
PER CONFERENCE MINUTES

FEB 07 2007

Indiana Utility Regulatory Commission

(f) Membership Fee

A membership fee of \$100.00 shall be paid in addition to the connection charge, upon application for the membership in this corporation. The membership is refundable and shall be transferable only upon the books of the corporation's secretary.

(g) Reconnection Charge

\$45.00

When the service is turned off for nonpayment of bill, or for any reason beyond the control of the corporation a reestablishment of service is required by any member, this charge will be made by the corporation for discontinuance and, if requested by the member, reestablishment of service. This charge is for services during the period of 8:00 a.m. to 4:30 p.m. weekdays. This charge, together with any arrears due, must be received before 4:30 p.m. to restore service the same business day.

(h) Reconnection Surcharge

\$10.00

This charge will be made in addition to the \$45.00 reconnection charge for reestablishment of service on Saturday, Sunday, holidays and before 8:00 a.m. or after 4:30 p.m. on weekdays.

(i) Reinstallation/ Lock Surcharge

\$44.00

When a meter has been removed or locked following service disconnection due to unauthorized use of the service and/or meter by a member, there shall be assessed a surcharge for the removal or locking and reinstallation of the meter. This charge as well as any costs for materials needed for repairs shall be in addition to the applicable reconnection charge and/or reconnection surcharge.

(j) General Service Charge

\$44.00

This charge will be made for any trip to the members premises at their request for conditions on the members responsibility side of the meter during the period of 8:00 a.m. to 4:30 p.m. weekdays.

(k) General Service Surcharge

\$10.00

This charge will be made in addition to the \$44.00 general service charge for such service on Saturday, Sunday, holidays, and before 8:00 a.m. or after 4:30 p.m. on weekdays.

SILVER CREEK WATER CORPORATION

APPROVED  
PER CONFERENCE MINUTES

SCHEDULE OF RATES AND CHARGES  
APPROVED JUNE 5, 1985 (CAUSE NO. 37734)

FEB 07 2007

(l) Collection and Deferred Payment Charges

Indiana Utility Regulatory Commission

All bills for water services not paid within seventeen (17) days from the due date thereof, as stated in such bills, shall be subject to the collection or deferred payment charge of ten percent (10%) on the first \$3.00 and three percent (3%) on the excess over \$3.00.

(m) Returned Check/ Drafting Charge

\$18.00

This charge will be made for each instance that a check or bank drafting issued in payment is returned to the corporation by the depository bank, such check or drafting not having been honored by the bank for any reason.

(n) Postage Charge-Delinquent Accounts

At any time a delinquent billing for water services is required to be mailed, an additional charge of twenty-five cents (\$.25) shall be made for postage.

(o) Rates Applicable to All Users

The rates herein set out shall apply to all users and/or members, regardless of prior and existing contracts calling for different rates whether lower or higher.

SILVER CREEK WATER CORPORATION

SCHEDULE OF RATES AND CHARGES

APPENDIX A

Water Tracking Adjustment - The water tracking factor set forth in this schedule is applicable where clearly denoted on other rate schedules and shall be occasioned solely by changes in the wholesale cost of water, in accordance with 170 IAC 6-5-1.

Water Tracking Rate

\$1.76 per 1,000 Gallons

---

(1) Inclusive of the following tracking factor:

\$ 0.04 per 1,000 gallons approved December 7, 1994.  
\$ 0.11 per 1,000 gallons approved July 31, 1996.  
\$ 0.17 per 1,000 gallons approved February 11, 1998.  
\$ 0.42 per 1,000 gallons approved October 6, 1999.  
\$ 0.13 per 1,000 gallons approved February 25, 2004.  
\$ 0.08 per 1,000 gallons approved March 2, 2005.  
\$ 0.12 per 1,000 gallons approved October 24, 2007.  
\$ 0.05 per 1,000 gallons approved May 28, 2008.  
\$ 0.05 per 1,000 gallons approved June 17, 2009.  
\$ 0.59 per 1,000 gallons approved \_\_\_\_\_

APPROVED FOR USE ON AND AFTER \_\_\_\_\_

SILVER CREEK WATER CORPORATION

SCHEDULE OF RATES AND CHARGES

APPROVED \_\_\_\_\_, 2009, (Cause No. )

Water Tracking Adjustment - The water tracking factor set forth in this schedule is applicable where clearly denoted on other rate schedules and shall be occasioned solely by changes in the wholesale cost of water, in accordance with 170 IAC 6-5-1.

Water Tracking Rate	\$0.59 per 1,000 Gallons
Previous Water Tracking Rate	<u>1.17</u> per 1,000 Gallons
Total Water Tracking Rate	<u>\$1.76</u> per 1,000 Gallons

---

Inclusive of the following tracking factor:

\$1.76 per 1,000 gallons approved \_\_\_\_\_.

