

**ORIGINAL**

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

**STATE OF INDIANA**

**INDIANA UTILITY REGULATORY COMMISSION**

**IN THE MATTER OF THE PETITION OF )  
LAFAYETTE, INDIANA, FOR (1) AUTHORITY TO )  
ISSUE BONDS, NOTES, OR OTHER )  
OBLIGATIONS; (2) APPROVAL OF A SYSTEM )  
DEVELOPMENT CHARGE; (3) AUTHORITY TO )  
INCREASE ITS RATES AND CHARGES FOR )  
WATER SERVICE; AND (4) APPROVAL OF A NEW )  
SCHEDULE OF WATER RATES AND CHARGES )  
APPLICABLE THERETO )**

**CAUSE NO. 46310**

**APPROVED: MAY 20 2026**

**ORDER OF THE COMMISSION**

**Presiding Officers:**

**Anthony F. Swinger, Commissioner**

**David E. Veleta, Commissioner**

**Kristin E. Kresge, Administrative Law Judge**

On October 15, 2025, the City of Lafayette (“Lafayette” or “Petitioner”) filed its Petition with the Indiana Utility Regulatory Commission (“Commission”) for approval of a new schedule of rates and charges for water service and issuance of up to \$70,225,000 of water utility revenue bonds. Petitioner also prefiled on October 15, 2025, the direct testimony and exhibits of the following witnesses:

- Steve Moore, Water Utility Superintendent for Lafayette;
- Andrew D. Gordon, P.E., Senior Project Manager with Wessler Engineering, Inc. (“Wessler”); and
- Jennifer Z. Wilson, CPA, Director with Crowe LLP (“Crowe”).

On October 15, 2025, Petitioner also filed a Motion for Protection and Nondisclosure of Confidential and Proprietary Information (“Motion”), consisting of Petitioner’s Water System Master Plan (hereinafter, “WSMP” or “Confidential Information”). Confidentiality was granted on a preliminary basis by docket entry on November 4, 2025.

The Commission held a public field hearing in this matter on December 11, 2025, at 6:00 p.m. at the Lafayette City Hall, Common Council Chambers, 20 North 6th Street, Lafayette, Indiana.

The Indiana Office of Utility Consumer Counselor (“OUCC”) was scheduled to file its case on January 22, 2026. However, the OUCC filed a Notice of Settlement on January 22, 2026, and informed that the OUCC and Petitioner (together, the “Parties”) reached a settlement in principle and agreed to submit a formal written agreement and supporting testimony no later than February 12, 2026.

On February 12, 2026, the Parties prefiled their Joint Stipulation and Settlement Agreement (the “Settlement” or “Agreement”) and Settlement Testimonies. Petitioner filed the Settlement Testimonies of Ms. Wilson and Mr. Moore. The OUCC filed the Settlement Testimony of Carla F. Sullivan, Utility Analyst in the Water/Wastewater Division.

A settlement hearing was held in this matter on March 9, 2026, at 9:00 a.m. in Hearing Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. Petitioner and the OUCC appeared by counsel at the hearing, and their evidence was admitted without objection.

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

**1. Notice and Jurisdiction.** Notice of the evidentiary hearing was given and published by the Commission as required by law. Lafayette’s water utility is a municipally owned utility, as defined in Ind. Code § 8-1-2-1(h), and as such, Petitioner is subject to the Commission’s jurisdiction over changes to Petitioner’s water utility rates and charges in accordance with Ind. Code § 8-1.5-3-8. In addition, Ind. Code § 8-1.5-2-19 requires the Commission’s approval for Lafayette to issue debt to fund utility improvements when water utility assets or revenues are pledged as collateral. The Commission, therefore, has jurisdiction over Petitioner and the subject matter of this Cause.

**2. Petitioner’s Characteristics.** Petitioner owns and operates plant and equipment for the production, transmission, and delivery of potable water to the public. Petitioner serves over 30,000 customers within and outside its municipal corporate limits, including one wholesale customer, the Town of Dayton. Petitioner’s customer base includes residential, commercial, industrial, and other customers. Lafayette also provides public and private fire protection service.

Petitioner’s existing rates and charges for water utility service were approved by the Commission in Cause No. 45006 on May 16, 2018. Petitioner’s customer base of over 30,000 customers has grown approximately 7% since its 2018 rate case when there were 28,000 customers.

**3. Requested Relief.** In its case-in-chief, Petitioner requested Commission approval for Petitioner to: (1) increase its revenues by a total of approximately 66.2% through a two-phase implementation, wherein the first phase would result in a 30.9% rate increase, and the second phase would result in a 27.0% increase; (2) issue waterworks revenue bonds in an amount not to exceed \$70,225,000 to fund capital improvements to its water system; and (3) establish a new System Development Charge (“SDC”) for new water utility service customers and for existing customers requesting an increase in capacity.

Pursuant to the Agreement, the Parties seek authorization for Petitioner to increase its rates and charges in two phases as follows: Phase I: Effective for bills rendered on and after July 1, 2026, Lafayette’s rates and charges should be increased on an across-the-board basis by 23.32% so as to produce \$2,740,098 in additional annual operating revenue. Phase II: Effective for bills rendered on and after July 1, 2027, Lafayette’s Phase I rates and charges should be increased on an across-the-board basis by 28.56% so as to produce \$4,138,106 in additional annual operating revenue. The Parties also seek authorization for Petitioner to issue water utility revenue bonds in

a principal amount not to exceed \$70,225,000 at interest rates not to exceed 7% per annum. Any financing authority not used by Petitioner will expire on December 31, 2029.

**4. Test Year.** The test year selected for determining Petitioner’s actual and pro forma operating expenses is the 12-months ended December 31, 2024, adjusted for changes that are representative of future operations and sufficiently fixed, known, and measurable. The Commission finds the test year selected is sufficiently representative of Petitioner’s normal operations to provide reliable data for ratemaking purposes.

**5. Petitioner’s Case-in-Chief.**

**A. Steve Moore.** Mr. Moore, Petitioner’s Water Utility Superintendent, provided an overview of Petitioner’s requested relief, plant, and operations.

Mr. Moore testified that approximately seven years ago, Lafayette’s existing schedule of rates and charges for water utility service were approved by the Commission Order in Cause No. 45006, issued on May 16, 2018 (the “45006 Order”), as adjusted by 30-day Filing No. 50514 approved by Conference Minutes on June 28, 2022, that adjusted Lafayette’s rates and charges for the repeal of the utility receipts tax. In the 45006 Order, the Commission approved a settlement between Lafayette and the OUCC authorizing an increase in rates and charges in two phases. The Commission approved increases by 32.76% in Phase I and 11.95% in Phase II over adjusted test year revenues increasing: (a) Phase I annual operating revenues by \$9,705,741 to produce Phase I total annual operating revenues of \$9,705,741; and (b) Phase II annual operating revenues by \$1,131,751 to produce Phase II total annual operating revenues of \$10,837,490.

In this Cause, Mr. Moore testified, the Petitioner requests Commission authorization for a composite 66.2% increase in rates and charges in two phases to mitigate the impact of the proposed rate increase. Lafayette proposes that the Phase I rates become effective upon approval of the Commission’s Order in this Cause and that the Phase II rates would become effective on July 1st of the calendar year following implementation of the Phase I rates, anticipated to be July 1, 2027. Mr. Moore testified that although a composite 66% increase in rates sounds significant, the Petitioner’s existing rates are relatively low and the actual impact on customers, while not insubstantial, will not be as significant as the 66% increase implies, as demonstrated by Ms. Wilson’s testimony.

Mr. Moore described the area served by the Petitioner and improvements made since its last rate case in Cause No. 45006. Mr. Moore testified that the Lafayette area has experienced significant growth in population, as well as business expansion. Mr. Moore testified that from a high level, the Capital Improvement Plan (“CIP”) recommends capital improvements over the next five years of \$88 million to satisfy needed infrastructure improvements and the growth in water demand, principally due to customer growth and economic development. Mr. Moore testified Petitioner needs updates to its existing wellfields and a new wellfield to meet short-term production demand. To underscore the need for more capacity, Petitioner will soon reach 90% capacity. When the 90% threshold is crossed, it will result in the Indiana Department of Environmental Management (“IDEM”) issuing an Early Warning Order under 327 IAC 8-3-4.2 to Petitioner over capacity concerns. Lafayette is being proactive in addressing this looming concern

over capacity and is attempting to site wellfields closer to the demand in order to relieve stress on the distribution system.

Mr. Moore indicated Petitioner's CIP identifies several important main extension projects and its lead service line replacement ("LSLR") program. The main extension projects are not typical water main projects that fall under the Commission's main extension rules, but rather are trunkline projects that will service wider areas for development.

Mr. Moore testified that Lafayette's City Council supports the rate increase requested and the proposed bond financing requested in this Cause. Lafayette proposes to issue approximately \$64 million in water utility revenue bonds in multiple series to fund projects identified in the CIP. Mr. Moore testified those projects are reasonable and necessary for Petitioner to continue providing safe and reliable water utility service to its customers. Mr. Moore also testified that Lafayette has made numerous outreach efforts with its ratepayers and the public pertaining to the rate increase.

Mr. Moore testified that the rate increases requested by Lafayette and the authorization it seeks to utilize bond funding to support its capital improvements are reasonable, just, and nondiscriminatory. Mr. Moore concluded that using bond funding allows a utility to finance large infrastructure projects by spreading the cost over a long period, making it a financially viable method to fund expensive capital improvements as compared to increasing monthly billing alone to finance capital improvements.

**B. Andrew D. Gordon.** Mr. Andrew D. Gordon, a registered professional engineer in Indiana and a Senior Project Manager II with Wessler, testified regarding the WSMP and the CIP prepared for Lafayette.

