

# Current Legal Issues Impacting Water Utilities

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White River Alliance  
Indiana Water Summit  
August 22, 2024

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# Outline of Discussion Topics

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- Regulation of Water Utilities
- Regionalization
- Territorial disputes
- Water rates and charges
- Regulation of water supply

# Regulation of Water Utilities

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- Municipal Water Systems – most have opted out of IURC regulation
- For Profit Water Utilities – all are regulated by the IURC
- Non-Profit Water Utilities – most have withdrawn from IURC jurisdiction
- Water Authorities – hybrid utility; most are regulated by IURC, but have legal authority to withdraw
- Regional Water Districts – not regulated by the IURC
- Conservancy Districts – most are regulated by the IURC

# Regionalization

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- SRF Program grants priority and funding for regionalization projects
- New legislation allowing for expedited approval of a limited jurisdiction over acquisition of smaller utilities by larger utilities
- Anti-Degradation – for sewer

# Water Rates and Charges

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- Wholesale Water Rates
- Retail Rates
- If not regulated by the IURC, then any disputes go to the trial court
- In either case, rates must be cost-based and courts have recently ruled that automatic CPI adjustments not tied to actual costs for a given utility are unlawful
- Rate-making bible: AWWA M1 Manual

# Territorial Disputes for Water Utilities

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- First come, first serve: race state
- Three exceptions
  - Municipal water ordinances
  - 7 USC § 1926
  - Regional districts

# Regulation of Water Supply

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- Town of Avon v. West Central Conservancy District, 957 N.E.2d 598 (Ind.2011)
- 2012 Law changed court ruling in Avon; granted power to regulate to Department of Natural Resources
- Southern Indiana Model
- Tippecanoe County Dispute
- Indiana General Assembly

# Questions

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