INDIANAPOLIS — The City of Indianapolis and Citizens Energy Group today filed testimony with the Indiana Utility Regulatory Commission (IURC) related to a recent agreement reached with key customer stakeholders in support of the proposed transfer of the community’s water and wastewater utilities to Citizens.

In March 2010, Mayor Greg Ballard and Citizens 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.

Also joining the agreement supporting the transfer of the systems were the Indiana Office of Utility Consumer Counselor (OUCC), 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.

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. The IURC will schedule a public hearing regarding the agreement with key stakeholders. The agreement requires Citizens to publicly document savings resulting from the transfer, seek input from utility advisory groups and collaborate with the OUCC and other parties on future rate design.

Chris Cotterill, Chief of Staff for Mayor Greg Ballard, filed testimony expressing the City’s belief that the “transaction holds great promise for the City’s water and wastewater utilities and their customers” and hope that the “settlement will accelerate the implementation of the proposed transaction.”

Testimony filed with the IURC by Carey Lykins, President and CEO of Citizens, emphasizes the aspects of the settlement agreement that reflect Citizens’ ongoing commitment to transparency and collaboration, stating “our commitment to those values remains a top priority, and I am pleased we have reached a Settlement Agreement that will foster a transparent and collaborative relationship with the OUCC, the Commission and other key stakeholders as we move forward.”

Additionally, the documents filed today include an agreement proposing a one-time payment of $1.5 million from the City to the Water/Sewer Industrial Group to resolve concerns the Industrial Group has raised about the wastewater transfer. The funds will be drawn from an escrow account established by the utility transfer agreements approved by the City-County Council.

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.
Testimony Filed, continued

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 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 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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