

25.



City of West Allis Matter Summary

7525 W. Greenfield Ave.
West Allis, WI 53214

File Number	Title	Status
R-2006-0261	Resolution	In Committee
	Resolution approving a water rate increase as authorized by the Public Service Commission	
	Introduced: 10/2/2006	Controlling Body: Public Works Committee

COMMITTEE RECOMMENDATION ADOPT

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
<u>10-3-06</u>			Barczak				
			Czaplewski				
			Dobrowski	✓			
			Kopplin	✓			
			Lajsic				
			Narlock	✓			
	✓		Reinke				
			Sengstock	✓			
		✓	Vitale	✓			
			Weigel				
			TOTAL	<u>5</u>	<u>-</u>		

SIGNATURE OF COMMITTEE MEMBER

Paul Hall _____
 Chair Vice-Chair Member

COMMON COUNCIL ACTION ADOPT

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
<u>OCT 03 2006</u>		✓	Barczak	✓			
			Czaplewski	✓			
			Dobrowski	✓			
			Kopplin	✓			
			Lajsic	✓			
	✓		Narlock	✓			
			Reinke	✓			
			Sengstock	✓			
			Vitale	✓			
			Weigel	✓			
			TOTAL	<u>10</u>	<u>-</u>		

cc PW
Finance

STANDING COMMITTEES OF THE CITY OF WEST ALLIS COMMON COUNCIL 2004

ADMINISTRATION & FINANCE

Chair: Michael J. Czaplewski
Vice-Chair: Martin J. Weigel
Gary T. Barczak
Thomas G. Lajsic
Rosalie L. Reinke

PUBLIC WORKS

Chair: Richard F. Narlock
Vice-Chair: Linda A. Dobrowski
Kurt E. Kopplin
Vincent Vitale
James W. Sengstock

SAFETY & DEVELOPMENT

Chair: Thomas G. Lajsic
Vice-Chair: Vincent Vitale
Gary T. Barczak
Martin J. Weigel
Rosalie L. Reinke

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Chair: Kurt E. Kopplin
Vice-Chair: James W. Sengstock
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Richard F. Narlock
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Linda A. Dobrowski
Vincent Vitale
Martin J. Weigel



City of West Allis

7525 W. Greenfield Ave.
West Allis, WI 53214

Resolution

File Number: R-2006-0261

Final Action: 10/3/2006

Resolution approving a water rate increase as authorized by the Public Service Commission.

WHEREAS, the Common Council approved Resolution #R-2005-0181 on June 7, 2005 authorizing staff to petition the Public Service Commission for a water rate increase; and

WHEREAS, the Public Service Commission approved a water rate increase for the West Allis Water Utility in its final decision dated September 21, 2006.

NOW THEREFORE BE IT RESOLVED by the Common Council of the City of West Allis that the water rates approved by the Public Service Commission per the attached rate schedule be and are hereby approved, said increase to be effective October 1, 2006.

ADOPTED 10/03/2006

Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

APPROVED October 5, 2006

Jeannette Bell, Mayor



CITY OF WEST ALLIS

WISCONSIN



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Finance Division

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MEMORANDUM

TO: Mike Pertmer
Dan Schwebke
Paul Ziehler
Mayor Bell

FROM: Gary Schmid
Kris Moen
Larry Jansen

DATE: September 28, 2006

SUBJECT: Water Rate Increase effective October 1, 2006

Attached, please find a copy of the resolution being sent to the Board of Public Works for their October 3, 2006 meeting regarding the water rate increase recently approved by the Public Service Commission.

In addition to the resolution, you will find a document entitled "Water Rate Comparison" which shows the impact of the rate increase on a typical residential customer. Depending on their consumption, a residential customer can expect an increase of approximately 6.86% to 9.57% as a result of the new rates. This increase reflects the city's application for a rate increase, as well as a subsequently filed request for a rate increase from Milwaukee Water Works, our wholesale supplier. This is the City's first water rate increase since June 12, 1998, although residents did see an increase in their water bills in June 2001 and June 2002 resulting from rate increases filed by Milwaukee Water Works.