Mr. Gordon testified that Petitioner's water system is generally in good shape; however, improvements are needed for maintaining Lafayette's existing water supply, adding additional source water capacity, and extending the water distribution system to serve population growth and future and commercial industrial growth. He testified that Wessler's investigation and evaluation process identified several components at a high-risk in Lafayette's water system, as follows: (1) Upper Pressure Zone: Additional Water Supply, Storage, and Upgrades; (2) Distribution System Improvements: Hydraulic Loops and Extensions; and (3) Replacement of Lead Service Lines. Mr. Gordon then testified about the components.

**1. Upper Pressure Zone: Additional Water Supply, Storage, and Upgrades.** Mr. Gordon testified regarding the demand for additional water supply, storage, and upgrades. He testified that since 2016, Lafayette's average and maximum water demands have increased from 8.4 million gallons per day ("MGD") and 13.9 MGD to nearly 11.0 MGD and 17.0 MGD, respectively. Based upon future demands, Lafayette will need additional capacity for supplying water to customers in the next five years.

Mr. Gordon testified that the wellfield projects fall into two categories: (1) upgrades to existing wellfields, which will impact both the Glick and Canal Well Fields; and (2) new wellfields. The detailed costs for both categories are depicted in the WSMP.

Mr. Gordon testified the WSMP also determined that Lafayette needs at least two future wellfields in the next 20 years to meet customer water demand, including the new wellfield needed in the next five years. Mr. Gordon testified that any future wellfields will need to pump water directly into the upper pressure zone where growth is anticipated.

After drilling multiple test wells, Lafayette has not found a wellfield suitable for its immediate needs. Lafayette continues to need and scout for potential locations for new well sites to increase its water production and meet urgent current and new customer demand in the near term. Mr. Gordon testified the cost estimates in the WSMP for one of the unsuccessful wellfields represent a reasonable proxy for the costs associated with a new wellfield, and Lafayette proposes to use those figures as an estimate for a new wellfield. Wessler budgeted \$16.945 million for the new wellfield in the WSMP, which included six wells, a water filtration plant, and a raw water main to connect to the upper pressure zone. That figure is a reasonable proxy budget amount to construct a new, to-be-determined wellfield and water treatment facility that will meet Lafayette's near-term production demand. Because the source water option has not been identified with particularity, it is possible that Lafayette may need to seek additional relief in the future.

Separately, Lafayette needs two new wells to add incremental additional capacity for redundancy when existing wells need to be taken out of service for maintenance and repair. The new wells at the Glick Well Field will be rated at 2 MGD each will not pump directly into the upper pressure zone. Standing alone, they will be insufficient to meet Lafayette's water supply needs in either the short-term or long-term.

**2. Distribution System Water Main Improvements and Extensions.** This project consists of miscellaneous water main replacements that will be needed during the short-term because it is advantageous to replace them in conjunction with other Lafayette projects, such as road repaving. The needed distribution system improvements include water main extensions, pumping facilities, and water storage, and the estimated project cost is \$2 million. Mr. Gordon testified that amount is a reasonable level of funding based on his knowledge and professional experience.

**3. LSRL.** Mr. Gordon testified that replacement of lead service lines is needed based upon regulations issued by the U.S. Environmental Protection Agency. Mr. Gordon testified Lafayette seeks \$22,338,130 in this case for the first five years of its LSLR program, assuming that Lafayette receives no additional grant or loan from SRF. These LSLR costs were estimated based upon past similar projects. He explained while the cost estimate includes construction and non-construction costs for the entire LSLR project, only partial funding is requested in this case. Accordingly, additional funding will be needed in years six through ten to fund the remaining replacements.

**C. Jennifer Z. Wilson.** Jennifer Z. Wilson, a certified public accountant and Director with Crowe, testified concerning Petitioner's proposed rates and financing. Ms. Wilson testified the test year is the 12-month period ending December 31, 2024. Ms. Wilson presented the Petitioner's Statements of Income for the 12 months ended December 31, 2022, 2023, and 2024, with appropriate adjustments. She testified the test year used in this Cause reasonably reflects current operations and is sufficiently reliable for ratemaking purposes.

She testified that Lafayette petitioned for a two-phased rate increase over two years. Ms. Wilson testified that increased operating revenues are required for Petitioner to meet its pro forma revenue requirements for: (1) Operation and Maintenance Expenses; (2) Taxes Other than Income Taxes; (3) Current Annual Debt Service Payments; (4) Annual Debt Service on the Proposed Bonds to be issued in 2026 and 2027; (5) Annual Debt Service Reserve Funding on the Proposed Bonds; and (6) an annual amount for Extensions and Replacements.

Ms. Wilson testified the difference between the proposed two phases is the amount available for Estimated Annual Debt Service and Debt Service Reserve on the Proposed Bonds.

In Phase I, which is expected to be implemented in July 2026, Petitioner will begin paying interest, but not principal, on the Proposed Waterworks Revenues Bonds of 2026, Series A (the “2026A Bonds”), and will begin funding the debt service reserves for the Bonds proposed to be issued in 2026 including the debt service reserve on the 2026A Bonds, the Proposed Waterworks Revenue Bonds of 2026, Series B (the “2026B Bonds”), and the Proposed Waterworks Revenue Bonds of 2026, Series C SRF Loan (the “2026C Bonds”). In the first phase of increase, Petitioner will not begin paying interest or principal on the 2026B Bonds, 2026C Bonds, or Proposed Waterworks Revenue Bonds of 2027 (the “2027 Bonds,” and together with the 2026A Bonds, 2026B Bonds, and 2026C Bonds, the “Proposed Bonds”).

In Phase II, with an implementation date of July 1, 2027, Petitioner has requested revenue requirements for the estimated average annual debt service amount (2028 through 2032) on the Proposed Bonds. It will also continue funding the debt service reserves for the 2026A, 2026B, and 2026C Bonds, and will start funding the debt service reserve for the 2027 Bonds.

Ms. Wilson testified that the rate relief requested in this Cause is needed for the increase in operating and maintenance expenses, existing debt service, and other expenses, as well as support of the proposed bond issuances. Ms. Wilson testified that Petitioner’s total annual revenue requirement in Phase I is \$15,490,451 and in Phase II is \$19,628,557. Ms. Wilson also testified that the proposed bonds are a reasonable and appropriate method of financing the improvements Petitioner is proposing.

Ms. Wilson testified that Petitioner’s Exhibit No. 3 Attachment JZW-2 documents the calculation of the SDC that would be applied to new connections and would allow the Petitioner to recover a portion of the construction costs for the Petitioner’s plant in service. The SDC Report calculations are based on methodologies described in the American Water Works Association Principles of Water Rates, Fees, and Charges, Seventh Edition.

Ms. Wilson testified that the Petitioner selected the equity buy-in method resulting in a calculated charge of \$1,180 per equivalent 5/8-inch meter charge. However, the Petitioner has chosen to reduce the charge to \$520 per equivalent dwelling unit (“EDU”) in order to be competitive with the SDC of \$528 per EDU charged in the neighboring community of West Lafayette.

**6. Settlement Agreement and Settlement Testimony.**

**A. The Settlement Agreement.** The Agreement, a copy of which is attached to this Order and incorporated by reference, provides the terms and conditions upon which the Parties agreed to resolve the issues in this Cause. In the Agreement, the Parties agree to specifics concerning Petitioner's rates and charges and the issuance of water utility revenue bonds. In support of the settlement, Lafayette offered the settlement testimony of Mr. Moore and Ms. Wilson, and the OUCC offered the settlement testimony of Ms. Sullivan.

The Parties agree that the Commission should approve Lafayette's request for authorization to issue the Proposed Bonds in an amount not to exceed \$70,225,000 in principal amount at interest rates not to exceed 7% per annum. For purposes of this debt authorization, the relevant value is the sources of funds and not the par value of the borrowing. Any authorizing financing authority not issued and not used by Petitioner will expire on December 31, 2029.

The Parties further agree that within 30 days of closing on the latest of the 2026A, 2026B and 2026C Bonds included in Phase I rates and of the 2027 Bonds included in Phase II rates, Lafayette shall file a true-up report and revised tariff with the Commission and serve a copy on the OUCC as outlined in the Agreement.

The Parties stipulate and agree that Lafayette's adjusted test year operating revenue at present rates is \$12,034,001, as depicted on Schedule 4 to the Agreed Schedules. The Parties stipulate and agree that Lafayette's current rates and charges are inadequate and that, subject to the true-up provisions set forth in Agreement Paragraph 1.B., Lafayette's rates and charges should be increased as follows: (A) Phase I: Effective for bills rendered on and after July 1, 2026, Lafayette's rates and charges should be increased on an across-the-board basis by 23.32% so as to produce \$2,740,098 in additional annual operating revenue; and (B) Phase II: Effective for bills rendered on and after July 1, 2027, Lafayette's rates and charges should be increased on an across-the-board basis by 28.56% so as to produce \$4,138,106 in additional annual operating revenue. The Parties stipulate and agree that the compound increase in revenues for the foregoing Phase I and Phase II increases is 58.53% so as to produce \$6,878,204 in additional annual operating revenue.

The Parties further agree that the SDC proposed by Lafayette as set forth in Attachment JZW-2 is just and reasonable and should be approved by the Commission.

Finally, the Petitioner agrees to keep the OUCC informed of its development of a new wellfield in accordance with the Agreement terms.

**B. Petitioner's Settlement Testimony.**

**1. Mr. Moore.** Mr. Moore addressed the overall agreed rates and revenue requirements, wellfield milestone reporting, rate implementation, the public interest, and reasonableness of the Agreement.

Mr. Moore testified that the Parties agreed to settle for a 58.53% across-the-board increase in two phases of 23.32% and 28.56%, respectively. Except as explained below relative to operating expense adjustments, the difference between Lafayette's case-in-chief request and the agreed increase is made up of a number of minor adjustments, so Lafayette would have had to spend a significant amount of resources arguing over a number of relatively minor adjustments making up the difference, as contrasted with one major adjustment that constituted the difference. Moreover, Lafayette worked with the OUCC on certain minor adjustments to arrive at the agreed-upon increase.

