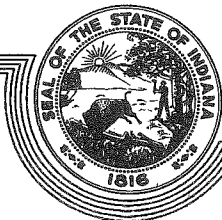


# STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION  
101 WEST WASHINGTON STREET, SUITE 1500 EAST  
INDIANAPOLIS, INDIANA 46204-3419

<http://www.in.gov/iurc>  
Office: (317) 232-2701  
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July 30, 2012

Bradley K. Kage  
Attorney at Law  
814 South State Street  
Post Office Box 328  
North Vernon, IN 47265

Dear Mr. Kage:

On July 17, 2012, the Indiana Utility Regulatory Commission ("Commission") received the Town of Vernon, Indiana's Petition for Approval of Rate and Charge Difference Between Property Within and Property Outside the Corporate Boundaries of the Town of Vernon, Indiana pursuant to IC § 8-1.5-3-8.3 and General Administrative Order 2012-2 ("GAO 2012-2").

Under GAO 2012-2, the Commission delegated its authority to the Director of the Water/Wastewater Division to review this Petition to determine whether it satisfies the requirements of IC § 8-1.5-3-8.3(c) and, upon such finding, to approve the Petition including the percentage difference between rates and charges, or in the alternative, upon finding that the Petition does not satisfy the statutory requirements, to disapprove the Petition. The Director's determination does not include reviewing any financial documents or calculations that may have been prepared to support the outside city rates. The Commission review is limited by IC § 8-1.5-3-8.3 and GAO 2012-2 to an administrative review of the ordinance to verify the percent surcharge(s) listed and that the approval date was prior to March 31, 2012.

This letter serves as confirmation that the Petition submitted by the Town of Vernon, Indiana on July 17, 2012, satisfies the requirements of IC § 8-1.5-3-8.3(c) and that the Petition, including the percentage difference between rates and charges as set forth in the Town of Vernon, Indiana's ordinance dated January 1, 2011, attached thereto is hereby approved.

Please note that under GAO 2012-2, any party who wishes to appeal the Director's decision must file such appeal, in writing, within ten (10) days of the date of this decision.

If you have any questions, please call me at (317) 232-2749.

Sincerely,

E. Curtis Gassert, Director  
Water/Wastewater Division