

September 10, 2010

Mr. E. Curtis Gassert
Indiana Utility Regulatory Commission
Director Water/Sewer Division
101 W. Washington Street, Suite 1500 E
Indianapolis, Indiana 46204

RECEIVED

SEP 10 2010

INDIANA UTILITY REGULATORY COMMISSION

*Re: Van Buren Water, Inc., Not-for-Profit Rural Water Company
30-Day Filing*

Dear Mr. Gassert:

Attached is a copy of a Verified Statement in support of the pass-through wholesale rate increase (tracking), together with supporting schedules for filing on behalf of Van Buren Water, Inc., a not-for-profit rural water company whose offices are located at 4385 W. State Road 45, Bloomington, Indiana, 47403.

Also enclosed is a copy of a proposed Tariff. A copy of the legal notice which has been submitted to the Bloomington Herald-Times newspaper and posted in the offices of Van Buren Water, Inc. have also been included. We will forward the publisher's affidavit to you upon receipt.

Van Buren Water, Inc. is requesting approval to increase its water rates as required by Cause No. 43939 through the 30-day filing procedure. This request is an allowable request under 170 IAC 6-5 because the City of Bloomington has filed with the Indiana Utility Regulatory Commission their request for a rate increase and Van Buren Water, Inc. purchases all of its water at wholesale rates from the City of Bloomington.

If you or members of your staff have any questions or comments, please do not hesitate to call.

Sincerely yours,



Todd Carpenter, CPA

Enclosures.

cc: Office of the Utility Consumer Counselor
Mr. Lyle S. Powell, President, Van Buren Water, Inc.

VERIFICATION

STATE OF INDIANA

SS:

COUNTY OF MONROE

The undersigned, Lyle S. Powell, under penalties of perjury and being first duly sworn upon his oath, says that the representations set forth below are true and correct to the best of his knowledge, information, and belief.

(1) I am the President of Van Buren Water, Inc., and I currently have, and have had since becoming a member of the Board of Directors of Van Buren Water, Inc., knowledge of and responsibility for the finances of Van Buren Water, Inc., a not-for-profit rural water company whose offices are located at 4385 W. State Road 45, Bloomington, Indiana, 47403.

(2) I am familiar with the intention of Van Buren Water, Inc. to file with the Indiana Utility Regulatory Commission pursuant to 170 IAC 6-5 a request to increase its water rates applicable to the operation of this rural not-for-profit water utility (the "30-Day Filing").

(3) Customers of Van Buren Water, Inc. have been notified of the intention of this water corporation to make the 30-Day Filing by posting notice of the same in the offices of Van Buren Water, Inc. and by causing notice to be published in the Bloomington Herald-Times newspaper of general circulation in Monroe County, Indiana. Attached are copies of the written notices provided by Van Buren Water, Inc. related to the 30-Day Filing, including a notice which was mailed directly to the customers of Van Buren Water, Inc.

(4) Van Buren Water, Inc. under and pursuant to Indiana code chapter 8-1-2, as amended, hereby files with the Indiana Utility Regulatory Commission, an increase in its schedule of rates for water sold in the amount of \$0.75 per 1,000 gallons.

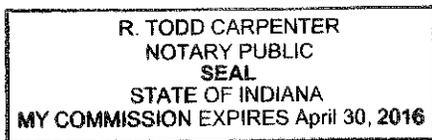
(5) The accompanying tariff changes are based solely upon the changes in the cost of water purchased by this utility computed in accordance with 170 IAC 6-5.

(6) All of the matters and facts stated herein and in the attached exhibits are true and correct. The rate changes shall take effect for the next practical consumption period following final approval by the Commission.



KYLE S. POWELL, President

Subscribed and sworn to before me, a Notary Public, this 9th day of September, 2010.



My Commission Expires:

4-30-16



Notary Public

Todd Carpenter

Printed Name

Monroe

County of Residence

**NOTICE OF PROPOSED INCREASE IN WATER RATES
FOR CUSTOMERS OF VAN BUREN WATER, INC.**

Notice is hereby given that Van Buren Water, Inc. did on the 10th day of September, 2010 file two separate Applications, under and pursuant to the Public Service Commission Act, as amended, with the Indiana Utility Regulatory Commission seeking increases to the water rates charged to customers of Van Buren Water, Inc.

The first Application commonly referred to as the wholesale water cost tracker is described in paragraph (1) below, and the second application which is a request for an increase independent of the wholesale water cost tracker is described in paragraph (2) below.

