

## ARTICLE 8.5. SEWAGE DISPOSAL SERVICES

### Rule 1. General Provisions

#### 170 IAC 8.5-1-1 Definitions

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-2-1; IC 8-1-2-89

Sec. 1. (a) The definitions in this section, except where otherwise defined, and, where applicable, in IC 8-1-2-1 apply throughout this article.

(b) "Certificate of territorial authority" or "CTA" means the authority for a utility to operate within a specified geographic area.

(c) "Commission" means the Indiana utility regulatory commission.

(d) "Customer" means any:

- (1) person;
- (2) firm;
- (3) corporation;
- (4) municipality; or
- (5) other government agency;

that has agreed, orally or otherwise, to pay for sewage disposal service rendered by a sewage disposal company, provided that, for the purposes of 170 IAC 8.5-2-3 through 170 IAC 8.5-2-5, the term shall be limited to mean persons who have agreed to pay for such service exclusively for residential purposes.

(e) "Disconnection" means the termination or discontinuance of sewage disposal service.

(f) "Late payment charge" means the one-time penalty assessed by a sewage disposal company upon all current bills at such time as they become delinquent.

(g) "Lateral sewer" means sewerage pipe owned, operated, or maintained by a sewage disposal company that is used to transport sewage. The term does not include service pipe.

(h) "NARUC" refers to the National Association of Regulatory Utility Commissioners.

(i) "NARUC Uniform System of Accounts" means the rules and regulations governing the classification of accounts applicable to a utility as:

- (1) developed by the NARUC; and
  - (2) adopted by reference by the commission for Indiana utilities.
- (j) "Premises" means a tract of land or real estate, including buildings and other appurtenances thereon.

(k) "Service pipe" means the pipe that:

- (1) runs from the customer's premises to the lateral sewer; and
- (2) receives sewage from the customer's premises.

(l) "Sewage disposal company" means any:

- (1) natural person;
- (2) firm;
- (3) association;
- (4) corporation; or
- (5) partnership;

owning, leasing, or operating any sewage disposal service within the rural areas of this state.

(m) "Sewage disposal service" means any utility service whereby liquid and solid waste, sewage, night soil, and industrial waste within the limitations of section 2(c) of this rule of any single territorial area is collected, treated, purified, and disposed of in a sanitary manner. The term includes all of the following:

- (1) Sewage treatment plants.
- (2) Main sewers.
- (3) Submain sewers.
- (4) Local or lateral sewers, or both.
- (5) Intercepting sewers.
- (6) Outfall sewers force mains.
- (7) Pumping stations.
- (8) Ejector stations.

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(9) Other equipment and appurtenances necessary or useful and convenient for the rendition of the service.

*(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 1; filed Dec 9, 1981, 10:20 a.m.: 5 IR 13; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; filed Sep 13, 2007, 1:58 p.m.: 20071010-IR-170070235FRA)*

### **170 IAC 8.5-1-2 Application of rule**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 2. Application of Rules. (a) Application. These rules [170 IAC 8.5] shall apply to any sewage disposal company (herein sometimes called utility or company) which is now or hereafter may be engaged in sewage disposal service and which is subject to the jurisdiction of the Commission pursuant to the provisions of the Public Service Commission Acts, or any other Statute of the State of Indiana.

(b) Purpose. These regulations [170 IAC 8.5] are intended to promote safe and adequate service to the public, to provide standards for uniform and reasonable practices by sewage disposal companies and to outline the responsibilities of the public in requesting and receiving service from sewage disposal companies.

(c) Limitations of Sewerage System. A sewage disposal company shall not be obliged to receive for treatment or disposal any material except sewage as defined in Rule 1(I) [170 IAC 8.5-1-1(i)]. The utility shall not receive for treatment water discharged from sump pumps or footing drains, or rain water discharged from roofs, lawns, paved areas, etc. The utility shall prohibit greases, oils, acids, alkalis or any other substance of a quantity or type deleterious to the wastewater treatment process from being discharged directly into the wastewater treatment facility. Such substances shall be adequately pre-treated, or separately treated and disposed of, or necessary additional treatment provided. The sewage disposal company shall also prohibit the discharge of ground or shredded garbage into the wastewater treatment facility where a major portion of the organic loading on the facility would be ground garbage, such as from a produce department of a supermarket, restaurant, or similar establishment. *(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 2; filed Dec 9, 1981, 10:20 am: 5 IR 14; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

### **170 IAC 8.5-1-3 Record requirements**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-40; IC 8-1-2-89

Sec. 3. Records to be Kept. (a) All records required by these rules [170 IAC 8.5] shall be preserved for at least three (3) years except as otherwise provided herein or by IC 8-1-2-40. Except as provided by Rule 3(B) [subsection (b) of this section] such records shall be kept within the State at the principal place of business of the sewage disposal company, or at such other places within the State as the company shall designate after notification of the Commission, and shall be open for examination by the Commission or its representatives.

(b) The Commission may, at the written request of the sewage disposal company, grant the company permission to maintain its records outside the State of Indiana subject to the provision that all books, records, accounts, and papers shall be retained within the State of Indiana that may be necessary or useful in responding to questions or complaints of customers as to billing, charges, service or other customer service related matters; and further provided, that said company shall return all such books and records to within the State of Indiana upon written request by this Commission, or, at the option of the Commission, reimburse the Commission for all expenses reasonably necessary and incidental to examination thereof by the staff of the Commission outside the State of Indiana. *(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 3; filed Dec 9, 1981, 10:20 am: 5 IR 14; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

### **170 IAC 8.5-1-4 Filing and posting rate schedules and rules**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 4. Filing and Posting of Rate Schedules, Rules and Regulations of the Sewage Disposal Company and of the Commission.

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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 sewage disposal company shall be filed by each sewage disposal company 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 sewage disposal company, 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. (*Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 26; filed Dec 9, 1981, 10:20 am: 5 IR 15; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

### **Rule 2. Customer Rights and Responsibilities**

#### **170 IAC 8.5-2-1 Billing for service**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3

Sec. 1. Bills for Sewage Disposal Service. (a) Bills rendered periodically to customers for sewage disposal service shall show at least the following information:

- (1) The date of the bill, the time period for which the bill is rendered or the dates and readings of the water meter, if used as the basis for the sewage bill, at the beginning and end of the billing period,
- (2) The number and kind of units of service supplied, if based upon metered water consumption,
- (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 of a customer whose sewage bill is based on metered water service, 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 shall 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 used on the bill.