Also attached, you will find a "Rate File Summary" showing the new rates as compared to the previous rates. Please note that the new rates will be effective as of October 1, 2006.

Finally, the Decision of the Public Service Commission regarding the rate increase is also attached for your reference.

Please let us know if you have any questions or comments, or if you need additional information regarding these rates.

Water Rate Comparison
Based on variable consumption for 5/8" or 3/4" meter size
(i.e. typical single-family residential comparison)

---Water Charges at:---			Impact on Water Bill			
Consumption (in ccf's)	New Rates	Previous Rates	Monthly Difference	Quarterly Difference	Yearly Difference	% Change
0	\$28.80	\$27.72	\$0.36	\$1.08	\$4.32	3.90%
2	\$31.30	\$29.91	\$0.46	\$1.39	\$5.58	4.66%
4	\$33.80	\$32.09	\$0.57	\$1.71	\$6.83	5.32%
6	\$36.30	\$34.28	\$0.67	\$2.02	\$8.09	5.90%
8	\$38.80	\$36.46	\$0.78	\$2.34	\$9.34	6.41%
10	\$41.30	\$38.65	\$0.88	\$2.65	\$10.60	6.86% Small Residential
12	\$43.80	\$40.84	\$0.99	\$2.96	\$11.86	7.26%
14	\$46.30	\$43.02	\$1.09	\$3.28	\$13.11	7.62%
16	\$48.80	\$45.21	\$1.20	\$3.59	\$14.37	7.95%
18	\$51.30	\$47.39	\$1.30	\$3.91	\$15.62	8.24%
20	\$53.80	\$49.58	\$1.41	\$4.22	\$16.88	8.51%
22	\$56.30	\$51.77	\$1.51	\$4.53	\$18.14	8.76% Average Residential
24	\$58.80	\$53.95	\$1.62	\$4.85	\$19.39	8.99%
26	\$61.30	\$56.14	\$1.72	\$5.16	\$20.65	9.20%
28	\$63.80	\$58.32	\$1.83	\$5.48	\$21.90	9.39%
30	\$66.30	\$60.51	\$1.93	\$5.79	\$23.16	9.57% Large Residential

**West Allis Water Utility
Rate File Summary
Effective Date: October 1, 2006**

Volumetric Rate

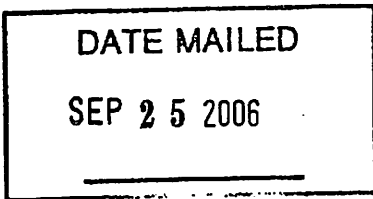
First 10,000 cubic feet used per quarter (i.e. 100 ccf's)
 Next 490,000 cubic feet used per quarter (i.e. 4,900 ccf's)
 Next 500,000 cubic feet used per quarter (i.e. 5,000 ccf's)
 Over 1,000,000 cubic feet used per quarter (i.e. 10,000 ccf's)

<u>New</u> <u>Rate (per ccf)</u>	<u>Previous</u> <u>Rate (per ccf)</u>	<u>Amount of</u> <u>Change</u>	<u>% Change</u>
\$1.250	\$1.093	\$0.157	14.36%
\$1.170	\$1.023	\$0.147	14.37%
\$1.120	\$0.963	\$0.157	16.30%
\$1.070	\$0.913	\$0.157	17.20%

"Basic Service Charge"

This charge is a fixed quarterly fee billed to all water accounts, depending on the size of the water meter for each property. The charge consists of a "Quarterly Service Charge" and "Public Fire Protection" per the attached schedules from the Public Service Commission.

