

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION


JLB



IN THE MATTER OF THE INDIANA UTILITY)
REGULATORY COMMISSION'S INVESTIGATION)
OF MATTERS RELATED TO THE DISCONNECTION)
OF CUSTOMERS BY INDIANA AMERICAN WATER,)
INC., FOR NON-PAYMENT OF COMBINED SEWER)
AND TRASH CHARGES PURSUANT TO CONTRACT)
WITH THE GARY SANITARY DISTRICT, PURSUANT)
TO INDIANA CODE §§ 8-1-2-1(A), 8-1-2-58, 8-1-2-69, 8-)
1-2-113, ET SEQ. AND I.C. § 36-9-25-11.5.)

CAUSE NO. 43668

PREHEARING CONFERENCE
ORDER

APPROVED: MAY 13 2009

BY THE COMMISSION:

Jeffrey L. Golc, Commissioner
Lorraine Hitz-Bradley, Administrative Law Judge

On April 15, 2009, the Indiana Utility Regulatory Commission ("Commission") initiated the above-captioned cause to investigate the disconnection of customers for non-payment of combined sewer and trash services by Indiana American Water, Inc., ("Indiana American") pursuant to its contract with the Gary Sanitary District ("GSD").

Pursuant to notice and as provided for in 170 I.A.C. § 1-1.1-15, a Prehearing Conference in this Cause was held on May 4, 2009, at 9:30 a.m. in Room 222 of the National City Center, 101 West Washington Street, Indianapolis, Indiana. Proofs of publication of the notice of the Prehearing Conference have been incorporated into the record of this cause and placed in the official files of the Commission. Indiana American, GSD and the Office of Utility Consumer Counselor ("Public" or "OUCC") appeared and participated at the Prehearing Conference. Several members of the general public appeared but none sought to testify.

GSD made an oral motion to intervene in this matter, which request was granted by the Presiding Officers. GSD represented that it was no longer pursuing a policy under which sewer customers could be disconnected for failure to pay a trash bill. GSD represented that it had an affidavit to that effect and further stated that it had not actually disconnected any sewer customers for non-payment of trash fees. Further, GSD averred that it no longer applied payments pro rata so that trash bills were paid prior to the payment of sewage bills; payments received by the GSD for combined sewer and trash fees were first applied to sewer, with the balance applied to trash collection. GSD requested that it be relieved of the terms of the Emergency Order entered in this case on April 15, 2009. Indiana American did not object to that request, to the extent that Gary was representing that it would not request disconnection of customers by Indiana American for non-payment of trash pick-up. Indiana American clarified that it and the GSD were still contractually bound regarding disconnection of sewer customers for non-payment of sewer services. GSD and the OUCC concurred in this statement.

The OUCC had no objection to the requested relief, but wished to be allowed to complete discovery on certain items regarding this matter.

Consistent with the positions and requests of the parties, the Presiding Officers advised GSD of necessary actions it must take. Based upon the discussions of the parties at the prehearing conference, Gary Sanitary District committed to perform the following as set forth by the Presiding Officers:

1. Gary Sanitary District shall, on or before forty-five (45) days from May 4, 2009, send all of its customers a bill insert explaining the modification of GSD's policy regarding payments for trash and sewer services. GSD shall also publish, in a paper of general circulation in or around Gary, a public notice of the revised policy. Such policy shall state that customers will not have their water service disconnected for non-payment of trash collection fees. Customers may have their water service disconnected for failure to pay sewer service fees.
2. GSD shall provide the Commission with a written petition to intervene in this Cause for clarity of the record.
3. GSD shall file in this Cause its policy, supported by affidavit, that it will no longer seek the disconnection of water service for GSD customers who have not paid a trash collection fee issued by the GSD. Such policy shall include the affirmative statement that GSD will only seek water service disconnection for non-payment of sewer service fees.
4. All parties shall file a status report regarding these matters on or before July 6, 2009.
5. This matter has been continued pending further Order of the Commission. The Commission may schedule another public hearing on this matter as it deems necessary.

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

1. The determinations of the Preliminary Hearing set forth in this Order are made a part of the record in this Cause and shall be binding on all present and future parties of record during the proceedings of this Cause.
2. This Order shall be effective on and after the date of its approval.

HARDY, GOLC, LANDIS, SERVER, AND ZIEGNER CONCUR:
APPROVED: MAY 13 2009

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



Brenda A. Howe
Secretary to the Commission