(b) Delinquencies.

(1) A sewage disposal 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 sewage disposal 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 late 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 sewage disposal company may estimate the bill of any customer whose sewage bill is based on metered water service 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 company has made a reasonable attempt to read it; and other circumstances beyond the control of the sewage disposal company, its agents and employees. (*Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 13; filed Dec 9, 1981, 10:20 am: 5 IR 15; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

#### **170 IAC 8.5-2-2 Adjustment of bills**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3

Sec. 2. Adjustment of Bills. (a) Adjustments Due to Meter Error. If any water meter on which a sewage bill is based shall be found to have a percentage of error greater than two (2) percent, 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 company

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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 company 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. The 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 slow or stopped. Such action may be taken only in cases where the sewage disposal company 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. Each company shall file with the Commission a tariff detailing the method and amount of refund in such cases.

(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. (*Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 14; filed Dec 9, 1981, 10:20 am; 5 IR 15; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

### **170 IAC 8.5-2-3 Deposit to ensure payment of bill**

Authority: IC 8-1-1-3

Affected: IC 32-34-1-20

Sec. 3. (a) Each sewage disposal company shall determine the creditworthiness of residential applicants or customers in an equitable and nondiscriminatory method:

- (1) without regard to the economic character of the area wherein the applicant or customer resides; and
- (2) solely upon the credit risk of the individual without regard to the collective credit reputation of the area in which he or she lives.

(b) Each new applicant for residential sewage disposal 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:

- (1) If the applicant has been a customer of any utility within the last two (2) years, the applicant:
  - (A) owes no outstanding bills for service rendered within the past four (4) years by any such utility;
  - (B) during the last twelve (12) consecutive months that the service was provided, did not have more than two (2) bills that were delinquent to any utility or, if service was rendered for a period for less than twelve (12) months, did not have more than one (1) delinquent bill in such period; and
  - (C) within the last two (2) years did not have a service disconnected by a utility for nonpayment of a bill for services rendered by that utility.
- (2) If the applicant has not been a customer of a utility during the previous two (2) years, the applicant shall be deemed creditworthy if any two (2) of the following criteria are met:
  - (A) The applicant either:
    - (i) has been employed by his or her present employer for two (2) years;
    - (ii) has been employed by his or her present employer for less than two (2) years, but has been employed by only one (1) other employer during the past two (2) years; or
    - (iii) has been employed by the present employer for less than two (2) years and has no previous employer due to recently:
      - (AA) graduating from a school, university, or vocational program; or
      - (BB) being discharged from military service.
  - (B) The applicant either:
    - (i) owns or is buying his or her home; or
    - (ii) is renting a home or an apartment and has occupied the premises for more than two (2) years.
  - (C) The applicant has credit cards, charge accounts, or has been extended credit by a bank or commercial concern unless

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a credit check shows that the applicant has been in default on any such account more than twice within the last twelve (12) months.

(c) If the applicant fails to establish that he or she is creditworthy under subsection (b), the applicant may be required to make a reasonable cash deposit. Such deposit shall not exceed one-sixth ( $\frac{1}{6}$ ) of the estimated annual cost of service to be rendered to the applicant. If a deposit is greater than seventy dollars (\$70), the company shall advise the applicant or customer that he or she may pay such deposit in equal installment payments over a period of no less than eight (8) weeks; service shall be connected upon receipt by the company of the first such payment.

(d) If the company 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 it based its decision and provide the applicant with an opportunity to rebut such facts and show other facts demonstrating his or her creditworthiness as provided under subsection (b).

(e) A sewage disposal company may require a present customer to make a reasonable cash deposit when:

(1) the customer has been mailed disconnect notices for two (2) consecutive months;

(2) the customer has been mailed disconnect notices for any three (3) months within the preceding twelve (12) month period; or

(3) the service to the customer has been disconnected within the past four (4) years pursuant to section 4 of this rule.

The amount of such deposit may not exceed an amount equal to one-sixth ( $\frac{1}{6}$ ) of the expected annual billings for the customer at the address at which service is rendered. In the event the required deposit is in excess of seventy dollars (\$70), the sewage disposal company shall advise the customer that he or she 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 nonpayment, in which case full payment of the deposit may be required prior to reconnection.

(f) Requirements for interest upon deposits shall be as follows:

(1) Deposits held more than twelve (12) months shall earn interest from the date of deposit at a rate of six percent (6%) 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.

(g) Requirements for refunds shall be as follows:

(1) Any deposit or accrued interest shall be promptly refunded to the customer without the customer's request when the customer:

(A) submits satisfactory payment for a period of either:

(i) nine (9) successive months; or

(ii) ten (10) out of any twelve (12) consecutive months without late payment in two (2) consecutive months; or

(B) demonstrates his or her creditworthiness as provided by subsection (b).

(2) Refunds of deposits or accrued interest issued under this section must be accompanied by a statement of accounting for each transaction affecting the deposit and interest.

(3) Following customer-requested termination of service, the utility shall:

(A) apply the deposit, plus accrued interest, to the final bill; or

(B) upon specific request from the customer, refund the deposit, plus accrued interest, within fifteen (15) days after the payment of the final bill.

(4) Each sewage disposal company shall maintain a record of each applicant or customer making a deposit that shows the following:

(A) The name of the customer.

(B) The current address of the customer so long as he or she maintains an active account with the sewage disposal company in his or her name.

(C) The amount of the deposit.

(D) The date the deposit was made.

(E) A record of each transaction affecting such deposit.

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

(6) Any deposit made by the applicant, customer, or any other person to the company (less any lawful deductions), or any sum the company is ordered to refund for sewage disposal service, that has remained unclaimed for one (1) year after the company

has made diligent efforts to locate the person who made such deposit or the heirs of such person, shall be presumed abandoned and treated in accordance with IC 32-9-1.5-20(c)(10) [IC 32-9 was repealed by P.L.2-2002, SECTION 128, effective July 1, 2002.].

(7) A deposit may be used by the sewage disposal company to cover any unpaid balance following disconnection of service under section 16 of this rule [sic.] provided, however, that any surplus be returned to the customer as provided in subsection (f) and this subsection.

