



March 26, 2018

Via Electronic Filing

Ms. Mary Becerra
Secretary of the Commission
Indiana Utility Regulatory Commission
101 West Washington Street
Suite 1500 East
Indianapolis, Indiana 46204

***RE: Aqua Indiana, Inc.'s 30-Day Filing Pursuant to 170 IAC 1-6-1 et seq.
Cause No. 45032
Wymberly Division***

Dear Ms. Becerra:

Pursuant to and necessitated by the Indiana Utility Regulatory Commission's (the "Commission") February 16, 2018 Order in Cause No. 45032, Aqua Indiana, Inc. ("Aqua Indiana" or the "Company") hereby submits for Commission approval proposed revised tariff sheets ("Proposed Tariff Sheets") reflecting the tax rate applicable to Aqua Indiana's Wymberly Division as a result of the Tax Cuts and Jobs Act of 2017 (the "Act"). As set forth in the Commission's February 16, 2018 Order, pursuant to 170 IAC 1-6-3(8), this submission is being made in accordance with 170 IAC 1-6, the Commission's Thirty-Day Administrative Filing Procedures and Guidelines Rule.

The purpose of Aqua Indiana's filing is to request Commission approval and authorization to apply the schedule of rates and charges set forth on the Proposed Tariff Sheets attached hereto as Exhibit 1 to its Wymberly Division.

Also pursuant the Commission's February 16, 2018 Order in Cause No. 45032, Aqua Indiana's Wymberly Division requests Commission approval the cost option set forth in 170 IAC 8.5-4-32(a)(2). Aqua Indiana intends to treat the federal income tax associated with a main extension incurred by it as investment in plant, booking 100% of it as a deferred tax asset.

In support of this filing, Aqua Indiana is submitting Exhibit 1 referenced above, as well as a redline of the Proposed Tariff Sheets reflecting the requested revisions, which is attached hereto as Exhibit 2. Work papers supporting the filing are attached hereto as Exhibit 3. A verified statement by Aqua Indiana affirming that customers have been notified as required by 170 IAC 1-6-5(a)(5), stating in detail the means used for notification, and copies of any written means of communication are attached hereto as Exhibit 4. By copy of this letter, the Indiana Office of Utility Consumer Counselor is being provided with a copy of this filing.



In accordance with 170 IAC 1-6-5(a)(2), contact information for the utility regarding this filing is as follows:

Bobby D. Estep
Controller
Aqua Indiana, Inc.
14421 Illinois Road
Fort Wayne, Indiana 46814
(260) 625-4700
BDestep@aquaamerica.com

Mark R. Alson (Atty No. 27724-64)
Ice Miller LLP
One American Square, Suite 2900
Indianapolis, Indiana 46282
(317) 236-2263
mark.alson@icemiller.com

Please let me know if the Commission Staff has any questions or concerns about this submission.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bobby D. Estep". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Bobby D. Estep
Controller
Aqua Indiana, Inc.

Encl.

cc: (w/ encl. – via email transmission)
Daniel M. LeVay, Office of Utility Consumer Counselor
(dlevay@oucc.in.gov, infomgt@oucc.in.gov)

Exhibit 1

Schedule of Sewer Rates and Charges - S-6

Applicability: Applicable to current and future customers receiving water utility service from system operated by the Wymberly Division of Aqua Indiana, Inc. and previously operated by Wymberly Sanitary Works, Inc. in Floyd County, Indiana.

RATE FOR RESIDENTIAL CUSTOMERS

Sanitary Sewage Disposal Service, Flat Rate \$ 77.48 per month

RATE FOR COMMERCIAL CUSTOMERS

Base charge, regardless of water usage \$ 1.94 per month
Variable charge, based on metered water usage \$ 3.34 per 1,000 gallons

NON-RECURRING RATE

Tap-Inspection Fee \$ 175.00
Reconnection Fee \$ 15.00

LATE PAYMENT PENALTY FEE

The Company will collect a late payment charge in the amount of ten percent (10%) of the first three dollars (\$3.00) of a delinquent amount and three percent (3%) of the delinquent amount excess of three dollars (\$3.00).

CAPACITY CHARGE

Capacity charge \$ 2,800.00

A capacity charge will be billed for each connection. One-half of the capacity charge is to be paid upon request for service and one-half to be paid upon connection of service.

Exhibit 2

Schedule of Sewer Rates and Charges - S-6

Applicability: Applicable to current and future customers receiving water utility service from system operated by the Wymberly Division of Aqua Indiana, Inc. and previously operated by Wymberly Sanitary Works, Inc. in Floyd County, Indiana.

RATE FOR RESIDENTIAL CUSTOMERS

Sanitary Sewage Disposal Service, Flat Rate \$ ~~80.00~~77.48 per month

RATE FOR COMMERCIAL CUSTOMERS

Base charge, regardless of water usage \$ ~~2,001.94~~ per month
Variable charge, based on metered water usage \$ ~~3,453.34~~ per 1,000 gallons

NON-RECURRING RATE

Tap-Inspection Fee \$ 175.00
Reconnection Fee \$ 15.00

LATE PAYMENT PENALTY FEE

The Company will collect a late payment charge in the amount of ten percent (10%) of the first three dollars (\$3.00) of a delinquent amount and three percent (3%) of the delinquent amount excess of three dollars (\$3.00).

