

ORDINANCE NO. 840

BEING AN ORDINANCE CONFIRMING ORDINANCE  
NUMBER 838-WWD4 OF THE TOWN OF  
ST. JOHN AND THE WATERWORKS OF THE  
TOWN OF ST. JOHN RELATING TO THE  
REMOVAL OF THE TOWN'S WATER UTILITY  
FROM THE JURISDICTION OF THE INDIANA  
UTILITY REGULATORY COMMISSION

WHEREAS, the Waterworks District and the Town Council of the Town of St. John have determined that it is advisable to remove the Town's municipal water utility from the rate and financing jurisdiction of the Indiana Utility Regulatory Commission and thereby enable the Town Council and/or the Waterworks District to change the water rates as required in order to maintain the system and to provide adequate and reliable service to customers without incurring the regulatory delays and significant costs connected with proceedings before the Commission;

AND WHEREAS, the Indiana legislature has adopted legislation which permits a municipally owned utility to be removed from the jurisdiction of the Commission for the approval of rates and charges and of the issuance of stocks, bonds, notes, or other evidence of indebtedness, if the municipal legislative body adopts an ordinance removing the utility from Commission jurisdiction;

AND WHEREAS, the Waterworks District and the Town Council have determined that with the adoption of such an ordinance, the Town of St. John will realize an opportunity for costs savings by avoiding Commission charges for staff accounting, engineering and publication of notice associated with rate hearings before the Commission; that the Town will also be able to avoid charges for approval of bond issues and avoid some consulting and legal fees, all at an ultimate cost savings to the customers of the utility;

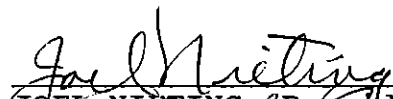
AND WHEREAS, the Clerk/Treasurer, pursuant to the direction of the Waterworks District and the Town Council, has mailed written notice of this meeting to all rate payers of the utility and to the Commission at least thirty (30) days prior to the final vote on the ordinance;

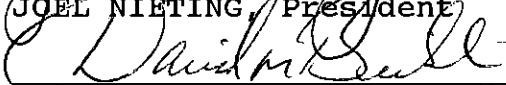
NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF ST. JOHN, INDIANA AND THE WATERWORKS DISTRICT OF THE TOWN OF ST. JOHN, AS FOLLOWS:

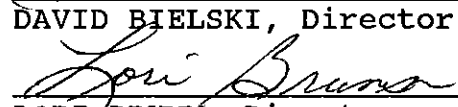
1. The municipally owned water utility of the Town of St. John, Indiana, shall be, and is hereby removed from the jurisdiction of the Indiana Utility Regulatory Commission for the approval of rates and charges and of the issuance of stocks, bonds, notes, or other evidence of indebtedness, in accordance with the provisions of I.C. 1971, 8-1.5-3-9.1 et. seq.
2. That the standards of service set forth in 170 IAC 6-1-1 through and including 28, as modified, which are attached hereto, made a part hereof as if fully set out herein, be and are hereby adopted to be the standards of service applicable to the municipal water utility operated by the Town of St. John and/or its Waterworks District, provided, however, that nothing contained therein shall be deemed to grant jurisdiction, authority, or control of the municipal water utility of the Town of St. John to the Indiana Utility Regulatory Commission.
3. That this Ordinance shall take effect sixty (60) days after final adoption of the Town Council and Waterworks District of the Town of St. John.

PASSED and ADOPTED by the Waterworks District of the Town of St. John this 11th day of June, 1990.

WATERWORKS DISTRICT  
TOWN OF ST. JOHN

  
\_\_\_\_\_  
JOEL NIETING, President

  
\_\_\_\_\_  
DAVID BIELSKI, Director

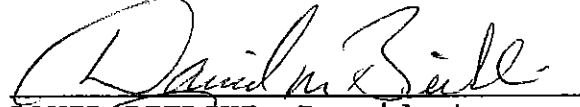
  
\_\_\_\_\_  
LORI BRUMM, Director


ATTEST:

  
\_\_\_\_\_  
JUDITH L. COMPANIK  
Clerk/Treasurer

PASSED and ADOPTED by the TOWN COUNCIL of the Town of  
St. John this 11th day of June, 1990.

TOWN COUNCIL  
TOWN OF ST. JOHN

  
\_\_\_\_\_  
DAVID BIELSKI, President

  
\_\_\_\_\_  
RANDALL HARMON, Councilman

\_\_\_\_\_  
DOUGLAS PATTERSON, Councilman

ATTEST:

  
\_\_\_\_\_  
JUDITH L. COMPANIK  
Clerk/Treasurer

**170 IAC 6-1-1 Definitions**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 1. Definitions. (A) Where applicable, the definitions set forth in IC 8-1-2-1 (Burns 54-105) shall be applied to these rules, and

(B) The word "customer" shall mean any person, firm, corporation, municipality or other government agency which has agreed, orally, or otherwise, to pay for water service received from a water utility; provided, that for the purposes of Rules 15, 16 and 16.1 [180 IAC 6-1-15-170 IAC 6-1-17], the word "customer" shall be limited to mean persons who have agreed to pay for such service exclusively for residential purposes.

(C) The word "disconnection" shall mean the termination or discontinuance of water service.

(D) The words "late payment charge" shall mean the one time penalty assessed by a water utility upon all current bills at such time as they become delinquent.

(E) The word "commission" shall mean the Town Council of the Town of St. John, Indiana.

(F) The word "utility" shall mean the Waterworks District of the Town of St. John, Indiana.

**170 IAC 6-1-2 Applicability of rules**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 2. Application of Rules. These rules [170 IAC 6-1] shall apply to the municipal water utility of the Town of St. John.

These rules are adopted as modified from the rules of the Indiana Utility Regulatory Commission as set forth in the Indiana Administrative Code and the citation form is used for purpose of convenience, reference, and cross-reference.

**170 IAC 6-1-3 Retention of records**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 3. Records to be Kept. All records required by these rules [170 IAC 6-1] shall be preserved for at least three years except as otherwise provided herein or by IC 8-1-2-40 (Burns 54-135). Such records shall be kept within the State at the principal place of business of the water utility, or at such other places

within the State as the utility shall designate after notification to the commission, and shall be open for examination by the public.

#### **170 IAC 6-1-4 Meter records and reports**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 4. Record of Meters and Meter Tests. (A) Meter Test Record. Whenever any meter in service is tested, a record shall be preserved containing the information necessary for identifying the meter, the reason for making the test, the reading of the meter before the test and the result of the test, together with all data taken at the time of the test in sufficiently complete form to permit the convenient checking of the methods employed.

(B) Meter Record. Permanent records shall also be kept, systematically arranged, giving for each meter owned or used by any water utility, the year of purchase, its identification and the record of the last test to which it has been subjected, with dates and general results of the test. These requirements apply to all meters purchased after the effective date of these rules and to all other meters insofar as the information is available.