<u>Meter Size</u>	<u>New Quarterly</u> <u>Service Charge</u>	<u>Previous Qrtly</u> <u>Service Charge</u>	<u>New Public</u> <u>Fire Prot. Chg</u>	<u>Previous Public</u> <u>Fire Prot Chg</u>	<u>New Basic</u> <u>Service Charge</u>	<u>Previous Basic</u> <u>Service Charge</u>	<u>Amount of</u> <u>Change</u>	<u>% Change</u>
5/8" or 3/4" meter	\$17.40	\$16.68	\$11.40	\$11.04	\$28.80	\$27.72	\$1.08	3.90%
1" meter	\$27.00	\$25.82	\$14.70	\$14.35	\$41.70	\$40.17	\$1.53	3.81%
1-1/4" meter	\$39.00	\$37.12	\$19.50	\$18.77	\$58.50	\$55.89	\$2.61	4.67%
1-1/2" meter	\$48.00	\$44.11	\$22.80	\$22.08	\$70.80	\$66.19	\$4.61	6.96%
2" meter	\$72.00	\$67.78	\$34.50	\$33.12	\$106.50	\$100.90	\$5.60	5.55%
3" meter	\$126.00	\$119.42	\$45.00	\$44.16	\$171.00	\$163.58	\$7.42	4.54%
4" meter	\$174.00	\$164.61	\$57.00	\$55.20	\$231.00	\$219.81	\$11.19	5.09%
6" meter	\$276.00	\$261.44	\$69.00	\$66.24	\$345.00	\$327.68	\$17.32	5.29%
8" meter	\$333.00	\$316.30	\$81.00	\$77.28	\$414.00	\$393.58	\$20.42	5.19%
10" meter	\$456.00	\$435.72	\$93.00	\$88.32	\$549.00	\$524.04	\$24.96	4.76%
12" meter	\$531.00	\$513.18	\$102.00	\$99.36	\$633.00	\$612.54	\$20.46	3.34%



BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of West Allis Municipal Water Utility for Authority to
Increase Water Rates

6360-WR-106

FINAL DECISION

This is the final decision in the proceeding conducted by the Public Service Commission (Commission) on the application of West Allis Municipal Water Utility (applicant) for approval to increase water rates. This application is APPROVED subject to conditions.

Introduction

The applicant applied to the Commission on June 30, 2006, for authority to increase water rates. Pursuant to due notice, the Commission held a telephonic hearing at Madison and West Allis on September 18, 2006, before Administrative Law Judge Edward S. Marion.

Findings of Fact

1. The applicant's presently authorized rates for water utility service will produce operating revenues of \$5,701,758 for the 2006 test year. These rates fall short of the test year revenue needed by \$537,681.
2. The estimated net investment rate base applicable to water utility operations for the 2006 test year is \$6,885,832.
3. The rate changes set forth for water service in Appendix C will permit the applicant to earn the necessary revenue requirement and are consistent with the cost of service and rate design.

Conclusions of Law

1. The applicant is a public utility as defined in Wis. Stat. § 196.01(5)(a).
2. The Commission has authority under Wis. Stat. §§ 196.03(1) and (3), 196.19, 196.20, 196.22, and 196.37(1), (2), and (3), to authorize the applicant to increase water utility rates and revise utility rules.

Opinion

Net Investment Rate Base

The estimated net investment rate base for the 2006 test year is as follows:

Utility Financed Plant in Service	\$16,064,893
Less: Accumulated Provision for Depreciation	<u>\$6,643,297</u>
Net Investment	\$9,421,596
Plus: Materials and Supplies	141,581
Less: Regulatory Liability	<u>2,677,345</u>
Net Investment Rate Base	<u>\$6,885,832</u>

Comparative Income Statement

The estimated test year income statement showing the effect of the increase in revenue which will result from authorized rates is as follows:

	<u>At Present Rates</u>	<u>Authorized Increase</u>	<u>After Rate Increase</u>
Operating Revenues	\$5,701,758	\$537,681	\$6,239,439
Operating Expenses:			
Oper. & Maint. Exp.	\$4,752,544		\$4,752,544
Depreciation	347,200		347,200
Taxes & Tax Equiv.	<u>692,116</u>		<u>692,116</u>
Total Oper. Expenses	<u>\$5,791,860</u>		<u>\$5,791,860</u>
Oper. Income (or Loss)	<u>(\$90,102)</u>		<u>\$447,579</u>
Rate of Return	-%		6.50%

The depreciation expense included in the revenue requirement for the 2006 test year was computed using the depreciation rates shown in Appendix E. These depreciation rates are effective on January 1, 2006, for computing the depreciation expense on the average investment for each plant account.