Mr. Moore testified Lafayette agreed to inform the OUCC and provide documentation within 90 days if Lafayette receives or creates any of the following: (a) hydrogeological consultant's final report for the new wellfield; (b) sanitary survey conducted by IDEM for the new wellfield; (c) map showing determined location of the new wellfield and groundwater treatment plant; (d) notification of acquisition of any property acquired for the new wellfield and groundwater treatment plant; (e) basis of design report for the new wellfield and groundwater treatment plant; (f) construction schedule for the new wellfield and groundwater treatment plant. Mr. Moore testified that Lafayette believes these are reasonable reporting conditions that balance the OUCC's need for information and the compliance burden on the Petitioner.

Mr. Moore testified the bills rendered on or after July 1, 2026, would reflect Phase I rates; and bills rendered on or after July 1, 2027, would reflect Phase II rates. This implementation is consistent with Lafayette's public messaging and outreach sessions about the rate increase that Lafayette conducted with the public and large customers prior to filing with the Commission. Mr. Moore testified that Lafayette would like to be consistent with its previous messaging to its constituents. Giving Lafayette customers one year between rate increases allows sufficient time for customers to adjust to the higher bills and avoids the double impact of two rate increases within a single 12-month period, Mr. Moore testified.

Finally, Mr. Moore testified that he believes the Agreement is a reasonable resolution of the issues in this Cause and is in the public interest. Mr. Moore indicated that receiving approval earlier will enable Lafayette to issue the proposed bonds earlier, which in turn will allow Lafayette to begin implementation of its infrastructure program sooner, and take greater advantage of the 2026 construction season, than if the case were fully litigated.

**2. Ms. Wilson.** Ms. Wilson testified regarding the agreed rates and revenue requirements, debt service, the public interest, and reasonableness of the Agreement.

Ms. Wilson testified that the proposed adjustments as seen in the OUCC's settlement exhibits are reasonable for settlement purposes. Further, she stated that Schedule 1 of the OUCC's Exhibit No. 1, the OUCC has calculated an overall increase of 58.53%, which is reasonably close to the 66.2% requested by Lafayette. Due to the relatively minor difference and Lafayette's need to move forward with projects, Lafayette accepts the proposed adjustments. Resolving this case and issuing bonds sooner would likely provide greater benefit than the lost revenue created by the proposed accounting adjustments when factoring in the time and expense of further litigating this case.

Ms. Wilson testified that the OUCC reduced Lafayette's proposed operation and maintenance revenue requirement by \$568,435. Ms. Wilson testified Lafayette will make filings with the Commission after closing on the latest of the Proposed Bonds in order to have the actual debt service reflected in the rates and charges.

Ms. Wilson testified she believes the Agreement is reasonable and in the public interest. She testified that the Parties will avoid costly and expensive litigation over a relatively small percentage of the proposed rate increase by settling. Receiving approval earlier will enable Lafayette to issue the proposed bonds earlier, which in turn will allow Lafayette to begin implementation of its infrastructure program sooner, and take greater advantage of the 2026 construction season, than if the case were fully litigated. Ms. Wilson testified that the Agreement is a reasonable resolution of the issues in this Cause, wherein each side made concessions at arms-length to achieve a reasonable result.

**C. OUCC's Settlement Testimony.** The OUCC filed the settlement testimony of Ms. Sullivan, and she testified the Agreement represents a reasonable compromise of the OUCC and Lafayette's positions, that the Settlement Testimony provides an evidentiary basis to support the Parties' settlement, and in her view, the Parties' settlement should be considered to be in the public interest.

Ms. Sullivan testified that the OUCC and Lafayette agreed in the Agreement to a 23.32% Phase I increase and a 28.56% Phase II increase. The Phase I increase produces \$2,740,098 of additional annual operating revenue and is effective for bills rendered on or after July 1, 2026. The Phase II increase produces \$4,138,106 of additional annual operating revenue and is effective no earlier than for bills rendered on July 1, 2027.

Ms. Sullivan testified that the OUCC supports Lafayette's request for Commission authorization to issue the Proposed Bonds in multiple series in an amount not to exceed \$70,225,000 in principal amount at interest rates not to exceed 7% per annum. The Parties also agreed to a 58.53% overall increase, producing \$6,878,204 of additional annual operating revenue, implemented over two phases.

Ms. Sullivan explained that the Agreement addresses debt true-ups, SDCs, and wellfield milestones. Ms. Sullivan testified the Parties agreed to the OUCC's standard true-up language which includes three true-ups. The first true-up is for the bonds included in Phase I rates, and the second true-up is for the bonds included in the Phase II increase. The third is a contingent true-up dictated by Lafayette not taking advantage of all bonds authorized in this Cause per the Settlement. Additionally, she testified the Parties agreed that the SDC proposed by Lafayette is just and reasonable and should be approved by the Commission. The Parties agreed Lafayette will provide the OUCC with agreed upon documents pertaining to the development of a new wellfield within 90 days of receipt or creation of those documents.

**7. Commission Discussion and Findings.** Settlements presented to the Commission are not ordinary contracts between private parties. *US. Gypsum, Inc. v. Ind. Gas Co.*, 735 N.E.2d 790, 803 (Ind. 2000). When the Commission approves a settlement, that settlement "loses its status as a strictly private contract and takes on a public interest gloss." *Id.* (quoting *Citizens Action Coal.*

of *Ind., Inc. v. PSI Energy, Inc.*, 664 N.E.2d 401, 406 (Ind. Ct. App. 1996)). Thus, the Commission “may not accept a settlement merely because the private parties are satisfied; rather [the Commission] must consider whether the public interest will be served by accepting the settlement.” *Citizens Action Coal.*, 664 N.E.2d at 406.

Further, any Commission decision, ruling, or order, including the approval of a settlement, must be supported by specific findings of fact and sufficient evidence. *US. Gypsum*, 735 N.E.2d at 795 (citing *Citizens Action Coal. of Ind, Inc. v. Public Service Co. of Ind., Inc.*, 582 N.E.2d 330, 331 (Ind. 1991)). The Commission’s procedural rules require that settlements be supported by probative evidence. 170 IAC 1-1.1-17(d). Before the Commission can approve the Agreement, the Commission must determine whether the evidence in this Cause sufficiently supports the conclusion that the Agreement is reasonable, just, and consistent with the purpose of Ind. Code ch. 8-1-2 and that such agreement serves the public interest.

**A. Petitioner’s Rates.** Based upon the evidence of record, particularly the testimony the Parties presented in support of the Agreement, the Commission finds the Agreement represents a reasonable resolution of the issues in this Cause. The Commission further finds that the terms of the Agreement are reasonable and that approval of the Agreement is in the public interest. The evidence shows that its existing rates are insufficient and the agreed upon increase will provide the utility with the necessary revenue to efficiently maintain and operate the system.

However, we note that there was a discrepancy in test year operations and maintenance expense settlement schedules when compared to the rate schedules provided in Petitioner’s case-in-chief. On March 4, 2026, the Commission received a response to its March 4, 2026 docket entry request for Petitioner to reconcile the difference. Petitioner responded that \$43,560 in Workmen’s Compensation expense in Settlement Schedule 4 was double counted. Petitioner also explained that purchased power was understated by \$351 and bad debt expense was understated by \$232, which leaves a \$1 variance attributable to rounding. Based on the described modifications, the Parties agreement results in a two-phase, across-the-board rate increase of 22.95% in Phase I and 28.64% in Phase II, which the Commission finds reasonable. The increase to operating revenues at the proposed rates will be \$2,697,122 in Phase I and \$4,138,106 in Phase II. In accordance with the Agreement, the Commission finds that Petitioner’s Phase I and Phase II revenue requirements are shown below:

	Phase I	Phase II
Operating Expenses	\$ 9,234,258	\$ 9,234,258
Taxes Other Than Income	302,685	302,685
Payment in Lieu of Taxes	617,386	617,386
Depreciation Expense	1,867,363	1,867,363
Debt Service		
Existing Debt	1,476,784	1,476,784
Proposed Debt	769,936	4,555,606
Debt Service Reserve	545,684	898,120
Total Revenue Requirements	14,814,096	18,952,202
Less: Revenue Requirement Offset		
Unrestricted Interest	(82,973)	(82,973)
Net Revenue Requirement	14,731,123	18,869,229
Less: Revenue Subject to Increase	(11,751,178)	(14,448,300)
Revenues Not Subject to Increase	(282,823)	(282,823)
Recommended Increase	\$ 2,697,122	\$ 4,138,106
Recommended Percentage Increase	22.95%	28.64%

Based on the rate increase approved above, the effect of Phase I on residential customers using 4,000 gallons per month (taking service from 5/8” meters) and located within the city limits will increase by \$3.37 for a monthly bill of \$18.01 over the current monthly bill of \$14.64. The increase in Phase II will be \$5.18 over the Phase I bill to a monthly bill of \$23.18.

**B. Petitioner’s Financing.** In its case-in-chief, Lafayette sought authority to issue new waterworks revenue bonds in an amount not to exceed \$70,225,000 and interest rates not to exceed 7% per annum. Testimony was presented upon the projects Petitioner intends to complete with the debt issuance. In the Agreement, the Parties agree that the Proposed Bonds. Based upon the evidence, the Commission finds the capital projects to be funded with the waterworks utility bond proceeds are reasonably necessary for Lafayette to continue to provide adequate and efficient utility services and that Petitioner’s proposed CIP is reasonably necessary to address Petitioner’s priority infrastructure needs and is supported by the evidence. These infrastructure projects will also enable Petitioner to provide adequate service in accordance with Ind. Code § 8-1.5-3-8.

