



LORCH NAVILLE WARD LLC

January 29, 2016

Chester V. Lorch
(1900-1972)
Frank E. Lorch, Jr.
(1905-1951)
Basil H. Lorch, Jr.
(1925-1997)
Herbert F. Naville
(1919-2010)
Michael G. Naville
(1951-2014)

Michael F. Ward
George W. Gesenhues, Jr.
Linda B. Lorch
Robert P. Hamilton
Timothy J. Naville*
Pamela S. Parkinson
Lisa Garcia Reger
Gregory M. Reger*
Cary J. Hurst
J. David Agnew*
Christopher L. King*
Stephen T. Naville
Claire Lorch Hagedorn

Of Counsel
William C. Moyer*

*Also admitted in KY

Secretary of the Commission
Indiana Utility Regulatory Commission
101 West Washington Street
Suite 1500 E.
Indianapolis, IN 46204

Filed Electronically

RE: Thirty Day Administrative Filing (170 IAC 1-6)
Floyds Knobs Water Company, Inc.

I'm writing as attorney for Floyds Knobs Water Company, Inc. ("the Utility").

This is a filing being made pursuant to Rule 6 of Article 1 of Title 170 of the Indiana Administrative Code (Thirty Day Administrative Filing / 170 IAC 1-6).

The Utility wants to change its charge for providing a 3/4 inch meter connection to its water system. The present connection fee is \$625 if the connection does not involve providing a service line for a meter located on the opposite side of a roadway from the supply main. If the meter is on the opposite side of a roadway from the supply main, the present connection fee is \$825. Also, the present connection fee includes the actual cost of obtaining any required highway or road permits from the appropriate governmental authority.

The Utility is requesting that the charge for providing a 3/4 inch meter connection be \$1,900 if the connection does not involve providing a service line for a meter located on the opposite side of a roadway from the supply main. If the meter is on the opposite side of a roadway from the supply main, the Utility is requesting that the connection charge be \$1,900 plus the Utility's actual costs (labor, materials, equipment, overhead, etc.) to install the service line from the supply main to the meter. It is also requested that the portion of the connection fee consisting of the actual cost any required highway or road permits remain unchanged.

(The referenced connection fee presently applies to either a 5/8 inch or 3/4 inch meter connection. The Utility no longer installs 5/8 inch meters. Thus, the requested change is with regard to 3/4 inch meter connections only.)

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(No change is being requested with regard to the connection charge for a meter larger than ¾ inch.)

The connection fee increase is needed because the costs for the Utility to provide a connection has increased substantially since the connection fee presently in place was approved more than twelve years ago. (The date of IURC approval of the present connection fee was June 4, 2003.)

This filing is allowable pursuant to the above-referenced Rule 6 (170 IAC 1-6-3 (4)) because the request is for a change to a “nonrecurring charge”, as that term is defined in 170 IAC 1-6-2 (11).

Being submitted with this cover letter are:

- Contact Information for the Utility
- The Utility’s Present Schedule of Rates and Charges
- The Utility’s Proposed Schedule of Rates and Charges (reflecting the requested connection fee change)
- Information in Support of Requested Connection Fee Change
- Utility’s Verified Statement Concerning Notice of Requested Connection Fee Change

Please let me know if there are any questions.

Sincerely,



George W. Gesenhues, Jr.

Enclosures

cc: Indiana Utility Consumer Counselor (Electronically)
Floyd Knobs Water Company, Inc.

FLOYDS KNOBS WATER COMPANY, INC.

THIRTY DAY ADMINISTRATIVE FILING

CONTACT INFORMATION

Gary Getrost	Superintendent	502-558-3776 P.O. Box 115, Floyds Knobs, IN 47119 gwgetrost@gmail.com
Theresa Getrost	Office Manager	812-923-9040 P. O. Box 115, Floyds Knobs, IN 47119 theresah2o@mw.twcbc.com
Rick Morgan	Board President	812-923-9333 P. O. Box 115, Floyds Knobs, IN 47119 crickmoose@gmail.com
George W. Gesenhues	Attorney	812-949-1000 506 State Street, New Albany, IN 47150 ggesenhues@lnwlegal.com

Attached is Floyds Knobs Water Company, Inc.'s current Schedule of Rates and Charges

FLOYDS KNOBS WATER COMPANY, INC.

Floyds Knobs, Indiana

SCHEDULE OF RATES AND CHARGES

(This Schedule has been prepared pursuant to Indiana Utility Regulatory Commission Order Approved 11/25/14 in Cause No. 44416 - U, and an IURC approved Water Tracker adjustment as set forth in Appendix "A" to this document.)

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

(a)	<u>Metered Rates per Month</u>	Per 1,000 <u>Gallons Rate</u>
	First 2,000 gallons per month	\$9.41*
	Next 18,000 gallons per month	6.71*
	Over 20,000 gallon per month	5.45*

(b) Minimum Charge Per Month

Each service shall be subject to a minimum charge in accordance with the following applicable size of meter installed, for which the user will be entitled to the quantity of water determined pursuant to the rates set forth in Section (a) above.