(C) Tabulation of Meter Tests. If required by the commission, annual tabulations of the results of all meter tests shall be made, arranged according to types and sizes of meters and intervals of tests or as the commission may request.

#### **170 IAC 6-1-5 Location of meters**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 5. Location of Meters. The meter may be located either in an outdoor pit, or inside the building or premises of the customer being served.

When the meter is to be installed in an underground pit, the pit shall be located in a convenient and readily accessible location. Upon request by the customer before the installation is made, the pit will be located at the point requested, if feasible under proper utility standards. The pit must be constructed to protect the meter from freezing and damage by vehicular traffic. The pit location and design should prevent, as far as possible, the inflow of surface water.

When the meter is to be installed indoors, it shall be located, as near as practical to where the service pipe enters the building, in a clean, dry, safe place, protected from freezing and hot water, not subject to wide temperature variations, and so

placed as to be at all times accessible for reading, inspection and removal for testing.

If a customer requests and the utility approves, or if the utility determines that it is desirable in order to facilitate meter reading, a remote reading register device may be installed outside the building at an accessible location.

#### **170 IAC 6-1-6 Meter dials**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 6. Meter Dials. All meters used to measure the volume of water sales shall register in either U.S. gallons, cubic feet, or metric units. The meter register face shall clearly indicate whether the register is in U.S. gallons, cubic feet, or metric units. Straight and circular reading registers shall have printed on the dial face the required numerals, so that the meter can be correctly read to the nearest 100 cubic feet, 1,000 U.S. gallons, or the metric equivalent thereof.

#### **170 IAC 6-1-7 Testing equipment and facilities; portable test meters**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 7. Testing Equipment and Facilities. (A) Equipment. The utility furnishing water to any of its customers on a metered basis shall provide and maintain suitable equipment and facilities for testing and adjusting its meters.

(B) Portable Test Meters. Where portable test meters are used to determine the accuracy of meters in service, they shall be recalibrated by suitable testing apparatus at sufficiently frequent intervals to insure correct registration at the specified rates of flow.

#### **170 IAC 6-1-8 Accuracy of meters**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 8. Meter Accuracy. (A) General. All meters and appurtenances used for measuring quantity of water delivered to a customer shall be in good mechanical condition and shall be adequate in size and design for the type of service which they measure and shall be accurate to within generally accepted standards.

(B) Test Flows. For determination of minimum test flow and

normal test flow limits, the following specifications will be used for test flows for displacement type cold water meters:

Nominal Meter Size	Minimum Test Flow Gallons Per Minutes	Normal Test Flow Limit Gallons per Minute
5/8"	1/4	1 - 20
3/4"	1/2	2 - 30
1"	3/4	3 - 50
1-1/2"	1-1/2	5 - 100
2"	2	8 - 160
3"	4	16 - 300
4"	7	28 - 500
6"	12	48 - 1000

**170 IAC 6-1-9 Determination of meter accuracy**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 9. Determination of Accuracy. Displacement meters shall be tested at three or more test flows: One at a minimum test flow, one at not more than 10% of the maximum normal test flow limit, and one not less than 35% of the maximum normal test flow limit. A meter shall not be placed in service if it registers less than 95% of the water passed through it at the minimum test flow or over or under registers more than 1 1/2% in the normal test flow limits, with the exception that a repaired meter shall register not less than the following appropriate percentage of the water passed through it at the minimum test flow, and shall not over or under register more than 2% in the normal test flow limits.

If manufactured on or after  
 January 1, 1955 . . . . . 90%

If manufactured prior to  
 January 1, 1955 . . . . . 85%

**170 IAC 6-1-10 Periodic inspections and tests**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 10. Periodic Tests. (A) For testing the accuracy of water meters, the utility may either adopt one of the methods set out in Rule 10(B) and 10(C) [subsections (B) and (C) of this section], or request approval of an alternative method, as provided for in Rule 10(D) [subsection (D) of this section].

(B) Each consumer water meter installed shall be periodically

inspected and tested in accordance with the following schedule, or more often if the results may warrant, to insure that the meter accuracy is maintained within the limits set out in Rule 9 [170 IAC 6-1-9].

5/8-inch meters	-10 years, or for 100,000 cubic feet or equivalent units registered
3/4-inch meters	-8 years, or for each 150,000 cubic feet or equivalent units registered
1-inch meters	-6 years, or for each 300,000 cubic feet or equivalent units registered
1-1/2-inch and over	-4 years

(C) The schedule of periodic testing for installed water meters set forth above in Rule 10(B) [subsection (B) of this section] may be extended by the use of the following Statistical Quality Control Program:

- (1) The Statistical Quality Control Program shall be based on Military Standard No. 105-D, Sampling Procedures and Tables for Inspection by Attributes. Sample size code letters shall be taken from Table I, General Inspection Level II. Sample size and acceptance-rejection numbers shall then be determined from Table II A, single sampling plan for normal inspection, using Acceptance Quality Level (AQL) 10.
- (2) The meters for quality control sampling shall be separated into homogeneous groups by manufacture, model, design, or other distinguishing characteristics by year set. The sample for each group shall, as far as possible, be taken from routine meter exchanges, removals, and field tests for each year, except that those meters removed or exchanged because of known or suspected defects or for special tests may be excluded from the quality control sample.
- (3) If an inadequate sample of meters is routinely exchanged or removed, the balance of meters required for sampling will be obtained from meters in service by removal on a randomly selected basis.
- (4) Beginning in the year prior to the last year indicated in the schedule of periodic testing set forth in Rule 10(B) [subsection (B) of this section], and continuing through subsequent service years, meter groups shall be sample tested annually,



being allowed to continue in service until an annual sample reaches its rejection number of deviant meters. The service life of meter groups may be extended by this quality control program as long as ninety percent of the meters in a sample group do not exceed an accuracy figure of 102.0 percent when tested at not less than 35% of its rated capacity.

(D) If the utility can furnish evidence that the methods outlined in Rule 10(B) and 10(C) [subsections (B) and (C) of this section] are not necessary, an alternate testing method may be used.

**170 IAC 6-1-11 Customer request for meter test;  
application to utility**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 11. Meter Tests Upon Written Request by Customer to Utility. The utility supplying water service shall make a test of the accuracy of registration of a meter upon written request by a customer. A second test of the customer's meter may be requested after twelve (12) months. The customer may be required to bear the full cost of any subsequent test of his meter if requested at less than thirty-six (36) months after the preceding test, if error of the meter is found to be in compliance with Rule 9 [170 IAC 6-1-9]. A written report giving the results of such tests shall be made to the customer within 10 days after the test is complete and a complete record of the same shall be kept on file in the office of the utility. Any appeal, in regard to the results of the customer's meter test, shall be filed with the Commission under Rule 12 [170 IAC 6-1-12] within five (5) days of the date of the report.