Under Ind. Code § 8-1.5-2-19(b), when a municipality, such as Lafayette, issues debt, it must show the rates and charges “will provide sufficient funds for the operation, maintenance, and depreciation of the utility, and to pay the principal and interest of the proposed bond issue, together with a surplus or margin of at least ten percent (10%) in excess.” Ind. Code § 8-1-2-19(b). Reviewing the Settlement, the Commission finds Lafayette has met the standard under Ind. Code § 8-1.5-2-19(b), and therefore, certifies that Petitioner’s authorized rates and charges provide sufficient funds for operation and maintenance and depreciation and to pay the principal and interest of the proposed bond issue, together with a surplus or margin of at least ten percent in excess. The Commission also finds that the proposed bonds are a reasonable manner in which to

finance the capital improvements and should be approved subject to the conditions set forth in the Agreement.

**C. True-Up Reports.** The evidence demonstrates the amount of Petitioner's actual cost of debt, including the interest rate and issuance costs, will not be known until after Petitioner issues the proposed bonds; therefore, consistent with the Agreement, within 30 days of closing on the later of the Proposed Bonds, Petitioner shall file reports with the Commission, and serve copies on the OUCC, explaining the terms of the new debt, including an amortization schedule, the amount of debt service reserve, and all issuance costs. The reports shall also include a revised tariff with the rate impact calculated in a manner similar to the OUCC's schedules in this Cause. The revised rates shall go into effect unless both the OUCC and Lafayette make a written filing with the Commission stating such rate impact is immaterial. Lafayette's rates shall be adjusted to match its actual cost of debt service, whether lower or higher, up to an interest rate of 7% per annum.

**D. Conclusion Regarding the Agreement.** Consistent with our discussion above and the evidence presented, the Commission finds the Agreement is reasonable, supported by the evidence, and in the public interest. We, therefore, approve the Agreement in its entirety with the slight modification described above.

The new water rate for a Lafayette residential customer using 4,000 gallons per month and located within the city limits will be \$23.18 when fully implemented. This is substantially lower than the statewide average for such usage among Commission-regulated water utilities, which as of January 1, 2026 was \$39.09. It is worth noting that this is Lafayette's first water rate increase in approximately eight years.

There are cases in which a utility will meet its burden of proof, demonstrate prudence, and justify the need for additional revenues in order to continue providing safe and reliable service. This is such an instance, as reflected in Petitioner's case-in-chief and in the Agreement, which we approve today.

**E. Use of the Agreement.** The Parties agree the Agreement should not be used as precedent in any subsequent proceeding or be deemed an admission in any other proceeding except as necessary to enforce the terms of the Agreement or the Order issued in this Cause. Consequently, with regard to future citation of the Agreement, the Commission finds that our approval herein should be construed in a manner consistent with the Commission's findings in *Richmond Power & Light*, Cause No. 40434, 1997 Ind. PUC LEXIS 459, at 19-22 (IURC March 19, 1997).

**8. Confidentiality.** Petitioner filed its Motion on October 15, 2025. The Motion was supported by affidavit showing certain documents to be submitted to the Commission contain confidential, proprietary, competitively sensitive, and/or trade secrets as defined Ind. Code §§ 23-2-3-2 and 5-14-3-4. A docket entry was issued on November 4, 2025 finding such information to preliminarily be confidential, after which the information was submitted under seal. The Commission finds all such information preliminarily granted confidential treatment is confidential under Ind. Code §§ 5-14-3-4 and 8-1-2-29, is exempt from public access and disclosure by Indiana

law and shall continue to be held by the Commission as confidential and protected from public access and disclosure.

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

1. The Joint Stipulation and Settlement Agreement filed in this Cause on February 12, 2026, and attached to this Order is approved as set forth herein.

2. Petitioner is authorized to increase its rates and charges for water service in two phases and on an across-the-board basis by 22.95% in Phase I and by 28.64% in Phase II over adjusted test year revenues in order to increase Phase I annual operating revenues by \$2,697,122 to produce Phase I total annual operating revenues of \$14,731,123, and increase Phase II annual operating revenues by \$4,138,106 to produce Phase II total annual operating revenues of \$18,869,229.

3. Prior to implementing the approved rates, Petitioner shall file the tariff and applicable rates schedules under this Cause for approval by the Commission's Water/Wastewater Division. Such rate(s) shall be effective on or after this Order date subject to Division review and agreement with the amounts reflected.

4. Lafayette is granted a Certificate of Authority to issue additional waterworks revenue bonds in an amount not to exceed \$70,225,000 and at an interest rate not to exceed 7% per annum, consistent with the findings in this Order. Within 30 days of closing on its debt issuance, Lafayette shall file a report in this Cause explaining the terms of its debt issuance, including an amortization schedule, the amount of debt service reserve, and all issuance costs and the report shall include a revised tariff unless Lafayette and the OUCC make a written filing with the Commission stating such rate impact is immaterial.

5. In accordance with Ind. Code § 8-1-2-85, Lafayette shall pay a fee to the Secretary of the Commission equal to \$0.25 for each \$100 of waterworks revenue bonds issued within 30 days of the receipt of the financing proceeds authorized in this Order.

6. The SDC proposed by Lafayette as set forth in Petitioner's Exhibit No. 3 Attachment JZW-2 is and approved.

7. In accordance with Ind. Code § 8-1-2-70, Lafayette shall pay the following itemized charges within 20 days from the date of the Order into the state general fund described in Ind. Code § 8-1-6-2(b), through the Secretary of the Commission, as well as any additional costs that were incurred in connection with this Cause:

Commission Charges:	\$ 2,501.86
OUCC Charges:	\$ 9,937.99
Legal Advertising Charges:	\$ <u>108.14</u>
Total:	\$ 12,547.99

8. The information filed in this Cause pursuant to Petitioner's Motion is deemed confidential under Ind. Code § 5-14-3-4, is exempt from public access and disclosure by Indiana law, and shall be held confidential and protected from public access and disclosure by the Commission.

9. This Order shall be effective on and after the date of its approval.

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

**APPROVED: MAY 20 2026**

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

---

**Dana Kosco  
Secretary of the Commission**

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF )  
LAFAYETTE, INDIANA, FOR (1) AUTHORITY )  
TO ISSUE BONDS, NOTES, OR OTHER )  
OBLIGATIONS; (2) APPROVAL OF A SYSTEM ) CAUSE NO. 46310  
DEVELOPMENT CHARGE; (3) AUTHORITY )  
TO INCREASE ITS RATES AND CHARGES )  
FOR WATER SERVICE; AND (4) APPROVAL OF )  
A NEW SCHEDULE OF WATER RATES AND )  
CHARGES APPLICABLE THERETO )

**JOINT STIPULATION AND SETTLEMENT AGREEMENT**

On October 15, 2025, the City of Lafayette, Indiana (“Petitioner” or “Lafayette”) filed with the Indiana Utility Regulatory Commission (the “Commission”) its Petition initiating this Cause and its case-in-chief.

The Indiana Office of the Utility Consumer Counselor (“OUCC”) conducted discovery, attended and participated in the field hearing in this Cause, and engaged in settlement discussions with Lafayette.

Lafayette and the OUCC (collectively, the “Parties,” and individually, a “Party”) have after arms-length settlement negotiations reached an agreement with respect to all of the issues before the Commission in this Cause. The Parties therefore stipulate and agree for purposes of resolving all of the issues in this Cause, to the terms and conditions set forth in this Joint Stipulation and Settlement Agreement (this “Settlement”).

**1. Borrowing Authority.**

- A. Approval of Debt; Authorization to Issue Bonds. The Parties stipulate and agree that the Commission should approve Lafayette’s request for authorization to issue water utility revenue bonds in multiple series (the “Bonds”) in an amount not to exceed Seventy Million Two Hundred

Twenty-Five Thousand Dollars (\$70,225,000) in principal amount at interest rates not to exceed seven percent (7%) per annum. For purposes of the debt authorization, the relevant value is the sources of funds and not the par value of the borrowing. Any financing authority not used by Petitioner will expire on December 31, 2029.

B. True-Ups.

- i. Phase I True-Up. Within thirty (30) days of closing on the latest of the 2026A, 2026B and 2026C Bonds included in Phase I rates, as set forth in Attachment 1 hereto (“Agreed Schedules”), Lafayette shall file a report with the Commission and serve a copy on the OUCC, explaining the terms of the new loans, including an amortization schedule for each issuance that states the amount actually borrowed, the amount of debt service reserve for each issuance, include bid tabulations available at the time of the true-up for any projects, and all issuance costs (*e.g.*, fee for bond counsel, municipal advisor, rating agency, and all other fees) for each issuance. The report should include a revised tariff and also calculate the rate impact in the same manner as set forth in the Agreed Schedules. Lafayette’s rates should be adjusted to match its actual cost of debt service, whether lower or higher using an interest rate maximum of seven percent (7%) per annum.
- ii. Phase II True-Up. Within thirty (30) days of closing on 2027 Bonds included in Phase II rates, as set forth in the Agreed Schedules, Lafayette shall file a report with the Commission and serve a copy on the OUCC, explaining the terms of the new loan, including an amortization schedule, the amount of debt service reserve, and all issuance costs (*e.g.*, fee for bond counsel, municipal advisor, rating agency, and all other fees). The report should include a revised tariff and also calculate the rate impact in the same manner as set forth in the Agreed Schedules. Lafayette’s rates should be adjusted to match its actual cost of debt service,

whether lower or higher using an interest rate maximum of seven percent (7%) per annum.

- iii. Objection to True-Ups. The Parties agree that the OUCC shall have twenty-one (21) days after service of the true-up report to file an objection with the Commission. The Parties agree that Petitioner shall have twenty-one (21) days to file a response to the objection of the OUCC. Thereafter, the Commission should resolve any issue raised through a process it deems appropriate. Any true-up report should state the time frames for objections or responses.
- iv. No True-Up Required. If both parties state in writing that the increase or decrease indicated by the report need not occur because the increase or decrease would be immaterial or for any other reason, the true-up need not be implemented.
- v. Contingent True-Up. If all bonds authorized in this Cause have not been issued by December 31, 2029, to reflect debt service costs in rates, Petitioner shall file a final true-up in accordance with the provisions of Subsections 1.B.i. and ii. above no later than January 30, 2030.

