

**WATER CUSTOMERS OF
FLOYDS KNOBS WATER COMPANY, INC.**

In Re: Proposed Water Rate Increase

Dear Water Customer:

The purpose of this letter is to notify you that the Floyds Knobs Water Company, Inc. did, on June 20, 2018, file an application with the Indiana Utility Regulatory Commission to increase the water rate charged to customers of the Floyds Knobs Water Company.

This application was filed pursuant to Ind. Code 8-1-2-61.5 without the necessary cost of a Utility Regulatory Commission hearing. However, a public hearing by the Utility Regulatory Commission may be held if any public or municipal corporation, ten (10) individuals, firms, corporations or associations, or ten (10) complainants of all or any of these classes affected by the proposed rate change requests a formal public hearing by filing a written, signed request with the Secretary of the Commission, Utility Regulatory Commission, 101 W. Washington Street, Suite 1500 East, Indianapolis, Indiana 46204. Said request must be received by the Utility Regulatory Commission within forty (40) days after the date the application was filed with the Utility Regulatory Commission and declared complete. In addition, a public hearing may be held if the same is requested by the Indiana Utility Consumer Counselor.

The proposed increase in the water rate requested by the application is approximately 24.36%, and is proposed to be an "Across the Board" increase.

In the absence of a written request as provided herein, there likely will be no hearing conducted by the Utility Regulatory Commission on this application.

FLOYDS KNOBS WATER COMPANY, INC.

/s/ Rick Morgan
Rick Morgan, President



For Immediate Release

July 3, 2018

News Media Contact:

Anthony Swinger, (317) 233-2747 or
aswinger@oucc.IN.gov

Floyds Knobs Water Company rate case: Consumer comments invited

If you would like to comment on Floyds Knobs Water Company's proposed rate increase, you have the chance to do so.

The Indiana Office of Utility Consumer Counselor (OUCC) is inviting written consumer comments on the utility's request through September 12, 2018. The OUCC, the state agency representing consumer interests in cases before the Indiana Utility Regulatory Commission (IURC), is scheduled to file its testimony and recommendations with the Commission on September 18, 2018.

The OUCC will use its legal and technical resources to review the utility's request. In its September testimony, the OUCC will detail the results of its analysis.

Floyds Knobs Water Company's current rates received IURC approval in 2014. Under its pending request, the monthly water bill for a residential customer using 5,000 gallons would rise from \$41.40 to \$50.25. The not-for-profit utility provides service to approximately 2,180 customers in Floyd County. It cites increased operating and maintenance costs along with debt service payments for prior infrastructure improvements in its filing with the IURC.

More information on this case is available at www.in.gov/oucc/2769.htm.

Consumers who wish to submit written comments may do so via the OUCC's website at www.in.gov/oucc/2361.htm, or by mail, email, or fax:

- Mail: Consumer Services Staff
Indiana Office of Utility Consumer Counselor
115 W. Washington St., Suite 1500 South
Indianapolis, IN 46204
- email: uccinfo@oucc.IN.gov
- Fax: (317) 232-5923

The OUCC needs to receive all written consumer comments no later than September 12, 2018 so that it can: 1) Consider them in preparing its report and 2) File them with the Commission to be included in the case's formal record. Comments should include the consumer's name, mailing address, and a reference to "IURC Cause No. 45112-U." Please do not include account numbers, social security numbers, or other sensitive information.

(Continued)

Consumers with questions about submitting written comments can contact the OUCC's consumer services staff toll-free at 1-888-441-2494.

Floyds Knobs Water Company is seeking the rate increase through the state's Small Utility Filing Procedure, which is available to utilities with fewer than 5,000 customers and is designed to reduce the time and expense involved with regulatory filings. Savings are gained by allowing utility staff to use standardized forms resulting in utilities needing less assistance from rate consultants or attorneys.

The standard for OUCC and IURC reviews on small utility filings is the same that applies to traditional utility filings. The OUCC conducts its review on behalf of all utility consumers while the IURC's review is conducted on behalf of the public interest (a balancing of utility and customer interests). A settlement agreement is possible in any legal proceeding; such an agreement, if reached, would require IURC approval.

(IURC Cause No. 45112-U)

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.

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