

**ORIGINAL**

Commissioner	Yes	No	Not Participating
Zay	√		
Deig	√		
Swinger	√		
Veleta	√		
Ziegner			√

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**PETITION OF MAPLETURN UTILITIES, INC. ) CAUSE NO. 46291 U**  
**FOR A NEW SCHEDULE OF RATES AND )**  
**CHARGES FOR WATER SERVICE ) APPROVED: APR 22 2026**

**ORDER OF THE COMMISSION**

**Presiding Officers:**  
**David E. Ziegner, Commissioner**  
**Steve Henke, Administrative Law Judge**

On August 21, 2025, Mapleturn Utilities, Inc. (“Mapleturn Water” or “Applicant”) filed its Small Utility Rate Application (“Application”) with the Indiana Utility Regulatory Commission (“Commission”) pursuant to the provisions of Ind. Code § 8-1-2-61.5 and 170 IAC 14-1. After notice by the Commission that the Application was incomplete, Mapleturn Water supplemented its Application with filings on September 22, 2025, October 1, 2025, and October 7, 2025. On October 7, 2025, the Commission’s Water and Wastewater Division issued a Memorandum indicating that the Application was complete.

On January 20, 2026, after two extensions of its deadline to do so, the Indiana Office of Utility Consumer Counselor (“OUCC”) filed its report (“Report”) with the Commission as required by 170 IAC 14-1-4(a). The Report detailed its review of the Application and made several recommendations to the Commission concerning the relief requested by Applicant. On February 9, 2026, Applicant responded to the Report by accepting all the OUCC’s recommendations.

Under Ind. Code § 8-1-2-61.5, a formal public hearing is not required in rate cases involving small utilities with fewer than 8,000 customers, unless a hearing is requested by at least ten customers, a public or municipal corporation, or the OUCC. No request for a hearing was received by the Commission. Accordingly, no hearing has been held.

Based upon the applicable law and the evidence presented herein, the Commission now finds:

**1. Notice and Commission Jurisdiction.** Mapleturn Water is a public utility as defined by Ind. Code § 8-1-2-1(a), and a not-for-profit utility as defined by Ind. Code § 8-1-2-125(a), and qualifies for treatment as a small utility under Ind. Code § 8-1-2-61.5. The Commission may approve Mapleturn Water’s rates and charges under Ind. Code § 8-1-2-125. Mapleturn Water published legal notice of filing this small utility rate case as required by 170 IAC 14-1-2(b). Therefore, we find that notice of this Cause was given and published as required by law. Further, the Commission finds the Application satisfies the requirements of Ind. Code § 8-1-2-61.5 and 170 IAC 14-1. Accordingly, the Commission has jurisdiction over Mapleturn Water and the subject matter of this proceeding.

2. **Applicant’s Characteristics.** Applicant is an Indiana not-for-profit, public utility that provides water service to approximately 683 customers on Mapleturn Road in Morgan County. It owns and operates a wastewater utility with a parallel proceeding in Cause No. 46292 U.

3. **Test Period.** The test year selected for determining Mapleturn Water’s revenues and expenses reasonably incurred in providing water service to its customers included the 12 months ended December 31, 2024. With adjustments for changes that are fixed, known, and measurable, the Commission finds that this test year is sufficiently representative of Mapleturn Water’s normal operations to provide reliable data for ratemaking purposes.

4. **Background and Relief Requested.** Applicant’s current rates and charges were approved in the Commission’s February 1, 2017 order in Cause No. 44842 U. In its Application, Mapleturn Water requested an across-the-board rate increase of 30.77% for an annual increase of \$89,563 for a net revenue requirement of \$384,718. Mapleturn Water proposed a three-year extensions and replacements (“E&R”) revenue requirement of \$177,418 or \$77,500 annually for a new water tower. Mapleturn Water also requested increases for various operations & maintenance (“O&M”) expenses.