# Appendix F

**Customer Account Information**

For Service To: Silver Creek Water Corp  
 Bulk Mill Grant Rd  
 Account Number: 10-0296230-4  
 Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Oct 20, 2009  
 Billing Period: Sep 16 to Oct 16 (30 days)  
 Next reading on/about: Nov 16, 2009  
 Rate Type: Sales For Resale

**Meter readings in current billing period:**

Meter Number 070022749A is a 4-inch meter.

Present-actual 1  
 Last-actual 1

Meter Number 070022872N is a 6-inch meter.

Present-actual 206052  
 Last-actual 149389

Meter Number 009512103B is a 10-inch meter.

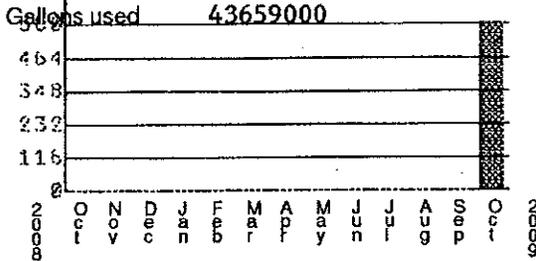
Present-actual 18369  
 Last-actual 18369

Meter Number 070041633A is a 6-inch meter.

Present-actual 465629  
 Last-actual 464080

**Water Usage Comparison**

1 cu. ft. equals 7.48 gallons  
 Monthly usage



**Billing Summary**

**Prior Balance**

Balance from last bill  
 Payments as of Oct 20, 2009. Thanks!  
 Total prior balance, Oct 20, 2009

**Current Water Charges**

Customer Service Charge  
 Water Charge (\$1.139800x 58,212.00)  
 Total water charges, Oct 20, 2009

**Other Current Charges**

Distrib System Improv Charge  
 Distrib System Improv Charge  
 Distrib System Improv Charge  
 Total other charges, Oct 20, 2009

**Total Current Charges**

**TOTAL AMOUNT DUE**

\$81,609.48
<u>-81,609.48</u>
.00
2,878.32
<u>66,350.04</u>
69,228.36
63.10
82.03
<u>3,724.74</u>
3,869.87
\$73,098.23
<b>\$73,098.23</b>

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 BY:  
 BY:

**Messages from Indiana American Water**

\*Need to pay your bill in person? You may pay your bill at Plaza Laundry in New Albany, Dylan's Food Mart in Clarksville, or E-Z Food Mart in Jeffersonville and your account will be credited the next business day. A minimal fee may be charged by the payment location.  
 \*Customers paying by credit card, debit card or electronic check may do so by calling a special, toll-free number: 1-866-271-5522. Customers may also pay on-line at [www.water.paymybill.com](http://www.water.paymybill.com). A service fee will apply.

PAID  
 OCT 25 2009  
 BY:

(610000)

Customer Service: 1-800-492-8373  
 Emergency: 1-800-492-8373  
 Visit us on the Internet at: [www.indiana-american.com](http://www.indiana-american.com)

**Customer Account Information**

For Service To: Silver Creek Water Corp  
 Bulk Mill Grant Rd  
 Account Number: 10-0296230-4  
 Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Nov 25, 2009  
 Billing Period: Oct 16 to Nov 18 (33 days)  
 Next reading on/about: Dec 15, 2009  
 Rate Type: Sales For Resale

**Meter readings in current billing period:**

Meter Number 070022749A is a 4-inch meter.

Present-actual 1  
 Last-actual 1

Meter Number 070022872N is a 6-inch meter.

Present-actual 258857  
 Last-actual 206052

Meter Number 009512103B is a 10-inch meter.

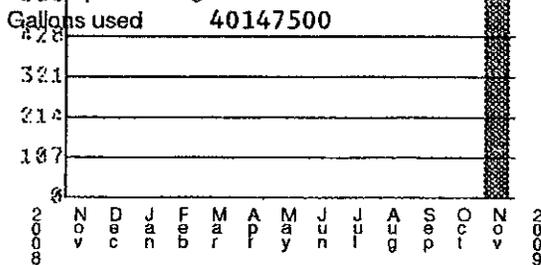
Present-actual 18369  
 Last-actual 18369

Meter Number 070041633A is a 6-inch meter.