(1) Van Buren Water, Inc. has filed with the Indiana Utility Regulatory Commission for an increase in its Schedule of Rates and Charges for water sold by Van Buren Water, Inc. in the amount of \$0.75 per 1,000 gallons pursuant to the wholesale water cost tracker as a result of the increase which the City of Bloomington Utilities has requested for the cost of wholesale water. In this Application the schedule of rates and charges submitted to the Commission are based solely upon the charge of the water purchased by Van Buren Water, Inc. from the City of Bloomington. The rate charges shall apply for the next practical consumption period following final approval by the Commission in accordance with I.C. 8-1-2-42. This is a wholesale water cost tracker that is applicable to all classes of customers. Objections can be made to the Secretary of the Commission: IURC, 101 W. Washington Street, Suite 1500E, Indianapolis, Indiana, 46204, and the Office of Utility Consumer Counselor (OUCC): OUCC, 115 W. Washington Street, Suite 1500S, Indianapolis, Indiana, 46204, or by calling 1-888-441-2494.

(2) The second Application filed by Van Buren Water, Inc. is filed pursuant to Indiana Code 8-1-2-61.5 without the necessary cost of a Utility Regulatory Commission hearing. However, a public hearing by the Utility Regulatory Commission may be held if any public or municipal corporation, ten (10) individuals, firms, corporations or associations or ten (10) complainants of all or any of these classes affected by the proposed rate change requests a formal public hearing by filing a written, signed request with the Secretary, Indiana Utility Regulatory Commission, PNC Center, 101 W. Washington Street, Suite 1500E, Indianapolis, Indiana, 46204. Said request must be received by the Utility Regulatory Commission within forty (40) days after the date the Application was filed with the Utility Regulatory Commission and declared complete. In addition, a public hearing may be held if the same is requested by the Utility Consumer Counselor. The proposed increase in the water

rate requested by this Application is approximately 16.97% and is proposed to be an "Across the Board" increase. In the absence of a written request as provided herein, there likely will be no hearing conducted by the Utility Regulatory Commission on this Application.

VAN BUREN WATER, INC.

By Lyle S. Powell
Lyle S. Powell, President

Frank Ping
Frank Ping, Secretary

VAN BUREN WATER, INC.
4385 W. State Road 45
Bloomington, Indiana 47403

In Re: Proposed Water Rate Increase

Dear Water Customer:

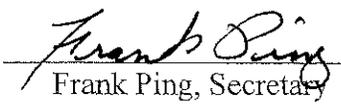
The purpose of this letter is to notify you that Van Buren Water, Inc. did on the 10th day of September, 2010, file two separate Applications with the Indiana Utility Regulatory Commission to increase the water rates charged to customers of Van Buren Water, Inc.

The first Application solely pertains to Van Buren Water, Inc. filing with the Indiana Utility Regulatory Commission for an increase in its Schedule of Rates and Charges for water sold by Van Buren Water, Inc. in the amount of \$0.75 per 1,000 gallons pursuant to the wholesale water cost tracker as a result of the increase which the City of Bloomington Utilities has requested for the cost of wholesale water. In this Application the schedule of rates and charges submitted to the Commission are based solely upon the charge of the water purchased by Van Buren Water, Inc. from the City of Bloomington. The rate charges shall apply for the next practical consumption period following final approval by the Commission in accordance with I.C. 8-1-2-42. This is a wholesale water cost tracker that is applicable to all classes of customers. Objections can be made to the Secretary of the Commission: IURC, 101 W. Washington Street, Suite 1500E, Indianapolis, Indiana, 46204, and the Office of Utility Consumer Counselor (OUCC): OUCC, 115 W. Washington Street, Suite 1500S, Indianapolis, Indiana, 46204, or by calling 1-888-441-2494.

Due to our aging water system and 40 years of continuous growth, there is a second Application which solely pertains to Van Buren Water, Inc. filing pursuant to Indiana Code 8-1-2-61.5 without the necessary cost of a Utility Regulatory Commission hearing. However, a public hearing by the Utility Regulatory Commission may be held if any public or municipal corporation, ten (10) individuals, firms, corporations or associations or ten (10) complainants of all or any of these classes affected by the proposed rate change requests a formal public hearing by filing a written, signed request with the Secretary, Indiana Utility Regulatory Commission, PNC Center, 101 W. Washington Street, Suite 1500E, Indianapolis, Indiana, 46204. Said request must be received by the Utility Regulatory Commission within forty (40) days after the date the Application was filed with the Utility Regulatory Commission and declared complete. In addition, a public hearing may be held if the same is requested by the Utility Consumer Counselor. The proposed increase in the water rate requested by this Application is approximately 16.97% and is proposed to be an "Across the Board" increase. In the absence of a written request as provided herein, there likely will be no hearing conducted by the Utility Regulatory Commission on this Application.

VAN BUREN WATER, INC.