*(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 15; filed Dec 9, 1981, 10:20 a.m.: 5 IR 16; filed Oct 19, 1998, 10:14 a.m.: 22 IR 736; errata filed Sep 10, 1999, 10:39 a.m.: 23 IR 25; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

**170 IAC 8.5-2-4 Disconnection of services**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3

Sec. 4. (a) Without Customer's Request.

(1) A company 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 sewage disposal service is detected and the company has reasonable grounds to believe the affected customer is responsible for such use; or
- (D) If the company's regulating or measuring equipment has been tampered with and the company has reasonable grounds to believe that the affected customer is responsible for such tampering.

(2) In all other instances, a sewage utility upon providing the customer with proper notice (as defined in Rule 16(E) [subsection (d) of this section]) may disconnect service subject to the other provisions of these rules [170 IAC 8.5].

(b) Prohibited Disconnection.

(1) Except as otherwise provided in Rule 16(B) [subsection (a) of this section], a sewage disposal company 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 company with a medical statement from a licensed physician or public health official which states that a 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 company may not disconnect service to the customer:

- (A) 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;
- (B) Upon his failure to pay for services to a previous occupant of premises to be served, unless the company has good reason to believe the customer is attempting to defraud the company by using another name;
- (C) Upon his failure to pay for a different form or class of sewage disposal service, or
- (D) 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 [170 IAC 8.5-2] within the past twelve months.

Provided, however that the company may add to the outstanding bill a late payment charge not to exceed the amount set pursuant to Rule 13(B) [170 IAC 8.5-2-1(b)]. Provided further, that the above terms of the agreement shall be put in writing by the company and signed by the customer and by a representative of the company. Only one late payment charge may be made to the customer under this section.

(E) If a customer is unable to pay a bill, which is unusually large due to prior incorrect reading of the water meter, incorrect application of the rate schedule, incorrect connection or functioning of the water meter, prior estimates where

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no actual reading was taken for over two months, stopped or slow water meter, or any human or mechanical error of the sewage disposal company, 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 company may not add to the outstanding bill any late fee. Provided, further, that the above terms of the agreement shall be put in writing by the company and signed by the customer and a representative of the company.

(3) If a customer proceeds with a review pursuant to Rule 16.1(B) [170 IAC 8.5-2-5(b)], the sewage disposal company may disconnect only as provided in Rule 16.1(C) [170 IAC 8.5-2-5(c)].

(c) Time.

(1) No sewage 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 Rule 16(B) [subsection (a) of this section] are not subject to this limitation.

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

(d) Notice Required Prior 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 sewage disposal company 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 sewage 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 type 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 sewage disposal company office at which the customer may call during the 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 8.5-2-6] for information as to the customer's rights.

(e) Procedure for Involuntary Disconnection.

(1) Immediately preceding the actual disconnection of service, the employee of the sewage disposal company 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 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 8.5-2-5(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 sewage disposal company shall notify its customers pursuant to Rule 16.2 [170 IAC 8.5-2-6] 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 company where the customer may arrange to have service reconnected.

(f) Reconnection.

(1) A sewage disposal company may charge a reasonable reconnection charge, not to exceed the charge approved by the Commission in the company's filed tariffs, to compensate the company for the costs of disconnecting and reconnecting the

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service. The company shall inform its customers of such reconnection charge pursuant to Rule 16.2 [170 IAC 8.5-2-6].

(2) If the company disconnects service in violation of the rules, the service shall immediately be restored at no charge to the customer.

(3) The company must reconnect the service to the customer as soon as reasonably possible but at least within five (5) working days after requested if conditions permit; provided however, that the company shall not be required to reconnect the service until:

(A) The conditions, circumstances or practices which caused the disconnection have been corrected; and

(B) Payment of all delinquent and reconnection charges owed the utility by the customer and any deposit authorized by these rules [170 IAC 8.5] has been made.

*(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 16; filed Dec 9, 1981, 10:20 am: 5 IR 17; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

**170 IAC 8.5-2-5 Complaints and review**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3

Sec. 5. Complaints and Review. (a) Complaint Procedure.

(1) A customer may complain at any time to a sewage disposal company 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 company at its business offices. A complaint shall be considered filed upon receipt by the sewage disposal company, except mailed complaints 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 this complaint.

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

(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 company's proposed disposition of the complaint as provided in Rule 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 company's proposed disposition thereof. Such request shall certify that the customer has also sent a copy of his request for review to the sewage disposal company 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 company 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 review 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 Rule 16.1(A)(1) [subsection (a)(1) of this section] above is received by the sewage disposal company, his service shall not be disconnected until ten (10) days have elapsed from the date of mailing of the notification of the company's proposed disposition of his complaint. Provided, however, that if a review by the Commission of the company's proposed disposition of the complaint is requested by the customer as provided by Rule 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 company 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 future undisputed bills prior to their becoming delinquent.



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(2) In those instances when the customer and the company 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 sewage disposal company shall keep a written record of complaints and requests for conference pursuant to Rule 16.1 [this section]. Such records shall be retained at the office or branch office of the company 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 sewage disposal company shall annually submit a report to the Commission which shall state and classify the number of complaints made to the company 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.

*(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 16.1; filed Dec 9, 1981, 10:20 am: 5 IR 19; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

**170 IAC 8.5-2-6 Information to applicants and customers**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3

Sec. 6. Information Provided by Sewage Disposal Companies to Applicants and Customers. (a) All sewage disposal companies must publish and distribute, without request, to all applicants for service and to all current customers, a copy of Rules 11 to 16.2 [170 IAC 8.5-2-1; 170 IAC 8.5-2-2; 170 IAC 8.5-2-3; 170 IAC 8.5-2-4; 170 IAC 8.5-2-5; 170 IAC 8.5-2-6] inclusive of these rules.

(b) A sewage disposal company 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 sewage disposal company whenever it petitions the Commission for a change in any of its base rate schedules must furnish 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.

(d) System Maps or Records. Each sewage disposal company shall maintain up-to-date maps, plans or records of its entire force main and collection systems, with such other information as may be necessary to enable the company to advise prospective customers, and others entitled to the information, as to the facilities available for serving any locality.