Present-actual 466354  
 Last-actual 465629

**Water Usage Comparison**

100 Cubic Feet Used  
 1 cu. ft. equals 7.50 gallons



**Billing Summary**

-----Prior Balance-----

Balance from last bill  
 Payments as of Nov 25, 2009. Thanks!  
 Total prior balance, Nov 25, 2009

\$73,098.23  
-73,098.23  
 .00

-----Current Water Charges-----

Customer Service Charge  
 Water Charge (\$1.139800x 53,530.00)  
 Total water charges, Nov 25, 2009

2,878.32  
61,013.49  
 63,891.81

-----Other Current Charges-----

Distrib System Improv Charge  
 Distrib System Improv Charge  
 Distrib System Improv Charge  
 Total other charges, Nov 25, 2009

63.10  
 82.03  
3,426.43  
 3,571.56

-----Total Current Charges-----

\$67,463.37

-----TOTAL AMOUNT DUE-----

**\$67,463.37**

**RECEIVED**  
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**Messages from Indiana American Water**

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 NOV 30 2009  
 BY: \_\_\_\_\_

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 Visit us on the Internet at: [www.indiana-american.com](http://www.indiana-american.com)

003592/003592 PCJZCK TAB04 1

**Customer Account Information**

For Service To: Silver Creek Water Corp  
 Bulk Mill Grant Rd  
 Account Number: 10-0296230-4  
 Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Dec 18, 2009  
 Billing Period: Nov 18 to Dec 15 (27 days)  
 Next reading on/about: Jan 18, 2010  
 Rate Type: Sales For Resale

**Meter readings in current billing period:**

Meter Number 070022749A is a 4-inch meter.

Present-actual 1  
 Last-actual 1

Meter Number 070022872N is a 6-inch meter.

Present-actual 302274  
 Last-actual 258857

Meter Number 009512103B is a 10-inch meter.

Present-actual 18369  
 Last-actual 18369

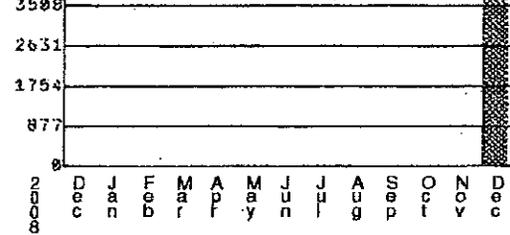
Meter Number 070041633A is a 6-inch meter.

Present-actual 466775  
 Last-actual 466354

**Water Usage Comparison**

460 Cubic Feet Used

1 cu ft equals 7.50 gallons



**Billing Summary**

**Prior Balance**

Balance from last bill  
 Payments as of Dec 18, 2009. Thanks!  
 Total prior balance, Dec 18, 2009

**Current Water Charges**

Customer Service Charge  
 Water Charge (\$1.139800x 43,838.00)  
 Total water charges, Dec 18, 2009

**Other Current Charges**

Distrib System Improv Charge  
 Distrib System Improv Charge  
 Distrib System Improv Charge  
 Total other charges, Dec 18, 2009

**Total Current Charges**

**TOTAL AMOUNT DUE**

\$67,463.37
-67,463.37
.00
2,878.32
49,966.55
52,844.87
63.10
82.03
2,808.90
2,954.03
\$55,798.90
\$55,798.90

**Messages from Indiana American Water**

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 DEC 21 2009  
 BY:

**PATTO**  
 BY: CRISSZ6  
 (610-000)

Customer Service: 1-800-492-8373  
 Emergency: 1-800-492-8373  
 Visit us on the Internet at: [www.indiana-american.com](http://www.indiana-american.com)

001960/001960 PCK4U4 TMB04 1

**Customer Account Information**

For Service To: Silver Creek Water Corp  
 Bulk Mill Grant Rd  
 Account Number: 10-0296230-4  
 Premise Number: 10-0166515

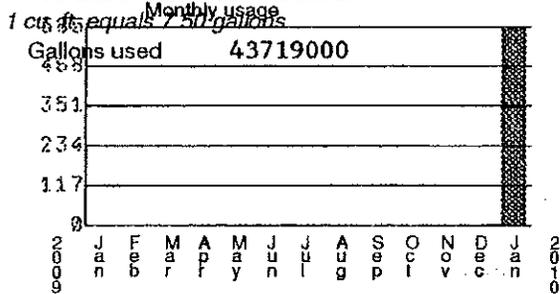
**Billing Period & Meter Information**

Billing Date: Jan 21, 2010  
 Billing Period: Dec 15 to Jan 18 (34 days)  
 Next reading on/about: Feb 12, 2010  
 Rate Type: Sales For Resale

**Meter readings in current billing period:**

Meter Number 070022749A is a 4-inch meter.  
 Present-actual 1  
 Last-actual 1  
 Meter Number 070022872N is a 6-inch meter.  
 Present-actual 360476  
 Last-actual 302274  
 Meter Number 009512103B is a 10-inch meter.  
 Present-actual 18369  
 Last-actual 18369  
 Meter Number 070041633A is a 6-inch meter.  
 Present-actual 466865  
 Last-actual 466775

