

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. 46292 U
FOR A NEW SCHEDULE OF RATES AND)
CHARGES FOR WASTEWATER 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 Wastewater” 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 Wastewater 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, and no hearing was held.

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

1. Notice and Commission Jurisdiction. Mapleturn Wastewater 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 Wastewater’s rates and charges under Ind. Code § 8-1-2-125. Mapleturn Wastewater 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 Wastewater and the subject matter of this proceeding.

2. **Applicant’s Characteristics.** Applicant is an Indiana not-for-profit, public utility that provides wastewater service to approximately 673 customers on Mapleturn Road in Morgan County. It owns and operates a water utility with a parallel proceeding in Cause No. 46291 U.

3. **Test Period.** The test year selected for determining Mapleturn Wastewater’s revenues and expenses reasonably incurred in providing wastewater service to its customers included the 12 months preceding 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 Wastewater’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. 44843 U. In its Application, Mapleturn Wastewater requested an across-the-board rate increase of 49.26% for an annual increase of \$249,206 for a net revenue requirement of \$761,897. Mapleturn Wastewater proposed a five-year extensions and replacements (“E&R”) revenue requirement of \$539,342 or \$107,868 annually. Mapleturn Wastewater also requested increases for various operations & maintenance (“O&M”) expenses.

5. **OUCR Report.** The OUCR’s report included the testimony of Carla F. Sullivan, Kristen Willoughby, and Shawn Dellinger. In response to the Application, OUCR recommended an across-the-board rate increase of 44.84%, resulting in an annual increase of \$223,055, for a net revenue requirement of \$727,352.

The OUCR proposed several adjustments to various O&M expense amounts. The OUCR recommended funding maintenance to 1,500 feet of pipe and a new supervisory control and data acquisition (“SCADA”) system via financing instead of E&R. As such, in addition to the requested rates and charges schedule, the OUCR recommends the Commission grant Applicant debt authority of \$675,000 resulting in debt service of \$139,626 per year—an increase of \$60,510 per year from current levels. The OUCR’s recommended reduction from Mapleturn Wastewater’s Application is largely a result of shifting the Application’s E&R revenues to financing.

A. **Revenue Adjustments.** The OUCR disagreed with Mapleturn Wastewater’s proposed revenue adjustments—a proposed \$8,432 increase to account for customer changes not verified by Ms. Sullivan’s review of billing reports and Applicant’s 2024 report to the Commission, and a proposed \$2,209 decrease reflecting interest income from a depleted cash investment that no longer affects revenue. Instead, Ms. Sullivan proposed a pro forma annual operating revenue of \$504,622, unchanged from the test year’s total operating revenues. Mapleturn Wastewater did not object to the OUCR’s proposal.

B. **Expense Adjustments.** The OUCR rejected all Mapleturn Wastewater’s proposed expense adjustments, and recommended an overall pro forma increase of \$45,571 to the test year operating expenses of \$509,455 (excluding depreciation expenses), resulting in pro forma operating expenses of \$555,026.

For Mapleturn Wastewater's other proposed expense adjustments, the OUCC recommended the following: a \$705 increase for salaries and wages¹ to include bonuses, on-call pay, mileage reimbursements, and pay raises; a \$110 increase for payroll taxes; a \$5,128 increase for employee benefits; a \$2,616 increase for general liability insurance; a \$38,095 increase for periodic maintenance; and a \$10,115 increase for purchased power. Further, Ms. Willoughby recommended reclassifying the costs of Mapleturn Wastewater's proposed pump replacement from periodic maintenance to E&R.

The OUCC disagreed with Mapleturn Wastewater's proposed pension expense increase of \$3,441, 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 Mapleturn Wastewater's 2024 annual report to the Commission or its billing records, so, accordingly, the OUCC disagreed with Mapleturn Wastewater's proposed expense increases related to customer growth. Similarly, the OUCC disagreed with Mapleturn Wastewater's proposed changes to purchased wastewater treatment expenses and chemical expenses as not supported by documentation.

The OUCC also proposed a decrease of \$11,198 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. Mapleturn Wastewater 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 Mapleturn Wastewater be granted financing authority for some of its capital projects. The Application requested a five-year E&R revenue requirement totaling \$539,342, while the OUCC recommended a five-year E&R revenue requirement totaling \$163,500 and debt authorization of \$675,000.

Ms. Willoughby determined that Mapleturn Water's E&R revenue requirements should include two projects: replacement of pumps (initially classified as a periodic maintenance expense in the Application) and water meter replacements—totaling approximately \$163,447.10 over the next five years. Based on shared water meter usage, 60% of the anticipated meter replacement costs have been allocated for wastewater utility use, and 40% have been allocated for water utility use. Rounding these costs for simplicity, the OUCC recommends a five-year E&R revenue requirement of \$32,700 annually. Mapleturn Water did not object to the OUCC's recommendation.

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 Mapleturn Wastewater's capital projects should be debt funded. The proposed financing includes cleaning and lining of 1,500 feet of pipe (\$37,005 and \$502,337, respectively) and a new SCADA system shared with the water division (\$77,500 for Mapleturn Wastewater's share). Mr. Dellinger and Ms. Sullivan both testified that Mapleturn Wastewater now intends to use the proposed financing, and that they discussed the financing, capital projects, and costs with Kent Garrison,

¹ For expenses shared between Applicant's wastewater and water divisions, the OUCC proposed a division of 60% for the wastewater division, and 40% for the water division, as reflected in the parallel case, Cause No. 46291 U.

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 \$60,507.38 per year, which has been rounded to \$60,510 in the revenue requirement and recommended authorization of \$675,000 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.

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

6. Mapleturn Wastewater's Response. In its response to the OUCC's Report, Mapleturn Wastewater 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, Mapleturn Wastewater 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	\$ 555,026
Extensions and Replacements	32,700
Existing Debt Service	79,116
New Debt Service	60,510
Total Revenue Requirements	727,352
Less: Interest Income	-
Net Revenue Requirements	727,352
Less: Revenues at current rates subject to increase	(497,445)
Other revenues at current rates	(7,177)
Net Revenue Increase Required	222,730
Add: Additional IURC Fee	325
Recommended Increase	\$ 223,055
Recommended Percentage Increase	44.84%

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 44.84% to provide an additional \$223,055 in operating revenues should be approved for Applicant, for a net revenue requirement of \$727,352, 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, Mapletown Wastewater now seeks authority to borrow for the cleaning and lining pipes and replacing the SCADA system. The OUCC recommended that Applicant’s borrowing authority be increased to \$675,000. 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 a rate increase over three 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 \$675,000, with an approximate new debt service amount of \$60,510.

C. **True-Up.** We find the OUCC's true-up proposals, which Mapleturn Wastewater did not contest, to be reasonable and approve them. As noted by the OUCC, Mapleturn Wastewater'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 Wastewater'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.

8. **Effect on Rates.** A residential customer of Mapleturn Wastewater currently pays \$65.03. After the authorized rate increase, such a customer would pay \$94.19, an increase of \$29.16 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 \$555,351. E&R of \$32,700 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, the Mapleturn Wastewater is authorized to increase its rates and charges by \$223,055 annually, which represents a 44.84% across-the-board increase in its wastewater service rates and charges.

2. Mapleturn Wastewater is authorized to borrow up to \$675,000 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, Mapleturn Wastewater 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**