

December 16th, 2014

Board of Public Works:

As you may know, Milwaukee Water Works was recently granted a rate increase effective November 1st, 2014. Since the West Allis Municipal Water Utility purchases water from Milwaukee Water Works for resale to its customers, this will result in an approximate \$190,000 yearly increase in expense to the Utility. A Purchased Water Adjustment Clause (PWAC) is included in the West Allis Municipal Water Utility's rate file. This adjustment clause protects the Water Utility from the financial impact of such an increase. Therefore, the West Allis Municipal Water Utility submitted a PWAC application to the Public Service Commission and the new rates are as follows.

Quarterly Service Charge	<u>Previous Rate</u>	<u>New Rate</u>
(Based on Meter Size):5/8 or ¾ inch	\$34.12	\$32.94
1-inch	\$49.00	\$47.42
1 ¼ - inch	\$64.50	\$62.44
1 ½ - inch	\$77.53	\$75.09
2 - inch	\$116.29	\$112.63
3 - inch	\$170.05	\$165.49
4 - inch	\$238.67	\$232.20
6 - inch	\$365.62	\$357.21
8 - inch	\$511.07	\$500.56
10 - inch	\$699.87	\$686.91

Plus Volume Charges:

	<u>Previous Rate</u>	<u>New Rate</u>
First 100 ccf's used per quarter	\$2.07	\$2.19
Next 4,900 ccf's used per quarter	\$1.97	\$2.09
Next 5,000 ccf's used per quarter	\$1.92	\$2.04
Over 10,000 ccf's used per quarter	\$1.86	\$1.98

NOTE: 1 ccf is approximately 748 gallons

EFFECT ON AVERAGE WATER CUSTOMER WATER ONLY

Average customer uses 30ccf per quarter

	<u>OLD RATE</u>	<u>NEW RATE</u>	
Public Fire Protection	\$15.56	\$14.53	(\$1.03)
General Service Fee	\$18.56	\$18.41	(\$0.15)
Water Charge (30ccf)	\$62.10	\$65.70	\$3.60

At current rates a customer who consumes 30ccf would be paying \$96.22 and at the new rates the customer will be paying \$98.64 for a difference of \$2.42 or an increase of 2.52%.