Capital Structure

The applicant requested a return on net investment rate base of 6.50 percent. The applicant's capital employed in providing public utility service is estimated to be 82 percent municipal equity and 18 percent long-term debt. The composite cost of debt is 4.36 percent. A return on rate base of 6.50 percent will provide a 6.97 percent return on municipal equity and adequate times interest coverage.

Cost of Service

The Commission staff submitted for the record an analysis of the cost of supplying water for general service and for public fire protection service. The staff used the base-extra capacity cost allocation method for the analysis. Under this method, the operating expenses are allocated first to the service cost functions of extra-capacity maximum-day and maximum-hour demand, base, customer, and fire protection and then to each of the customer classes served. Summaries of such analyses, based on allocations that are reasonable and just, are shown in Schedules 5 and 8 of Exhibit 4 of the record in this proceeding. Appendix B shows customer class revenue requirements resulting from the cost analysis compared with revenues at authorized rates.

Rates

Water service rates authorized in this decision will result in an estimated net operating income of approximately \$447,579 which provides a 6.50 percent return on the water utility net investment rate base of \$6,885,832. The applicant was provided with staff's proposed rates for review prior to the hearing and had no objection to these rates.

As shown in attached Appendix B, the base-extra capacity cost allocation method results in a relatively wide range of increases in the charges to the various general service customer classes to reflect the cost of providing service to such classes. The percentage rate increase to any individual customer will not necessarily equal the overall percentage increase to the associated customer class, but will depend on the specific usage level of that customer.

The authorized rates as set forth in Appendix C are based on the cost of supplying various classes or types of service. These rates are reasonable and just. All customers will be required to pay an appropriate amount for the service provided.

Some typical water bills for residential, commercial, industrial, and public authority customers were computed using Schedule Mg-1 to compare existing rates with the new rates. That comparison is set forth in Appendix D.

The overall increase in annual revenues is 10 percent, comprised of an 11 percent increase in general service charges and a 2 percent increase in fire protection charges. A typical residential customer's bill will rise 10 percent. Rates have risen because of a 19 percent increase in gross plant investment and a 14 percent increase in operating expenses since the applicant's

last rate case in 1998. The typical bills calculated using the authorized rates are below average when compared with those of similar water utilities in the state.

The general service charges will increase by 11 percent, compared to a 2 percent increase in the annual public fire protection charge. The larger increase in general service charges results because a greater proportion of the annual operating costs is allocated to general service than was allocated at the time of the applicant's last rate proceeding, based on current ratios of maximum general service demand to available system fire protection capacity. The larger increase in general service charges is reasonable in that it appropriately reflects the cost of providing service.

The authorized general service rates provide a greater percentage increase to large-volume users than for average residential customers. This greater increase is caused by the relatively larger increases in the rates for the high-volume rate blocks based on the results of the base-extra capacity cost allocation as discussed above. The greater increase to large-volume users is reasonable in that the authorized rates more appropriately reflect the cost of providing service than do the present rates.

The applicant has agreed to revise its water main extension rules to be consistent with those of other Wisconsin water utilities. The proposed rules were incorporated into the record by receipt of Exhibit 4 which incorporates the rules by reference. The proposed rules are reasonable and just and in accordance with Commission policy and the Wisconsin Administrative Code.

The applicant bills quarterly. The authorized rates and rules for water service shall be made effective as soon as possible after issuance of this decision in accordance with Wis. Stat. §§ 196.21 and 196.40.

Order

1. West Allis Municipal Water Utility shall discontinue its existing water rates and rules for service and make effective for water service the rates and rules set forth in Appendix C.
2. The effective date of this order shall be no sooner than one day after mailing to the parties to the proceedings. The applicant shall inform the Commission, in writing, of the date that the authorized rates and rules are to take effect.

Docket 6360-WR-106

3. West Allis Municipal Water Utility shall inform each customer of the new rates as required by Wis. Admin. Code § PSC 185.33(1).

Dated at Madison, Wisconsin, September 21, 2006

For the Commission:



David A. Sheard, P.E.