**170 IAC 6-1-12 Customer request for meter test;  
application to commission**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 12. Meter Tests Upon Application to the Commission. (A) A test will be made of a customer's meter by the utility under the supervision of an employee of the Commission upon application to the Commission by the customer and formal notice to the utility by the Commission. The application for such a test shall be accompanied by a fee as set out below in paragraph (B). This fee paid by the customer shall be retained by the Commission; however, if the tests show the meter to be more than two percent (2%) fast, the utility supplying the water service shall reimburse the customer the amount of such fee.

(B) The amount of fee to be paid for a meter test made on application to the Commission shall be as follows:

Through 3/4" meter . . . . . \$ 8.00  
1" meter through 2" meter. . . . . 16.00  
Above 2" meter . . . . . Actual cost of test

(C) This rule [this section] shall not interfere with the practice of a utility in its tests of water service meters except that, in the event of a written application to the Commission by a customer for a test, the utility shall not knowingly remove or interfere with said meter without the consent previously given in writing by the customer.

**170 IAC 6-1-13 Bills**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 13. Bills for Water Service. (A) Bills rendered periodically to customers for water service shall show at least the following information:

- (1) The dates and meter readings of the meter at the beginning and end of the period for which the bill is rendered and the billing date,
- (2) The number and kind of units of service supplied,
- (3) The billing rate code, if any,
- (4) The previous balance, if any,
- (5) The amount of the bill,
- (6) The sum of the amount of the bill and the late payment charge, if any,
- (7) The date on which the bill becomes delinquent and on which a late payment charge will be added to the bill,
- (8) If an estimated bill, a clear and conspicuous coding or other indication identifying the bill as an estimated bill,
- (9) Printed statements and/or actual figures on either side of the bill inform the customer of the seventeen (17) day non-penalty period.

(10) An explanation, which can be readily understood, of all codes and/or symbols shall be shown on the bill.

(B) Delinquencies. (1) A utility service bill which has remained unpaid for a period of more than seventeen (17) days following the mailing of the bill shall be a delinquent bill.

(2) A utility service bill shall be rendered as a net bill. If the net bill is not paid within seventeen (17) days after the bill is mailed, it shall become a delinquent bill and a later payment charge may be added in the amount of ten (10) percent of the first three (3) dollars and three (3) percent of the excess of three (3) dollars.

(C) Estimated Billing. A water utility may estimate the bill of any customer pursuant to a billing procedure approved by the Commission or for other good cause, including, but not limited to: request of customer; inclement weather; labor or union disputes; inaccessibility of a customer's meter if the utility has made a reasonable attempt to read it; and other circumstances beyond the control of the utility, its agents and employees.

#### **170 IAC 6-1-14 Billing adjustments**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 14. Adjustment of Bills. (A) Adjustments Due to Meter Error. If any service meter shall be found to have a percentage of error greater than that allowed in Rule 9 [170 IAC 6-1-9], the following provisions for the adjustment of bills shall be observed:

(1) Fast Meters. When a meter is found to have a positive average error, i.e., is fast, in excess of two (2) percent, the utility shall refund or credit the customer's account with the amount in excess of that determined to be an average charge for one-half of the time elapsed since the previous test, or one (1) year, whichever period is shorter. This average charge shall be calculated on the basis of units registered on the meter over corresponding periods either prior or subsequent to the period for which the meter is determined to be fast. No part of a minimum service charge need be refunded.

(2) Stopped or Slow Meters. When a meter is

stopped or has a negative average error, i.e., is slow, in excess of two (2) percent, the utility may charge the customer an amount estimated to be an average charge for one-half of the time elapsed since the previous test or one (1) year, whichever period is shorter. This average charge shall be calculated on the basis of units registered on the meter over corresponding periods either prior or subsequent to the period of which the meter is determined to be slow or stopped. Such action may be taken only in cases where the utility is not at fault for allowing the stopped or slow meter to remain in service.

(B) Adjustment for Interruption of Service. In the event the customer's service is interrupted for a reason other than the act of the customer or the condition of customer controlled equipment, and the service remains interrupted for more than two (2) days after being reported or found to be out of order, appropriate adjustments or refunds shall be made to the customer.

(C) Other Billing Adjustments. All other billing errors, including incorrect tariff applications, may be adjusted to the known date of error or for a period of one year, whichever period is shorter.

**170 IAC 6-1-15 Creditworthiness of customer; deposit; refund**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 15. Deposit to Insure Payment of Bills. (A) General Requirements for Residential Users only. Each utility shall determine the creditworthiness of an applicant or customer pursuant to Rule 15(B) [subsection (B) of this section] in an equitable and non-discriminatory method without regard to the economic character of the area (or any part thereof) wherein the applicant or customer resides and shall determine the creditworthiness solely upon the credit risk of the individual without regard to the collective credit reputation of the area in which he lives.

(B) New Applicants. (1) Each new applicant for residential water service shall be deemed creditworthy and shall not be required to make a cash deposit as a condition of receiving service if the applicant satisfies the following criteria:

- (a) Applicant (i) has been a customer of any utility within the last two years, (ii) owes no outstanding bills for service rendered by any such utility, (iii) did not have during the last twelve consecutive months that the service

was provided more than two bills which were delinquent to any utility, or if service has been rendered for a period of less than twelve months, has not had more than one delinquent bill in such a period, and (iv) within the last two years did not have a service disconnected by a utility for non-payment of a bill for services rendered by that utility.

- (b) An applicant who has not been a customer of a utility during the previous two years shall be deemed creditworthy if he meets any two (2) of the following three criteria:

(i) either (a) applicant has been employed by his present employer for two years, or (b) the applicant has been employed by his present employer for less than two years but the applicant has been employed by only one other employer during the past two years, or (c) the applicant has been employed by the present employer for less than two years and has no previous employment due to having recently graduated from a school, university, vocational program, or has recently been discharged from military service.

(ii) Applicant either (a) owns or is buying his or her home, or (b) is renting a home or an apartment and has occupied the premises for more than two years.

(iii) Applicant has credit cards, charge accounts, or has been extended credit by a bank or commercial concern, unless a credit check shows that the applicant has been in default on any such account more than twice within the last twelve months.

- (2) If the applicant fails to establish that he is creditworthy pursuant to the above criteria, the applicant may be required to make a reasonable cash deposit. Such deposit shall not exceed 1/6 of the estimated annual cost of service to be rendered to the applicant. If a deposit is greater than \$70, the utility

shall advise the applicant or customer that he may pay such deposit in equal installment payments over a period of no less than eight weeks; service shall be connected upon receipt by the utility of the first such payment.

