



## **Citizens-Lebanon Water Supply Program: Myths vs. Facts**

Public discussion around the Citizens-Lebanon Water Supply Program (CLWSP) has included several recurring statements of misinformation, which have been presented as facts. The repeated statements of misinformation seem to be intended to mislead the public, creating common myths which are easy to embrace. The information below clearly distinguishes common myths from verified facts, based on Citizens Energy Group planning for the program (and coordination with Lebanon Utilities as of April 2026.)

For additional information, fact sheets, and updates, visit the Citizens–Lebanon Water Supply Program webpage or contact [CLWSP@citizensenergygroup.com](mailto:CLWSP@citizensenergygroup.com).

### ***The water supply agreement***

**MYTH:** Citizens could later be required to provide more than 25 million gallons of water per day (MGD) if LEAP expands.

**FACT:** Citizens has agreed to provide up to 25 MGD by 2031 and has neither agreed to nor discussed providing water beyond that amount. Neither Lebanon Utilities nor the State has the authority to compel Citizens to provide more than 25 MGD. The current contractual arrangement between Citizens and the State is to construct infrastructure with the capacity to supply *up to 25 MGD* and the infrastructure design will not accommodate volumes above 25 MGD.

**MYTH:** Citizens will dramatically increase its Eagle Creek water withdrawals to support Lebanon.

**FACT:** Citizens currently withdraws approximately 10 MGD from Eagle Creek Reservoir which is well within the parameters of the surface water contract with the City of Indianapolis that has been in place for over 50 years. As part of planned work on the T.W. Moses treatment plant, an additional 1–3 MGD may be sourced in the future—resulting in total withdrawals of approximately 11–13 MGD, which also would be consistent with longstanding planning and existing contractual limits. Even with this upgrade, Citizens water withdrawals will only represent 14 percent of the total water flowing through Eagle Creek daily. The reservoir will be operated to maintain the same reasonable levels (788.5 to 791 feet) and downstream flows that exist today. A deeper discussion of this point is available (as of April 2026) in a technical presentation video posted on our dedicated webpage.

**MYTH:** The CLWSP benefits Lebanon at the expense of Indianapolis residents.

**FACT:** Citizens Water is a regional water system that today serves not just in Marion County but multiple counties throughout Central Indiana. CLWSP will further strengthen the already robust system by improving reliability, redundancy, and water pressure for all customers—particularly those near to the improvements, including in Marion County. In supporting Lebanon, current water customers in Marion County will receive these benefits without paying for any of the infrastructure costs. Those costs will be fully funded through state financing and revenues from Lebanon.

**MYTH:** Citizens is planning to send 25 million gallons per day directly from Eagle Creek Reservoir to the LEAP District.

**FACT:** Citizens has agreed to provide up to 25 million gallons per day to Lebanon Utilities as a wholesale customer, not directly to the LEAP District. That water will come from the entire Citizens water system, not from Eagle Creek alone. There is no direct pipeline from Eagle Creek to the LEAP District. The T.W. Moses Plant on Eagle Creek Reservoir will increase its production by 1-3 MGD when this project is complete. It is important to note that Citizens surface water treatment plants rely on the natural, daily flow of water through Central Indiana’s river systems, not on stored reservoir water. The reservoirs serve as back-up supplies for drought resilience, and their storage is only utilized during the most severe drought conditions. Multiple engineering studies and models confirm that the Eagle Creek river system provides more than sufficient daily flow to support an additional 1-3 MGD withdrawal. Public stream gauge readings which track river flows into and out of the reservoir compiled by the United States Geological Survey are available to confirm these findings.

**MYTH:** The program was rushed or decided without planning.

**FACT:** The program reflects years of structured planning, technical evaluation, and public engagement, not a rushed or reactive decision. A formal agreement was reached in late 2024, and construction is phased over approximately six years, with incremental delivery milestones. With respect to water supply planning, Citizens maintains an ongoing, 50-year water supply plan for the entire region. The additional water supply projects—including the upgrades along Eagle Creek—are not new, rushed, or improvised. They have been part of the Citizens long-term strategy for years. All system upgrades underwent rigorous expert study. These improvements were only proposed following detailed analyses and engineering consultant review, well before formal decisions were made.

**MYTH:** Citizens customers will pay for the Lebanon water project.

**FACT:** Citizens water customers will not bear the cost of the CLWSP. Program infrastructure is funded through Indiana Drinking Water State Revolving Fund financing and structured to

protect customers from project costs. Further, the price of providing wholesale water service to Lebanon Utilities will account for all costs related to the provision of service. The bill will ultimately be paid by the tenants of the LEAP District.

