



January 18, 2013

Brenda A. Howe  
Secretary to the Commission  
Indiana Utility Regulatory Commission  
101 W. Washington Street, Suite 1500 East  
Indianapolis, Indiana 46204

Re: Indiana-American Water Company, Inc. 30-day Filing Pursuant to 170 IAC 1-6-1 et seq.

Dear Ms. Howe:

Pursuant to 170 IAC 1-6, the Thirty-Day Administrative Filing Procedures and Guidelines Rule, Indiana-American Water Company, Inc. ("Indiana American" or the "Company") submits herewith for filing a proposed revised tariff page (identified as Exhibit 1) establishing, in lieu of directly billed hydrant charges, public fire protection surcharges in the Lake Ridge Fire Protection District ("Lake Ridge") based on the directly billed hydrant charges Lake Ridge would pay pursuant to the currently applicable rates.

To recover the costs of public fire protection in the relevant community, Indiana American presently collects directly billed hydrant charges payable by Lake Ridge. Lake Ridge is a fire protection district located in Lake County, Indiana and created pursuant to Ind. Code § 36-8-11-1 through Ind. Code § 36-8-11-21 and Lake County Ordinance No. 1022. Attached hereto as Exhibit 2 is a copy of Resolution 12-04 passed by the Board of Fire Trustees of Lake Ridge pursuant to Ind. Code § 8-1-2-103(d) ("Section 103") providing that all costs for fire protection shall henceforth be recovered pursuant to a surcharge to be included in the basic rates of customers located in the territory served by Lake Ridge.

Section 103(d) provides as follows:

This subsection applies to a public utility or a municipally owned water utility that is not subject to subsection (c). Except as provided in subsection (e), in the case of a public utility or municipally owned water utility furnishing water, if the governing body of any municipality within the service area of the utility adopts an ordinance providing

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that costs shall be recovered under this subsection, the charges for the production, storage, transmission, sale and delivery, or furnishing of water for public fire protection purposes shall be included in the basic rates of all customers of the utility within the municipality. However, on or after a date specified in the ordinance, the construction cost of any fire hydrant installed at the request of a municipality, township, county, or other governmental unit that adopts an ordinance under this subsection shall be paid for by or on behalf of the municipality, township, county, or other governmental unit. The change in the recovery of current revenue authorized by the ordinance shall be reflected in a new schedule of rates to be filed with the commission at least thirty (30) days before the time the new schedule of rates is to take effect. The new schedule of rates shall:

(1) eliminate fire protection charges billed directly to governmental units, other than charges for the construction cost for new hydrants installed on and after the date specified in the ordinance; and

(2) increase the rates charged each customer of the utility, based on equivalent meter size, by an amount equal to:

(A) the revenues lost from the elimination of such fire protection charges; divided by

(B) the current number of equivalent five-eighths (5/8) inch meters.

This change in the recovery of public fire protection costs shall not be considered to be a general increase in basic rates and charges of the utility and is not subject to the notice and hearing requirements applicable to general rate proceedings. The commission shall approve the new schedule of rates that are to be effective on a date specified in the ordinance.

Section 103(d) allows the implementation of a fire-protection surcharge applicable only within the territory serviced by Lake Ridge without conducting a hearing pursuant to appropriate notice. Furthermore, Section 103(d) requires only that Indiana American file an amended schedule of rates "at least thirty (30) days before the time the new schedule of rates is to take effect." Indiana American is proposing the revised tariff pages be effective no later than February 18, 2013.

By email correspondence with Indiana American dated September 7, 2012, Dana Lynn, Senior Utility Analyst for the Indiana Utility Regulatory Commission

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("Commission") indicated that it is appropriate for Indiana American to use the Commission's 30-day filing process for any non-controversial changes related to fire protection surcharges. Indiana American is submitting this filing in accordance with that communication.

Attached hereto as Exhibit 3 is the workpaper supporting the calculation of the public fire protection surcharge. The surcharge has been calculated by dividing the current monthly revenues from directly billed hydrant charges pursuant to Indiana American's existing tariff by the current number of equivalent 5/8-inch meters located within Lake Ridge. The calculation is revenue neutral to Indiana American.

In support of this 30-day filing, Indiana American is submitting herewith Exhibits 1, 2 and 3 described above and a mark-up of the existing tariff sheet for reference. Exhibit 1 also reflects proposed changes to the tariff with respect to the City of Franklin that are the subject of a separate 30-day filing being submitted by Indiana American contemporaneously with this filing. Indiana American is also submitting a verified statement by the Company affirming that customers have been notified as required under Rule 6, stating in detail the means used for notification, and copies of any written means of communication. By copy of this letter, the Office of Utility Consumer Counselor is being provided with a copy of this 30-day filing.