5. **OUCC Report.** The OUCC’s report included the testimony of Carla F. Sullivan, Kristen Willoughby, and Shawn Dellinger. In response to the Application, OUCC recommended an across-the-board rate increase of 28.73%, resulting in an annual increase of \$82,984, for a net revenue requirement of \$375,940.

The OUCC proposed several adjustments to various O&M expense amounts. The OUCC also recommended against building a new water tank, but for rehabilitating Mapleturn Water’s existing water tank and using rental temporary water storage via financing instead of E&R. As such, in addition to the requested rates and charges schedule, the OUCC recommends the Commission grant Applicant debt authority of \$400,000 resulting in debt service of \$36,165 per year. The OUCC’s recommended reduction from Mapleturn Water’s Application is largely a result of reducing the E&R revenues.

A. **Revenue Adjustments.** The OUCC disagreed with Mapleturn Water’s proposed revenue adjustments—a proposed \$2,209 to account for customer changes not verified by Ms. Sullivan’s review of billing reports and a proposed \$7,067 offset related to interest on a depleted cash investment. Instead, Ms. Sullivan proposed a pro forma annual operating revenue of \$293,077, which is unchanged from the total operating revenues for the test year. Mapleturn Water did not object to the OUCC’s proposal.

B. **Expense Adjustments.** The OUCC recommended an overall pro forma increase of \$15,223 to the test year operating expenses of \$306,552, resulting in pro forma operating expenses of \$321,775. The OUCC accepted Mapleturn Water’s proposed increases of \$628 for chemical expenses and \$161 for rate case expense. The OUCC rejected Mapleturn Water’s other proposed adjustments.

For Mapletown Water's other proposed expense adjustments, the OUCC recommended the following: a \$1,636 increase for salaries and wages<sup>1</sup> to include bonuses, on-call pay, mileage reimbursements, and pay raises; a \$338 decrease for payroll taxes; a \$3,419 increase for employee benefits; a \$1,833 increase for general liability insurance; a \$9,460 increase for periodic maintenance; and a \$5,889 increase for purchased power.

The OUCC disagreed with Mapletown Water's proposed pension expense increase of \$1,839, as that expense is contingent on employees contributing 3%, and only one employee makes such a pension contribution. As noted above, Ms. Sullivan did not observe customer growth in review of Mapletown Water's 2024 annual report to the Commission or its billing records, so, accordingly, the OUCC disagreed with Mapletown Water's proposed expense increases related to customer growth.

The OUCC also proposed a decrease of \$7,465 to the test year's contractual services expenses, as non-recurring engineer labor will be debt funded and general labor included in this expense category was reclassified as a salaries and wages expense. Mapletown Water did not object to the OUCC's recommendations.

**C. E&R and Financing Authority.** The most significant difference between the Application and the OUCC's recommendation stems from revisions to the E&R allowance and the OUCC's recommendation that Mapletown Water be granted financing authority for some of its capital projects. The Application requested a three-year E&R revenue requirement totaling \$232,500, while the OUCC recommended a five-year E&R revenue requirement totaling \$90,000 and debt authorization of \$400,000.

Regarding the largest request in the Application—the construction of a new water tank—OUCC Kristen Willoughby stated that no additional storage is needed by Mapletown Water, and that Mapletown Water has no immediate plans to use a new water storage tank besides during the repair of its existing 180,000 gallon ground storage tank. Because renting temporary water storage costs less than constructing a new water storage tank and would avoid the maintenance of a second, unused water tank, Ms. Willoughby states that Mapletown Water agreed with her recommendation of a lower cost alternative of renting water storage instead of building a new water tank.

Ms. Willoughby also determined that Mapletown Water's E&R revenue requirements should include additional projects—filter media, well house pumps (inadvertently classified as a periodic maintenance expense), and water meter replacements—totaling approximately \$89,979.40 over the next five years. Based on shared water meter usage, 40% of the anticipated meter replacement costs have been allocated for water utility use, and 60% have been allocated for wastewater utility use. Rounding these costs for simplicity, the OUCC recommends a five-year E&R revenue requirement of \$18,000 annually. Mapletown Water did not object to the OUCC's recommendation.