(e) Persons to Contact. Each sewage disposal company shall file with the Commission the name, title, address, and telephone number of the person who should be contacted in connection with:

- (1) General management duties
- (2) Customer relations (complaints)
- (3) Engineering operations
- (4) Emergencies during non-office hours

*(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 16.2; filed Dec 9, 1981, 10:20 am: 5 IR 20; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

**Rule 3. Operation of Sewage Lines**

**170 IAC 8.5-3-1 Application for certificate of territorial authority**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 1. Whenever a sewage disposal company petitions for a CTA, either as an initial authority or as an expansion of its authorized territory, the sewage disposal company shall submit, where appropriate, the following exhibits:

(1) Required for initial applications only are the following:

- (A) Articles of incorporation.

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- (B) A legal description of the petitioner's sewage disposal plant site.
  - (C) A ten-year feasibility study and pro forma financial statements, including the following:
    - (i) Proposed user rates.
    - (ii) Nonrecurring charges.
  - (D) A personal guarantee by a principal of the corporation for a period of five (5) years from the date a utility provides service to its first customer or receives its CTA, whichever is greater, accompanied by a personal financial statement under section 3 of this rule.
- (2) Required for all applicants, including initial applicants, are the following:
- (A) A legal description of the area to be served.
  - (B) A letter of approval from the:
    - (i) Indiana department of environmental management; or
    - (ii) state department of health.
  - (C) Documents to support approvals that have been obtained from the Indiana department of natural resources, if necessary.
  - (D) Plans and specifications of treatment plant and sanitary sewers.
  - (E) Area maps as outlined in the instructions of section 2 of this rule.
  - (F) A letter of acknowledgement from the owner-operator of any sanitary system within five (5) miles of the company's system that he or she is familiar with the company's interest to apply for a CTA, which should be submitted together with the signed return receipts, as well as any other correspondence from the owner-operator relating to the proposal.
  - (G) A statement of the estimated costs of the construction of the sewage disposal plant, including and separately as to the following:
    - (i) The treatment plant.
    - (ii) The collection system.
    - (iii) The pumping plant.
  - (H) As deemed appropriate by the administrative law judge, a personal guarantee and personal financial statement as described in subdivision (1)(D).
- (3) A petition for initial authority or expansion of existing territorial authority shall include an original and four (4) copies of the application and the required exhibits.
- (4) Instructions on the contents of the required exhibits for a CTA are in section 2 of this rule, and sample forms are in section 3 of this rule.

*(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 17; filed Dec 9, 1981, 10:20 a.m.: 5 IR 21; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; filed Sep 13, 2007, 1:58 p.m.: 20071010-IR-170070235FRA)*

**170 IAC 8.5-3-2 Instructions for exhibits for CTA applications**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 2. The instructions for exhibits for CTA applications are as follows:

- (1) Maps shall be as follows:
- (A) The area shall be shown on a:
    - (i) flood plain map; and
    - (ii) county map (if more than one (1) county, separate county maps);scaled at approximately one (1) inch per mile.
  - (B) The county map shall include all:
    - (i) roads;
    - (ii) highways;
    - (iii) streams;
    - (iv) section lines;
    - (v) township lines;
    - (vi) range numbers; and

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- (vii) township numbers, including township corner sections (1, 6, 30, and 36).
  - (C) The:
    - (i) rural areas presently being served by sewage disposal service, if any, shall be colored in green; and
    - (ii) area requested shall be colored in red.
  - (D) Any sewer systems or municipal corporation limits within five (5) miles of the proposed area to be served by this petition shall be clearly shown on this map.
  - (2) The rural areas shall be outlined and described, including the following:
    - (A) County.
    - (B) Township.
    - (C) Sections or parts of sections.
    - (D) Range.
    - (E) Township.
  - (3) If the rural area is subdivided, or planned for subdivision, there shall be maps showing this platting. These maps may be part of the plans, as requested below, showing the sewage collection mains and appurtenances.
  - (4) The plans should show a layout of collection mains showing the size, manholes, the location of the disposal plant, the effluent line, and the stream receiving the effluent. A plan of the disposal plant should show the:
    - (A) flow;
    - (B) major functional operations;
    - (C) stages of treatment; and
    - (D) capacity.
- A waiver may be granted by the commission upon request and with justification.
- (5) The feasibility study should include the following:
    - (A) Balance sheets.
    - (B) Revenue and operating statements.
    - (C) Cash flow statements.
    - (D) The original cost of the plant if now operating as a public utility, as prescribed in the NARUC Uniform System of Accounts.
    - (E) Estimated construction costs of the new plant or additions.
    - (F) The method of financing costs.
    - (G) Pro forma revenue and expenses by year for a period of ten (10) years, including supporting details to pro forma revenues.

*(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 18; filed Dec 9, 1981, 10:20 a.m.: 5 IR 22; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; filed Sep 13, 2007, 1:58 p.m.: 20071010-IR-170070235FRA)*

**170 IAC 8.5-3-3 Sample CTA application and personal guarantee forms**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 3. (a) The application form is as follows:

STATE OF INDIANA  
UTILITY REGULATORY COMMISSION

APPLICATION OF \_\_\_\_\_ )  
FOR A CERTIFICATE OF TERRITORIAL )  
AUTHORITY TO RENDER SEWAGE DISPOSAL ) CAUSE NO.  
SERVICE IN A RURAL AREA IN \_\_\_\_\_ )  
COUNTY, INDIANA. )

TO THE INDIANA UTILITY REGULATORY COMMISSION:

SEWAGE DISPOSAL SERVICES

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Your applicant, \_\_\_\_\_ respectfully represents:

1. Applicant is a corporation organized under the laws of the State of \_\_\_\_\_, with its principal office in the City of \_\_\_\_\_, County of \_\_\_\_\_. (See Note 1) The officers executing this application are authorized to receive notices and communications from the Commission. Applicant has a charter power and authority to engage in and is engaged in operating a sewage disposal service within the rural area of the State of Indiana.

2. Applicant desires to commence rendering sewage disposal service in a rural area in \_\_\_\_\_ County in Indiana, which rural area is shown on the Map that is marked "Exhibit A" (See Note 2), is attached hereto and is hereby made a part thereof, and which rural area is more particularly described in Item 2 of the Statement which marked "Exhibit B" (See Note 2), is attached hereto and is hereby made a part hereof. Such facilities, or extension of facilities, to provide said service as will be presently constructed, and the location thereof, are described in Item 3 of said "Exhibit B".