CAPACITY CHARGE

Capacity charge \$ 2,800.00
A capacity charge will be billed for each connection. One-half of the capacity charge is to be paid upon request for service and one-half to be paid upon connection of service.

Exhibit 3

Aqua Indiana - Wymberly
Cause 45032
Tax Cuts & Jobs Act 2017
Rate Reduction

		Current
1) Operating Revenues		412,525
2) Operating and Maintenance Expense		234,114
3) Depreciation Expense		55,440
4) Amortization Expense		-
5) Taxes Other Than income Tax Exp		16,661
6) State Income tax exepense		5,206
7) Total above the line deductions		311,421
8) Balance		101,104
9) Interest Expense		50,798
10) Taxable Income		50,306
11) FIT at previous rate	35%	19,615
12) FIT at current rate	21%	10,564
13) Total reduction in FIT		9,051
14) Revenue Conversion (See attached schedule)		1.433469639
15) Revenue Impact		12,974
16) Percentage decrease		3.15%

Net Operating Income allowed in Cause 42877 - U 81,490

Calculated Net Operating Income:

Line 10 above		50,306
Add Line 9 above		50,798
Less Line 11 above		<u>(19,615)</u>
Calculated Net Operating Income		<u><u>81,489</u></u>

Aqua Indiana - Wymberly
Cause 45032
Tax Cuts & Jobs Act 2017
Rate Reduction

CAUSE NUMBER 45032

Gross Revenue Conversion Factor

		<u>At Previous FIT Rate</u>	<u>At Current FIT Rate</u>
1	Gross revenue Change	100.0000%	100.0000%
2	Less: Gross income tax	-1.4000%	-1.4000%
3	IURC Fee	-0.1127%	-0.1127%
4	Uncollectible accounts	<u>-1.9793%</u>	<u>-1.9793%</u>
5	Subtotal	96.5080%	96.5080%
6	Less: State Income Taxes (8.5% of line 5)	-8.2032%	-8.2032%
7	Subtotal	88.3048%	88.3048%
8	Federal Income Taxes (35% of line 7)	-30.9067%	-18.5440%
9	Total	57.3981%	69.7608%
10	Revenue Conversion Factor (1 divided by line 9)	174.2217%	143.3470%

Exhibit 4

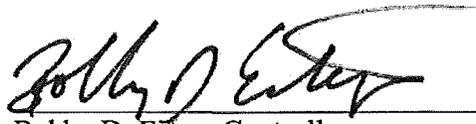
VERIFIED STATEMENT IN SUPPORT OF 30-DAY FILING

TO THE INDIANA UTILITY REGULATORY COMMISSION

- Aqua Indiana, Inc. (“Aqua Indiana”) is requesting Commission approval of proposed revised tariff sheets for its Wymberly Division in Floyd County, Indiana. Notice has been provided to affected customers in accordance with 170 IAC 1-6-6.
- Specifically, beginning on March 23, 2018, and continuing through the filing date, a Legal Notice was posted on Aqua Indiana’s website at <https://www.aquaamerica.com/our-states/indiana.aspx>. Aqua Indiana has no local customer service office in or around Floyd County, Indiana.
- A Legal Notice was also published in the New Albany News & Tribune on March 23, 2018.
- A copy of the above-referenced legal notice is attached as Exhibit A.

I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Dated this 23 day of March, 2018.



Bobby D. Estep, Controller
Aqua Indiana, Inc.

Exhibit A

Aqua Indiana, Inc. Wymberly Division
Legal Notice of 30-Day Filing

PUBLIC NOTICE is hereby given that on or about March 26, 2018, Aqua Indiana, Inc. (“Aqua Indiana” or the “Company”) will submit a proposed revised Schedule of Rates and Charges to the Indiana Utility Regulatory Commission (“Commission”) for approval under its 30-Day Filing procedures, 170 IAC 1-6-1, *et seq.* The referenced filing will affect only those Aqua Indiana customers in its Wymberly Division located in Floyd County, Indiana. The Company will seek Commission approval of a reduction to its rates and charges for sewer service to reflect the impact of the change in the federal income tax rate.

A copy of the proposed revised Schedule of Rates and Charges will be on file with the Commission on or about March 26, 2018. A decision on the 30-Day Filing is anticipated at least thirty days after March 26, 2018. Any objection to the filing should be directed to (a) the Secretary of the Indiana Utility Regulatory Commission, PNC Center, 101 West Washington Street, Suite 1500 East, Indianapolis, Indiana 46204 or (b) the Indiana Office of Utility Consumer Counselor, PNC Center, 115 West Washington Street, Suite 1500 South, Indianapolis, Indiana 46204.