**Water Usage Comparison**



**Billing Summary**

-----Prior Balance-----	
Balance from last bill	\$55,798.90
Payments as of Jan 21, 2010. Thanks!	-55,798.90
<b>Total prior balance, Jan 21, 2010</b>	<b>.00</b>
-----Current Water Charges-----	
Customer Service Charge	2,878.32
Water Charge (\$1.139800x 58,292.00)	66,441.22
<b>Total water charges, Jan 21, 2010</b>	<b>69,319.54</b>
-----Other Current Charges-----	
Distrib System Improv Charge	63.10
Distrib System Improv Charge	82.03
Distrib System Improv Charge	3,729.84
<b>Total other charges, Jan 21, 2010</b>	<b>3,874.97</b>
-----Total Current Charges-----	<b>\$73,194.51</b>
-----TOTAL AMOUNT DUE-----	<b>\$73,194.51</b>

**RECEIVED**  
 JAN 25 2010  
 BY: \_\_\_\_\_

**Messages from Indiana American Water**

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Customer Service: 1-800-492-8373  
 Emergency: 1-800-492-8373  
 Visit us on the Internet at: [www.indiana-american.com](http://www.indiana-american.com)

003840/003840 PCKC21 TMB03 1

**Customer Account Information**

For Service To: Silver Creek Water Corp  
Bulk Mill Grant Rd  
Account Number: 10-0296230-4  
Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Feb 18, 2010  
Billing Period: Jan 18 to Feb 12 (25 days)  
Next reading on/about: Mar 15, 2010  
Rate Type: Sales For Resale

**Meter readings in current billing period:**

Meter Number 070022749A is a 4-inch meter.

Present-actual 1  
Last-actual 1

Meter Number 070022872N is a 6-inch meter.

Present-actual 401428  
Last-actual 360476

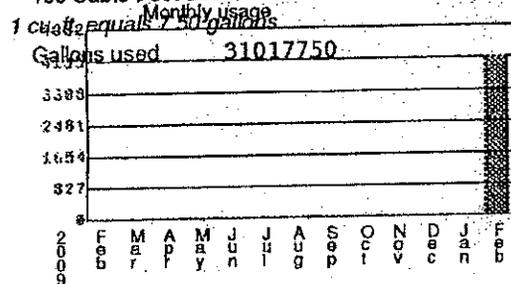
Meter Number 009512103B is a 10-inch meter.

Present-actual 18369  
Last-actual 18369

Meter Number 070041633A is a 6-inch meter.

Present-actual 467270  
Last-actual 466865

**Water Usage Comparison**



**Billing Summary**

-----Prior Balance-----  
Balance from last bill  
Payments as of Feb 18, 2010. Thanks!  
Total prior balance, Feb 18, 2010  
-----Current Water Charges-----  
Customer Service Charge  
Water Charge (\$1.139800x 41,357.00)  
Total water charges, Feb 18, 2010  
-----Other Current Charges-----  
Distrib System Improv Charge  
Distrib System Improv Charge  
Distrib System Improv Charge  
Total other charges, Feb 18, 2010  
-----Total Current Charges-----  
-----TOTAL AMOUNT DUE-----

\$73,194.51
<u>-73,194.51</u>
.00
2,878.32
<u>47,138.71</u>
50,017.03
63.10
82.03
<u>2,650.83</u>
2,795.96
\$52,812.99
<u>\$52,812.99</u>

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FEB 22 2010  
BY: \_\_\_\_\_

**Messages from Indiana American Water**

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To Sharon  
MARTIN ZPSS

PAID  
FEB 22 2010  
BY: CR 15762

(610-000)

Customer Service: 1-800-492-8373  
Emergency: 1-800-492-8373  
Visit us on the Internet at: [www.indiana-american.com](http://www.indiana-american.com)

RAW100

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001809/001803 PCKJJE TMB04 1

**Customer Account Information**

For Service To: Silver Creek Water Corp  
 Bulk Mill Grant Rd  
 Account Number: 10-0296230-4  
 Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Mar 25, 2010  
 Billing Period: Feb 12 to Mar 24 (40 days)  
 Next reading on/about: Apr 16, 2010  
 Rate Type: Sales For Resale

**Meter readings in current billing period:**

Meter Number 070022749A is a 4-inch meter.  
 Present-actual 1  
 Last-actual 1

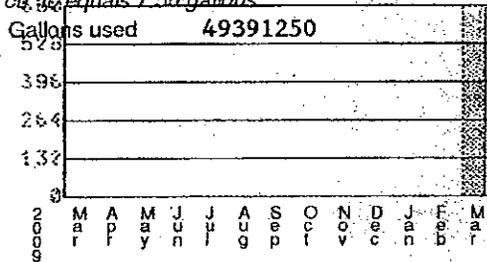
Meter Number 070022872N is a 6-inch meter.  
 Present-actual 467000  
 Last-actual 401428