Assistant Administrator

Division of Water, Compliance, and Consumer Affairs

DAS:VMK:crb:g:\order\pending\6360-WR-106

See attached Notice of Appeal Rights

Notice of Appeal Rights

Notice is hereby given that a person aggrieved by the foregoing decision has the right to file a petition for judicial review as provided in Wis. Stat. § 227.53. The petition must be filed within 30 days after the date of mailing of this decision. That date is shown on the first page. If there is no date on the first page, the date of mailing is shown immediately above the signature line. The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

Notice is further given that, if the foregoing decision is an order following a proceeding which is a contested case as defined in Wis. Stat. § 227.01(3), a person aggrieved by the order has the further right to file one petition for rehearing as provided in Wis. Stat. § 227.49. The petition must be filed within 20 days of the date of mailing of this decision.

If this decision is an order after rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not an option.

This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

Revised 9/28/98

Appearances:

West Allis Municipal Water Utility, applicant, by

Lawrence Jansen, Senior Accountant
Gary Schmid, Comptroller
Mike Pertner, Director of Public Works
Kris Moen, Finance Supervisor

Of the Commission Staff:

Bridgot Quandt, Public Utility Auditor
Vishwa Kashyap, Rate Engineer

No members of the public attended the hearing.

WEST ALLIS MUNICIPAL WATER UTILITY
Comparison of Revenue
at
Present Rates, Cost of Service and Authorized Rates

Customer Class	Revenue at Present Rates	Cost of Service		Authorized Rates		
		Revenue Required	Increase Over Present Rates	Revenue	Increase Over Present Rates	Percent of Cost of Service
Residential	\$ 2,830,293	\$ 3,093,982	9%	\$ 3,120,379	10%	101%
Commercial	1,082,624	1,218,362	13%	1,219,185	13%	100%
Industrial	387,069	457,196	18%	445,538	15%	97%
Public Authority	228,730	276,054	21%	260,778	14%	94%
Public Fire Protection	<u>907,737</u>	<u>928,540</u>	2%	<u>928,540</u>	2%	100%
Total	<u>\$ 5,436,453</u>	<u>\$ 5,974,134</u>	<u>10%</u>	<u>\$ 5,974,420</u>	<u>10%</u>	<u>100%</u>

West Allis Municipal Water Utility

Authorized Water Rates and RulesPurchased Water Adjustment Clause - - - PWAC-1

West Allis Municipal Water Utility (utility) may apply a purchased water adjustment clause (PWAC) to its water rates set forth under Schedules Fd-1 and Mg-1 to reflect an increase or decrease in the rates charged by its wholesale water supplier, Milwaukee Water Works (wholesaler). The adjustment can be made effective on or after the effective date of the wholesaler's rate change. Adjustment under this PWAC which results in an increase cannot be effective until the utility has filed the proposed change with the Public Service Commission (Commission) and the Commission has accepted the adjustment for filing. The utility shall provide notice to its customers of such change in rates resulting from application of the PWAC.

The utility must request Commission authorization for a PWAC rate change within 90 days of a change in its wholesale water supplier's rates or forfeit all adjustment to its rates under the PWAC until the time of its next rate case.

Calculation of Adjusted Quarterly Public Fire Protection Service Charges - - - Fd-1

$$C = Z \times (1 + P)$$

$$P = (N - B) / T$$

- Where:
- C = Adjusted Schedule Fd-1 quarterly retail service charges rounded up to the nearest cent.
 - Z = Current Schedule Fd-1 quarterly retail service charges.
 - P = Adjustment factor rounded up to the nearest hundredth of a percent.
 - N = New quarterly wholesale public fire protection service charge.
 - B = Current quarterly wholesale public fire protection service charge.
 - T = Total quarterly dollar revenue from quarterly retail service charges per rate Schedule Fd-1.