3. Applicant represents that it has lawful power and authority to obtain a Certificate of Territorial Authority and to render the proposed sewage disposal service if it obtains a Certificate of Territorial Authority therefor, that it has the financial ability to provide the proposed sewage disposal service, that public convenience and necessity require the rendering of the proposed sewage disposal service, and that the public interest will be served by the issuance to applicant of the Certificate of Territorial Authority hereby sought.

WHEREFORE, Applicant prays that, after due notice and public hearing, the Commission shall grant this application and issue to Applicant a Certificate of Territorial Authority to commence and render a sewage disposal service in the rural area herein described, and shall grant all other proper relief.

\_\_\_\_\_  
Name of Applicant  
By \_\_\_\_\_  
President or  
Vice-President  
(See Note 3.)  
\_\_\_\_\_  
(Address of Applicant)

ATTEST:

\_\_\_\_\_  
SECRETARY (See Note 3.)

\_\_\_\_\_  
(Name and address of Attorney)

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ ) SS:

\_\_\_\_\_, being first duly sworn on oath deposes and says that he or she is \_\_\_\_\_ of \_\_\_\_\_, Applicant herein; that he or she has read the foregoing application and is familiar with the contents thereof; and that the statements therein contained are true to the best of his or her knowledge, information and belief.

\_\_\_\_\_  
(See Note 3.)

SUBSCRIBED and SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

(See Note 3.) Notary Public  
My Commission expires \_\_\_\_\_

NOTES:

- 1. If applicant is not a corporation, appropriate changes in the application, including the signature thereto, should be made.

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2. If rural areas in more than one county are covered by the application, designate "Exhibit A-Part," etc., or "Exhibit B-Part 1," etc., as applicable.

3. Immediately below each signature the name of the person signing shall be typed in.

(b) The personal guarantee form is as follows:

PERSONAL GUARANTEE
APPLICANT'S EXHIBIT
PERSONAL GUARANTEE OF \*

WHEREAS, the undersigned, \* is the \* of \*\*, and
WHEREAS, he or she is also an officer of \*\* which is the owner of all the outstanding capital stock of
\*\*\* and,

WHEREAS, he or she also owns controlling interest in the outstanding stock of \*\*.

NOW THEREFORE, for the purpose of inducing the Indiana Utility Regulatory Commission to issue a Certificate of Territorial Authority to \*\*\*, an Indiana corporation, authorizing it to furnish sewage treatment and disposal services in the area described in said Petition, the undersigned does hereby agree and bind himself or herself as follows, to wit:

(1) To operate and maintain the plant and property of the Petitioner, \*\*\* in a satisfactory and reasonable manner so as to serve its customers with adequate service as authorized and directed by the Indiana Utility Regulatory Commission.

(2) To supply, from time to time, sufficient working capital to said Petitioner corporation if and when such capital shall be needed to carry out the guarantee herein set forth.

(3) This agreement shall be in full force and effect and binding upon the undersigned \* for a period beginning on the date service is first rendered or the issuance of the above described Certificate of the Indiana Utility Regulatory Commission, whichever is greater, and shall continue in full force and effect for a period of five (5) years hereafter, after which said agreement shall become null and void.

IN WITNESS WHEREOF, the said \* has hereunto set his or her hand and seal this \_\_\_ day of \_\_\_, 20 \_\_\_.

STATE OF INDIANA )

\_\_\_\_\_ )

) SS:

COUNTY OF )

)

Before me, the undersigned, a Notary Public, personally appeared \* and acknowledged the execution of the above and foregoing guarantee for the use and purposes therein set forth this \_\_\_ day of \_\_\_, 20 \_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\*Name and position of an officer of corporation making this guarantee.

\*\*Name of organization sponsoring the development requiring sewage disposal service.

\*\*\*Name of sewage disposal services corporation.

(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 19; filed Dec 9, 1981, 10:20 a.m.: 5 IR 22; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA; filed Sep 13, 2007, 1:58 p.m.: 20071010-IR-170070235FRA)

170 IAC 8.5-3-4 Interruptions of service

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 4. Interruptions of Service. Each sewage disposal company shall keep a record of any interruption of service affecting its entire system or a major division thereof, including a statement of 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 company 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. (Indiana Utility Regulatory Commission; Service for Utilities

*Rendering Sewage Disposal Service in Ind; Rule 20; filed Dec 9, 1981, 10:20 am: 5 IR 25; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

**170 IAC 8.5-3-5 Accidents; notices and reports**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 5. Accidents. In addition to the reports required by statute, every sewage disposal company shall give notice to the Commission of each serious accident involving the company occurring upon its or its customer's premises when the same is accompanied by serious damage to property or human life. Said notice shall be given within 24 hours of the company'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. *(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 21; filed Dec 9, 1981, 10:20 am: 5 IR 25; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

**170 IAC 8.5-3-6 Safety program**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 6. Safety Program. (a) Adopt Safety Program. Each sewage disposal company shall adopt and execute a safety program appropriate for the size and type of its operations.

(b) Use Suitable Tools and Equipment. Each sewage disposal company shall require its employees to use suitable tools and equipment to enable them to perform their work in a safe manner.

(c) Promote Safe Work Methods. Each company shall require its employees to use safe methods in performing their work.

(d) Instruction in Artificial Respiration. Each company shall require that its employees who, in the course of their work, are subjected to the hazards of asphyxiation, electrical shock or drowning, be properly instructed in accepted methods of artificial respiration. *(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 22; filed Dec 9, 1981, 10:20 am: 5 IR 25; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

**170 IAC 8.5-3-7 Service pipe connections**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 7. Service Pipe Connections. (a) Company's Service Pipe. The sewage disposal company shall install and maintain that portion of the service pipe from the lateral to the boundary line of the easement, public road, or street, under which such lateral may be located, except as subsequently provided. The customer shall "rod" and otherwise clean the company's portion of the service pipe serving the customer in the event the same becomes clogged or blocked as a result of debris or waste entering such service pipe from the customer's premises, as a result of the customer's actions.

(b) Customer's Service Pipe. The customer shall install and maintain that portion of the service pipe from the end of the company's portion into the premises served.