<u>Size of Meter</u>	<u>Gallons</u>	<u>Monthly Minimum Charge</u>
5/8 or 3/4 inch meter	2,000	\$ 18.82*
1 inch meter	17,059	119.87*
2 inch meter	47,000	286.75*
3 inch meter	127,000	722.75*
4 inch meter	175,000	984.35*
6 inch meter	223,000	1,245.95*

*The listed per 1,000 gallon rates and minimum monthly charges must be adjusted to include the Water Tracker rate increase set forth in Appendix A attached hereto.

FLOYDS KNOBS WATER COMPANY, INC.

(c) Private Fire Protection
(Extinguishing Fires Only)

	<u>Rate per Month</u>
6 inch connection	\$39.66
8 inch connection	66.19

The size of connection must have approval by the Board of Directors.

(d) Connection Charges

- (1) Each user at the time of connection to the water works system shall pay a charge to cover the costs of: Excavating and tapping the main; furnishing and installing service pipe from the main to the customer's line; furnishing and installing corporation stop; and furnishing and installing meter well (if outside), yoke, and meter. The charge for a 5/8 inch or 3/4 inch meter connection shall be \$625.00, unless the connection requires a new under-the-road bore or road cut in order to connect the main to the meter location. In that event, the charge for a 5/8 inch or 3/4 inch meter connection shall be \$825.00.
- (2) The charge for a connection for a service with a meter larger than 3/4 inch shall be the actual cost of labor, materials, power machinery, transportation, and overhead incurred for making the connection, but not less than the charge for a 5/8 or 3/4 inch meter connection.
- (3) In addition to the charges set forth in sub-paragraphs 1 and 2 above, a connection charge shall include the actual cost of any required highway or road permits.

(e) Membership Fees

The membership fee shall be \$100.00.

(f) Temporary Users

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

(g) Collection and Deferred Payment Charges

All bills for water services not paid within fifteen (15) days from the due date thereof, as state 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 of \$3.00.

FLOYDS KNOBS WATER COMPANY, INC.

APPENDIX A

The Water Tracker rate increase set forth below must be added to the per 1,000 gallon rates set forth in the Rate Schedule to which this Appendix is attached to arrive at the applicable rate. Further, the per 1,000 gallon rates, after adjustment to reflect the increase set forth below, are to be used in calculating the applicable minimum monthly charges.

Water Tracker Increase

Regulatory Agency Approval Date

\$0.29 per 1,000 gallons

May 8, 2015

Attached is Floyds Knobs Water Company, Inc.'s proposed Schedule of Rates and Charges
(Reflecting Requested Connection Charge Change)

FLOYDS KNOBS WATER COMPANY, INC.

Floyds Knobs, Indiana

SCHEDULE OF RATES AND CHARGES

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6 inch meter	223,000	1,245.95*

*The listed per 1,000 gallon rates and minimum monthly charges must be adjusted to include the Water Tracker rate increase set forth in Appendix A attached hereto.

FLOYDS KNOBS WATER COMPANY, INC.

(c) Private Fire Protection
(Extinguishing Fires Only)

	<u>Rate per Month</u>
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The size of connection must have approval by the Board of Directors.

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- (2) The charge for a connection for a service with a meter larger than 3/4 inch shall be the actual cost of labor, materials, power machinery, transportation, and overhead incurred for making the connection, but not less than the charge for a 5/8 or 3/4 inch meter connection.
- (3) In addition to the charges set forth in sub-paragraphs 1 and 2 above, a connection charge shall include the actual cost of any required highway or road permits.

(e) Membership Fees

The membership fee shall be \$100.00.

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

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All bills for water services not paid within fifteen (15) days from the due date thereof, as state 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 of \$3.00.

FLOYDS KNOBS WATER COMPANY, INC.

APPENDIX A

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Water Tracker Increase

Regulatory Agency Approval Date

\$0.29 per 1,000 gallons

May 8, 2015

FLOYDS KNOBS WATER COMPANY, INC.

INFORMATION IN SUPPORT OF REQUESTED CONNECTION FEE CHANGE

Attached hereto is compilation setting forth the derivation of the connection fee amount being requested by Floyd Knobs Water Company, Inc. (by way of the 30 day administrative filing that has been submitted to the Indiana Utility Regulatory Commission.)

The figures set forth in the compilation reflect the best information available to the Utility with regard to the labor, material, equipment, and overhead costs referenced.

With regard to the cost included for “tapping saddles”: This number reflects an assumption, based on an assessment of historical experience and an anticipated mix of various supply main connection points.

With regard to “Stone”, “Dump truck” and “Traffic Control”: The percentage of times these costs come into play are based on historical experience.