### ***The relationship with Lebanon Utilities & the LEAP District***

**MYTH:** Citizens is responsible for Lebanon Utilities' wastewater treatment and discharge decisions.

**FACT:** Citizens is not an official decision-maker when it comes to Lebanon Utilities' wastewater treatment or discharge agreements. Lebanon Utilities is responsible for wastewater treatment design, permitting, and discharge decisions, in coordination with state and federal regulators. Yet, as Citizens holds stewardship as a core value, we are working as a program stakeholder with Lebanon Utilities to ensure that no decisions are made which would negatively impact our customers or the Eagle Creek Reservoir ecosystem.

**MYTH:** The decision is final: Treated wastewater from Lebanon will be discharged into Eagle Creek Park.

**FACT:** Lebanon Utilities has communicated publicly on multiple occasions that they have not selected a final wastewater discharge location. They are actively evaluating multiple alternatives. Today, Lebanon Utilities discharge to Prairie Creek and that will continue until a long-term decision is made suitable to handle the volumes projected to be created by LEAP. Further, Lebanon Utilities is not the ultimate decision-maker regarding the discharge location. Any proposed discharge point must undergo a rigorous, state-mandated Anti-Degradation review administered by the Indiana Department of Environmental Management (IDEM). **This process includes formal public input, technical evaluation, and regulatory scrutiny.** Ultimately, IDEM—not Lebanon Utilities—will determine whether a discharge location is permissible.

**MYTH:** Citizens is responsible for the LEAP District's water decision-making processes, or those of their tenants.

**FACT:** Similar to other municipalities and customers, Citizens has not been consulted regarding how LEAP District tenants plan to use the water they purchase from Lebanon Utilities. The wholesale customer of Citizens is Lebanon Utilities (and not the LEAP District).

**MYTH:** Unknown future industrial water users mean that future wastewater treatment needs are unknown.

**FACT:** No matter the type or number of contributors to a wastewater collections system, be they industrial, commercial, or residential—treated wastewater must be compliant with

National Pollutant Discharge Elimination System (NPDES) standards before release into a water of the State. The content of all wastewater will be regulated to meet all local, state, and federal requirements to continue the protection of our environment.

### ***The construction of the Citizens-Lebanon Water Supply Program***

**MYTH:** Citizens plans to take parkland owned by the City of Indianapolis.

**FACT:** Citizens does not plan to take City-owned land as part of this project. If underground easements are needed, the City would be compensated, ownership would remain with the City, and the surface would be restored after construction—consistent with standard utility practice.

**MYTH:** Citizens has failed to communicate transparently about this project.

**FACT:** Citizens has conducted public meetings, met with elected officials and stakeholder groups, issued mailers, maintained a public website with fact sheets, and remained accessible to media throughout the development of the program—and will continue to do so.

### ***Citizens water supply and treatment, generally***

**MYTH:** The Eagle Creek Reservoir was designed for flood control and recreational use only.

**FACT:** The Indianapolis Water Company was an integral partner in the creation of the reservoir, and its intended use was primarily for flood control and drinking water supply—to both protect and support the long-term flourishing of Central Indiana. The water company, through its surface water contract, paid the municipal bonds to build the reservoir. Without this collaboration, Eagle Creek Reservoir would not exist as it does today. The idea that Eagle Creek Reservoir was *never* contemplated for potable supply is not supported by the record and is, in fact, wholly untrue.

Furthermore, Eagle Creek Reservoir has been a component of the Central Indiana regional drinking water system for half a century. Suggesting that “it was not designed for drinking water use”—when this was a primary driving force that helped create the reservoir—is a gross mischaracterization that fundamentally ignores the long-standing partnership between the water utility, the City of Indianapolis, and the community.

**MYTH:** The wastewater return from Lebanon Utilities will be harmful to the environment.

**FACT:** Every wastewater facility located in the United States discharges treated effluent back into the environment. This work is done by and overseen by scientists and engineers dedicated to ensuring that the water that is released meets all the necessary requirements set forth by

the appropriate local, state, and federal agencies. Careful study is completed by experts in the field in the design of such facilities and the standards are designed to protect the environment and users of the water.

**MYTH:** Introducing treated water from Lebanon will harm the wildlife or pets by exasperating blue-green algae growth.

**FACT:** Critics of returning Lebanon's treated water to Eagle Creek Reservoir propagate false values for the amount of phosphorous added to Eagle Creek Reservoir and make specious claims that this will cause increased blue green algae growth which could harm the environment and your pets. In reality, the environmental system is much more complicated than just one element and many factors, not just phosphorous, need to be considered when designing around limiting algae growth. Careful thought and scientific data, which occur during the Anti-Degradation Analysis, should be the drivers behind decision-making—not speculative half-truths.

**MYTH:** Indianapolis gets all its drinking water from Eagle Creek Reservoir.

**FACT:** Indianapolis' drinking water does not come from Eagle Creek Reservoir alone. In 2025, 7.8 percent of water was supplied from the T.W. Moses water plant on Eagle Creek Reservoir. Citizens manages a robust, regional water system that includes 10 water treatment plants, four reservoirs, rivers, and groundwater sources spread across Central Indiana. Eagle Creek is one part of a diversified system designed to enhance reliability and resilience.