(c) Requirements for Customer's Service Pipe. The customer's service pipe and appurtenances shall be constructed of materials approved by the sewage disposal company and be installed under the inspection of the sewage disposal company. It shall be the customer's responsibility to maintain his service pipe and appurtenances in good operating condition. *(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 23; filed Dec 9, 1981, 10:20 am: 5 IR 25; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

**170 IAC 8.5-3-8 Modification at customer's expense**

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

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Sec. 8. Modification at Customer's Expense. If a customer requests for his convenience or by his actions requires that sewage utility facilities be redesigned, reengineered, relocated, removed, modified, or reinstalled, the company may require the customer to make payment to it of the full cost of performing such service. (*Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 24; filed Dec 9, 1981, 10:20 am.: 5 IR 26; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

### **170 IAC 8.5-3-9 Extension of sewer lines (Repealed)**

Sec. 9. (*Repealed by Indiana Utility Regulatory Commission; filed Dec 5, 1990, 3:35 p.m.: 14 IR 572*)

### **Rule 4. Extension of Sewer Mains**

#### **170 IAC 8.5-4-1 "Applicant" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 1. As used in this rule, "applicant" means a person requesting the main extension in order to receive sewer utility service from the utility. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-1; filed Dec 5, 1990, 3:35 p.m.: 14 IR 566; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

#### **170 IAC 8.5-4-2 "Commission" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 2. As used in this rule, "commission" refers to the Indiana utility regulatory commission. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-2; filed Dec 5, 1990, 3:35 p.m.: 14 IR 566; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

#### **170 IAC 8.5-4-3 "Completion date of the main extension" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 3. As used in this rule, "completion date of the main extension" means the date the utility declares the main extension to be in service and releases it for taps. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-3; filed Dec 5, 1990, 3:35 p.m.: 14 IR 566; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

#### **170 IAC 8.5-4-4 "Cost of connecting" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 4. As used in this rule, "cost of connecting" means the average of the utility's costs for the same size service connection incurred during the preceding calendar year including, if provided by the utility, the service pipe, tap, and installation thereof or portions thereof; however, the cost of connecting shall not be applicable under this rule for those portions of such cost recovered from an applicant by a utility in the form of a tap or similar charge. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-4; filed Dec 5, 1990, 3:35 p.m.: 14 IR 566; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

#### **170 IAC 8.5-4-5 "Cost of the main extension" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

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Sec. 5. As used in this rule, "cost of the main extension" means the cost of installing the main as determined in sections 30 through 33 of this rule. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-5; filed Dec 5, 1990, 3:35 p.m.: 14 IR 566; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-6 "Customer" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 6. As used in this rule, "customer" means a person being supplied with sewer utility service. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-6; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-7 "Deposit" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 7. As used in this rule, "deposit" means the amount required to be deposited by or on behalf of each applicant or prospective customer for a main extension prior to the utility commencing construction of the main extension. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-7; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-8 "Estimated annual revenue" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 8. As used in this rule, "estimated annual revenue" for an applicant connecting to the main means the utility's average annual revenue per applicant from comparable customers in the calendar year preceding such connection, adjusted to reflect any changes in the applicable rates and charges of the utility for such service. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-8; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-9 "Frontage" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 9. As used in this rule, "frontage" means the footage, ten (10) feet minimum length, of a lot or tract (but not an easement) boundary that is parallel to or curvilinear to, and immediately adjacent to a main extension in a public thoroughfare or easement. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-9; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-10 "Immediate revenue allowance" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 10. As used in this rule, "immediate revenue allowance" means the amount of three (3) times the estimated annual revenue less the cost of connecting for an applicant. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-10; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)



**170 IAC 8.5-4-11 "Lot" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 11. As used in this rule, "lot" means a parcel of land as platted, or if the area to be served is not platted, the equivalent of a parcel of land as determined in accordance with section 29 of this rule. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-11; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-12 "Main" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 12. As used in this rule, "main" means a pipe owned by the utility which connects to service pipes for transmitting sewage effluent. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-12; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-13 "Main extension" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 13. As used in this rule, "main extension" means the mains and appurtenances installed by the utility to provide the sewer utility service requested by or on behalf of the applicant or prospective customer, but does not include the service pipes. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-13; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-14 "Original depositor" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 14. As used in this rule, "original depositor" means an applicant who enters into a main extension agreement and makes a deposit with the utility. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-14; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-15 "Person" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 15. As used in this rule, "person" means an individual, firm, corporation, governmental agency, or other entity. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-15; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-16 "Prospective customer" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 16. As used in this rule, "prospective customer" means a person who is not an original depositor, but whose lot or frontage directly abuts the main extension between its original beginning and its original end point. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-16; filed Dec 5, 1990, 3:35 p.m.: 14 IR 567; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-17 "Public thoroughfare" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 17. As used in this rule, "public thoroughfare" means a road, street, or way which has been dedicated for use by the public and accepted by the appropriate governmental authority. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-17; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-18 "Refund" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 18. As used in this rule, "refund" means the subsequent connector's fees, subsequent connector's revenue allowances, and revenue allowances from depositor-authorized connections of lots included in the original depositor's main extension agreement that must be paid by the utility to the original depositor for ten (10) years after the completion date of the main extension. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-18; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-19 "Revenue allowance from depositor-authorized connection" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 19. As used in this rule, "revenue allowance from depositor-authorized connection" means the amount of three (3) times the estimated annual revenue less the cost of connecting that the utility may refund to original depositor for connections for lots or unplatted areas owned, controlled, or designated by the original depositor and does not include an immediate revenue allowance. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-19; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-20 "Service pipe" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 20. As used in this rule, "service pipe" means a sanitary sewer line leading directly from the premises to the main adjacent to such premises. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-20; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-21 "Subsequent connector" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 21. As used in this rule, "subsequent connector" means a person who was not an original depositor but subsequently applies for sewer service and who connects to the main within ten (10) years after the completion date of the main extension. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-21; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-22 "Subsequent connector's fee" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 22. As used in this rule, "subsequent connector's fee" means the cash fee equal to the cost per lot of the main extension

determined in accordance with sections 29 through 31 of this rule, multiplied by the number of lots for which service is requested. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-22; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-23 "Subsequent connector's revenue allowance" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 23. As used in this rule, "subsequent connector's revenue allowance" means three (3) times the estimated annual revenue for the subsequent connector less the cost of connecting. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-23; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-24 "Tap" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 24. As used in this rule, "tap" means a fitting owned by the utility and inserted by it into a main to which a service pipe is attached. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-24; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-25 "Total required deposit" defined**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 25. As used in this rule, "total required deposit" means the amount by which the cost of the main extension exceeds the immediate revenue allowance for the original depositor. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-25; filed Dec 5, 1990, 3:35 p.m.: 14 IR 568; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-26 Free extension**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 26. A utility, upon written request for service by an applicant, shall extend a main and connect the applicant free of charge to provide the service requested if:

- (1) the cost of the main extension does not exceed the immediate revenue allowance for the applicant; and
- (2) the applicant agrees to take service within nine (9) months following the completion date of the main extension.

