



For Immediate Release

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News Media Contact:

Anthony Swinger, (317) 233-2747 or

aswinger@oucc.IN.gov

Citizens sewer rate case: Public input invited

IURC public hearings scheduled for Jan. 7 and 17

OUCC inviting written consumer comments through Jan. 18

If you would like to comment on Citizens Energy Group's (CEG's) request for a sewer rate increase, you have several chances this month.

Consumers may:

- **Send written comments to the Indiana Office of Utility Consumer Counselor (OUCC)** by Friday, Jan. 18, 2019, and/or
- **Speak at either of the Indiana Utility Regulatory Commission's (IURC's) public field hearings in this case.**

The IURC public field hearings in Indianapolis are scheduled for:

- Monday, Jan. 7, 2019 at the University of Indianapolis Schwitzer Center (1400 E. Hanna Ave.) and
- Thursday, Jan. 17, 2019 in the New Augusta Public Academy North Auditorium (6450 Rodebaugh Rd.).

Each hearing starts at 6:00 p.m. Consumers are encouraged to arrive by 5:45 p.m. for an overview of field hearing procedures and the rate case process. During the field hearings:

- Consumers will be able to speak directly to the Commission, under oath and on the record, regarding the case.
- Consumers will also be able to submit written comments for the case record.
- Commissioners are not allowed to answer questions. However, OUCC staff will be available before, during, and after each hearing to address questions about the process.

The OUCC, the state agency representing consumer interests in cases before the IURC, is using its legal and technical resources to review CEG's request and is scheduled to file testimony on Jan. 25, 2019.

CEG's sewer utility provides service to approximately 242,000 customers in Marion County. In its testimony and exhibits, CEG attributes the requested increase to major infrastructure projects that are needed to comply with a federal consent decree. Under the consent decree, the utility must eliminate at least 95 percent of the city's combined sewer overflows by the end of 2025.

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Projects cited in the utility’s filings include the DigIndy Tunnel System, combined sewer overflow consolidation sewers along several Marion County waterways, and debt service on expansions and other capital improvements at both of the utility’s sewage treatment plants. Additional projects include the rehabilitation of aging sewers and the ongoing costs of extending sewage disposal service to homes using septic systems.

The utility’s proposal would raise sewer rates in three phases, increasing its total annual operating revenues by \$65.5 million (or approximately 24.7 percent more than current sewer revenues).

OUCC analysts are reviewing the potential impact of the proposed increase, including its effects on residential bills.

- According to CEG’s testimony and exhibits, the request would raise the monthly sewer rate for a **metered** residential customer using 5,000 gallons from \$50.71 to \$62.24 when a Commission order is issued. The rate would rise to \$65.18 in August 2020 and \$67.31 in August 2021.
- Rates for metered customers include both flat and volumetric components. Under CEG’s proposal, the monthly base charge that does not vary by usage would rise from \$18.75 to \$21.95 when an order is issued, \$22.99 in 2020, and \$23.74 in 2021.
- The current monthly minimum sewer rate of \$37.92 would rise to \$46.12 when a Commission order is issued, \$48.30 in August 2020, and \$49.88 in August 2021.

The utility’s proposal would raise sewer rates for **unmetered** residential customers as follows:

Number of Occupants	Current	Upon Order	Aug. 2020	Aug. 2021
1	\$39.57	\$46.12	\$48.30	\$49.88
2	\$43.73	\$50.96	\$53.37	\$55.11
3	\$56.22	\$65.46	\$68.56	\$70.79
4 or more	\$68.71	\$79.97	\$83.75	\$86.48

CEG is also proposing the creation of a low-income sewer assistance program. It would provide discounts for income-eligible customers and would be funded through a monthly 79-cent surcharge on each residential, commercial, and industrial sewer bill. The surcharge would be assessed in addition to the proposed rate increases. The program would also include a fund for voluntary customer contributions.

Current sewer base rates for CEG received IURC approval in July 2016. However, rates have been modified since then through the utility’s System Integrity Adjustment (SIA), a rate tracker that allows a water or sewer utility to receive guaranteed revenues regardless of actual sales.

The proposal in this case would only affect **sewer utility rates** for customers in Marion County and customers just beyond the Marion County line. Rates for CEG’s water and natural gas utilities are not at issue in this proceeding. Rates for CEG’s utilities in Westfield (including natural gas, water, and sewer) are also not at issue in the pending case.

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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, via email at uccinfo@oucc.IN.gov, or by mail at:

Consumer Services Staff
Indiana Office of Utility Consumer Counselor
115 W. Washington St., Suite 1500 South
Indianapolis, IN 46204

The OUCC needs to receive all written consumer comments no later than Jan. 18, 2019 so that it can: 1) Consider them 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 "**IURC Cause No. 45151.**" Consumers with questions about submitting written comments can contact the OUCC's consumer services staff toll-free at 1-888-441-2494. Please do not include account numbers or other sensitive information.

Additional parties that have formally intervened in this case include the Citizens Action Coalition of Indiana, Indiana Community Action Association, and three of the utility's large-volume customers (Indiana University, IU Health, and Vertellus Agriculture & Nutrition Specialties, Inc.). Any testimony from the intervenors is due on Jan. 25, 2019.

An IURC order is expected during the summer of 2019. The OUCC is posting updates on this case at www.in.gov/oucc/2738.htm. Case updates are also available through the agency's monthly electronic newsletter. Consumers can subscribe at www.in.gov/oucc/2877.htm.

(IURC Cause No. 45151)

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.

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