Meter Number 009512103B is a 10-inch meter.  
 Present-actual 18369  
 Last-actual 18369

Meter Number 070041633A is a 6-inch meter.  
 Present-actual 467553  
 Last-actual 467270

**Water Usage Comparison**

100 cubic feet equals 2.83 gallons  
 Monthly usage  
 Gallons used 49391250



**Billing Summary**

-----Prior Balance-----	
Balance from last bill	\$52,812.99
Payments as of Mar 25, 2010. Thanks!	-52,812.99
Total prior balance, Mar 25, 2010	.00
-----Current Water Charges-----	
Customer Service Charge	3,837.77
Water Charge (\$1.139800x 65,855.00)	75,061.53
Total water charges, Mar 25, 2010	78,899.30
-----Other Current Charges-----	
Distrib System Improv Charge	84.14
Distrib System Improv Charge	109.37
Distrib System Improv Charge	4,216.97
Total other charges, Mar 25, 2010	4,410.48
-----Total Current Charges-----	\$83,309.78

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\$83,309.78

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 BY: CR 15903

610-000

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Customer Service: 1-800-492-8373  
 Emergency: 1-800-492-8373  
 Visit us on the Internet at: [www.indiana-american.com](http://www.indiana-american.com)

002060/002060 PCKSGC JAT03 12

**Customer Account Information**

For Service To: Silver Creek Water Corp  
 Bulk Mill Grant Rd  
 Account Number: 10-0296230-4  
 Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Jun 08, 2010  
 Billing Period: Mar 24 to Apr 22 (29 days)  
 Next reading on/about: Jun 15, 2010  
 Rate Type: Sales For Resale

**Meter readings in current billing period:**

Meter Number 070022749A is a 4-inch meter.

Present-actual 1  
 Last-actual 1

Meter Number 070022872N is a 6-inch meter.

Present-actual 518334  
 Last-actual 467000

Meter Number 009512103B is a 10-inch meter.

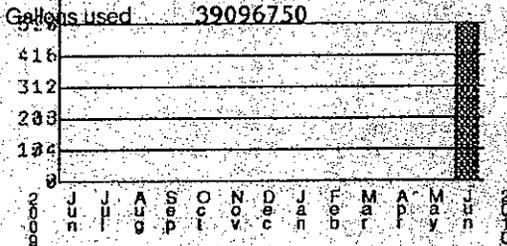
Present-actual 18369  
 Last-actual 18369

Meter Number 070041633A is a 6-inch meter.

Present-actual 468348  
 Last-actual 467553

**Water Usage Comparison**

100 cubic feet used  
 Monthly usage  
 1 cu. ft. equals 7.5 gallons



**Billing Summary**

**Prior Balance**

Balance from last bill  
 Payments as of Jun 08, 2010. Thanks!  
 Total prior balance, Jun 08, 2010

**Current Water Charges**

Customer Service Charge  
 Water Charge (\$1.139800x 52,129.00)  
 Total water charges, Jun 08, 2010

**Other Current Charges**

Distrib System Improv Charge  
 Distrib System Improv Charge  
 Distrib System Improv Charge  
 Total other charges, Jun 08, 2010

**Total Current Charges**

**TOTAL AMOUNT DUE**

\$83,309.78
-142,252.27
-58,942.49
2,878.32
59,416.63
62,294.95
63.10
82.03
3,337.16
3,482.29
\$65,777.24
<b>\$6,834.75</b>

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**Messages from Indiana American Water**

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Customer Service: 1-800-492-8373  
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002279/002279 PCLBWO TAB04-1

RAW100

K5MA3 K5MA3 K5MA3 K5M3E 6530

**Customer Account Information**

For Service To: Silver Creek Water Corp  
 Bulk Mill Grant Rd  
 Account Number: 10-0296230-4  
 Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Jun 10, 2010  
 Billing Period: Apr 22 to May 25 (33 days)  
 Next reading on/about: Jun 15, 2010  
 Rate Type: Sales For Resale

**Meter readings in current billing period:**

Meter Number 070022749A is a 4-inch meter.

Present-actual 1  
 Last-actual 1

Meter Number 070022872N is a 6-inch meter.

Present-actual 578518  
 Last-actual 518334

Meter Number 009512103B is a 10-inch meter.

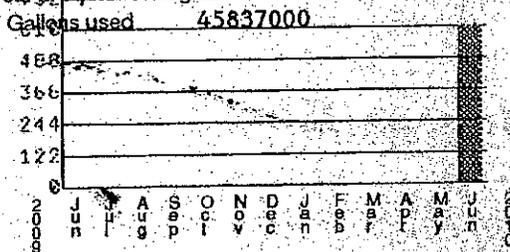
Present-actual 18369  
 Last-actual 18369

Meter Number 070041633A is a 6-inch meter.