(*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-26; filed Dec 5, 1990, 3:35 p.m.: 14 IR 569; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-27 Main extension; exception to commission approval**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 27. If the cost of the main extension is greater than the free extension cost provided in section 26 of this rule, that extension shall be made, upon receipt by the utility of a signed agreement and a deposit from the applicant, without specific approval of the agreement by the commission. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-27; filed Dec 5, 1990, 3:35 p.m.: 14 IR 569; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-28 Main extension route**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 28. (a) The utility shall use good engineering and sewer utility practices in determining the route for all main extensions. Any facilities installed in connection with main extensions shall become the property of the sewer utility.

(b) The utility shall determine the total length of the extension from its existing main to serve the extension to the end of the lot or frontage of the most remote applicant to be served.

(c) If the end lot or frontage is a corner lot or frontage abutting an intersecting street in which no main is located, the end of the new extension may not extend beyond the intersecting street corner of that lot.

(d) 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 major physical or natural barrier, the end point of the main extension, if serving the most remote lot or frontage, shall be the point of the most remote service pipe connection, which connection point shall be at least ten (10) feet beyond the lot line. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-28; filed Dec 5, 1990, 3:35 p.m.: 14 IR 569; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-29 Number of lots served by main extension**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 29. A determination shall be made of the number of lots to be served by the main extension. The determination may include only lots which directly abut the main extension between its original beginning and its original end point. If any part of the main extension is located within an area platted or to be platted, the number of lots shown within the plat to be served shall be included in the determination. If any part of the main extension is located in an unplatted area, the number of lots to be included shall be determined by dividing the total frontage of the main extension within the unplatted area on either or both sides of the public thoroughfare or easement 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 are available for future development and not restricted against usage because of limited access or other reasons. The determination of the number of lots for a particular extension may include a combination of platted and unplatted lots as defined in this section. Any further main extension subsequently connected to the original main extension shall, for all purposes under this rule, constitute a separate main extension. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-29; filed Dec 5, 1990, 3:35 p.m.: 14 IR 569; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-30 Main extension cost**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 30. (a) The cost of the main extension may, as determined by the utility, be either:

- (1) the estimated cost of the extension; or
- (2) the actual cost of a developer-installed extension.

(b) For any special construction, or for any other facility involved in a main extension, the cost shall be the utility's best estimate of the cost of the main, special construction, or related facilities based upon current available information.

(c) If the utility's future extension plans require a larger main than is reasonably necessary to serve the applicants and prospective customers, the difference in the cost for the larger main size and increased material and installation cost, if any, shall be borne by the utility.

(d) The estimated cost shall be adjusted to the actual cost by the utility, in which event the actual cost as finally determined shall constitute the cost of the main extension. 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. If the actual cost of the extension is less than the estimated cost, the utility shall refund the difference to the original depositor as soon as the actual cost has been determined. If the actual cost of the extension exceeds 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. (*Indiana Utility Regulatory Commission;*

170 IAC 8.5-4-30; filed Dec 5, 1990, 3:35 p.m.: 14 IR 569; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)

**170 IAC 8.5-4-31 Cost per lot**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 31. The cost per lot shall be determined by:

- (1) the total number of lots to be served by the main extension divided into the cost of the main extension; or
- (2) the cost of the main extension shall be divided proportionately on the basis of respective lot frontage for all lots to be served by the main extension.

(Indiana Utility Regulatory Commission; 170 IAC 8.5-4-31; filed Dec 5, 1990, 3:35 p.m.: 14 IR 570; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)

**170 IAC 8.5-4-32 Cost options**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 32. (a) The utility shall file with the commission, for approval, its choice of the following options with appropriately revised rules:

- (1) For the main extension, the applicant shall be allowed to pay the cost of the main extension, and the full gross-up state and federal taxes associated with the cost of the extension and the applicant shall receive refunds as provided in sections 36 through 37 of this rule.
- (2) For the main extension, the applicant shall be allowed to pay the cost of the main extension exclusive of the tax associated with the main extension, and the applicant shall receive refunds as provided in sections 36 through 37 of this rule.
- (3) For the main extension, the applicant shall be allowed the option of paying the cost of the main extension and full gross-up state and federal taxes associated with the cost of the main extension, and the applicant shall receive refunds as provided in sections 36 through 37 of this rule, or paying the cost of the main extension exclusive of the tax associated with the main extension, and the applicant shall forfeit all rights to immediate revenue allowances and to refunds, except for subsequent connector's fees.

(b) If the utility desires to change its option after initial filing, the utility shall submit its requested revisions to the commission for approval. (Indiana Utility Regulatory Commission; 170 IAC 8.5-4-32; filed Dec 5, 1990, 3:35 p.m.: 14 IR 570; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)

**170 IAC 8.5-4-33 Total required deposit**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 33. (a) In the case of a residential real estate development, immediate revenue allowance may not be deducted from the cost of the main extension in determining the amount of the total required deposit, except for those residential dwelling units, if any, where construction has commenced above the first floor level.

(b) In the case of a commercial or industrial real estate development, immediate revenue allowance may not be deducted from the cost of the main extension in determining the amount of the total required deposit, except where building construction has commenced and pertinent data, such as customer types, service pipe, metering arrangements, and sewer demands, have been furnished to the utility, to allow the utility to determine the estimated annual revenue from that development.