---

<sup>1</sup> For expenses shared between Applicant's water and wastewater division, the OUCC proposed a division of 40% for the water division, and 60% for the wastewater division, as reflected in the parallel case, Cause No. 46292 U.

Ms. Sullivan noted that, while Applicant did not originally include a debt service revenue requirement or financing authority request with its Application, the OUCC determined that two of Mapletown Water's capital projects should be debt funded. The proposed financing includes repair and repainting of an existing water storage tank (\$331,155) and a new supervisory control and data acquisition system shared with the wastewater division (\$37,500 for Mapletown Water's share). Mr. Dellinger and Ms. Sullivan both testified that Mapletown Water now intends to use the proposed financing, and that they discussed the financing, capital projects, and costs with Kent Garrison, Applicant's General Manager to arrive at the new proposal. Based on a 7.5% interest rate and 20-year term, Mr. Dellinger testified that the annual debt service amount should be approximately \$36,165 per year, and recommended authorization of \$400,000 to account for potential cost changes by the time contracts are signed for the projects.

Further, Mr. Dellinger also recommended Applicant be required to true-up its proposed annual debt service once the interest rate on its proposed debt is known so that Applicant's rates reflect the actual cost of the debt, with the following process:

- (1) Within 30 days of closing on its debt issuance, Applicant should file a notice under this Cause, with a copy to the OUCC, indicating the terms of the loan and the actual amount borrowed. The report should include a revised tariff, amortization schedule (if applicable), and a calculation of the rate impact in a form like the OUCC's schedules.
- (2) If the debt is issued more than sixty days after the date of this order, \$3,015 per month should be placed in a restricted account to reduce the ultimate borrowing. If debt is not issued within three years of this order, then the amounts collected in the restricted account should be refunded to ratepayers and the tariff adjusted to remove the debt service revenue requirement.
- (3) The OUCC should be provided 21 days after service of the true-up report to review and respond to the true-up filings. Applicant should also have 21 days to respond to any concerns raised by the OUCC.

Mapletown Utilities did not object to the OUCC's recommendation.

**D. Water Loss Issues.** Ms. Willoughby testified that Applicant's annual report reflects water loss close to 30% since 2020. She testified that Mapletown Water believes this loss to stem from theft from hydrants and the lack of a water meter at the wastewater treatment plant, and that the planned water meter replacement program and installation of hydrant locks will reduce water loss.

**6. Mapletown Water's Response.** In its response to the OUCC's Report, Mapletown Water stated that it had no objections to the findings of the OUCC.

**7. Commission Discussion and Findings.**

**A. Rates and Revenue Requirement.** Under Ind. Code § 8-1-2-125, Mapletown Water must furnish reasonably adequate services and facilities, and charge for these services in a nondiscriminatory, reasonable, and just manner. Section 125(d) further identifies the revenue requirements to be considered in establishing the utility’s rates and charges, including: (1) maintenance and repair costs, (2) operating charges, (3) interest charges on bonds or other obligations, (4) provision for a sinking fund for the liquidation of bonds or other evidences of indebtedness, (5) provision for a debt service reserve for bonds or other obligations in an amount not to exceed the maximum annual debt service on the bonds or obligations, (6) provision of adequate funds to be used as working capital, (7) provision for making extensions and replacements, and (8) the payment of any taxes that may be assessed against the not-for-profit utility or its property.

The OUCC recommended, and the Applicant did not object to the following revenue requirements:

Operating Expenses	\$ 321,775
Extensions and Replacements	18,000
Debt Service	36,165
Debt Service Reserve	-
Total Revenue Requirements	375,940
Less: Interest Income	-
Net Revenue Requirements	375,940
Less: Revenues at current rates subject to increase	(288,832)
Other revenues at current rates	(4,245)
Net Revenue Increase Required	82,863
Add: Additional IURC Fee	121
Recommended Increase	\$ 82,984
Recommended Percentage Increase	28.73%

The evidence demonstrates that Applicant agreed with the OUCC’s recommendations concerning Applicant’s requested rate increase. The requested increase to Applicant’s rates and charges stems primarily from general increases that have occurred to O&M expenses and the increase to debt service to provide for necessary capital improvements.