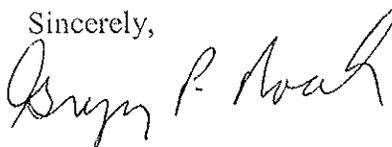
Indiana American appreciates your assistance in processing this request through the Commission's 30-Day Filing procedures. The contact information regarding this filing is as follows:

Gregory P. Roach  
Manager – Rates and Regulation  
Indiana-American Water Company, Inc.  
555 East County Line Road  
Greenwood, IN 46142  
(317) 885-2420  
Gregory.Roach@amwater.com

Hillary J. Close (Atty No. 25104-49)  
Barnes & Thornburg LLP  
11 S. Meridian Street  
Indianapolis, IN 46204  
(317)231-7785 (phone)  
(317) 231-7433 (fax)  
Hillary.Close@btlaw.com

Please let me know if the Commission Staff has any questions or concerns about this submission.

Sincerely,



Gregory P. Roach

Enclosures

cc: David A. Stippler, Indiana Utility Consumer Counselor (w/encl.)INDS01 1368029v1

CLASSIFICATION OF SERVICE  
FIRE SERVICE

PUBLIC FIRE HYDRANTS

Each municipality or governmental entity responsible for public fire service in the areas listed below shall pay for each public fire hydrant within its boundaries.

Monthly surcharge per hydrant: \$61.60

Where applicable: Burns Harbor, Clarksville, Porter, Seymour, Shelbyville, Summitville, and West Lafayette.

PUBLIC FIRE PROTECTION SURCHARGE

Applicability

Applies to customers not located within the boundaries of the governmental entities responsible for public fire service in the areas listed in Public Fire Hydrants. Applicable to any water customer located in areas within municipal boundaries or to any water customer within 1,000 feet of a public fire hydrant (measured from the hydrant to the nearest point on the property line of the customer) on the Company's distribution mains in areas not within municipal boundaries. In addition to the charges for water service under currently approved tariffs, a public fire protection surcharge shall be charged to, and collected from, each customer to whom said surcharge is hereby made applicable. If multiple meters are installed the surcharge(s) shall be based upon the total of all meters installed.

Size of Meter	Monthly Charge Area One and Two	Monthly Charge Sale For Resale	Monthly Charge Franklin Only	Monthly Charge Lake Ridge Only
5/8"	\$ 4.12	\$ 2.51	\$ 4.69	\$ 7.09
3/4"	6.17	3.76	7.04	10.63
1"	10.29	6.26	11.74	17.72
1-1/2"	20.58	12.53	23.47	35.44
2"	32.93	20.04	37.56	56.70
3"	61.75	37.58	70.42	106.31
4"	102.91	62.63	117.37	177.19
6"	205.82	125.27	234.73	354.38
8"	329.31	200.43	375.57	567.01
10"	535.13	325.70	610.30	921.39
12"	885.02	538.66	1,009.35	1,523.84

Note: Unless specified rates are for all areas.

Issued:

Effective: \_\_\_\_\_

Issued by: Alan J. DeBoy, President  
 555 E. County Line Road  
 Greenwood, Indiana 46143

Deleted: First Revised

CLASSIFICATION OF SERVICE  
FIRE SERVICE

PUBLIC FIRE HYDRANTS

Each municipality or governmental entity responsible for public fire service in the areas listed below shall pay for each public fire hydrant within its boundaries.

Monthly surcharge per hydrant: \$61.60

Where applicable: Burns Harbor, Clarksville, Porter, Seymour, Shelbyville, Summitville, West Lafayette.

Deleted: Franklin,

Deleted: South Haven

PUBLIC FIRE PROTECTION SURCHARGE

Applicability

Applies to customers not located within the boundaries of the governmental entities responsible for public fire service in the areas listed in Public Fire Hydrants. Applicable to any water customer located in areas within municipal boundaries or to any water customer within 1,000 feet of a public fire hydrant (measured from the hydrant to the nearest point on the property line of the customer) on the Company's distribution mains in areas not within municipal boundaries. In addition to the charges for water service under currently approved tariffs, a public fire protection surcharge shall be charged to, and collected from, each customer to whom said surcharge is hereby made applicable. If multiple meters are installed the surcharge(s) shall be based upon the total of all meters installed.

Size of Meter	Monthly Charge- Area One and Two	Monthly Charge – Sale For Resale	<u>Monthly Charge – Franklin Only</u>	<u>Monthly Charge Lake Ridge Only</u>
5/8"	\$ 4.12	\$ 2.51	\$ 4.69	\$ 7.09
3/4"	6.17	3.76	7.04	10.63
1"	10.29	6.26	11.74	17.72
1-1/2"	20.58	12.53	23.47	35.44
2"	32.93	20.04	37.56	56.70
3"	61.75	37.58	70.42	106.31
4"	102.91	62.63	117.37	177.19
6"	205.82	125.27	234.73	354.38
8"	329.31	200.43	375.57	567.01
10"	535.13	325.70	610.30	921.39
12"	885.02	538.66	1,009.35	1,523.84

Note: Unless specified rates are for all areas.