(c) The total required deposit for a main extension 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. The deposit may also be secured in any other manner which is mutually acceptable to the parties and which guarantees payment of the deposit immediately upon completion of the main extension.

(d) If permitted by the utility, the main extension may be installed by the developer or the developer's contractor according to the extension and installation policies of the utility, and the actual cost of the developer-installed extension shall be considered

the total required deposit.

(e) A utility may allocate, or permit original depositors to allocate, the total required deposit on the basis of the number of lots, the respective lot frontage, or any other basis mutually acceptable to the original depositors. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-33; filed Dec 5, 1990, 3:35 p.m.: 14 IR 570; errata filed Mar 11, 1991, 3:55 p.m.: 14 IR 1455; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

#### **170 IAC 8.5-4-34 Subsequent connector fee**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 34. (a) Within ten (10) years after the completion date of the main extension, a utility shall not permit a subsequent connector to connect to a main extension until after the subsequent connector has paid the required subsequent connector's fee to the utility.

(b) Applicants for service connections for lots in subdivision and tract developments which are included in the original depositor's main extension agreement, are not required to pay a subsequent connector's fee, unless otherwise specifically provided for in the main extension agreement.

(c) If a prospective customer with frontage land that was unplatted on one (1) or both sides of the street at the time the main extension was installed later subdivides this frontage prior to the expiration of the ten (10) years after the completion date of the main extension in such a manner that some or all lots will not require service directly from that main extension, the customer is considered to have requested another extension from that main extension to serve the customer's land. The utility in that case shall collect from the prospective customer prior to installing the requested second extension, a subsequent connector's fee for each equivalent lot of the frontage land used in determining the main extension cost per lot and which will not be served directly by the original main extension. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-34; filed Dec 5, 1990, 3:35 p.m.: 14 IR 571; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

#### **170 IAC 8.5-4-35 Refunds**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 35. (a) Refunds shall be paid for a period of ten (10) years after the completion date of the main extension to the original depositor in proportion to the respective deposits, unless the original depositor for the main extension forfeited all rights to refunds, except subsequent connector's fees, as provided in section 32(a)(3) of this rule.

(b) However, no refunds shall be required to be made by the utility until the number of customers actually connected to the main extension equals the number of applicants for which an immediate revenue allowance was included in computing the total required deposit for the main extension. The refunds shall be paid annually or more frequently at regular intervals at the discretion of the utility.

(c) Total refunds to any original depositor shall not exceed the amount of the original deposit except in the case of a phased residential real estate development. In this situation the preliminary plat must be submitted to the utility at the time of the first request for a main extension. During the ten (10) year period beginning with the completion date of the first main extension, the amount of any refunds generated in excess of the deposit made on any phase of the development must 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 the period. The utility shall not require any subsequent connector's fee which is in excess of the unrefunded balance of the aggregate of deposits received from all original depositors.

(d) The refund shall be made by mailing the payment to the original depositor's last known address as shown on the books and records of the utility. Any refund distribution which cannot be returned to an original depositor after the refund becomes due and payable must be reported as required by IC 32-9-1-42 [*Repealed by P.L.31-1995, SECTION 9, effective July 1, 1996.*]. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-35; filed Dec 5, 1990, 3:35 p.m.: 14 IR 571; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-36 Deposit**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 36. A deposit shall be held by the utility as a customer's advance for construction. Any deposit which is not subject to refund because of the running of the ten (10) year period as provided in section 35 of this rule, shall be transferred by the utility to contributions in aid of construction. If the original depositor for a main extension forfeits all rights to a refund, except for subsequent connector's fees, as provided in section 32(a)(3) of this rule, the payment must be included in contributions in aid of construction and the associated taxes shall be deducted from contributions in aid of construction. All other deposits must be held as customers' advances for construction until returned to the original depositor or be reported as required under IC 32-9-1-36 [*Repealed by P.L.31-1995, SECTION 9, effective July 1, 1996.*], and as provided under section 35 of this rule. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-36; filed Dec 5, 1990, 3:35 p.m.: 14 IR 571; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-37 Basis for costs**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 37. If the applicant is required to make any payment, the utility shall, upon request, make the following available to the applicant:

- (1) The information used to establish the basis for the cost of the main extension.
- (2) The information used to establish the basis for the estimated annual revenue for a period of three (3) years to be realized by the utility from permanent and continuing customers on main extensions as required by this rule.

(*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-37; filed Dec 5, 1990, 3:35 p.m.: 14 IR 572; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-38 Extension exception**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 38. A utility shall not be required to make extensions as described in this rule unless the applicants to be initially served by those extensions contract to use the service for a period of three (3) years. A bond may be required of the applicant in this situation. (*Indiana Utility Regulatory Commission; 170 IAC 8.5-4-38; filed Dec 5, 1990, 3:35 p.m.: 14 IR 572; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA*)

**170 IAC 8.5-4-39 Special contract**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89  
Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 39. (a) A utility may require a special contract when:

- (1) 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 utility investment involved in such extension;
- (2) the prospects are that the patronage and demand will not be of such permanency as to warrant the capital expenditure involved;
- (3) there are industrial installations requiring extensive sewer utility investment and where the demand for sewer service is expected to be slight, irregular, or of unknown quantity; or
- (4) there are other abnormal or extraordinary circumstances.

(b) The utility and the applicant requesting the extension may enter into a special contract establishing the terms and conditions on which the extension will be made. In the event they are unable to agree on the terms and conditions, the matter, including the contract embodying the terms and conditions, shall be submitted to the commission for a determination. (*Indiana Utility Regulatory*

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SEWAGE DISPOSAL SERVICES

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*Commission; 170 IAC 8.5-4-39; filed Dec 5, 1990, 3:35 p.m.: 14 IR 572; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

**170 IAC 8.5-4-40      Prohibition exception**

Authority: IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3; IC 8-1-2-89

Sec. 40. This rule does not prohibit a utility from making free extensions of lengths greater than specified in this rule or from providing a method of return of deposits for extensions more favorable to original depositors, so long as discrimination is not practiced among applicants or original depositors whose service requirements are similar. *(Indiana Utility Regulatory Commission; 170 IAC 8.5-4-40; filed Dec 5, 1990, 3:35 p.m.: 14 IR 572; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233; readopted filed Apr 24, 2007, 8:21 a.m.: 20070509-IR-170070147RFA)*

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