**MYTH:** PFAS and other contaminants from Lebanon will end up in Indianapolis drinking water untreated, or new water contaminants will be costly to customers.

**FACT:** Statements of this style are highly speculative and ignore the rigorous permitting and treatment process that are required of industrial water users—and will be required of Lebanon Utilities, and Citizens Energy Group as a part of the Citizens-Lebanon Water Supply Program. Regardless of upstream wastewater discharges, Citizens must treat all drinking water to Safe Drinking Water Act (SDWA) standards before distribution. Citizens finished drinking water demonstrates compliance with the SDWA standards via conventional water treatment processes. Citizens continuously monitors water quality and adds treatment when conditions require it. Citizens does not anticipate treatment cost increases because Lebanon Utilities will appropriately treat any wastewater to all permit-level standards, removing constituents of concern before discharging.

**MYTH:** The Eagle Creek water withdrawal contract lacks guardrails.

**FACT:** For nearly 50 years, the water withdrawal contract at Eagle Creek Reservoir has included limits on the amount of water to be withdrawn, minimum requirements for water released over the dam, and financial penalties for lowered water levels. Citizens consistently operates within

all contract parameters related to Eagle Creek Reservoir and will continue to do so in the future. This contract has served the City, the Indianapolis community, and Citizens well for half a century, ensuring communities are protected from devastating flooding; supplied with safe, affordable, reliable water; and enjoyed as a showcase of the natural environment. Future contracts will do the same.

**MYTH:** This CLWSP is being done at the expense of Eagle Creek Reservoir.

**FACT:** The protection and long-term sustainability of Eagle Creek Reservoir is a core priority for Citizens. We are committed to ensuring that neither our water supply operations nor Lebanon's clean-water return processes pose any risk to the Reservoir or its ecological health. Returning water to the watershed of origin is an environmental best practice, not just for Eagle Creek Reservoir, but for all downstream communities. Citizens will continue to monitor and engage in the science-based studies of wastewater return which will guide our partners' determination of a discharge location, whether that be at the existing outfall at Prairie Creek or to the watershed of origin.

### ***Regional water supply planning***

**MYTH:** The program is taking too much water (or otherwise ignoring climate change and drought risk) and threatening Central Indiana's water supply.

**FACT:** Planning for a changing climate and the potential for drought are key considerations in our robust 50-year water supply planning work. With these and many other evaluation criteria in mind, planners can demonstrate the ample water supply available in Central Indiana to support the needs of our growing communities today and in the future, summarized in the Integrated Water Resource Plan. Citizens finalized an agreement to provide up to 25 million gallons per day (MGD) to Lebanon Utilities. This volume has been evaluated through the Citizens rolling 50-year water resource planning process, which considers both normal and drought conditions and safeguards supply for existing customers. The development of infrastructure to provide water to Lebanon Utilities was planned in concert with the strategic process Citizens completes to meet the regional growth needs of Central Indiana water customers. More information regarding the Integrated Water Resource Plan is online at [CitizensEnergyGroup.com](http://CitizensEnergyGroup.com).

**MYTH:** Citizens is abandoning its role as a public charitable trust by serving customers outside Marion County.

**FACT:** The public water system in Central Indiana (now operated by Citizens) has functioned as a regional water utility for decades. Predecessor owners of the water utility were serving

wholesale and retail customers outside Marion County well before Citizens acquired the utilities in 2011. Providing water to surrounding communities is not new, and it is a longstanding part of the Citizens mission to create the greatest long-term benefit for our customers and communities. The State of Indiana has also prioritized regionalization as a strategy to strengthen water security and ensure that all communities benefit from coordinated, long-term planning. New infrastructure designed to bolster water supply and system redundancy result in a stronger, more resilient system for all customers, enabling Citizens to meet Central Indiana’s needs now and in the future, even in times of drought. Additionally, adding new customers helps to further distribute future system operations and maintenance costs, which—in turn—helps maintain the lowest possible utility rates.

Regional collaboration strengthens Eagle Creek, Marion County, and the entire Central Indiana region. In fact, Marion County water supply has been made more resilient by the historic Citizens investment in resources outside of Marion County, specifically Citizens Reservoir. For example, in 2025, Central Indiana experienced the first “D3 drought” (classified by the U.S. Drought Monitor as “extreme drought”) seen since 2012. Yet, reservoir levels in Geist, Morse, and Eagle Creek reservoirs were able to be maintained through the use of Citizens Reservoir in Fishers (a former rock quarry not utilized for recreation), which was drawn down to support water supply. This type of regional thinking helps all of our communities thrive.