- (3) If the utility denies service or requires a cash deposit as a condition of providing service, then it must immediately notify the applicant in writing stating the precise facts upon which the utility based its decision and provide the applicant with an opportunity to rebut such facts and show other facts demonstrating his creditworthiness as provided under Rule 15(B) (1) [subsection (B) (1) of this section].

(C) Present Customer. (1) A utility may require a present customer to make a reasonable cash deposit when the customer has been mailed disconnect notices for two (2) consecutive months or any three (3) months within the preceding twelve (12) month period, or when the service has been disconnected pursuant to the rules for non-payment.

- (2) The amount of such deposit may not exceed an amount to equal 1/6 of the expected annual billings for the customer at the address at which service is rendered.
- (3) In the event the required deposit is in excess of \$70.00, the utility shall advise the customer that he may pay such deposit in equal installment payments over a period of up to eight (8) weeks, except where such deposit is required as a result of a disconnection for non-payment, in which case full payment of the deposit may be required prior to reconnection.

(D) Interest Upon Deposits. (1) Deposits held more than twelve (12) months shall earn interest from the date of deposit at a rate of 6 percent per annum or at such other rate of interest as the Commission may prescribe following a public hearing.

- (2) The deposit shall not earn interest after the date it is mailed or personally delivered to the customer, or otherwise lawfully disposed of as provided for in Rule 15(E) (5) [subsection (E) (5) of this section].

(E) Refunds. (1) Any deposit or accrued interest shall be refunded promptly along with a statement accounting for each transaction involving the deposit and interest, without request by

the customer, upon satisfactory payment by the customer for a period of either nine (9) successive months or ten (10) out of any twelve (12) consecutive months; provided that the customer did not make late payments for any two consecutive months, or upon the customer demonstrating his creditworthiness as provided by Rule 15 (B) (1) [subsection (B)(1) of this section].

(2) Following customer-requested termination of service:

(a) The utility shall apply the deposit plus accrued interest to the final bill, or

(b) Upon specific request from the customer, the utility shall refund the deposit plus accrued interest within fifteen (15) days after payment of the final bill.

(3) Each utility shall maintain a record of each applicant or customer making a deposit which shows:

(a) the name of the customer;

(b) the current address of the customer so long as he maintains an active account with the utility in his name;

(c) the amount of the deposit;

(d) the date the deposit was made; and

(e) a record of each transaction affecting such deposit.

(4) Each customer shall be provided a written receipt from the utility at the time his deposit is paid in full or when he makes a cash partial payment. The utility shall provide a reasonable method by which a customer who is unable to locate his receipt may establish that he is entitled to a refund of the deposit and payment of interests thereon.

(5) Any deposit made by the applicant, customer, or any other person to the utility (less any lawful deductions), or any sum which the utility is ordered to refund for utility service, which has remained unclaimed for seven

years after the utility has made diligent efforts to locate the person who made such deposit or the heirs of such persons, shall be presumed abandoned and treated in accordance with the laws of this state which currently are IC 1971, 32-9-1-6, Ind. Ann. Stat. Section 51-706, Uniform Disposition of Unclaimed Property Act (Acts 1967, ch. 253, Section 1, p. 659).

- (6) A deposit may be used by the utility to cover any unpaid balance following disconnection of service pursuant to Rule 16 [170 IAC 6-1-16]; provided, however that any surplus be returned to the customer as provided above.

**170 IAC 6-1-16 Disconnection of service; prohibited disconnection; reconnection**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 16. Disconnection of Service. (A) Upon Customer's Request. (1) The customer shall notify the utility at least three (3) days in advance of the day disconnection is desired. The customer shall remain responsible for all service used and the billings therefor until service is disconnected pursuant to such notice.

- (2) Upon request by a customer of a utility to disconnect service, the utility shall disconnect the service within three (3) working days of the requested disconnection date. The customer shall not be liable for any service rendered to such address or location after the expiration of these three (3) days.

(B) Without Customer's Request. (1) A utility may disconnect service without request by the customer and without prior notice only:

- (a) if a condition dangerous or hazardous to life, physical safety or property exists; or
- (b) upon order by any court, the Commission or other duly authorized public authority; or
- (c) if fraudulent or unauthorized use of water is detected and the utility has reasonable ground to believe the affected



customer is responsible for such use; or

(d) if the utility's regulating or measuring equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for such tampering.

(2) In all other instances, a utility, upon providing the customer with proper notice (as defined in Rule 16 (E) [subsection (E) of this section]), may disconnect service subject to the other provisions of these rules.

(C) Prohibited Disconnection. (1) Except as otherwise provided in subsection 16 (A) and 16 (B) [subsections (A) and (B) of this section], a utility shall postpone the disconnection of service for ten (10) days if, prior to the disconnect date specified in the disconnect notice, the customer provides the utility with a medical statement from a licensed physician or public health official which states that disconnection would be a serious and immediate threat to the health or safety of a designated person in the household of the customer. The postponement of disconnection shall be continued for one additional ten (10) day period upon the provision of an additional such medical statement.

(2) A utility may not disconnect service to the customer:

(a) upon his failure to pay for merchandise or appliances purchased from the utility furnishing the water;

(b) upon his failure to pay for the service rendered at a different metering point, residence, or location if such bill has remained unpaid for less than forty-five (45) days;

(c) upon his failure to pay for services to a previous occupant of premises to be served, unless the utility has good reason to believe the customer is attempting to defraud the utility by using another name;

(d) upon his failure to pay for a different form or class of utility service; or

(e) if the customer shows cause for his inability to pay the full amount due (financial hardship shall

constitute cause), and said customer:

(i) pays a reasonable portion (not to exceed \$10 or one tenth (1/10) of the bill, whichever is less, unless the customer agrees to a greater portion) of the bill; and

(ii) agrees to pay the remainder of the outstanding bill within three (3) months; and

(iii) agrees to pay all undisputed future bills for service as they become due; and

(iv) has not breached any similar agreement with the utility made pursuant to this rule within the past twelve months.

Provided, however, that the utility may add to the outstanding bill a late payment charge not to exceed the amount set pursuant to Rule 13 (B) [170 IAC 6-1-13(B)]. Provided further, that the above terms of the agreement shall be put in writing by the utility and signed by the customer and by a representative of the utility. Only one late payment charge may be made to the customer under this section.

(f) If a customer is unable to pay a bill, which is unusually large due to prior incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection or functioning of the meter, prior estimates where no actual reading was taken for over two months, stopped or slow meter, or any human or mechanical error of the utility, and the customer:

(i) pays a reasonable portion of the bill, not to exceed an amount equal to the customer's average bill for the twelve (12) bills immediately preceding the bill in question; and,

(ii) agrees to pay the remainder at a reasonable rate, and

(iii) agrees to pay all undisputed future

bills for service as they become due;

Provided, however, that the utility may not add to the outstanding bill any late fee. Provided, further, that the above terms of agreement shall be put in writing by the utility and signed by the customer and a representative of the utility.