## **2. Stipulated Revenues.**

- A. Test Year Operating Revenues. The Parties stipulate and agree that Lafayette's adjusted test year operating revenue at present rates is \$12,034,001, as depicted on Schedule 4 to the Agreed Schedules.
- B. Revenue Requirement. The Parties stipulate and agree that Lafayette's current rates and charges are inadequate and that, subject to the true-up provisions set forth in Paragraph 1.B. above, Lafayette's rates and charges should be increased as follows:
  - i. Phase I: Effective for bills rendered on and after July 1, 2026, Lafayette's rates and charges should be increased on an across-the-board basis by 23.32% so as to produce \$2,740,098 in additional annual operating revenue.

- ii. Phase II: Effective for bills rendered on and after July 1, 2027, Lafayette's Phase I rates and charges should be increased on an across-the-board basis by 28.56% so as to produce \$4,138,106 in additional annual operating revenue.

The Parties stipulate and agree that the compound increase in revenues for the foregoing Phase I and Phase II increases is 58.53% so as to produce \$6,878,204 in additional annual operating revenue.

- C. Pro Forma Authorized Revenues. After adjustments (including the issuance of the Bonds) and subject to the True-Up provisions set forth in Paragraph 1.B. above, the Parties stipulate and agree that Lafayette's pro forma operating revenues (total revenue requirements) will be \$14,774,099 for Phase I, and \$18,912,205 for Phase II, as shown in Schedule 1 of the Agreed Schedules. The Parties further stipulate and agree that Lafayette's revenue requirements for the rate increase are depicted on Schedule 1 to the Agreed Schedules. The Parties stipulate and agree that the revenue increases provided herein are just and reasonable and should be approved.
- D. Financial Schedules. The Parties stipulate for settlement purposes to the Agreed Schedules, including all adjustments identified therein.
- E. Tariff; Effective Date. The Parties stipulate and agree that true and accurate replacement pages for pages 1, 2 and 4 of Lafayette's Phase I tariff after the approvals contemplated herein and prior to the Phase I true-up identified in Paragraph 1.B. ("Replacement Pages") are attached hereto as Attachment 2. The Parties agree that the Commission's Water/Sewer Division should approve the Replacement Pages when tendered for the relevant phase after the final order is issued in this Cause but such Replacement Pages for Phase I rates shall be effective for bills rendered on and after July 1, 2026. For Phase II rates, the Phase II tariff shall be effective for bills rendered on July 1, 2027. For purposes of clarity, no changes are proposed in this Cause for charges depicted on page 3 of Lafayette's tariff, which page 3 shall continue in full force and effect.

3. **System Development Charge.** The Parties stipulate and agree that the System Development Charge proposed by Lafayette as set forth in Petitioner's Attachment JZW-2 is just and reasonable and should be approved by the Commission.
4. **Wellfield Milestones.** Petitioner will keep the OUCC informed of its development of a new wellfield in accordance with the following terms. Lafayette will provide the OUCC with the documents identified below within 90 days after such document is received or created by Lafayette:
  - A. Copy of the hydrogeological consultant's Final Report for the new wellfield.
  - B. Copy of the Sanitary Survey conducted by the Indiana Department of Environmental Management for the new wellfield.
  - C. Map showing determined location of the new wellfield and groundwater treatment plant.
  - D. Notification of acquisition of any property acquired for the new wellfield and groundwater treatment plant.
  - E. Basis of Design Report for the new wellfield and groundwater treatment plant.
  - F. Construction schedule for the new wellfield and groundwater treatment plant.

The OUCC agrees that Lafayette may designate any of the foregoing documents as confidential, and the Nondisclosure Agreement by and between Lafayette and the OUCC dated on or about October 22, 2025 (the "NDA"), shall be in full force and effect with respect to documents identified by Lafayette as constituting "Confidential Information" under the NDA. Such obligations with respect to documents designated as confidential shall exist notwithstanding the three year expiration period set forth in Paragraph 14 of the NDA.

5. **Submission of Evidence.** The Parties stipulate to the admission into evidence in this Cause of testimony and attachments constituting Lafayette's case-in-chief, and the testimony pre-filed in support of this Settlement offered by the Parties. Further, each Party waives cross-examination of the other's witnesses with respect to such testimony. The Parties shall not offer any further testimony or evidence in this

proceeding, other than this Settlement and the above-identified testimony and exhibits. If the Commission should request additional evidence to support the Settlement, the Parties shall cooperate to provide such requested additional evidence.

6. **Settlement Fair and Reasonable; Proposed Final Order.** The Parties stipulate and agree that the terms of this Settlement represent a fair, reasonable, and just resolution of all the issues in this Cause, provided they are approved by the Commission in their entirety without material change, except as provided in Paragraph 7 hereof. The Parties agree to cooperate on the preparation and submission to the Commission of a proposed order that reflects the terms of this Settlement and the settlement testimony submitted pursuant to Section 5 hereof.
7. **Sufficiency of Evidence.** The Parties stipulate and agree that the evidentiary material identified immediately above constitutes a sufficient evidentiary basis for the issuance of a final order by the Commission adopting the terms of this Settlement, and granting the relief as requested herein by Bloomington and agreed to by the Parties.
8. **Commission Alteration of Agreement.** The concurrence of the Parties with the terms of this Settlement is expressly predicated upon the Commission's approval of this Settlement. If the Commission alters this Settlement in any material way, unless that alteration is unanimously and explicitly consented to by the Parties, this Settlement shall be deemed withdrawn.
9. **Authorization.** The undersigned represent that they are fully authorized to execute this Settlement on behalf of their respective clients or parties, who will be bound thereby.
10. **Non-Precedential Nature of Settlement.** The Parties stipulate and agree that this Settlement shall not be cited as precedent against any Party in any subsequent proceeding or deemed an admission by any Party in any other proceeding, except as necessary to enforce the terms of this Settlement or the final order to be issued in this Cause before the Commission or any court of competent jurisdiction on these particular issues and in this particular matter. This Settlement is solely the result of compromise in the settlement process and, as provided herein, is without prejudice to and shall not constitute a waiver of any position that any Party may take with respect to any or all of the items resolved herein in any future regulatory or other proceeding,

and, failing approval by the Commission, shall not be admissible in any subsequent proceeding.

**11. Counterparts.** This Settlement may be executed in one or more counterparts (or upon separate signature pages bound together into one or more counterparts), all of which taken together shall constitute one agreement.

IN WITNESS WHEREOF, the Parties have executed this Settlement on the dates set forth below.

City of Lafayette, Indiana

By: Tony Roswarski  
Tony Roswarski  
Mayor

Dated: 2/12/2026

Indiana Office of the Utility Consumer Counselor

By: \_\_\_\_\_  
Daniel M. Le Vay  
Senior Deputy Consumer Counselor

Dated: \_\_\_\_\_

and, failing approval by the Commission, shall not be admissible in any subsequent proceeding.

**11. Counterparts.** This Settlement may be executed in one or more counterparts (or upon separate signature pages bound together into one or more counterparts), all of which taken together shall constitute one agreement.

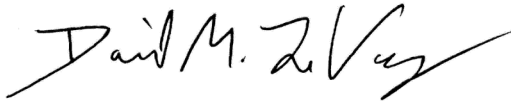
IN WITNESS WHEREOF, the Parties have executed this Settlement on the dates set forth below.

City of Lafayette, Indiana

By: \_\_\_\_\_  
Tony Roswarski  
Mayor

Dated: \_\_\_\_\_

Indiana Office of the Utility Consumer Counselor



By: \_\_\_\_\_  
Daniel M. Le Vay  
Senior Deputy Consumer Counselor

Dated: February 12, 2026

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

**Comparison of Petitioner's and Agreement's  
Overall Revenue Requirement**

	<b>Petitioner</b>	<b>Settlement</b>	<b>Sch Ref</b>	<b>Settlement More (Less)</b>
1 Operating Expenses	\$ 9,845,669	\$ 9,277,234	4	\$ (568,435)
2 Taxes Other Than Income	302,685	302,685	4	-
3 Payment in Lieu of Taxes	682,330	617,386	8	(64,944)
4 Depreciation Expense	1,867,363	1,867,363	4	-
5 Debt Service				
6 Existing Debt	1,476,784	1,476,784	10	-
7 Proposed Debt	4,555,606	4,555,606	10	-
8 Debt Service Reserve	898,120	898,120	11	-
9 Total Revenue Requirements	19,628,557	18,995,178		(633,379)
10 Less: Revenue Requirement Offset				
11 Unrestricted Interest	-	(82,973)	WP 5	(82,973)
12 Net Revenue Requirement	19,628,557	18,912,205		(716,352)
13 Less: Revenue Subject to Increase	(11,703,437)	(11,751,178)	4	(47,741)
14 Revenues Not Subject to Increase	(171,791)	(282,823)	4	(111,032)
15 Recommended Increase	<u>\$ 7,753,329</u>	<u>\$ 6,878,204</u>		<u>\$ (875,125)</u>
16 Recommended Percentage Increase	66.2%	58.53%		-7.72%

	<b>Proposed</b>			<b>Settlement More (Less)</b>
	<b>Petitioner</b>	<b>Settlement</b>		
17 <u>Current Rate for 4,000 Gallons = \$14.64</u>	\$ 24.34	\$ 23.21	12	\$ (1.13)



