

ORIGINAL FEBRUARY 13, 2008

INDIANA UTILITY REGULATORY COMMISSION 101 W. WASHINGTON STREET, SUITE 1500E INDIANAPOLIS, INDIANA 46204-3407 http://www.in.gov/iurc Office: (317) 232-2701 Facsimile: (317) 232-6758

### **MEMORANDUM**

TO:

Commissioners Hardy, Golc, Landis, Server and Ziegner

FROM:

Jerry L. Webb, Director of Water/Sewer Division

DATE:

February 7, 2008

RE:

Utility Articles for Next Conference

The following Final Articles "E" and Preliminary Articles "A" are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after February 13, 2008.

JLW/ld

# "E" Finals

Revisions to the wholesale water cost tracking factor have been reviewed by staff members of the Commission and found to be in compliance with the orders of the Commission. The requirements prescribed for these filings in 170 IAC 6-5 have been met and approval is recommended.

| Item No. | Utility Name              | \$/1000 Gal Change | \$/1000 Gal Resultant |
|----------|---------------------------|--------------------|-----------------------|
| 1.       | Ogden Dunes Water Utility | 0.13               | 0.13                  |
| 2.       | Schererville Waterworks   | 0.1171             | 0.1171                |

Please indicate your consideration and action of the preceding items on the appropriate lines provided below.

|                                | Jezhall  |   |  |
|--------------------------------|--|---|--|
|                                | Terry L. Webb Director of Water/Sewer Division |   |  |
| tun Jil                        |  |   |  |
| I approve of all items as pre  | sented above                                   |   |  |
|                                |  |   |  |
| I approve of all items as pre  | sented above except                            |   |  |
|                                |  |   |  |
| Not participating in the follo | owing items                                    |   |  |
| I,                             | , Disapprove Items                             |   |  |
| No.                            |  |   |  |
| I,                             | , Wish to Defer Items                          |   |  |
| No.                            |  | * |  |

I hereby certify that the above is a true and correct copy of the action on the articles.

Brenda A. Howe

Secretary to the Commission

### "A" Preliminaries

The following new miscellaneous items have been reviewed by staff members of the Commission and we recommend accepting them for filing.

### 1. Elkhart Municipal Water Utility

The utility is proposing to update the Schedule of Non-Recurring charges in Appendix B of its tariff. The reason for these changes is due to increased labor and material costs. The current and proposed charges can be found in the table below. Cost support has been provided.

| Item No. | Description Of Charge  | Current             | Proposed      |  |  |
|----------|--|---------------------|---------------|--|--|
| 1.       | Insufficient Check Charge  | \$ 10.00            | \$ 27.50      |  |  |
| 2.       | Trip Charge Per Hr, Minimum 1 Hr                                 | \$ 15.00            | \$ 25.00      |  |  |
| 3.       | After Hours Service Call, Minimum                                | \$ 20.00            | \$ 75.00      |  |  |
| 4.       | Visit To Reconnect Services (Turned Off For Cause)               | N/A                 | \$ 50.00      |  |  |
| 5.       | Bacteriological Analysis   | N/A                 | \$ 32.00      |  |  |
| 6.       | Fill Swimming Pool   | \$ 21.00 Footnote 1 | \$ 125.00     |  |  |
| 7.       | Permanent Disconnection Permit                                   | \$ 75.00            | \$ 250.00     |  |  |
| 8.       | New Customer Deposit   | N/A                 | \$ 54.30      |  |  |
| 9.       | Street Key Rental (Deposit)                                      | N/A                 | \$ 40.00      |  |  |
| 10.      | Meter Deposits For Temporary Service (Includes 20% Handling Fee) |                     |               |  |  |
|          | 5/8"   | N/A                 | \$ 106.05     |  |  |
|          | 3/4"   | N/A                 | \$ 144.75     |  |  |
|          | 1"   | N/A                 | \$ 205.00     |  |  |
|          | 1-1/2"   | N/A                 | \$ 353.25     |  |  |
|          | 2"   | N/A                 | \$ 495.35     |  |  |
| 11.      | Meter Testing (5/8"-1")  | \$ 20.00            | \$ 50.00      |  |  |
| 12.      | Meter Yokes (Includes 20% Handling Fee)                          |                     |               |  |  |
|          | 5/8" .   | \$ 20.00            | \$ 34.95      |  |  |
|          | 1"   | \$ 36.00            | \$ 65.05      |  |  |
| 13.      | Loc Packs (Includes 20% Handling Fee)                            |                     |               |  |  |
|          | 1-1/2" Copper  | \$ 35.00            | \$ 44.30      |  |  |
|          | 2" Copper  | \$ 37.00            | \$ 54.35      |  |  |
|          | 1-1/2" Galvanized  | \$ 36.50            | \$ 45.60      |  |  |
|          | 2" Galvanized  | \$ 40.00            | \$ 59.05      |  |  |
| 14.      | Replacement Cost For Frozen Meters (Includes 20% Han             | dling Fee)          |               |  |  |
|          | 5/8"   | \$ 25.00            | \$ 131.05     |  |  |
|          | 3/4"   | \$ 45.00            | \$ 169.75     |  |  |
|          | 1"   | \$ 50.00            | \$ 230.00     |  |  |
|          | 1-1/2"   | \$ 120.00           | \$ 378.25     |  |  |
|          | 2"   | \$ 163.00           | \$ 520.35     |  |  |
| 15.      | Fire Hydrant Meter Deposit                                       | N/A                 | \$ 900.00     |  |  |
| 16.      | Fire Hydrant Use, Metered Fee                                    | \$ 9.00 Footnote 2  | Metered Rates |  |  |
| 17.      | Fire Hydrant Use, Un-Metered Water Fee                           | N/A                 | \$ 76.65 / hr |  |  |

Continued...