- (3) If a customer proceeds with a review pursuant to Rule 16.1 (B) [170 IAC 6-1-17(B)], the utility may disconnect only as provided in Rule 16.1 (C) [170 IAC 6-1-17(C)].

(D) Time. (1) No utility may disconnect service unless it is done between the hours of 8:00 A.M. and 3:00 P.M., prevailing local time. Disconnections pursuant to Rules 16(A) and 16 (B) [subsections (A) and (B) of this section] are not subject to this limitation.

- (2) A utility may not disconnect service for non-payment on any day on which the utility office is closed to the public, or after twelve noon (12:00 noon) of the day immediately preceding any day on which the utility office is not open to the public.

(E) Notice Required to Involuntary Disconnection. (1) Except as otherwise provided herein, service to any residential customer shall not be disconnected for a violation of any rule or regulation of a utility or for the non-payment of a bill, except after seven (7) days prior written notice to such customer by either:

(a) Mailing the notice to such residential customer at the address shown on the records of the utility; or,

(b) Personal delivery of the notice to the residential customer or a responsible member of his household at the address shown on the records of the utility.

(c) No disconnect notice for non-payment may be rendered prior to the date on which the account becomes delinquent.

- (2) The notice must be in language which is clear, concise, and easily understandable to a layman and shall state in separately numbered large typed or printed paragraphs

(a) the date of proposed disconnection;

(b) the specific actual basis and reason for the proposed disconnection;

(c) the telephone number of the utility office at which the customer may call during regular business hours in order to question the proposed disconnection or seek information concerning his rights;

(d) a reference to the pamphlet or the copy of the rules furnished to the customer pursuant to Rule 16.2 [170 IAC 6-1-18] for information as to the customer's rights.

(F) Procedure for Involuntary Disconnection. (1) Immediately preceding the actual disconnection of service, the employee of the utility designated to perform such function shall make a reasonable attempt to identify himself to the customer or any other responsible person then upon the premises and shall announce the purpose of his presence and shall make a record thereof to be maintained for at least thirty (30) days.

(2) The employee shall have in his possession information sufficient to enable him to inform the customer or other responsible person of the reason for disconnection, including the amount of any delinquent bill of the customer, and shall request from the customer any available verification that the outstanding bill has been satisfied or is currently in dispute pursuant to review under Rule 16.1 (B) [170 IAC 6-1-17(B)]. Upon the presentation of such credible evidence, service shall not be disconnected.

(3) The employee shall not be required to accept payment from the customer or other responsible person in order to prevent the service from being disconnected. The utility shall notify its customers pursuant to Rule 16.2 [170 IAC 6-1-18] of its policy with regard to the acceptance or non-acceptance of payment by such employee, and shall uniformly follow such policy without discrimination.

(4) When the employee has disconnected the service, he shall give to a responsible person at the customer's premises, or if no one is at home, shall leave at a conspicuous place on the premises, a notice stating that service has been disconnected and stating the address and

telephone number of the utility where the customer may arrange to have service reconnected.

(G) Reconnection. (1) A utility may charge a reasonable connection charge, not to exceed the charge approved by the Commission in the utility's filed tariffs. A utility shall inform its customers of such reconnection fee pursuant to Rule 16.2 [170 IAC 6-1-18].

(2) If the utility disconnects service in violation of these rules [170 IAC 6-1], the service shall immediately be restored at no charge to the customer.

(3) The utility must reconnect the service to the customer as soon as reasonably possible but at least within one (1) working day after it is requested to do so; provided however, that the utility shall not be required to reconnect the service until

(a) the conditions, circumstances or practices which caused the disconnection have been corrected;

(b) payment of all delinquent charges owed the utility by the customer and any deposit authorized by these rules [170 IAC 6-1] has been made; and

(c) a responsible person is present in the premises to see that all water outlets are closed to prevent damage from escaping water.

#### **170 IAC 6-1-17 Customer complaints**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 17. Complaints and Review. (A) Complaint Procedure.

(1) A customer may complain at any time to a utility about any bill which is not delinquent at that time, security deposit, disconnection notice, or any other matter relating to its service and may request a conference thereon. Such complaints may be made in person, in writing, or by completing a form available from either the Commission or from the utility at its business offices. a complaint shall be considered filed upon receipt by the utility, except mailed complaint shall be considered filed as of the postmark date. In making a complaint and/or request for conference, the customer shall state at a minimum, his name,

service address, and the general nature of his complaint.

(2) Upon receiving each such complaint or request for conference, the utility:

(a) shall promptly, thoroughly and completely investigate such complaint, confer with the customer when requested and notify, in writing, the customer of the results of its proposed disposition of the complaint after having made a good faith attempt to resolve the complaint.

(b) Such written notification shall advise the customer that he may, within seven (7) days following the date in which such notification is mailed, request a review of such proposed disposition by the commission.

(B). Review. (1) If the customer is dissatisfied with the utility's proposed disposition of the complaint as provided in 16.1 (A) (2) [subsection (A)(2) of this section], he may request the Commission in writing within seven (7) days following the date on which such notification is mailed, to informally review the disputed issue and the utility's proposed disposition thereof. Such request shall certify that the customer has also sent a copy of his request for review to the utility involved. Upon receiving such request, the Commission shall provide an informal review within twenty-one (21) days. The review shall consist of not less than a prompt and thorough investigation of the dispute and shall result in a written decision to be mailed to the customer and the utility within thirty (30) days after its receipt of the customer's request. Upon request by either party or the Commission, the parties shall be required to meet and confer to the extent and at such place as the Commission may consider to be appropriate.

(2) The records of the Commission relating to such reviews shall be kept in a systematic order.

(C) Continuation of Service Pending Disposition of Complaint. (1) If the customer is receiving service at the time the complaint and/or request for conference provided for in 16.1 (A) (1) [subsection (A)(1) of this section] above is received by the utility, his service shall not be disconnected until ten (10) days have elapsed from the date of mailing of the notification of the utility's proposed disposition of his complaint. Provided, however, that if a review by the Commission of the utility's proposed disposition of the complaint is requested by the customer as provided by 16.1 (B) (1) [subsection (B)(1) of this section] within seven (7) days after the mailing of such proposed disposition of the complaint, the utility shall not disconnect the customer's service until at least three (3) days have elapsed from the date of mailing of the Commission's decision upon and pursuant

to such review if the customer who has requested such review has paid and continues to pay all undisputed bills, portions of disputed bills as specified in 16.1 (C) (2) [subsection (C)(2) of this section] below, and pays all future undisputed bills prior to their becoming delinquent.

- (2) In those instances when the customer and utility cannot agree as to what portion of a bill is undisputed, it shall be sufficient that the customer pay on the disputed bill an amount equal to his average bill for the twelve (12) months immediately preceding the disputed bill except in those cases where the customer has received fewer than twelve (12) bills, in which event the customer shall pay an amount equal to 1/12 of the estimated annual cost of service to be rendered to the customer.