Present-actual 469280  
 Last-actual 468348

**Water Usage Comparison**

1 cubic foot equals 7.5 gallons



**Billing Summary**

**Prior Balance**

Balance from last bill  
 Payments as of Jun 10, 2010. Thanks!  
 Total prior balance, Jun 10, 2010

**Current Water Charges**

Customer Service Charge  
 Water Charge (\$1.139800x 18,520.00)  
 Water Charge (\$1.610300x 42,596.00)  
 Total Use Billed 61,116.00

**Other Current Charges**

Distrib System Improv Charge  
 Distrib System Improv Charge  
 Total other charges, Jun 10, 2010

**Total Current Charges**

**TOTAL AMOUNT DUE**

\$6,834.75
.00
6,834.75
2,002.45
21,109.10
68,592.34
91,703.89
43.98
1,184.78
1,228.76
\$92,932.65
<b>\$99,767.40</b>

PAID  
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 CR 16195

(610-000)  
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**Messages from Indiana American Water**

- \*The due date pertains to current charges only. Any past due balance should be paid immediately.
- \* Save time by paying this bill online. At [amwater.com/myh20](http://amwater.com/myh20), you can manage your account, pay your bill and more. Visit [amwater.com/myh20](http://amwater.com/myh20) to learn more.
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003620003529 PCL9FB TAB03 1

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K5MA3 K5MA3 K5MA3 K5M8E 10819

RAW100

**Customer Account Information**

For Service To: Silver Creek Water Corp  
Bulk Mill Grant Rd  
Account Number: 10-0296230-4  
Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Jun 24, 2010  
Billing Period: May 25 to Jun 18 (24 days)  
Next reading on/about: Jul 16, 2010  
Rate Type: Sales For Resale

**Meter readings in current billing period:**

Meter Number 070022749A is a 4-inch meter.

Present-actual 1  
Last-actual 1

Meter Number 070022872N is a 6-inch meter.

Present-actual 621642  
Last-actual 578518

Meter Number 009512103B is a 10-inch meter.

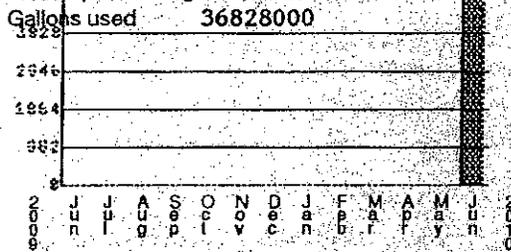
Present-actual 18369  
Last-actual 18369

Meter Number 070041633A is a 6-inch meter.

Present-actual 475260  
Last-actual 469280

**Water Usage Comparison**

1 cubic foot equals 7.50 gallons



**Billing Summary**

-----Prior Balance-----  
Balance from last bill \$99,767.40  
Payments as of Jun 24, 2010. Thanks! -99,767.40  
Total prior balance, Jun 24, 2010 .00

-----Current Water Charges-----  
Customer Service Charge 1,297.34  
Water Charge (\$1.610300x 49,104.00) 79,072.17  
Total water charges, Jun 24, 2010 80,369.51

-----Total Current Charges----- \$80,369.51

-----TOTAL AMOUNT DUE----- \$80,369.51

**PAID**  
JUL 05 2010  
BY: CR 16304

(610-000)

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JUL 01 2010  
BY:

Customer Service: 1-800-492-8373  
Emergency: 1-800-492-8373  
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003736/003738 PCLCDE.TMB03 1

**Customer Account Information**

For Service To: Silver Creek Water Corp  
Bulk Mill Grant Rd  
Account Number: 10-0296230-4  
Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Aug 06, 2010  
Billing Period: Jun 18 to Jul 16 (28 days)  
Next reading on/about: Aug 16, 2010  
Rate Type: Sales For Resale

**Meter readings in current billing period:**

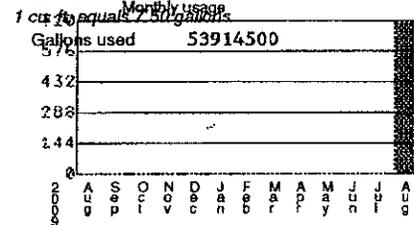
Meter Number 070022749A is a 4-inch meter.  
Present-actual 1  
Last-actual 1

Meter Number 070022872N is a 6-inch meter.  
Present-actual 674623  
Last-actual 621642

Meter Number 009512103B is a 10-inch meter.  
Present-actual 18369  
Last-actual 18369

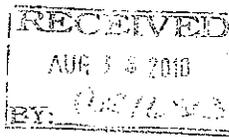
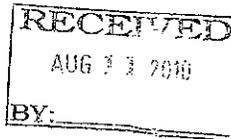
Meter Number 070041638A is a 6-inch meter.  
Present-actual 494165  
Last-actual 475260