<sup>&</sup>lt;sup>1</sup> Base plus additional labor and water usage.

<sup>&</sup>lt;sup>2</sup> Plus water used.

| Item No. | Description Of Charge          | Current                           | Proposed               |  |
|----------|--------------------------------|-----------------------------------|------------------------|--|
| 18.      | Fee For Illegal Use Of Hydrant | N/A                               | \$ 900.00 Footnote 3   |  |
| 19.      | Service Line Repairs           | Labor & Materials Foot-<br>note 4 | Time & Materials Foot- |  |
| 20.      | Tap Fees                       |                                   |                        |  |
|          | Up To And Including 1 Inch     | \$ 350.00                         | \$ 675.00              |  |
|          | For Taps Greater Than 1 Inch   | \$ 485.00                         | Actual cost            |  |

The tariff sheets affected by this filing are:

• Schedule of Non-Recurring Charges, 2 pages.

## 2. Lawrenceburg Gas Company

The utility is proposing an optional payment method that will allow the customer to pay his/her utility bill with a credit card. The Utility is proposing to add a credit card processing fee of \$4.95 to cover the cost per transaction charged by the bank.

Cost support has been provided.

The tariff page affected by this filing is:

• Sheet No. 72, wherein Credit Card Charge was added.

#### 3. Valley Rural Utility Company - Sewer

The utility is proposing changes to its current Rule 22, which addresses the issue of stormwater entry into the utility's sanitary sewer system via customer downspouts, sump pumps and other appurtenances. The reason for this proposed change is to allow the utility to access customers' stormwater and sewer facilities to identify stormwater connections to its sanitary sewer system, pursuant to an Agreed Order in Case No. 2006-15965-W, issued by the Indiana Department of Environmental Management (IDEM), which in part requires the utility to:

- 4. Within sixty (60) days of the Effective Date of this Agreed Order, Respondent shall develop and submit to IDEM for its approval a CP (compliance plan) that includes, but is not limited to, the following:
  - C. A description of the actions that Respondent will take to ensure that the sanitary sewer system is at all times efficiently operated and maintained in good working order. Such actions shall include, but not be limited to, identification and reduction of inflow and infiltration sources, including stormwater connections to the sanitary sewer system, repair

<sup>&</sup>lt;sup>3</sup> Fee is equal to the fire hydrant meter deposit, plus the recovery of charges for the amount of water stolen. Stolen water charges will be calculated using the utility's approved metered rates and charges. The amount of water stolen will be estimated by the utility's superintendent on a per incident basis.

<sup>&</sup>lt;sup>4</sup> Current equipment, labor costs, and material costs plus 20% overhead. (Emergencies)

<sup>&</sup>lt;sup>5</sup> Labor will be charged at \$25 per hour (see trip charge); materials will be charged according to materials bid plus 20% handling fee; equipment will be charged according to established equipment charges.

or replacement of those portions of the sanitary system that have been identified to cause and/or contribute to the inflow and infiltration to the sanitary sewer system, and to maintain compliance with the Permit (emphasis added).

The existing Rule 22 is as follows:

"The customer shall not permit storm water or water from downspouts to run into the sewer system."

The proposed Rule 22 with changes italicized is as follows:

"The customer shall not permit storm water or water from downspouts to run into the sanitary sewer system. The company shall have the right to access the customer's stormwater and sewer facilities including, but not limited to, sump pumps, perimeter drains, and downspouts to check for any inappropriate connection that would allow storm water or non-sanitary wastewater to run into the Company's sanitary sewer system. Inspections shall be conducted with appropriate advance notice and at reasonable hours to avoid inconvenience to the customer. If the Company detects an inappropriate connection, the Company may require the customer to disconnect such inappropriate connection. A failure to reasonably disconnect any inappropriate connection will allow the Company to disconnect the customer's sewer lateral from the Company's collection system and charge the customer for the costs reasonably incurred by the Company in disconnecting the customer. If the customer's sewer lateral is to be disconnected, such disconnection shall occur only after 14 days written notice of a pending disconnection is mailed or delivered to the address on file with the Company to which monthly bills are addressed. Further, such disconnection notice shall indicate the day on which disconnection will occur. Disconnection under the rule shall comply with 170 IAC 8.5-2-4 (Disconnection of Services) except as otherwise provided herein."

Under the proposed rule, if the customer fails to allow access to his stormwater and sewer facilities, the utility may, 14 days after notice, physically disconnect the customer from the sewer system, at the customer's expense. Such disconnection will comply with 170 IAC 8.5-2-4 (Disconnection of Services), except as otherwise provided in the proposed rule.

Staff notes that this proposed rule is an appropriate response to correcting "inflow and infiltration" problems, in addition to repairing and replacing deteriorated collection systems. Designing sanitary sewer collection and treatment systems to meet wet weather flows (due to the introduction of stormwater) can be very costly to the customers, and should be avoided whenever possible.

The tariff sheets affected by this filing are:

• Valley Rural Utility Company, Sheets 1, 2, 3 & 4.

Jerry L. Webb

Director of Water/Sewer Division