Calculation of Adjusted Quarterly Service Charges - - - Mg-1

$$C = Z \times (1 + P)$$

$$P = (N - B) / T$$

Where:	C =	Adjusted Schedule Mg-1 quarterly retail service charges rounded up to the nearest cent.
	Z =	Current Schedule Mg-1 quarterly retail service charges.
	P =	Adjustment factor rounded up to the nearest hundredth of a percent.
	N =	New quarterly wholesale service charge.
	B =	Current quarterly wholesale service charge.
	T =	Total quarterly dollar revenue from quarterly retail service charges per rate Schedule Mg-1.

Commodity Charge Adjustment - - - Mg-1

$$AVBR = VBR + A$$

Where: AVBR = Adjusted Schedule Mg-1 retail volume block rates rounded up to the nearest cent.

VBR = Current Schedule Mg-1 retail volume block rates.

A = New wholesale volume charge less the current wholesale volume charge.

Public Fire Protection Service - - - Fd-1

Under Wis. Stat. § 196.03(3)(b), the municipality has chosen to have the utility bill the retail general service customers for public fire protection service.

This service shall include the use of hydrants for fire protection service only and such quantities of water as may be demanded for the purpose of extinguishing fires within the service area. This service shall also include water used for testing equipment and training personnel. For all other purposes, the metered or other rates set forth, or as may be filed with the Public Service Commission, shall apply.

Quarterly Public Fire Protection Service Charges:

5/8 -inch meter - \$	11.40	3 -inch meter - \$	45.00
3/4 -inch meter - \$	11.40	4 -inch meter - \$	57.00
1 -inch meter - \$	14.70	6 -inch meter - \$	69.00
1 1/4 -inch meter - \$	19.50	8 -inch meter - \$	81.00
1 1/2 -inch meter - \$	22.80	10 -inch meter - \$	93.00
2 -inch meter - \$	34.50	12 -inch meter - \$	102.00

Customers who are provided service under Schedules Mg-1, Ug-1, Mgt-1, or Mz-1, shall also be subject to the charges in this schedule.

Billing: Same as Schedule Mg-1.

Private Fire Protection Service - Unmetered - - - Upf-1

This service shall consist of permanent or continuous unmetered connections to the main for the purpose of supplying water to private fire protection systems such as automatic sprinkler systems, standpipes, and private hydrants. This service shall also include reasonable quantities of water used for testing check valves and other backflow prevention devices.

Quarterly Private Fire Protection Service Demand Charges:

2-inch or smaller connection	\$	10.00
3-inch connection	\$	15.00
4-inch connection	\$	21.00
6-inch connection	\$	40.00
8-inch connection	\$	60.00
10-inch connection	\$	90.00
12-inch connection	\$	120.00
14-inch connection	\$	156.00
16-inch connection	\$	187.00

Billing: Same as Schedule Mg-1.

General Service - Metered - - - Mg-1

Quarterly Service Charges:

5/8 -inch meter - \$	17.40	3 -inch meter - \$	126.00
3/4 -inch meter - \$	17.40	4 -inch meter - \$	174.00
1 -inch meter - \$	27.00	6 -inch meter - \$	276.00
1 1/4 -inch meter - \$	39.00	8 -inch meter - \$	333.00
1 1/2 -inch meter - \$	48.00	10 -inch meter - \$	456.00
2 -inch meter - \$	72.00	12 -inch meter - \$	531.00

Plus Volume Charges:

- First 10,000 cubic feet used per quarter - \$1.250 per 100 cubic feet
- Next 490,000 cubic feet used per quarter - \$1.170 per 100 cubic feet
- Next 500,000 cubic feet used per quarter - \$1.120 per 100 cubic feet
- Over 1,000,000 cubic feet used per quarter - \$1.070 per 100 cubic feet

Billing: Bills for water service are rendered quarterly and become due and payable upon issuance following the period for which service is rendered. A late payment charge of 1 percent per month will be added to bills not paid within 20 days of issuance. This late payment charge will be applied to the total unpaid balance for utility service, including unpaid late payment charges. This late payment charge is applicable to all customers. The utility customer may be given a written notice that the bill is overdue no sooner than 20 days after the bill is issued. Unless payment or satisfactory arrangement for payment is made within the next 10 days, service may be disconnected pursuant to Wis. Admin. Code ch. PSC 185.

