

Indiana American Water Rate Case: Public Comments Invited

If you would like to comment on Indiana American Water Company's (INAWC's) pending rate case, you have the chance to do so.

The Indiana Office of Utility Consumer Counselor (OUCC), the state agency representing consumer interests in cases before the Indiana Utility Regulatory Commission (IURC), is inviting written consumer comments for the official case record through July 5, 2023. The OUCC is using its technical and legal resources to review INAWC's proposal and is scheduled to file testimony with the IURC on July 12, 2023.

INAWC, which provides service to approximately 328,000 customers in more than 50 Indiana communities, is a wholly owned subsidiary of Camden, New Jersey-based American Water Inc. In its testimony and exhibits, INAWC attributes the requested rate increase to numerous infrastructure investments.

Capital projects include the replacement of aging infrastructure throughout INAWC's service territories, main replacements and relocations, new meters and hydrants, proposed new treatment plants in Winchester and Sheridan, a new storage tank in West Lafayette, chlorine conversion for its Northwest Indiana and Shelbyville operations, customer lead service line replacements, security measures, and additional projects. The utility's request also includes the recent costs of acquiring smaller utilities throughout Indiana.

INAWC's proposal would raise water rates in three phases, increasing its total annual operating revenues by \$86.7 million (or 31% over current revenues), according to its testimony. Under the utility's request, increases would take effect in January 2024, April 2024, and April 2025. Specific billing impacts would vary by service area.

The utility's proposal would also raise sewer rates for its 2,800 wastewater customers in Somerset, Sheridan, and Riley, and in portions of Delaware and Clark Counties.

INAWC's request includes a proposal to create a new low-income assistance program which would be ratepayer-funded and would provide discounts for qualifying customers. The utility also proposes to include each residential customer's first 1,500 gallons within the monthly customer service charge, before monthly volumetric rates take effect.

Current base rates for INAWC received IURC approval in 2019. However, rates have increased since then through the utility's Distribution System Improvement Charge (DSIC) and Service Enhancement Improvement Rider (SEI). These rate tracking mechanisms allow for rate recovery of certain infrastructure projects between rate cases subject to OUCC review and IURC approval. The tracker increases were approved in March 2021, March 2022, February 2023, and March 2023.

Consumers who wish to submit written comments for the case record may do so via the OUCC's website at **www.in.gov/oucc/2361.htm**, by email at **uccinfo@oucc.IN.gov**, or by mail at:

Public Comments Indiana Office of Utility Consumer Counselor (OUCC) 115 W. Washington St., Suite 1500 SOUTH Indianapolis, IN 46204

The OUCC needs to receive all written consumer comments **no later than July 5, 2023**, so that it can: 1) Consider comments in preparing its testimony and 2) File them with the Commission to be included in the case's formal evidentiary record. Comments should include the consumer's **name, mailing address**, and a reference to either "**IURC Cause No. 45870**" or **Indiana American Water Rates**. Consumers with questions about submitting written comments can contact the OUCC's consumer services staff toll-free at 1-888-441-2494.

An IURC public field hearing will be scheduled for a future date and location to be determined. Comments offered at field hearings carry equal weight with written consumer comments the OUCC receives and files for the formal case record.

Several additional parties have intervened in this case, including municipal governments (Crown Point, Schererville, and Whiteland), Sullivan-Vigo Rural Water Corp., the Citizens Action Coalition of Indiana, and industrial customers (including Cleveland Cliffs Steel, General Motors, Haynes International, Linde, and United States Steel Corporation). Any testimony they file is due by July 12, 2023.

The OUCC is posting case updates online at <u>www.in.gov/oucc/watersewer/key-cases-by-utility/indiana-american-water-co-</u><u>rates/</u>. Case updates are also available through the agency's monthly electronic newsletter. Consumers can subscribe at <u>www.in.gov/oucc/news</u>.

(IURC Cause No. 45870)

The Indiana Office of Utility Consumer Counselor (OUCC) represents Indiana consumer interests before state and federal bodies that regulate utilities. As a state agency, the OUCC's mission is to represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education, and creative problem solving.