**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

**Reconciliation of Net Operating Income Statement Adjustments  
*Pro-forma Present Rates***

	<u>Per Petitioner</u>	<u>Per Settlement</u>	<u>Settlement More (Less)</u>
1 Operating Revenues:			
2 Water Sales	\$ -	\$ -	\$ -
3 Public Fire Protection	-	-	-
4 Late Fees	-	-	-
5 Miscellaneous Service Revenues	-	-	-
6 Total Operating Revenues	<u>-</u>	<u>-</u>	<u>-</u>
7 Operating Expenses:			
8 Salaries & Wages - Employees	190,718	190,718	-
9 Open Position	2,400	2,400	-
10 Employee Benefits			
11 Insurance - Health	221,409	221,409	-
12 Employee Pension & Benefit	37,762	37,762	-
13 Changes in OPEB		(162,920)	(162,920)
14 Insurance-Exc/Coverage	12,489	12,489	-
15 Purchased Power	75,195	75,195	-
16 Chemicals	28,254	-	(28,254)
17 Materials and Supplies			
18 A&G Office Supplies	19,600	4,235	(15,365)
19 Building Maintenance	10,063	-	(10,063)
20 New Meter Service	64,346	8,061	(56,285)
21 Meter Repairs	15,456	6,703	(8,753)
22 Maint Res & Tanks	24,410	11,281	(13,129)
23 Contractual Servies			
24 Contract Servs - Printing	22,118	-	(22,118)
25 Contract Services Enginr	201,364	-	(201,364)
26 Contract Services SCADA	13,821	-	(13,821)
27 Contract Services	29,245	-	(29,245)
28 Rate Case	30,123	30,123	-
29 Transportation Expenses	22,198	-	(22,198)
30 Insurance			
31 Insurance-Gen Liability	67,135	67,135	-
32 Workmen's Compensation	14,228	14,228	-
33 Bad Debt Expense	34,088	15,480	(18,608)
34 Miscellaneous Expenses			
35 Travel	22,827	13,539	(9,288)
36 Total Operation and Maintenance Expenses	<u>1,159,249</u>	<u>547,838</u>	<u>(611,411)</u>
37 Payroll Taxes	38,621	38,621	-
38 Total Expenses	<u>\$ 1,197,870</u>	<u>\$ 586,459</u>	<u>\$ (611,411)</u>
39 Net Income	<u>\$ (1,197,870)</u>	<u>\$ (586,459)</u>	<u>\$ 611,411</u>

**CITY OF LAFAYETTE WATER UTILITY**  
**CAUSE NUMBER 46310**

**COMPARATIVE BALANCE SHEET**  
**As of December 31,**

<b>ASSETS</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b><u>Utility Plant</u></b>			
Utility Plant	\$ 91,614,648	\$ 66,681,439	\$ 63,654,722
Construction Work In Progress	2,183,165	17,520,226	18,122,144
Less: Accumulated Depreciation of Utility Plant	29,247,405	26,385,929	25,069,128
Net Plant	64,550,408	57,815,736	56,707,738
Other Utility Plant Adjustments			(3,069,471)
<b>Total Net Utility Plant</b>	<b>64,550,408</b>	<b>57,815,736</b>	<b>53,638,267</b>
<b><u>Other Property and Investments</u></b>			
Special Funds			
Water Debt Service Reserve Fund	1,508,863	1,504,045	-
Water Bond and Interest Fund	670,589	-	-
Water Main Replacement Fun	1,216,319	971,485	726,651
<b>Total Other Property &amp; Investments</b>	<b>3,395,771</b>	<b>2,475,530</b>	<b>726,651</b>
<b><u>Current &amp; Accrued Assets</u></b>			
Cash	6,338,445	2,978,446	4,901,672
Special Deposits (Deferred Medical Insurance Charges)	-	95,200	95,200
Working Funds	-	-	2,715,679
Customer Accounts Receivable	1,030,606	987,522	925,591
Provision for Uncollectable	(29,094)	(78,930)	-
Lease Receivable	710,092	-	-
Bond Receivable	2,406,238	-	-
Materials and Supplies Inventory	475,389	315,887	376,362
Prepayments (Prepaid Insurance)	95,200	-	
<b>Total Current and Accrued Assets</b>	<b>11,026,876</b>	<b>4,298,125</b>	<b>9,014,504</b>
<b><u>Deferred Debits</u></b>			
Unamortized Debt Discount & Expense	19,292	20,528	23,088
Miscellaneous Deferred Debits			
Pension Items	720,124	-	482,274
OPEB Items	321,794	-	176,300
<b>Total Deferred Debits</b>	<b>1,061,210</b>	<b>20,528</b>	<b>681,662</b>
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 80,034,265</b>	<b>\$ 64,609,919</b>	<b>\$ 64,061,084</b>

**CITY OF LAFAYETTE WATER UTILITY**  
**CAUSE NUMBER 46310**

**COMPARATIVE BALANCE SHEET**  
**As of December 31,**

<b>EQUITY &amp; LIABILITIES</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b><u>Equity Capital</u></b>			
Retained Earnings	\$ 50,766,778	\$ 40,827,791	\$ 38,825,555
<b>Total Equity Capital</b>	<b>50,766,778</b>	<b>40,827,791</b>	<b>38,825,555</b>
<b><u>Long-Term Debt</u></b>			
Bonds			
Waterworks Revenue Bonds of 2018 (2.5-3.0%)	15,135,000	15,970,000	16,375,000
Waterworks Revenue Bonds of 2024 (0%)	2,500,000	-	-
<b>Total Long-Term Debt</b>	<b>17,635,000</b>	<b>15,970,000</b>	<b>16,375,000</b>
<b><u>Current &amp; Accrued Liabilities</u></b>			
Accounts Payable	1,484,193	577,493	824,227
Customer Deposits	156,073	301,762	151,810
Accrued Taxes		6,194	6,194
Accrued Interest	247,166	259,691	
Miscellaneous Current and Accrued Liabilities			
Accrued Wages Payable	105,432	79,342	67,111
Contracts Payable	-	-	152,586
Performance Deposits Payable	53,732	-	-
Accrued Compensation Absences	187,078	-	-
State Receipt Tax Payable			6,194
<b>Total Current and Accrued Liabilities</b>	<b>2,233,674</b>	<b>1,224,482</b>	<b>1,208,122</b>
<b><u>Deferred Credits</u></b>			
Other Deferred Credits	1,104,201	-	616,800
<b>Total Deferred Credits</b>	<b>1,104,201</b>	<b>-</b>	<b>616,800</b>
<b><u>Operating Reserves</u></b>			
Pensions and Benefits Reserve	3,490,679	2,258,645	2,706,606
<b>Total Operating Reserves</b>	<b>3,490,679</b>	<b>2,258,645</b>	<b>2,706,606</b>
<b><u>Contributions In Aid of Construction</u></b>			
Contributions In Aid of Construction	4,803,932	4,329,002	4,329,002
<b>Total Net Contributions In Aid of Construction</b>	<b>4,803,932</b>	<b>4,329,002</b>	<b>4,329,002</b>
<b>TOTAL EQUITY CAPITAL AND LIABILITIES</b>	<b>\$ 80,034,264</b>	<b>\$ 64,609,920</b>	<b>\$ 64,061,085</b>

**CITY OF LAFAYETTE WATER UTILITY**  
**CAUSE NUMBER 46310**

**COMPARATIVE INCOME STATEMENT**  
**Twelve Months Ended December 31,**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<i><u>Operating Revenues:</u></i>			
Water Sales	\$ 9,412,989	\$ 9,355,455	\$ 9,081,110
Public Fire Protection	2,287,238	2,235,045	2,205,161
Late Fees	50,951	55,663	55,089
Miscellaneous Service Revenues (Petitioner Included)	-	533,952	614,362
Reconnection Fee	76,176	93,072	62,256
Application Fees	44,664	44,280	46,668
Miscellaneous Service Revenues (Petitioner Excluded)			
Returned Check Fees	16,224	15,600	13,456
Reimbursements	3,246	-	-
Reimbursement Ins/Accidnt	2,558	-	-
Non Utility Income	39,545	70,195	64,740
Land Rent (Non Util Incme	3,210	2,570	3,690
Tap Fees	97,200	220,800	136,800
<i>Total Operating Revenues</i>	<u>12,034,001</u>	<u>12,626,632</u>	<u>12,283,332</u>
<i><u>Operating Expenses:</u></i>			
Salaries & Wages - Employees	3,761,232	3,427,958	3,428,315
Employee Benefits	1,799,161	1,627,594	1,567,338
Purchased Power	764,109	856,970	823,713
Chemicals	351,746	347,572	388,623
Materials and Supplies	618,855	327,047	240,717
Contractual Servies	945,202	-	-
Rents	10,800	10,800	5,400
Transportation Expenses	141,386	147,349	151,454
Insurance	226,425	202,781	200,550
Bad Debt Expense	15,680	32,724	23,460
Miscellaneous Expenses	94,800	101,114	130,714
<i>Total Operation and Maintenance Expenses</i>	<u>8,729,396</u>	<u>7,081,909</u>	<u>6,960,284</u>

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

**COMPARATIVE INCOME STATEMENT  
Twelve Months Ended December 31,**

	<b>2024</b>	<b>2023</b>	<b>2022</b>
Depreciation Expense	2,479,860	1,323,936	1,315,757
Property Taxes or PILT	573,000	-	573,000
Payroll Taxes	264,064	242,329	-
<i>Total Utility Expenses</i>	<u>12,048,344</u>	<u>8,650,197</u>	<u>8,851,063</u>
<i>Net Operating Income</i>	(14,343)	3,976,435	3,432,269
 <i>Other Income</i>			
Interest Income	342,836	342,298	90,719
Interest Income-Leases	37,146	-	-
Transfer In	8,520,902	599,677	2,379,219
Contributions in Aid of Construction	474,930	-	316,324
Sale of Surplus	2,124	-	1,797
Cost Recovery Income	64,432	81,148	286,752
Total Other Income	<u>9,375,814</u>	<u>941,975</u>	<u>2,786,262</u>
 <i>Other Expenses</i>			
Interest Expense	501,867	527,510	549,121
Transfer Out	2,884,000	-	-
Loss on Sale of Asset	6,625	-	-
Bond Issue Expense	93,762	-	-
Capital Asset Expense	462,345	192,279	223,495
Total Other Expenses	<u>3,948,600</u>	<u>719,789</u>	<u>772,616</u>
 Net Income	 <u><u>\$ 5,535,889</u></u>	 <u><u>\$ 1,987,898</u></u>	 <u><u>\$ 4,041,445</u></u>