By 
Lyle S. Powell, President


Frank Ping, Secretary

COMPUTATION OF CHANGE IN COST OF WHOLESALE WATER PURCHASED

Company Name Van Buren Water Inc

Phone Number 812-825-9760

Address 4385 W State Road 45 Bloomington, IN 47403

Name of Wholesale Water Supplier(s) City of Bloomington

Effective Date of Rate/Supplier Change To be determined

Based Upon Water Purchased for Twelve Months Ended December 2009

Supplier's Rates			Annual Cost of Wholesale Water Purchased		
(1)	(2)	(3)	(4)	(5)	(6)
Rate Component	Immediately Prior to Change	Changed Rate	Purchased Water 1,000 gals. or 100 cu. ft.	At Rates Effective Immediately Prior to Change	At Changed Rate

Service Charge:

Meter Size:

Meter Size:

Volume Charge:

First	1,000	\$ 1.37	\$ 2.11	129,172	\$ 183,655	\$ 272,553
Next			\$ -		\$ -	\$ -
Next			\$ -		\$ -	\$ -
Next			\$ -		\$ -	\$ -
Next			\$ -		\$ -	\$ -
Next			\$ -		\$ -	\$ -
All Over			\$ -		\$ -	\$ -

Totals

129,172	\$ 183,655	\$ 272,553
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COMPUTATION OF WATER TRACKING FACTOR		
1. Cost of Purchases from Exhibit 3, Column 6	New Costs	\$ 272,526
2. Cost of Purchases from Exhibit 3, Column 5	Prior Costs	\$ 183,655
3. Increase Purchased Water Costs: (1) - (2)		\$ 88,871
4. Increase in Utility Receipts Tax and Other Similar Revenue Based Tax Charges @ _____ % (See footnote A)		
5. Increased Revenue Requirements: (3) + (4)		\$ 88,871
6. Total Metered Water Sold: (in 1,000 Gals. or cu. ft.) From Exhibit 2, Column (3)		\$ 117,980
Tracking Factor: (5) ÷ (6)		\$ 0.75

A - Utility Receipts Tax only applies to municipal and investor-owned water utilities.

TARIFF - Proposed

Van Buren Water, Inc.
Bloomington, IN

SCHEDULE OF WATER RATES AND CHARGES

Pursuant to IURC Cause No. 43939

a) Metered Use Block Schedule

For use of and services rendered by Van Buren Water, Inc., the following rates and charges, based on the use of water supplied:

<u>Consumption Per Month</u>		<u>Rate Per 1,000 Gallons</u>
First	5,000 gallons per month	\$5.20 per 1,000 gallons *
Next	5,000 gallons per month	\$4.68 per 1,000 gallons *
Next	15,000 gallons per month	\$4.03 per 1,000 gallons *
Over	25,000 gallons per month	\$3.37 per 1,000 gallons *

b) Metered User Minimum Schedule

Each user shall pay a minimum monthly charge based upon the size of the meter installed, for which the user will be entitled to the quantity of water set out below:

<u>Meter Size</u>	<u>Allowable Gallons Per Month</u>	<u>Minimum Rate Per Month</u>
5/8"	2,000 gallons per month	\$10.40 *
3/4"	5,000 gallons per month	\$26.00 *
1"	10,000 gallons per month	\$49.40 *
1 1/2"	25,000 gallons per month	\$109.85 *
2"	50,000 gallons per month	\$194.10 *

* Subject to the wholesale water tracking factor listed in "Appendix A".

Worksheet to calculate Proposed Water Rates and Charges

"Quantity"		Current Rate	Tracker	per 1,000 gallons Adjusted Rate	per" Quantity" Gallons
First	5,000 gallons per month	\$4.28	\$0.17	\$5.20	\$ 26.00
Next	5,000 gallons per month	\$3.76	\$0.17	\$4.68	\$ 23.40
Next	15,000 gallons per month	\$3.11	\$0.17	\$4.03	\$ 60.45
Over	25,000 gallons per month	\$2.45	\$0.17	\$3.37	\$ 84.25
Proposed Tracker					
				\$0.75	
Minimum	Equiv Units	Current Rate	Proposed Rate	Double Check Proposed Rate	
5/8"	2	\$8.90	\$0.75	\$10.40	\$10.40
3/4"	5	\$22.25	\$0.75	\$26.00	\$26.00
1"	10	\$41.90	\$0.75	\$49.40	\$49.40
1 1/2"	25	\$91.10	\$0.75	\$109.85	\$ 109.85
2"	50	\$156.60	\$0.75	\$194.10	\$ 194.10

Van Buren Water, Inc.
Bloomington, IN

APPENDIX A

Water Tracking Adjustment - The Water tracking factor set forth in this schedule is applicable where clearly denoted on other rate schedules and shall be occasioned solely by changes in the wholesale cost of water, in accordance with 170 IAC 6-5-1.

Water Tracking Rate: \$ 0.92 per 1,000 gallons*

* Inclusive of separate tracking factors.