(D) Record of Complaints. (1) Each utility shall keep a written record of complaint and requests for conferences pursuant to Rule 16.1 [this section]. Such records shall be retained at the office or branch office of the utility or in the respective department office thereof where such complaints were received and/or any conferences were subsequently held. Such written records are to be readily available upon request by the concerned customer, his agent possessing written authorization, or the Commission.

- (2) Each utility shall annually submit a report to the Commission which shall state and classify the number of complaints made to the utility pursuant to Rule 16.1 [this section], the general nature of the subject matter thereof, how received (in person, by letter, etc.) and whether a Commission review was conducted thereon.

**170 IAC 6-1-18 Informational pamphlets; rate schedules;  
notice of proposed rate change**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 18. Information Provided by Utilities to Applicants and Customers. (A) All utilities except Class D water utilities must publish and distribute, without request, to all applicants for service and to all current customers, a comprehensive pamphlet which, in clear language, easily understandable to a layman, fully describes the rights and responsibilities of the customers. For Class D utilities it shall be sufficient to distribute a copy of Rules 11 to 16.2 [170 IAC 6-1-11-170 IAC 6-1-18] of these rules to their customers and applicants for service.

(B) A utility shall supply free of charge a copy of the rate schedules applicable to the types of service available to new applicants for and existing customers of residential service, upon request by the applicant or customer.

(C) Each utility, whenever it petitions the Commission for a change in any of this base rate schedules must furnish to each customer within forty-five (45) days of such request and prior to the date of the public hearing a notice which fairly summarizes the nature and extent of the proposed changes.

#### **170 IAC 6-1-19 Station meters and pressure surveys; records**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 19. Station Meters and Pressure Surveys. (A) Each utility furnishing water service shall install at each supply station/such station meters and instruments as may be necessary to obtain a daily and monthly record of the total amounts of water delivered into the mains.

(B) Each utility furnishing water service to more than 750 but less than 1,500 customers shall maintain a graphic recording pressure gauge at its plant, downtown office, or at some central point in the distribution system where continuous records shall be made of the pressure in the mains at that point.

(C) Utilities furnishing water service to 1,500 or more customers shall equip themselves with one or more portable graphic recording pressure gauges, in addition to the foregoing, and shall make records, each covering at least a 24-hour period, of the water pressure at sufficiently frequent intervals and at a sufficient number of points on the system pressures. The records or charts made by these meters shall be identified, dated and kept on file and available for inspection for a period of three years.

#### **170 IAC 6-1-20 Water quality standards**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 20. Quality. (A) Water furnished by any water utility for human consumption or for domestic use shall be of such quality as will have the approval, or comply with the requirements, of the Indiana State Board of Health.

(B) (1) Public water supplies within the distribution pipe systems shall be adequately protected against pollution from back siphonage or cross connections with other systems on customer's



property by proper installation of protective devices in accordance with the rules of the Indiana State Board of Health. Such protective devices shall be installed and maintained at the cost and expense of the customer, subject, however, to the inspection test and approval of the utility before being placed in service, and at such times thereafter as recommended by the Indiana State Board of Health.

- (2) Public water supplies shall also be adequately protected against any unnecessary and avoidable pollution at their own sources, and at all times after being taken therefrom, until delivery to the customer, to conform in all cases to the requirements of the Indiana State Board of Health.

#### **170 IAC 6-1-21 Flushing mains; records**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 21. Flushing Mains. (A) Proper provision shall be made for flushing those parts of a distribution system which need flushing in order to eliminate or minimize complaints from customers arising from discoloration or other abnormal conditions of the water.

(B) Records shall be kept of all flushings of mains, showing date, place and duration, and such records shall be used as a guide in determining the necessary frequency of flushing of the same mains thereafter.

#### **170 IAC 6-1-22 Interruptions in service; notice to customers**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 22. Interruptions of Service. Each utility shall keep a record of any interruption of service affecting its entire system or major division thereof, including a statement of the time, duration, extent and cause of the interruption. Whenever the service is intentionally interrupted for any purpose, such interruption shall, except in emergencies, be at a time during regular working hours of the utility which will cause the least inconvenience to customers. Customers who will be affected by such interruption shall, to the extent practical, be notified in advance.

#### **170 IAC 6-1-23 Accident reports**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 23. Accidents. In addition to the reports required by statute, every utility shall give notice to the Commission of each serious accident occurring upon its or its customer's premises when the same is accompanied by flooding with water from the utility's system, and is attended with serious damage to property or human life. Said notice shall be given within 24 hours of the utility's knowledge of such accident. A written report shall also be made if the same is required by the Commission.

Neither said notice nor report shall imply or be considered an admission of any liability or responsibility in connection with the accident.

**170 IAC 6-1-24 Customer request for modification;  
liability for costs**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 24. Modification at Customer's Expense. If a customer requests for his convenience or by his actions requires that utility facilities be redesigned, reengineered, relocated, removed, modified, or reinstalled, the utility may require the customer to make payment to it of the full cost of performing such service.

**170 IAC 6-1-25 Extension of water mains**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 25. Extension of Water Mains. The following provisions shall constitute the standards for the extension of water mains and related facilities by water utilities:

(1) Free Extensions. Each utility, upon written request for service by a prospective customer, or a group of prospective customers located in the same neighborhood, shall extend a main and connect the customer, or customers, thereto free of charge as necessary to provide the service requested if the cost of such installation does not exceed three (3) times the estimated annual revenue from the original customer, or customers, which investment by the utility shall be first applied to the cost of connecting the customer, or customers, to the main; subject, however, to the condition that such customer, or customers, agree to take service within nine (9) months following the date on which such extension is placed in service.

(2) Extensions Above Free Limit. If the cost of the extension required in order to furnish service by a

utility is greater than the free extension specified in subdivision (1), such an extension shall be made, upon receipt by the utility of a cash deposit as provided in clause (D), and under the following conditions, without specific approval of the agreement by the commission:

(A) Determination of Cost of Extension.

(i) The utility shall prepare an estimate of the total cost of the extension, including the income tax associated with the extension, from its existing main or mains which is to serve the extension to the end of the lot or frontage of the most remote original applicant to be served; provided however, that if this be a corner lot abutting an intersecting street in which an existing main is located, the terminal point of the extension shall be located so that the main constructed hereunder ties in with the existing main located in such intersecting street. If the existing main which is to serve the extension terminates within the limits of a lot having available water service, and if the extension is to serve only the lot immediately adjacent thereto, the utility shall be responsible for bearing the cost of extending the main to the far end of the lot where water service is available and this terminal point shall be considered the beginning point of the requested main extension. If the street in which the main is to be laid dead ends in a cul-de-sac or appears to be permanently dead ended against a railroad, creek, river, or other physical or natural barrier, the estimated cost of the main extension, if serving the most remote lot or frontage, shall be based on a termination point at the most remote service line connection. Such estimated total cost of the main extension shall be computed in accordance with the provisions of subdivision (3) and the amount thereof as so determined shall constitute and be referred to hereunder as the cost of the main extension.