Deleted: December 28, 2012

Issued: \_\_\_\_\_ Effective: \_\_\_\_\_

Issued by: Alan J. DeBoy, President  
 555 E. County Line Road  
 Greenwood, Indiana 46143

## ***LAKE RIDGE FIRE PROTECTION DISTRICT***

### ***Board of Fire Trustees***

Louise Neese - Chairperson  
John Eaton - Vice Chairman  
Jim Ashlock – Secretary

Scott Mace  
Eric Tanis

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October 12, 2012

Mr. Dave Ryan  
Indiana American Water  
1650 Michigan Street  
Gary, IN 46407

Dear Dave:

Enclosed please find a signed and sealed resolution by the Board of Fire Trustees of the Lake Ridge Fire Protection District regarding hydrant fees. Please contact me at your earliest convenience if you have any questions.

Sincerely,



Susan Kelly  
Office Manager

Enclosure

**RESOLUTION 12-04**  
**A Resolution Relating to Water Surcharges**

**WHEREAS**, the District was created pursuant to I.C. 36-8-11-1 through I.C. 36-8-11-21, and by Lake County Ordinance No. 1022 on June 10, 1986.

**WHEREAS**, the Lake Ridge Fire Protection District (hereinafter referred to as the District) is funded through the imposition of real property taxes; and,

**WHEREAS**, the District must be accountable to the taxpayers of the District and that the District is required to exercise fiscal responsibility in its expenditure of the tax dollars by which it is funded.

**WHEREAS**, the District has funded and is currently paying surcharges for the maintenance and use of water, fire hydrants and connective piping owned by Indiana American Water Company.

**WHEREAS**, the Lake Ridge Fire Protection District continues to experience diminished revenues due to the current economic downturn, restrictions on increases in real property tax assessments and the collection of real property taxes.

**WHEREAS**, the Lake Ridge Fire Protection District is no longer able to afford absorbing the expenses of water and fire hydrant rentals and surcharges for the citizens of the Lake Ridge Fire Protection District.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Fire Trustees of the Lake Ridge Fire Protection District that the surcharges currently paid by the District be billed on a pro-rata basis to the customers of the Indiana America Water Company within the territory serviced by the District.

**BE IT FURTHER RESOLVED** that the District give immediate notice to Indiana American Water Company of this resolution and direct them to bill its customers for the surcharges for supplying water and fire hydrants for the use of the Lake Ridge Volunteer Fire Department within the District.

**BE IT FURTHER RESOLVED** that the District give immediate notice to Indiana American Water Company to cease and desist billing the District for said surcharges effectively with the next billing cycle.

Dated this 10<sup>th</sup> day of October, 2012.

**LAKE RIDGE FIRE PROTECTION DISTRICT BOARD OF FIRE TRUSTEES**

AYES

NAYS

Louise Neel, CHAIRMAN

John Eto, VICE CHAIRMAN

[Signature], SECRETARY

Scott Macel



Indiana American Water Company

Exhibit 3

**Indiana-American Water Company, Inc.  
Public Fire Service Analysis for the  
Lake Ridge Fire District  
Using ORCOM Meter Data as of November 7th, 2012**

Meter Size	Monthly Total	Lake Ridge FD, IN Annualized Total	AWWA Equivalent Meter Flow-Based Ratio	Meter Equivalents	New Rates Annualized Revenue	Public Fire Service New Monthly Rate
5/8"	745	8,940	1.0	8,940.0	\$ 63,363.57	\$ 7.09
3/4"	5	60	1.5	90.0	637.89	10.63
1"	16	192	2.5	480.0	3,402.07	17.72
1 1/2"	6	72	5.0	360.0	2,551.55	35.44
2"	8	96	8.0	768.0	5,443.31	56.70
3"	0	0	15.0	0.0	-	106.31
4"	0	0	25.0	0.0	-	177.19
6"	0	0	50.0	0.0	-	354.38
8"	0	0	80.0	0.0	-	567.01
10"	0	0	130.0	0.0	-	921.39
12"	0	0	215.0	0.0	-	1,523.84
<b>Total</b>	<b>780</b>	<b>9,360</b>		<b>10,638.0</b>	<b>\$ 75,398.40</b>	

Current Hydrant Count at 10/19/2012:

102

Revenue Neutral Revenue Benchmark-New Rates

\$ 75,398.40

Tariff rate:

\$ 61.60

**Proposed Annualized Revenue Neutral Benchmark:**

Public Hydrants

\$ 75,398.40

102

Monthly Public Fire Charge/Equivalent Meter revenue neutral:

\$ 7.09

Current monthly charge per hydrant applicable for the Lake Ridge Fire District, Indiana is \$61.60, Tariff W-19-A, page 6 of 9. Tariff approved in Cause No. 44022 on June 6, 2012.