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

***Pro Forma* Net Operating Income Statement - Phase I**

	<b>Year Ended December 31, 2024</b>	<b>Adjustments</b>	<b>Sch Ref</b>	<b><i>Pro Forma</i> Present Rates</b>	<b>Adjustments</b>	<b>Sch Ref</b>	<b>Phase I <i>Pro Forma</i> Proposed Rates</b>
Operating Revenues:							
Water Sales	\$ 9,412,989			\$ 9,412,989	\$ 2,194,887		\$ 11,607,876
Public Fire Protection	2,287,238			2,287,238	533,330		2,820,568
Late Fees	50,951			50,951	11,881		62,832
Reconnection Fees	76,176			76,176			76,176
Application Fees	44,664			44,664			44,664
Miscellaneous Income	161,983			161,983			161,983
<b>Total Operating Revenues</b>	<b>12,034,001</b>	<b>-</b>		<b>12,034,001</b>	<b>2,740,098</b>	<b>1</b>	<b>14,774,099</b>
Operating Expenses:							
Salaries & Wages - Employees	3,761,232	190,718	PET	3,954,350			3,954,350
Open Position		2,400	PET				
Employee Benefits	1,799,161			1,907,901			1,907,901
Insurance - Health		221,409	PET				
Employee Pension & Benefit		37,762	PET				
Changes in OPEB		(162,920)	6-1				
Insurance-Exc/Coverage		12,489	PET				
Purchased Power	764,109	75,195	PET	839,304			839,304
Chemicals	351,746	-		351,746			351,746
Materials and Supplies	618,855			649,135			649,135
A&G Office Supplies		4,235	6-2				
Building Maintenance		-					
New Meter Service		8,061	6-2				
Meter Repairs		6,703	6-2				
Maint Res & Tanks		11,281	6-2				
Contractual Servies	945,202			975,325			975,325
Contract Servs - Printing		-					
Contract Services Enginr		-					
Contract Services SCADA		-					
Contract Services		-					
Rate Case		30,123	PET				
Rents	10,800			10,800			10,800
Transportation Expenses	141,386	-		141,386			141,386
Insurance	226,425			307,788			307,788
Insurance-Gen Liability		67,135	PET				
Workmen's Compensation		14,228	PET				
Bad Debt Expense	15,680	15,480	6-2	31,160			31,160
Miscellaneous Expenses	94,800			108,339			108,339
Travel		13,539	6-2				
<b>Total Operation and Maintenance Expenses</b>	<b>8,729,396</b>	<b>547,838</b>		<b>9,277,234</b>	<b>-</b>		<b>9,277,234</b>
Depreciation Expense	2,479,860	(612,497)	PET	1,867,363			1,867,363
Property Taxes or PILT	573,000	44,386	8	617,386			617,386
Payroll Taxes	264,064	38,621	PET	302,685			302,685
<b>Total Operation and Maintenance Expenses</b>	<b>12,046,320</b>	<b>18,348</b>		<b>12,064,668</b>	<b>-</b>		<b>12,064,668</b>
<b>Net Operating Income</b>	<b>\$ (12,319)</b>	<b>\$ (18,348)</b>		<b>\$ (30,667)</b>	<b>\$ 2,740,098</b>		<b>\$ 2,709,431</b>

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

*Pro Forma* Net Operating Income Statement - Phase II

	<b>Phase I Pro Forma Proposed Rates</b>	<b>Adjustments</b>	<b>Sch Ref</b>	<b>Pro Forma Present Rates</b>	<b>Adjustments</b>	<b>Sch Ref</b>	<b>Phase II Pro Forma Proposed Rates</b>
Operating Revenues:							
Water Sales	\$ 11,607,876			\$ 11,607,876	\$ 3,314,727		\$ 14,922,603
Public Fire Protection	2,820,568			2,820,568	805,437		3,626,005
Late Fees	62,832			62,832	17,942		80,774
Miscellaneous Service Revenues	282,823			282,823			282,823
<b>Total Operating Revenues</b>	<u>14,774,099</u>	<u>-</u>		<u>14,774,099</u>	<u>4,138,106</u>	1	<u>18,912,205</u>
Operating Expenses:							
Total Operation and Maintenance Expenses	9,277,234	-		9,277,234			9,277,234
Depreciation Expense	1,867,363			1,867,363			1,867,363
Property Taxes or PILT	617,386			617,386			617,386
Payroll Taxes	302,685			302,685			302,685
<b>Total Utility Expenses</b>	<u>12,064,668</u>	<u>-</u>		<u>12,064,668</u>	<u>-</u>		<u>12,064,668</u>
<b>Net Operating Income</b>	<u>\$ 2,709,431</u>	<u>\$ -</u>		<u>\$ 2,709,431</u>	<u>\$ 4,138,106</u>		<u>\$ 6,847,537</u>

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

**Agreement Revenue Adjustments**

Parties agree *pro forma* present rates operating revenue is equal to test year operating revenue.

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

**OUCG Expense Adjustments**

(1)

**Change In Pension and OPEB**

To remove GASB required (GASB Statement No. 68 and GASB Statement 75), non-cash operating expense transactions that recognize changes in the net OPEB liability and net pension liability immediately within OPEB and pensions expense, respectively. These standards ensure that the full cost of benefits (pension and retiree health) is reflected in the utilities' financial statements. However, these costs are based on actuarial studies and should not generate rate revenue.

Change in Pensn Bene Oblg		
Change in OPEB Obligation	\$ 213,893	
	<u>(50,973)</u>	
	<b>Adjustment Increase (Decrease)</b>	<b><u>\$ (162,920)</u></b>

(2)

**Adjustment to Adjustment Period Actuals**

To increase test year expenses for certain operating expenses that increased during the adjustment period.

	<u>Test Year Expense</u>	<u>Petitioner Adjustment</u>	<u>Actuals through Oct. 24, 2025</u>	<u>Actuals through Dec. 3, 2025</u>	<u>Actuals Less Test Year</u>	<u>OUCG Adjustment</u>
Chemicals	\$ 351,746	\$ 28,254	\$ 209,365		\$ (142,381)	\$ -
Maint Res & Tanks	5,590	24,410	16,871		11,281	11,281
A&G Office Supplies	15,400	19,600	7,850	19,635	4,235	4,235
New Meter Service	55,654	64,346	63,715		8,061	8,061
Meter Repairs	14,544	15,456	11,765	21,247	6,703	6,703
Contract Services Enginr	598,636	201,364	217,740	386,134	(212,502)	-
Contract Services SCADA	16,179	13,821	7,237	11,638	(4,541)	-
Contract Services	101,262	29,245	81,141		(20,121)	-
Contract Servs - Printing	107,882	22,118	43,824	59,501	(48,381)	-
Building Maintenance	39,937	10,063	22,129	38,005	(1,932)	-
Transport Exp-Fuel	77,802	22,198	53,306		(24,496)	-
Bad Debt Expense	15,680	34,088	15,155	31,160	15,480	15,480
Travel	2,845	22,827	16,384		13,539	13,539
	<u>\$ 1,403,159</u>	<u>\$ 507,790</u>	<u>\$ 766,482</u>	<u>\$ 567,320</u>	<u>\$ (395,057)</u>	<u>\$ 59,299</u>

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

**Extension and Replacements**

Parties agree to include depreciation expense as a component of its revenue requirement (IC § 8-1.5-3-8-1(E)).

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

**Payment in Lieu of Taxes**

To provide an allowance for payments in lieu of property taxes (IC § 8-1.5-3-8-1(G)).

	<b>Per Petitioner</b>	<b>Per Settlement</b>	<b>Settlement More (Less)</b>
1 Utility Plant In Service as of 12/31/2024	\$ 89,431,483	\$ 91,614,648	\$ 2,183,165
2 Less: Acc. Depreciation as of December 31, 2024	29,377,210	29,247,405	(129,805)
3 Net UPIS	60,054,273	62,367,243	2,312,970
4 Add: Construction Work in Progress	5,171,803	2,183,165	(2,988,638)
5 <i>Pro Forma</i> Utility Plant in Service	65,226,076	64,550,408	(675,668)
6 Less: Net UPIS Outside City Limits	-	5,532,492	5,532,492
7 <i>Pro Forma</i> Utility Plant in Service Subject to PILT	65,226,076	59,017,916	(6,208,160)
8 Times: Net Corporate Tax Rate (per \$100 of Assessed Valuation)	0.010461	0.010461	1.010461
9 <i>Pro Forma</i> Contribution in Lieu of Property Taxes	682,330	617,386	(64,944)
10 Less: Test Year PILT	573,000	573,000	-
11 <b>Adjustment Increase (Decrease)</b>	<b>\$ 109,330</b>	<b>\$ 44,386</b>	<b>\$ (64,944)</b>

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

**Working Capital**

Parties agree Petition has adequate funds to be used as working capital (IC 8-1.5-3-8-(c)(4)).