(ii) The utility shall file with the commission for approval pursuant to this rulemaking its choice of the following options with appropriately revised rules:

(AA) Requiring the applicant or applicants for the main extension to pay the cost of the

main extension and the tax associated with the cost of the main extension and the applicant or applicants shall receive refunds based on subsequent connections as provided in clauses (E) through (G).

(BB) Requiring the applicant or applicants for the main extension to pay the cost of the main extension exclusive of the tax associated with the main extension and the applicant or applicants shall receive refunds based on subsequent connections as provided in clauses (E) through (G).

(CC) Giving the applicant or applicants for the main extension the option of paying the cost of the main extension and tax associated with the cost of the main extension and the applicant or applicants shall receive refunds based on subsequent connections as provided in clauses (E) through (G), or paying the cost of the main extension exclusive of the tax associated with the main extension and the applicant or applicants shall forfeit all rights to refunds based on subsequent connections.

(DD) If the utility desires to change its option after initial filing, it shall submit its requested revisions to the commission for approval.

(iii) The cost so estimated in items (i) through (ii) may be adjusted to the actual cost of the utility, in which event the actual cost as finally determined shall constitute the cost of the main extension as referred to herein. If the main extension agreement provides for the adjustment of the estimated cost of the main extension to the actual cost, the adjustment shall be made upon completion of the main extension, as follows:

(AA) Should the actual cost of the extension be less than the estimated cost, the utility shall refund the difference to the original depositor as soon as the actual cost has been determined.

(BB) Should the actual cost of the extension exceed the estimated cost, then the utility shall bill the original depositor for, and such

depositor shall pay, the difference between the estimated cost and the actual cost.

(B) Determination of Number of Lots to be Served by the Extension. A determination shall be made of the number of lots to be served by the main extension. Only lots, as herein defined, which directly abut the main extension between its original beginning and its original terminus shall be included in such determination. If all or any part of such main extension is located within an area platted or to be platted, the number of such lots as shown within such plat to be served shall be included. If all or any part of such main extension is located in an unplatted area, the number of lots to be included shall be determined by dividing the total front footage of the main extension within such unplatted area on either or both sides of the street, alley, or right-of-way in which the main is located by one hundred (100) feet and rounded to the nearest whole number of lots, provided either or both sides respectively, are available for future development and not restricted against usage because of limited access or for other reasons. The determination of the number of lots for a particular extension may include a combination of platted and unplatted lots as defined above. Any further main extension subsequently connected to the original main extension shall, for all purposes under this rule, constitute a separate main extension.

(C) Determination of Cost Per Lot. The total number of lots to be served by the main extension shall be divided into the cost of such main extension, as determined above, in order to calculate the cost per lot of the main extension, except as provided in clause (E) (iii).

(D) Basis and Allocation of Initial Deposit. The basis for the initial deposit for the main extension shall be the cost of installation of the water main, less the amount by which three (3) times the estimated annual revenue for service to each original applicant or applicants, who agree to take service from the proposed main extension within nine (9) months after the main is placed into service, exceeds the utility's estimated investment in connecting the applicant or applicants to the main. The total initial deposit may either be made in a cash payment or it may be secured by an irrevocable letter of credit acceptable to the utility and issued by a national banking association or a bank chartered under the laws of the state of Indiana or secured in any other manner which is mutually acceptable to the parties and which guarantees payment of the deposit immediately upon completion of the construction of the extension. In the

case of a residential real estate development, no immediate revenue allowance shall be deducted from the cost of such extension in determining the amount of the total initial deposit, except for those residential dwelling units, if any, where construction has commenced above the first floor level. In the case of a commercial or industrial real estate development, no immediate revenue allowance shall be deducted from the cost of such extension in determining the amount of the total initial deposit, except where construction has commenced and pertinent data, such as service pipe(s), metering arrangements, and water demands, have been furnished to the utility, so as to allow the utility to estimate the annual revenue from that development. Unless otherwise arranged among the original applicants, each original depositor shall pay to the utility his proportionate share of the total initial deposit, determined as above provided, on the basis which the number of lots for which service is requested by such depositor bears to the total number of lots for which service is requested by all such original depositors.

(E) Deposits Required by Subsequent Connectors. (i) If and when at any time within ten (10) years after the main extension is placed in service, the owner or occupant of any unconnected lot included in the main extension, but not included in the original application, requests water service, the utility, as agent for the purpose of refunding as provided in clause (F), shall, subject to the limitations and exceptions hereinafter provided, collect in advance from each such new applicant (sometimes hereafter referred to as "subsequent connector") a cash deposit equal to the cost per lot, as calculated in accordance with clause (C), of the main extension, multiplied by the number of lots for which service is so requested.

(ii) Applicants for service connections for lots within subdivision developments, which lots are included in a main extension agreement, shall not be required to make such deposit, unless otherwise specifically provided for in the main extension agreement.

(iii) If the owner of frontage land that was unplatted on one (1) or both sides of the street at the time the main extension was installed was not an original depositor and such owner later subdivides his frontage prior to the expiration of ten (10) years after the main extension was placed in service and in such a manner that some or all lots will not require service directly from said main extension, and the owner thereof requests a lateral main extension from said main extension to serve

his land, the utility shall collect, in advance from the owner of such frontage land, a fee equal to the number of equivalent lots of that frontage land, as determined under clause (B), which will not be served directly by the original main extension, times the cost per lot, as determined under clause (C), as a subsequent connector's fee for the connection of said lateral main extension to serve said land.

(F) Refunds on Basis of Subsequent Connections. Monies thus collected by the utility from new connections within a period of ten (10) years after the main extension is placed in service, plus amounts by which three (3) times the annual revenue from service to each such subsequent connector, computed in accordance with clause (D), exceeds the utility's estimated investment for connecting the same, shall be refunded to the original depositors who are parties to the original contract in proportion to their respective original deposits; provided, however, that no refunds shall be required to be made by the utility until the number of customers actually connecting to the extension equals the number of original prospective customers used in computing the initial deposit required for the extension; unless the original depositors for the main extension forfeited all rights to refunds provided in clause (A)(ii)(CC). Notwithstanding the foregoing, in no event shall the total refunds to any original depositor exceed the amount of his deposit; provided, however, that in the case of a phased residential real estate development, the preliminary plat of which must be submitted to the utility at the time of the first request for main extension, during the ten (10) year period beginning with the date that the first main extension for that development is placed in service, the amount of any refunds generated in excess of the deposit made on any phase of the development shall be applied against the deposit made for any other phase of the development, so long as the total amount of refunds to the original depositor shall not at any time exceed the total amount of his deposits during such period; and provided further, the utility shall not require any subsequent connectors to deposit an amount hereunder which is in excess of the unrefunded balance of the aggregate of deposits received from all original depositors.