**Water Usage Comparison**



**Billing Summary**

-----Prior Balance-----  
Balance from last bill \$80,369.51  
Payments as of Aug 06, 2010. Thanks! -80,369.51  
Total prior balance, Aug 06, 2010 .00  
-----Current Water Charges-----  
Customer Service Charge 1,621.66  
Water Charge (\$1.610300x 71,886.00) 115,758.03  
Total water charges, Aug 06, 2010 117,379.69  
-----Total Current Charges----- \$117,379.69  
-----TOTAL AMOUNT DUE----- **\$117,379.69**



**Messages from Indiana American Water**

\* Save time by paying this bill online. At [amwater.com/myh20](http://amwater.com/myh20), you can manage your account, pay your bill and more. Visit [amwater.com/myh20](http://amwater.com/myh20) to learn more.  
\* Need to pay your bill in person? You may pay your bill at Plaza Laundry in New Albany, Dylan's Food Mart in Clarksville, or E-Z Food Mart in Jeffersonville and your account will be credited the next business day. A minimal fee may be charged by the payment location.  
\* Customers paying by credit card, debit card or electronic check may do so by calling a special, toll-free number: 1-866-271-5522. Customers may also pay on-line at [www.water.paymybill.com](http://www.water.paymybill.com). A service fee will apply.  
\* Please visit our website for information about the quality of your drinking water. An annual water quality report (also called the Consumer Confidence Report) has already been provided to you earlier this year. An additional copy can be obtained by contacting our Customer Service Center or by visiting our website. The website address and the Customer Service Center phone number are located at the bottom of this bill. Landlords, businesses, schools, hospitals and other groups are encouraged to share this important water quality information with water users at their location who may not receive a bill and therefore did not receive a copy of this report directly.  
\* The summer average discount period for your sewer billing will be ending during your September billing cycle. During the months of October through April, sewer bills are based on your actual water consumption.  
\* Indiana American Water will be flushing the Newburgh system 9/28 - 10/8 from 8 a.m. to 8 p.m., Mon-Friday. We do this to ensure all valves are working properly and to avoid sediment buildups. During this period, we suggest you check for discolored water before doing laundry or using the dishwasher. If the water is discolored, wait until the water runs clear before use.

Customer Service: 1-800-492-8373  
Emergency: 1-800-492-8373  
Visit us on the internet at: [www.indiana-american.com](http://www.indiana-american.com)

002512002512 PCLMSY TAT03 12

RAW100AM390I

K5MA3 K5MA3 K5MA3 K5M3E 4789

**Customer Account Information**

For Service To: Silver Creek Water Corp  
 Bulk Mill Grant Rd  
 Account Number: 10-0296230-4  
 Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Aug 24, 2010  
 Billing Period: Jul 16 to Aug 19 (34 days)  
 Next reading on/about: Sep 16, 2010  
 Rate Type: Sales For Resale

Meter readings in current billing period:  
 Meter Number 070022749A is a 4-inch meter.  
 Present-actual 1  
 Last-actual 1

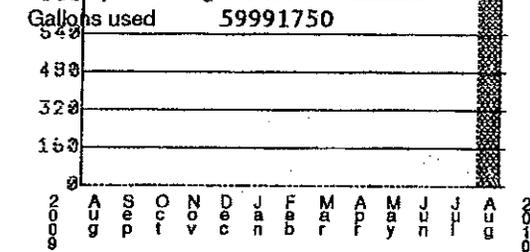
Meter Number 070022872N is a 6-inch meter.  
 Present-actual 736672  
 Last-actual 674623

Meter Number 009512103B is a 10-inch meter.  
 Present-actual 18369  
 Last-actual 18369

Meter Number 070041633A is a 6-inch meter.  
 Present-actual 512105  
 Last-actual 494165

**Water Usage Comparison**

1000 Cubic Feet used = 7.5 Gallons



**Billing Summary**

<b>Prior Balance</b>	
Balance from last bill	\$117,379.69
Payments as of Aug 24, 2010. Thanks!	-117,379.69
<b>Total prior balance, Aug 24, 2010</b>	.00
<b>Current Water Charges</b>	
Customer Service Charge	1,621.66
Water Charge (\$1.610300x 79,989.00)	128,806.29
<b>Total water charges, Aug 24, 2010</b>	130,427.95
<b>Total Current Charges</b>	\$130,427.95
<b>TOTAL AMOUNT DUE</b>	<b>\$130,427.95</b>

RECEIVED  
 AUG 27 2010  
 BY:

(610-000)  
 RECEIVED  
 AUG 27 2010  
 BY:

PAID  
 AUG 29 2010  
 BY: CR/16545

**Messages from Indiana American Water**

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 \*The summer average discount period for your sewer billing will be ending during your September billing cycle. During the months of October through April, sewage bills are based on your actual water consumption.  
 \*Indiana American Water will be flushing the Newburgh system 9/28 - 10/8 from 8 a.m. to 8 p.m., Mon-Friday. We do this to ensure all valves are working properly and to avoid sediment buildups. During this period, we suggest you check for discolored water before doing laundry or using the dishwasher. If the water is discolored, wait until the water runs clear before use.