**CITY OF LAFAYETTE WATER UTILITY**  
**CAUSE NUMBER 46310**

**Debt Service**

	<b>2025</b>	<b>Phase I 2026</b>	<b>Phase II 2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
1 <u>Existing Debt as of 12/31/2024</u>						
2 Series 2018	\$ 1,351,784	\$ 1,351,784	\$ 1,351,784	\$ 1,351,784	\$ 1,351,784	\$ 1,351,784
3 Series 2024	125,000	125,000	125,000	125,000	125,000	125,000
4 <u>New Issuance</u>						
5 Series 2026A SRF Loan		71,436	71,436	71,436	71,436	71,436
6 Series 2026B Revenue Bonds		654,500	1,092,475	1,092,875	1,092,875	1,092,875
7 Series 2026C SRF Loan		44,000	1,599,670	1,599,475	1,599,475	1,599,475
8 Series 2027 Revenue Bonds			1,792,025	1,791,750	1,791,750	1,791,750
9 Total	<u>\$ 1,476,784</u>	<u>\$ 2,246,720</u>	<u>\$ 6,032,390</u>	<u>\$ 6,032,320</u>	<u>\$ 6,032,320</u>	<u>\$ 6,032,320</u>

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

**Debt Service Reserve**

		<u>Phase I</u>	<u>Phase II</u>
	<u>New Issuance</u>		
1	2026A	\$ 59,530	
2	2026B	219,450	219,450
3	2026C	266,704	320,045
4	2027		358,625
5	Total	<u>\$ 545,684</u>	<u>\$ 898,120</u>

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

Schedule of Rates and Charges

**(A) Volume Charge (per Thousand Gallons)**

			Current	Petitioner		Settlement		Settlement More (Less)	
					Phase I	Phase II	Phase I	Phase II	Phase I
First	5,000	Gallons	\$ 3.17	\$ 4.15	\$ 5.27	\$ 3.91	\$ 5.03	\$ (0.24)	\$ (0.24)
Next	15,000	Gallons	2.93	3.84	4.88	3.61	4.64	(0.23)	(0.24)
Next	50,000	Gallons	2.64	3.46	4.39	3.26	4.19	(0.20)	(0.20)
Next	100,000	Gallons	2.18	2.85	3.62	2.69	3.46	(0.16)	(0.16)
Next	400,000	Gallons	1.89	2.47	3.14	2.33	3.00	(0.14)	(0.14)
Next	500,000	Gallons	1.73	2.26	2.87	2.13	2.74	(0.13)	(0.13)
Over	1,070,000	Gallons	1.57	2.06	2.62	1.94	2.49	(0.12)	(0.13)

**(B) Minimum Charge Per Month**

			Current	Petitioner		Settlement		Settlement More (Less)	
					Phase I	Phase II	Phase I	Phase II	Phase I
5/8-3/4	Inch Meter	2,000	\$ 6.34	\$ 8.30	\$ 10.54	\$ 7.82	\$ 10.06	\$ (0.48)	\$ (0.48)
1	Inch Meter	6,727	20.92	27.38	34.78	25.78	33.16	(1.60)	(1.61)
1 1/2	Inch Meter	14,560	43.89	57.46	73.00	54.06	69.51	(3.40)	(3.49)
2	Inch Meter	22,644	66.82	87.50	111.16	82.32	105.83	(5.18)	(5.33)
3	Inch Meter	44,898	125.50	164.50	208.85	154.87	199.07	(9.63)	(9.78)
4	Inch Meter	78,070	209.30	274.35	348.26	258.41	332.17	(15.94)	(16.09)
6	Inch Meter	185,200	438.62	573.89	728.78	541.12	695.85	(32.78)	(32.93)
8	Inch Meter	363,600	775.15	1,014.54	1,288.95	956.79	1,231.05	(57.75)	(57.90)
10	Inch Meter	512,300	1,055.64	1,393.95	1,771.45	1,314.80	1,692.15	(79.15)	(79.30)

**CITY OF LAFAYETTE WATER UTILITY  
CAUSE NUMBER 46310**

**Schedule of Rates and Charges**

**(C) Public Fire Protection Charges**

	Current	Petitioner		Settlement		Settlement More (Less)	
		Phase I	Phase II	Phase I	Phase II	Phase I	Phase II
5/8" Inch Meter	\$ 1.96	\$ 2.57	\$ 3.26	\$ 2.42	\$ 3.11	\$ (0.15)	\$ (0.15)
1" Inch Meter	4.88	6.39	8.12	6.02	7.74	(0.37)	(0.38)
1 1/2" Inch Meter	9.76	12.78	16.23	12.04	15.48	(0.74)	(0.75)
2" Inch Meter	15.62	20.45	25.97	19.26	24.76	(1.19)	(1.21)
3" Inch Meter	29.29	38.34	48.69	36.12	46.43	(2.22)	(2.26)
4" Inch Meter	48.81	63.89	81.14	60.19	77.38	(3.70)	(3.76)
6" Inch Meter	97.64	127.81	162.32	120.41	154.79	(7.40)	(7.53)
8" Inch Meter	156.22	204.48	259.70	192.65	247.66	(11.83)	(12.04)
10" Inch Meter	224.56	293.94	373.32	276.92	356.00	(17.02)	(17.32)

**(D) Private Fire Protection Charges, each per annum:**

	Current	Petitioner		Settlement		Settlement More (Less)	
		Phase I	Phase II	Phase I	Phase II	Phase I	Phase II
1 1/2" Inch Meter	\$ 300.42	\$ 393.24	\$ 499.43	\$ 370.47	\$ 476.26	\$ (22.77)	\$ (23.17)
2" Inch Meter	350.39	458.64	582.49	432.09	555.48	(26.55)	(27.01)
2 1/2" Inch Meter	450.47	589.64	748.87	555.51	714.14	(34.13)	(34.73)
3" Inch Meter	550.43	720.49	915.05	678.78	872.61	(41.71)	(42.44)
4" Inch Meter	700.78	917.29	1,165.00	864.19	1,110.97	(53.10)	(54.03)
6" Inch Meter	1,051.02	1,375.74	1,747.25	1,296.09	1,666.20	(79.65)	(81.05)
8" Inch Meter	1,401.13	1,834.02	2,329.28	1,727.84	2,221.24	(106.18)	(108.04)
10" Inch Meter	3,003.02	3,930.82	4,992.30	3,703.25	4,760.74	(227.57)	(231.56)
12" Inch Meter	3,753.62	4,913.32	6,240.12	4,628.87	5,950.68	(284.45)	(289.44)

## LAFAYETTE (INDIANA) MUNICIPAL WATER UTILITY

SCHEDULE OF WATER RATES AND CHARGES

(Pursuant to IURC Order in Cause No. 46310, dated \_\_\_\_\_, 2026)

For use of and service rendered by the waterworks system of the City of Lafayette, based on the use of water supplied by said waterworks system:

(a) Metered Rates Per Month

<u>Consumption Per Month</u>	<u>Rate per 1,000 Gallons</u>
First 5,000 gallons per month	\$ 3.91
Next 15,000 gallons per month	3.61
Next 50,000 gallons per month	3.26
Next 100,000 gallons per month	2.69
Next 400,000 gallons per month	2.33
Next 500,000 gallons per month	2.13
Over 1,070,000 gallons per month	1.94

(b) Minimum Charge Per Month

Each user shall pay a minimum monthly charge based on the size of the meter installed, for which the user will be entitled to the quantity of water set out in the above metered schedule of rates.

<u>Size of Meter</u>	<u>Minimum Gallonage</u>	<u>Minimum Charge</u>
5/8 or 3/4 inch meter	2,000	\$7.82
1 inch meter	6,727	25.78
1 1/2 inch meter	14,560	54.06
2 inch meter	22,644	82.32
3 inch meter	44,898	154.87
4 inch meter	78,070	258.41
6 inch meter	185,200	541.12
8 inch meter	363,600	956.79
10 inch meter	512,300	1,314.80

(c) Other Public Facilities

Fire Station	- each – per annum	\$514.32
Fountains	- each – per annum	205.66
Municipal Swimming Pools	- each – per annum	15,429.37

(d) Fire Hydrants – per annum

Private Hydrants – per hydrant	\$668.67
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## LAFAYETTE (INDIANA) MUNICIPAL WATER UTILITY

SCHEDULE OF WATER RATES AND CHARGES

(Pursuant to IURC Order in Cause No. 46310, dated \_\_\_\_\_, 2026)

(e) Public Fire Protection – per month

5/8 or 3/4	inch line	\$ 2.42
1	inch line	6.02
1 1/2	inch line	12.04
2	inch line	19.26
3	inch line	36.12
4	inch line	60.19
6	inch line	120.41
8	inch line	192.65
10	inch line	276.92

(f) Private Fire Protection  
Sprinklers – per annum

1 1/2	inch line	\$ 370.47
2	inch line	432.09
2 1/2	inch line	555.51
3	inch line	678.78
4	inch line	864.19
6	inch line	1,296.09
8	inch line	1,727.84
10	inch line	3,703.25
12	inch line	4,628.87

(g) Rural Fire Protection Surcharge

All water utility customers served water outside the city limits  
And located within 1,000 feet of a public fire hydrant in service \$3.38

(h) Temporary Users

Water furnished to temporary users such as contractors, circuses, etc., shall be charged on the basis of the metered gallon rates hereinbefore set forth as estimated and established by the Waterworks Superintendent.

## LAFAYETTE (INDIANA) MUNICIPAL WATER UTILITY

SCHEDULE OF WATER RATES AND CHARGES

(Pursuant to IURC Order in Cause No. 41845, dated May 09, 2001)

(m) Collection and Deferred Payment Charges

All bills for water services not paid within fifteen days from the due date thereof, as stated in such bills, shall be subject to the collection or deferred payment charge of 10% on the first \$3.00 and 3% on the excess over \$3.00.

(n) System Development Charge

The System Development Charge (“SDC”) is a one-time charge paid by each new customer for system capacity and by each existing customer requiring increased system capacity. The charge is paid by the new customer prior to connection to the water system or by the existing customer prior to increasing system capacity. SDCs are not charged to customers beginning service on an existing connection with unchanged capacity.

Meter Size (inches)	SDC
5/8	\$520
3/4	\$780
1	\$1,300
1 1/2	\$2,600
2	\$4,160
3	\$8,320
4	\$13,000
6	\$26,000
8	\$41,600
10	\$59,800