INDIANAPOLIS – The Indiana Office of Utility Consumer Counselor (OUCC), the City of Indianapolis, Citizens Energy Group and other key customer stakeholders today announced an agreement on terms for the City’s transfer of the water and wastewater systems to Citizens. The agreement was filed today with the Indiana Utility Regulatory Commission (IURC), which will review the agreement as part of its decision on the proposed transfer of the systems to Citizens.

Also joining the agreement supporting the transfer of the systems were the Indianapolis Water/Sewer Industrial Group, which includes large industrial customers of the water and wastewater systems, and the Indianapolis Water Service Advisory Board, representing communities outside Marion County that are served by the water system.

Mayor Greg Ballard and Citizens in March 2010 announced the plan to transfer the systems to Citizens, a non-profit public charitable trust. The transfer is expected to result in $60 million in annual savings and combined water and wastewater rates that are 25 percent lower than current projections. The City plans to utilize $425 million in proceeds from the utility transfer to make infrastructure improvements in parks, repair bridges, streets, and sidewalks, and remove hundreds of abandoned homes.

The City-County Council of Indianapolis and Marion County approved the plan in July 2010, and the proposal is now under review by the IURC. As part of its review, the IURC held public hearings in December 2010 and February 2011. The OUCC, which represents consumer interests in cases before the IURC, recommended approval of the transfer on certain conditions in January.

Among the key provisions of the agreement are:

- All parties agree that the IURC’s approval of the agreement will assist in facilitating achievement of the benefits of the proposed transfer at the earliest opportunity.

- Citizens would adopt the existing rates and terms and conditions of water service that the IURC approved in its Feb. 2, 2011 rate order for the Department of Waterworks. Citizens would adopt the existing rates and charges for wastewater service, which were approved by the City-County Council through 2013.

- Citizens will document savings generated from the utility transfer, and Citizens will make periodic reports on the status of savings to the IURC and OUCC. These reports will be available to the public.

- Citizens will continue to seek input from technical advisory groups, environmental groups and other organizations interested in water and wastewater issues. Citizens also will maintain the Service Advisory Board and honor commitments to communities outside Marion County that are served by the water system.
Citizens will collaborate with the OUCC, IURC and other parties on a variety of important issues facing the water and wastewater utilities, including the elimination of septic tanks in Marion County, future rate design and water conservation planning.

“The OUCC has engaged in extensive negotiations with the City and Citizens over the past two months since recommending approval of these system transfers, subject to a number of conditions, including documentation and reporting of savings derived from the transactions as well as increased accountability in regard to the systems’ operations,” said Indiana Utility Consumer Counselor David Stippler. “This agreement resolves our concerns and we are pleased that the negotiations have led to a fair resolution for customers.”

Mayor Ballard thanked all parties to the agreement for seeking the best outcome for the community. “This agreement strengthens our plan to ensure well managed, more affordable utilities for our community without partisan politics. We look forward to IURC approval of the utility transfer so Citizens can begin implementing synergies among the combined utilities while passing on significant annual savings to customers.”

Carey Lykins, President and CEO of Citizens, also expressed his appreciation for the work of the OUCC and other parties to the agreement. “We appreciate the efforts of the Utility Consumer Counselor and other parties to reach this agreement, which will foster a collaborative relationship with the OUCC and other key stakeholders as we move forward. Citizens is now focused on utility integration planning that will ensure high quality drinking water and cleaner area rivers and streams for our community. We will meet these commitments while documenting $60 million in annual savings that will benefit all utility customers,” Lykins said.

To access documents filed in the IURC’s utility transfer proceeding, visit the IURC’s Electronic Document System (EDS) at https://myweb.in.gov/IURC/eds/. Once you access the EDS, click the Cases link. In the docket number field, type the number 43936, and click the search button. To access the filings, click the Filings\Docket Entries button. The OUCC website also has a page dedicated to the proposed transfer at www.in.gov/oucc/2626.htm.

More information about the utility transfer plan may be accessed at www.indy.gov/utilities or www.CitizensEnergyGroup.com. A copy of the agreement is available online at www.indy.gov/utilities and on the ftp site that that the Mayor launched on May 14, 2010, which includes more than 500 documents about the transfer. The ftp site is available at ftp://ftp.indygov.org/utilities/ and entering the following login information: Username: public; Password: public.

About the OUCC
The Indiana Office of Utility Consumer Counselor (OUCC) represents Indiana consumer interests before state and federal bodies that regulate utilities. As a state agency, the OUCC’s mission is to represent all Indiana consumers to ensure quality, reliable utility services at the most reasonable prices possible through dedicated advocacy, consumer education, and creative problem solving. To learn more, visit www.IN.gov/OUCC.

About Citizens Energy Group
Citizens Energy Group is a Public Charitable Trust providing safe and reliable utility services to more than 266,000 customers in and around Marion County. The Public Charitable Trust means the utility is managed only for the benefit of customers and the community. Additional information is available online at www.CitizensEnergyGroup.com - Facebook - Twitter - YouTube
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