Customer Service: 1-800-492-8373  
 Emergency: 1-800-492-8373  
 Visit us on the Internet at: [www.indiana-american.com](http://www.indiana-american.com)

002866/002866 PCLORJ TMB03 12

RAW100AM390I

K5MA3 K5MA3 K5MA3 K5M3E 3263

**Customer Account Information**

For Service To: Silver Creek Water Corp  
 Bulk Mill Grant Rd  
 Account Number: 10-0296230-4  
 Premise Number: 10-0166515

**Billing Period & Meter Information**

Billing Date: Sep 27, 2010  
 Billing Period: Aug 16 to Sep 20 (35 days)  
 Next reading on/about: Oct 15, 2010  
 Rate Type: Sales For Resale

Meter readings in current billing period:  
 Meter Number 070022749A is a 4-inch meter.

Present-actual 1  
 Last-actual 1

Meter Number 070022872N is a 6-inch meter.

Present-actual 794129  
 Last-actual 736672

Meter Number 009512103B is a 10-inch meter.

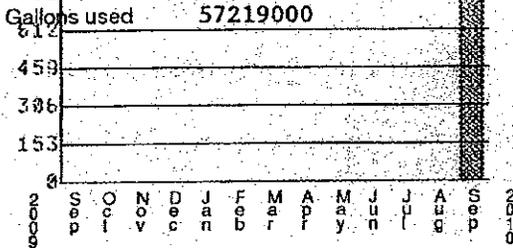
Present-actual 18369  
 Last-actual 18369

Meter Number 070041633A is a 6-inch meter.

Present-actual 530940  
 Last-actual 512105

**Water Usage Comparison**

100 Cubic Feet Used  
 Monthly usage  
 1 cu ft equals 7.50 gallons



**Billing Summary**

-----Prior Balance-----  
 Balance from last bill  
 Payments as of Sep 27, 2010. Thanks!  
 Total prior balance, Sep 27, 2010

-----Current Water Charges-----  
 Customer Service Charge  
 Water Charge (\$1.610300x 76,292.00)  
 Total water charges, Sep 27, 2010

-----Other Current Charges-----  
 Pub F/S Surchg Mtr New Albany  
 Total other charges, Sep 27, 2010

-----Total Current Charges-----

\$130,427.95  
 -130,427.95  
 .00  
 1,621.66  
 122,853.01  
 124,474.67  
 875.31  
 875.31  
 \$125,349.98  
 \$125,349.98

RECEIVED  
 SEP 29 2010  
 BY:

PAID  
 OCT 04 2010  
 BY: CR/6654

(610-600)

**Messages from Indiana American Water**

\* Save time by paying this bill online. At [amwater.com/myh20](http://amwater.com/myh20), you can manage your account, pay your bill and more. Visit [amwater.com/myh20](http://amwater.com/myh20) to learn more.  
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 \*Indiana American Water employees will be flushing the Southern Indiana Operation systems in Clarksville & New Albany September 27 - November 30, 2010 from 7:30 a.m. to 5 p.m., Monday through Friday. Indiana American Water does this to ensure all valves are working properly and to avoid sediment buildups. During this period, we suggest you check for discolored water before doing laundry or using the dishwasher. If the water is discolored, wait until the water runs clear before use.

001357/001357 PCLVWW TMB04 1

Customer Service: 1-800-492-8373  
 Emergency: 1-800-492-8373  
 Visit us on the Internet at: [www.indiana-american.com](http://www.indiana-american.com)

RAW:100

K5MA3 K5MA3 K5MA3 K5M3E 12668

**SILVER CREEK WATER CORP.  
GALLONS SOLD TO CUSTOMERS (1,000 GAL.)**

<b>Monthly</b>	<b>Actual Usage Billed to Silver Creek Customers (1,000 gal)</b>
<b>Oct-09</b>	34,519.70
<b>Nov-09</b>	33,376.00
<b>Dec-09</b>	35,279.90
<b>Jan-10</b>	34,326.20
<b>Feb-10</b>	32,957.80
<b>Mar-10</b>	34,708.50
<b>Apr-10</b>	36,461.70
<b>May-10</b>	38,774.10
<b>Jun-10</b>	49,069.90
<b>Jul-10</b>	51,076.50
<b>Aug-10</b>	50,560.10
<b>Sep-10</b>	59,050.30
<b>Total (1,000 gal)</b>	<b>490,160.70</b>