Therefore, the Commission finds that an across-the-board rate increase of 28.73% to provide an additional \$82,984 in operating revenues should be approved for Applicant, for a net revenue requirement of \$375,940, subject to the recommendations of the OUCC as discussed in Paragraph 5(C), above.

**B. Applicant's Borrowing Authority.** Under Ind. Code §§ 8-1-2-76 through -81 and Ind. Code § 8-1-4-1, the Commission may authorize a public utility to issue evidence of indebtedness payable more than one year from execution. As discussed by the OUCC, Mapleturn Water now seeks authority to borrow for the cost of repainting and repairing its water tank and replace a supervisory control and data acquisition system. The OUCC recommended that Applicant's borrowing authority be increased to \$400,000. While the Applicant's notice to customers did not technically comply with 170 IAC 14-1-2(d)(3)(E)'s requirement to include the amount of the financing authority it sought after consultation with the OUCC, the notice provided suggested an increase over two percent higher than ultimately required to service debt. The evidence establishes that borrowing authority is more efficient from a time and financial standpoint than the relief originally requested in the Application, and we therefore approve borrowing authority of up to \$400,000, with an approximate debt service amount of \$36,165.

**C. True-Up.** We find the OUCC's true-up proposals, which Mapleturn Water did not contest, to be reasonable and approve them. As noted by the OUCC, Mapleturn Water's precise interest rates, borrowing amount, and annual debt service for the approved borrowing authorization will not be known until Applicant's debt has been issued. Therefore, Mapleturn Water's rates should be trued up to reflect the actual cost of the debt and its issuance and, if appropriate, debt service amounts placed into a restricted account according to the OUCC's proposal.

**D. Water Loss.** As discussed in the OUCC's testimony, Mapleturn Water has experienced excessive water loss for several years. As a not-for-profit public utility, Mapleturn Water must furnish reasonably adequate services and facilities. The Commission's recommended maximum target water loss rate is 15%, and the Indiana Department of Environmental Management's standard is 25%. Mapleturn Water has reported losses approaching 30%.

Mapleturn Water must take proactive measures to diagnose and address its water losses to fulfill its obligation to its customers and to avoid the expenses of a water loss action plan with the Commission.

**8. Effect on Rates.** A residential customer of Mapleturn Water using 4,000 gallons per month currently pays \$30 (due to a minimum \$30 charge for up to 7,000 gallons of monthly use). After the authorized rate increase, such a customer would pay \$38.62, an increase of \$8.62 from current rates.

**9. Alternative Regulatory Program.** If Applicant elects to participate in the Small Utility ARP in accordance with procedures approved in Cause No. 44203, the eligible operating expenses to which the Annual Cost Index will be applied are \$321,896. E&R of \$18,000 are also an eligible expense to which the Annual Cost Index will be applied. All other components of Applicant's revenue requirement will remain unchanged.

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

1. Consistent with the above findings, Mapletown Water is authorized to increase its rates and charges by \$82,984 annually, which represents a 28.73% across-the-board increase in its water service rates and charges.
2. Mapletown Water is authorized to borrow up to \$400,000 as discussed herein. Such authorization shall expire on December 31, 2030, and is subject to the true-up process recommended by the OUCC as set forth above.
3. Prior to implementing the rates approved in this Order, Mapletown Water shall file with the Commission's Water and Wastewater Division a schedule of rates and charges in a manner consistent with this Order and the Commission's rules. Such rates shall be effective on and after the date of this Order, subject to the Division's review and agreement with the amounts reflected.
4. This Order shall be effective on and after the date of its approval.

**ZAY, DEIG, SWINGER, AND VELETA CONCUR; ZIEGNER ABSENT:**

**APPROVED: APR 22 2026**

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

---

**Dana Kosco  
Secretary of the Commission**