Business Unit = 109005 (Northwest District), a bi-monthly and monthly billing district.

Lake Ridge Fire District, Indiana Residential is billed bi-monthly; most commercial is billed monthly.

Blue cells are data input cells.

VERIFIED STATEMENT IN SUPPORT OF 30-DAY FILING

TO THE INDIANA UTILITY REGULATORY COMMISSION:

1. Indiana-American Water Company, Inc. is requesting revisions to its tariff establishing, in lieu of directly billed hydrant charges, public fire protection surcharges in the Lake Ridge Fire Protection District ("Lake Ridge").
2. In accordance with 170 IAC 1-6-6, affected customers have been notified by a legal notice published in the Post-Tribune, a daily newspaper of general circulation published in Merrillville, Indiana that has a circulation encompassing the highest number of the utility's customers affected by the filing. The notice will also be placed on the utility's website. The utility has no local customer service office in the Lake Ridge/Merrillville area that is open to the public.
3. A copy of the above-referenced legal notice is attached as Exhibit A.

I affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information, and belief.

Dated this 18th day of January, 2013.



\_\_\_\_\_  
Gregory P. Roach, Manager – Rates and Regulation  
Indiana-American Water Company, Inc.

**PUBLISHER'S AFFIDAVIT  
PROOF OF PUBLICATION**

ACCOUNT # 100196059  
INDIANA AMERICAN WATER  
0000473383 \$222.25

STATE OF INDIANA  
COUNTY OF LAKE SS:

I, Cathy Cyncar, LEGAL CLERK of the Post-Tribune Company, PUBLISHERS OF THE  
POST-TRIBUNE, A DAILY newspaper published in MERRILLVILLE, in said county and state,  
state that the notice of which the annexed is true copy and was published in said paper

On the 31st day of December 2012

  
Cathy Cyncar, Legal Clerk

INDIANA AMERICAN WATER  
555 E COUNTY LINE RD  
GREENWOOD, IN 46143

**PUBLISHER'S AFFIDAVIT  
PROOF OF PUBLICATION**

0000473383-01

**LEGAL NOTICE**

December 21, 2012

RE: Notice of Filing of Lake Ridge Fire Protection District Public Fire Protection Surcharge

Notice is hereby given that on or about January 7, 2013, Indiana-American Water Company, Inc. will file a revised schedule of rates with the Indiana Utility Regulatory Commission (IURC) to revise its rates for customers located within the Lake Ridge Fire Protection District (LRFPD) for the purpose of establishing a fire protection surcharge in lieu of directly billed hydrant charges now being paid by the LRFPD. It is expected that the surcharge will be approved and in effect in mid-February 2013.

Prior to this filing, the Board of Fire Trustees of the Lake Ridge Fire Protection District passed resolution 12-04 on October 10, 2012, pursuant to Ind. Code Code 8-1-2-103(d), providing that all costs for fire protection shall henceforth be recovered through a surcharge to be included in the basic rates of customers located in the LRFPD. The current statewide fire protection surcharges for customers vary based on the size of the applicable water meter(s). The fire protection surcharge associated with the typical 5/8" residential water meter is \$4.12 per month. A chart showing the specific impact per month by meter size is shown below.

Size of Meter	Monthly Charge
5/8"	\$4.12
3/4"	\$6.17
1"	\$10.29
1 1/2"	\$20.58
2"	\$32.93
3"	\$61.75
4"	\$102.91
6"	\$205.82
8"	\$329.31
10"	\$535.13
12"	\$685.02

Once the revised rates have been approved by the IURC, all customers located within the Lake Ridge Fire Protection District or within 1,000 feet of the nearest fire hydrant (measured from the fire hydrant to the nearest point on the property line of the customer) will be assessed this fire protection surcharge on an ongoing basis. Customers that do not live within the affected areas will receive a credit on their bills for the relevant amount.

If you have questions regarding this matter, please visit [www.indianaamerican.com](http://www.indianaamerican.com) and click on "rates information" located under the "Customer Service" tab at the top of the Indiana American Water homepage. If you wish to file an objection to this filing you may contact Anthony Swinger, Public Information Officer at the Office of Utility Consumer Counselor at [aswinger@oucc.in.gov](mailto:aswinger@oucc.in.gov) or by calling 317-233-2747. To file an objection with the IURC regarding this matter, you may contact Brenda Howe, Secretary of the IURC at [bhowe@urc.in.gov](mailto:bhowe@urc.in.gov) or by phone at 317-232-2703.

Pub: 12/31/2012

#473383