Combined Metering: Volumetric meter readings will be combined for billing if the utility for its own convenience places more than one meter on a single water service lateral. Multiple meters placed for the purpose of identifying water not discharged into the sanitary sewer are not considered for utility convenience and shall not be combined for billing. This requirement does not preclude the utility from combining readings where metering configurations support such an approach. Meter readings from individually metered separate service laterals shall not be combined for billing purposes.

Other Charges - - - OC-1

Non-Sufficient Funds Charge: A \$15.00 charge shall apply to the customer's account when a check rendered for utility service is returned for non-sufficient funds. This charge may not be in addition to, but may be inclusive of, other non-sufficient funds charges when the check was for payment of multiple services.

Special Interim Meter Reading Charge: A \$15.00 charge shall apply whenever a meter reader makes a second attempt to take a scheduled reading within a three month period due to a previous no show. This charge would not apply if an appointment is cancelled before the meter reader attempts to take a reading.

Billing: Same as Schedule Mg-1.

Public Service - - - Mpa-1

Water service supplied to municipal buildings, schools, sewer treatment plants, etc., shall be metered and the regular metered service rates (Schedule Mg-1) applied.

Water used on an intermittent basis for flushing sewers, street sprinkling, flooding skating rinks, drinking fountains, etc., shall be metered where meters can be set to measure the service. Where it is impossible to measure the service, the superintendent shall estimate the volume of water used based on the pressure, size of opening, and period of time water is allowed to be drawn. The estimated quantity used shall be billed at the rate of \$1.12 per 100 cubic feet.

Billing: Same as Schedule Mg-1.

General Water Service - Unmetered - - - Ug-1

Where the utility cannot immediately install its water meter, service may be supplied temporarily on an unmetered basis. Such service shall be billed at the rate of \$44.90 per quarter. This rate shall be applied only to single-family residential and small commercial customers and approximates the cost of 2,200 cubic feet of water per quarter under Schedule Mg-1. If it is determined by the utility that usage is in excess of 2,200 cubic feet of water per quarter, an additional charge per Schedule Mg-1 will be made for the estimated additional usage.

Billing: Same as Schedule Mg-1.

Seasonal, Emergency, or Temporary Service - - - Mgt-1

Seasonal customers* shall pay an annual seasonal service charge equal to four times the applicable service charge in Schedule Mg-1. Water use in any billing period shall be billed at the applicable volume rates in Schedule Mg-1 and the charge added to the annual seasonal service charge.

In addition, customers who have an additional meter pursuant to Schedule Am-1 shall also pay an annual seasonal rental charge equal to four times the applicable additional meter rental charge in Schedule Am-1.

For disconnections of service not previously considered as seasonal, emergency, or temporary, if service is resumed at the same premises by the same customer within a 12-month period, and if there has been no service to another customer during the intervening period, the customer shall be billed for the pro rata share of the applicable service charge for the period of disconnection.

Further, if service has been disconnected or a meter removed, a charge under Schedule R-1 shall be applied at the time of reconnection or meter reinstallation.

*Seasonal customers are general service customers whose use of water is normally for recurring periods of less than a year. This includes service under Schedule Mg-1 and/or Schedule Am-1.

Billing: Same as Schedule Mg-1.

Building and Construction Water Service - - - Mz-1

For single-family and small commercial buildings, apply the unmetered rate (Schedule Ug-1).

For large commercial, industrial, or multiple apartment buildings, a temporary metered installation shall be made and general metered rates (Schedule Mg-1) applied.

Billing: Same as Schedule Mg-1.

Bulk Water - - - BW-1

All bulk water supplied from the water system through hydrants or other connections shall be metered, or at the direction of the utility, estimated. Utility personnel or a utility-approved party shall supervise the delivery of water.

Bulk water sales are:

- A. Water supplied by tank trucks or from hydrants for the purpose of extinguishing fires outside the utility's immediate service area;
- B. Water supplied by tank trucks or from hydrants for purposes other than extinguishing fires, such as irrigation or the filling of swimming pools; or,

- C. Water supplied from hydrants or other temporary connections for general service type applications. (Water supplied for construction purposes - see Schedule Mz-1.)