Karen Burks

From: "Michelle Monyhan" <monyhanm@bloomington.in.gov>
To: "Karen Burks" <kburks@bluemarble.net>
Sent: Friday, August 27, 2010 12:52 PM
Subject: Re: PRICE PER GALLON & UNITS

I'm sorry I informed you wrong. You get the water at a wholesale price of \$1.37 per unit (thousand gal.). All of your meters are at \$1.37 per unit. \$2.14 is the residential rate.

On Fri, Aug 27, 2010 at 12:17 PM, Karen Burks <kburks@bluemarble.net> wrote:

Thank you, Thank you, the accountant also wants to know--the size 4" and 6" are we charged a different rate per gallon for the size
Karen

----- Original Message -----

From: Michelle Monyhan
To: Karen Burks
Sent: Friday, August 27, 2010 12:03 PM
Subject: Re: PRICE PER GALLON & UNITS

1 unit equals 1,000 gallons
\$2.14 per unit

On Fri, Aug 27, 2010 at 11:38 AM, Karen Burks <kburks@bluemarble.net> wrote:

Hello Whomever can help,
We need to know the units in gallons? Units on invoice are they in 1000, so we need to add a 0, or 10,000 and add 00
? the price per gallon also.
thanks, Karen VBW Customer # 45010

--
Missy Monyhan
Customer Service

City of Bloomington Utilities
600 E Miller Drive
Bloomington, IN 47401
Phone #: 812-349-3933
Fax #: 812-331-5407

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Missy Monyhan
Customer Service

City of Bloomington Utilities
600 E Miller Drive
Bloomington, IN 47401
Phone #: 812-349-3933
Fax #: 812-331-5407

~~Exhibit~~

VAN BUREN WATER, INC.
Bloomington, IN

SCHEDULE OF WATER RATES AND CHARGES
(Pursuant to IURC Order in Case No. 42159
approved September 4, 2002)

a) Metered Use Block Schedule

For use of and services rendered by Van Buren Water, Inc., the following rates and charges, based on the use of water supplied:

<u>Consumption Per Month</u>	<u>Rate Per 1,000 Gallons</u>
First 5,000 gallons per month	\$4.28 per 1,000 gallons*
Next 5,000 gallons per month	3.76 per 1,000 gallons*
Next 15,000 gallons per month	3.11 per 1,000 gallons*
Over 25,000 gallons per month	2.45 per 1,000 gallons*

no tracking

b) Metered User Minimum Schedule

Each user shall pay a minimum monthly charge based upon the size of meter installed, for which the user will be entitled to the quantity of water set out below:

<u>Meter Size</u>	<u>Allowable Gallons Per Month</u>	<u>Minimum Rate Per Month</u>
5/8"	2,000 gallons per month	\$ 8.56*
3/4"	5,000 gallons per month	21.40*
1"	10,000 gallons per month	40.20*
1 1/2"	25,000 gallons per month	86.85*
2"	50,000 gallons per month	148.10*

*Subject to the wholesale water tracking factor listed in "Appendix A".

ISSUED PURSUANT TO
ORDER NUMBER

42159

DATE SEP 04 2002
INDIANA UTILITY REGULATORY COMMISSION

RECEIVED
SEP 04 2002
INDIANA UTILITY REGULATORY COMMISSION
BLOOMINGTON, IN 47403

Via Certified Mail
#7009 1680 0001 9181 0188

August 20, 2010

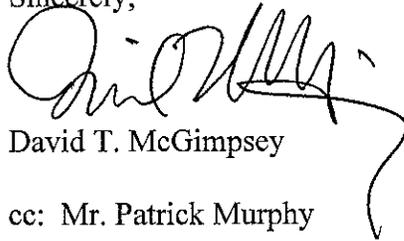
Van Buren Water Inc.
4385 W. State Road 45
Bloomington, IN 47403

Dear Bloomington Wholesale Customer:

The City of Bloomington, Indiana filed its Petition and case-in-chief for a 54% across-the-board increase in its rates with the Indiana Utility Regulatory Commission ("Commission"). You are receiving this letter pursuant to Ind. Code § 8-1-2-61.6(e). The matter has been docketed as Cause No. 43939 with the Commission.

If you have any further questions, please feel free to contact me.

Sincerely,



David T. McGimpsey

cc: Mr. Patrick Murphy

Van Buren Water, Inc.

Contact Information:

30-Day Filing Preparer

Todd Carpenter CPA

811 N Walnut Street

Bloomington, IN 47404

Phone: 812-331-1885

Fax: 812-331-0123

Email: TCarpenter@cpa-consultant.com

Utility:

Van Buren Water, Inc.

4385 W State Road 45

Bloomington, IN 47403

Phone: 812-825-9760

President: Lyle Powell

Secretary: Frank Ping