(G) Method of Making Refunds. Refunds shall be due to each original depositor upon the connection of any customer exceeding the number of original prospective customers set out in the contract, unless the original depositor for the main extension forfeited all rights to refunds provided in clause (A)(ii)(CC). Such refunds

shall be paid annually or more frequently at the discretion of the utility. The refund to the depositor's last known address as shown on the books and records of the utility. Any refund distribution which cannot be returned to a depositor after the refund becomes due and payable shall be reported as required by the Uniform Disposition of Unclaimed Property Act (IC 32-9-1-1), as the same may be amended from time to time.

(H) Accounting for Deposits and Final Disposition of Balance Thereof. All deposits hereunder shall be held by the utility as customers' advances for construction. Any deposits which are no longer subject to refund because of the running of the ten (10) year period as provided in clause (F), shall be transferred by the utility to contributions in aid of construction. If the original depositors for a main extension forfeit all rights to refunds as provided in clause (A)(ii)(CC), the payment shall be included in contributions in aid of construction and the associated taxes shall be deducted from contributions in aid of construction. All other deposits shall be held as customers' advances for construction until returned to the depositors or turned over to the attorney general of the state of Indiana as required by the Uniform Disposition of Unclaimed Property Act (IC 32-9-1-1), as same may be amended from time to time, as required by clause (G).

(3) Computation of Cost. (A) Actual and Estimated Cost. The cost of each main extension made hereunder shall, as set out in subdivision (2)(A), be either the actual cost of the extension, or it may be computed by applying the appropriate actual average costs for similar conditions experienced by the utility during its preceding fiscal year, plus or minus any amount necessary to adjust for known cost increases or decreases respectively. The computation of cost, either actual or estimated, shall be based on an eight (8) inch main, unless a larger or smaller main as determined by the utility, is reasonably necessary to serve the proposed customer or customers, including fire protection service, in which event the cost, estimated or actual, shall be based on the size of main required. If the cost is estimated, the computation shall be made by applying the utility's appropriate actual average cost for the immediately preceding year of the main size and related facilities required, adjusted for known cost increases or decreases as above provided. In the absence of representative cost data for the previous year for any size or type of main or for any special construction incident to, or for any particular related facility involved in a main extension, the cost thereof as used for this purpose shall be the



best estimate of the utility of the cost of such mains, special construction, or related facilities based upon current available information. If for the utility's future extension plans a larger main is reasonably necessary for the service required, the difference in the cost of the larger pipe size and increased material and installation cost, if any, shall be borne by the utility. If the original applicant or applicants request(s) service and it is determined by the utility that a main larger than eight (8) inch [sic.] is reasonably necessary to serve the domestic and fire protection requirements of the applicant or applicants, and such domestic and fire protection requirements of said original applicant or applicants are significantly in excess of such requirements of the other prospective customers along the intervening route of the main, the deposit or subsequent connectors' fee for the other prospective customers shall be calculated as provided under subdivision (2)(E), except that the cost of the main extension for the purpose of determining the required deposit of subsequent customers, shall be based on the smaller size, which is determined by the utility to be adequate to meet the requirements of the other prospective customers along said intervening route.

(B) Information. All estimates of costs as required in clause (A) shall be determined by the utility as aforesaid, and each water utility shall within the first quarter of each year submit to the commission information used to establish the basis for such estimated costs for typical main extensions. In the event that the applicant is required to make any payment, the utility shall upon request make available to the applicant:

(i) The information used to establish the basis for the applicable amount as submitted to the commission in compliance with this rule.

(ii) The information used to establish the basis for the "estimated total revenue for a period of three (3) years to be realized by the utility from permanent and continuing customers on such extension" as required by this rule.

(4) Contract for Service. Utilities shall not be required to make extensions as described in this rule unless the customers initially to be served by such extension shall contract to use the service for a period of three (3) years. A bond may be required in this regard.

(5) Special Contracts. In instances where:

(A) the requested main extension is of such length and the prospective business to be developed by it is so meager as to make it doubtful whether the business from the extension would ever pay a fair return on the investment involved in such extensions;

(B) the prospects are that the patronage and demand will not be of such permanency as to warrant the capital expenditure involved;

(C) there are industrial installations requiring extensive water utility investment and where the demand for water service is expected to be slight, irregular, or of unknown quantity; or

(D) in any other abnormal or out of the ordinary circumstances, the utility and the party or parties requesting such extension may enter into a special contract establishing the terms and conditions upon which such extension will be made, and in the event they are unable to agree upon such terms and conditions, the matter shall be submitted to the commission for its determination and the contract embodying the terms and conditions so determined by the commission to be appropriate shall thereafter be submitted to the commission for approval.

(6) Other Basis of Extensions Permissible. This section shall not be construed as prohibiting any utility from making free extensions of lengths greater than hereinabove specified or from providing a method of return of deposits for extensions more favorable to customers or depositors, so long as no discrimination is practiced among customers or depositors whose service requirements are similar.

(7) Engineering Practice. The utility shall use good utility and engineering practices in determining the route for all main extensions.

**170 IAC 6-1-26 Rate and schedules, rules and regulations;  
filing; public inspection**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 26. Filing and Posting of Rate Schedules, Rules and

Regulations of the Utility and of the Commission. Copies of all schedules of rates for service, forms of contracts, charges for service connections and extensions, and of all rules and regulations covering the relationship between the customer and the utility shall be filed by each utility in the office of the Commission. Complete schedules, contract forms, rules and regulations, etc., if filed with the Commission, shall also be on file in the local office of the utility, and shall be open to the inspection of the public. The attention of the public shall be called to these files of schedules, rules and regulations, by placing a suitable placard in that part of the office open to the public.

**170 IAC 6-1-27 Date of compliance with rules**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 27. Date of Compliance with Rules. All water utilities shall comply with these Rules, Regulations, and Standards of Service [170 IAC 6-1] as soon as practicable and be in full compliance within 180 days after their date of effectiveness.

**170 IAC 6-1-28 Saving clause**

Authority: IC 8-1.5-3-9.1; IC 8-1.5-3-4; IC 8-1.5-4-4

Sec. 28. Saving Clause. The adoption of these rules [170 IAC 6-1] shall in no way preclude the commission from altering or amending the same, in whole or in part, or from requiring any additional service, equipment, facility or standards, whether upon compliant or upon its own motion, or upon the application of any utility; and further these rules [170 IAC 6-1] shall in no way relieve any utility from any of its duties under the laws of this State.