The Utility is requesting that, for ¾ inch meter connections requiring a service line from a supply main on one side of a roadway to a meter on the opposite side, that the connection fee include (in addition to the \$1,900 charge set forth in the attached compilation), an amount equal to the cost (material, labor, equipment, overhead, etc) actually incurred by the Utility to install the road-crossing service line.

This is why the Utility is requesting an “actual cost” approach when a road-crossing service line is required: One option to providing a road-crossing service line is to make a “cut” across the roadway. Another option is to install the service line by way of a “bore” under the roadway. Numerous variables are involved in determining the best way to install the service line (“cut” versus “bore”). And, the cost can vary substantially also depending on numerous variables. Further, the cost can vary depending upon whether more than one meter can be serviced by a single road-crossing service line.

Because of the difficulty in making assumptions that would give a reasonably accurate “average” road-crossing service line cost, the Utility believes that using actual costs better serves the Utility and its customers (who are also “members” of this not-for-profit utility).

January, 2016

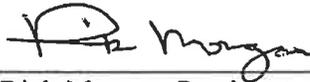
Meter Tap-in Fee	
¾" Meter	
¾" Badger/Orion Radio Read Meter	\$240.00
¾ Meter Setter	177.00
Meter Well	40.50
Meter Well Ring and Lid Ductile Iron (DI)	80.50
Tapping Saddles 4" - 49.50, 6" - 89.00, 8" - 96.50, 12" -120.00	88.75
Corp-Stop	65.25
Misc. Material-water line, fittings, locate wire	18.50
Stone, gravel 6 tons used at least 30% of all tap-ins @ \$15.50 per ton	<u>27.90</u>
	\$ 738.40
Contractor fees based on 3.0 hours per ¾" meter install, this includes back-hoe and operator @ \$95.00 per hour x 3.0 hrs	285.00
2 laborers @ \$45.00 per hour x 3.0 hours	270.00
Dump truck \$80.00 per hour used 25% of all tap-ins x 3.0 hours	60.00
Mobilization fee	<u>350.00</u>
	\$ 965.00
Traffic control (2 Police Officers) @ 40.00 per hour = \$80.00 per hour, used 25% of all tap-ins x 3.0 hours	67.50
Floyds Knobs Water Company personnel \$20.00 per hour x 25% benefits x 4.0 hours	100.00
Water Company service truck 10.00 per hour x 3.0	<u>30.00</u>
Grand Total	\$1,900.90

FLOYDS KNOBS WATER COMPANY, INC.

**(VERIFIED) STATEMENT CONCERNING NOTIFICATION WITH REGARD TO
REQUEST FOR CONNECTION FEE INCREASE (by way of 30 day administrative filing
pursuant to 170 IAC 1-6)**

The undersigned confirms that the attached "Notice Concerning Request to Change Connection Charges" has been given in the manner required by Section 6 of Rule 6 of Article 1 of Title 170 of the Indiana Administrative Code. Specifically, the attached Notice has been displayed in a public place in the Utility's office (4781 Paoli Pike, Suite 1, Floyds Knobs, IN 47119), and has been published once in the New and Tribune (on or about January 28, 2016), which is a newspaper of general circulation serving the area where the Utility's customers live.

I affirm, under the penalties for perjury, that the statements made above are true, to the best of my information and belief.



Rick Morgan, President of the Board
of Directors of Floyd Knobs
Water Company, Inc.

Date: 1/26/16

FLOYDS KNOBS WATER COMPANY, INC.

NOTICE CONCERNING REQUEST TO CHANGE CONNECTION CHARGES

Floyds Knobs Water Company, Inc. plans to file, with the Indiana Utility Regulatory Commission (IURC), a request to increase the fee charged to make a ¾ inch meter connection to the Company's water system. For most connections, the fee is presently \$625. The request will be to make the fee \$1,900. The connection fee has not been changed since 2003. (Further details are available thru the contacts listed below.)

It is expected that the request will be filed on or about January 29, 2016. It is expected that a ruling on the request will be made not sooner than 30 days from the date the request is filed.

The increased connection fee, if approved, will apply to anyone requesting to make a new ¾ inch meter connection to the Company's water system.

Anyone having questions concerning the to-be-requested connection fee increase can contact the Company's attorney, George W. Gesenhues at 812-949-1000; 506 State Street, New Albany, IN 47150; ggesenhues@lnwlegal.com.

Anyone wanting to object to the requested connection fee increase can contact either:

Indiana Utility Regulatory Commission
101 West Washington Street
Suite 1500 E
Indianapolis, IN 46204
Tele: 317-232-2712

or

Indiana Utility Consumer Counselor
115 West Washington Street, #1500
Indianapolis, IN 46204
Tele: 317-232-2494

Floyds Knobs Water Company, Inc.
P.O. Box 115, Floyds Knobs, IN 47119
Tele: 812 923 9040

Date: January 26, 2016