



Immediate Release

Oct. 16, 2013

Agreement Reached on Transfer of Westfield Utilities to Citizens Energy Group ***Transfer Awaits Approval from Indiana Utility Regulatory Commission***

INDIANAPOLIS – The Indiana Office of Utility Consumer Counselor (OUCC), the City of Westfield and Citizens Energy Group today announced an agreement on terms for the transfer of Westfield Utilities 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.

Major provisions of the agreement include:

- ✓ Recommends IURC approval of the transfers as in the public interest
- ✓ Retains current schedule of rate adjustments adopted by the Westfield City Council through 2016
- ✓ Rate increases after 2016 would require approval through the IURC process, which includes public input
- ✓ Assigns cell phone tower contracts to Citizens, with future revenues used to benefit customers

On Sept. 24, 2012, Mayor Andy Cook and Citizens announced the plan to transfer the community's water and wastewater utilities to Citizens for a purchase price of \$91 million. After a public input process that included four town hall meetings, the Westfield City Council approved the utility transfer by a 6-1 vote on Nov. 5, 2012. The proposed transfer was filed with the IURC on Nov. 20, 2012.

"The transfer of Westfield Utilities to Citizens will secure our vital water resources with a trusted utility operator, while providing our community funding for infrastructure improvements and debt repayment. This milestone agreement is recognition that this transaction will bring extraordinary value to utility customers and taxpayers," said Mayor Andy Cook.

"We are pleased that a resolution was able to be reached among the parties on a series of very complicated issues that will result in the transfer of Westfield's assets," said David Stippler, Indiana Utility Consumer Counselor. "The City of Westfield has been an excellent steward of its utility assets, which made our office's analysis in this case much easier to conduct and complete. I want to especially acknowledge the city's administration for working diligently with our office and Citizens in forging a creative outcome in this proceeding."

"We look forward to creating Citizens Westfield, an efficient gas, water, and wastewater utility that continues to deliver an outstanding customer experience, as we make investments to ensure safety, reliability and water supply necessary for the community's growth," said Carey Lykins, President & CEO of Citizens Energy Group.

Benefits of the utility transfer include:

- **Erasing debt** -- Proceeds will be used to pay off all of Westfield Utilities' \$45 million of debt.
- **Infrastructure improvements** -- \$40 million will be available for funding infrastructure improvements including new streets, roundabouts, sidewalks and trail expansions, all without raising property taxes.
- **Water supply security** – With access to three reservoirs, the White River and nine well fields, Citizens will utilize regional planning to ensure a more sustainable water supply for the fast growing Westfield community.



- **Smooth transition for customers** -- Citizens is an industry leader for customer service and has a proven track record for providing a smooth transition for newly acquired utility customers, including in Westfield where it provides natural gas service.
- **Employees retained** – Citizens has offered positions to current Westfield Utilities employees. Retaining the expertise of current utility employees is vital to continuing effective operations.
- **Greater efficiency** – Being associated with Citizens Energy Group will allow Citizens Westfield to operate more efficiently while enhancing customer service.
- **Increased revenue for city** – Citizens Westfield will pay about \$2 million per year in property taxes that can be used for schools and other budgetary needs. Westfield Utilities does not pay property taxes.

As the IURC considers the transfer agreement, Citizens will continue planning the integration of Westfield Utilities into the Citizens family of companies. Westfield Utilities customers will see few changes during the first year of the transfer.

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About Citizens Energy Group

Citizens Energy Group is a Public Charitable Trust providing safe and reliable utility services to about 400,000 residential, commercial and industrial customers in the Indianapolis area. Additional information is available online at www.CitizensEnergyGroup.com - [Facebook](#) - [Twitter](#) - [YouTube](#)

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. Learn more at www.in.gov/oucc - [Facebook](#) - [Twitter](#)

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