A charge for the volume of water used will be billed to the party using the water at \$1.25 per 100 cubic feet. A service charge, in addition to the volumetric charge, will be \$50.00. In addition, for meters that are assigned to bulk water customers for more than 30 days, the applicable service charge in Schedule Mg-1 will apply after the first 30 days.

The water utility may require reasonable deposits for the temporary use of its equipment under this and other rate schedules. The deposit(s) collected will be refunded upon return of the utility's equipment. Damaged or lost equipment will be repaired or replaced at the customer's expense.

Billing: Same as Schedule Mg-1.

Additional Meter Rental Charge - - - Am-1

If a customer requests the installation of an additional meter* to receive credit for clear water not discharged into the sanitary sewer system, or if a sewerage service customer who is not a customer of the water utility requests the installation of a meter to determine the volume of sewage discharged into the sanitary sewer system, the utility shall furnish and install this additional meter. This rate applies to single-family residential and small commercial customers. At utility discretion, it may also be applied to other customers. A rental fee shall be charged for the use of this meter and the following rates shall apply.

5/8 -inch meter -	\$ 8.50 per quarter
3/4 -inch meter -	\$ 8.50 per quarter
1 -inch meter -	\$ 15.75 per quarter
1 1/4 -inch meter -	\$ 22.00 per quarter
1 1/2 -inch meter -	\$ 29.00 per quarter

Initial Meter Installation Charge - \$50.00

*For the Schedule Am-1 rate to apply, the additional meter must be installed on the same service lateral as the primary meter. Also, if the metering configuration is in the Addition Method, the Schedule Am-1 rate will apply only if the additional meter is 3/4-inch or less. If the additional meter is larger than 3/4-inch in the Addition Method, then Schedule Mg-1 rates apply to the primary meter and the additional meter as separate accounts.

Billing: Same as Schedule Mg-1.

Remote Reading Register Meter Attachment - - - Mr-1

Delete.

Reconnection Charges - - - R-1

	<u>During Normal Business Hours</u>	<u>After Normal Business Hours</u>
Reinstallation of meter, including valving at curb stop	\$ 50.00	\$ 60.00
Valve turned on at curb stop	\$ 40.00	\$ 50.00

Note: No charge for disconnection.

Billing: Same as Schedule Mg-1.

Water Lateral Installation Charge - - - Cz-1

Subdivision developers shall be responsible, where the main extension has been approved by the utility, for the water service lateral installation costs from the main through the curb stop and box.

When the cost of a utility main extension is to be collected through assessment by the municipality, the actual average water lateral installation costs from the main through the curb stop and box shall be included in the assessment of the appropriate properties.

The initial water service lateral(s), not installed as part of a subdivision development or an assessable utility extension, will be installed from the main through the curb stop and box by the utility, for which the actual cost will be charged.

Billing: Same as Schedule Mg-1.

Hydrant Charges - - - H-1

In cases where no other supply is available, hydrants may be used. A security deposit will be made for the use of a construction meter, attached to a fire hydrant specified by the municipal water utility's superintendent.

Deposit Rates:

Up to three (3) calendar days	-	\$ 125.00
Up to five (5) calendar days	-	\$ 225.00
Over five (5) calendar days	-	\$ 375.00

Calendar day begins at 7:00 a.m. the day after the meter is set or loaned.

The above charges include the following:

Rental rate per day	-	\$ 7.00
Service charge for setting or moving the meter	-	\$45.00
Hydrant wrench deposit	-	\$45.00
Reducer (if necessary) deposit	-	\$45.00

In addition, the projected water usage shall be paid for in advance at the scheduled rates. The minimum charge for water usage shall be \$15.00.

Refunds of deposits will be made upon return of the utility equipment. Damaged or lost equipment will be repaired or replaced at customer expense.

Billing: Same as Schedule Mg-1.

Emergency Hose Service - - - EHS-1

See operating rules for explanation of rule.

Charges for labor, materials and equipment required to furnish such emergency service to a premise will be billed separately by the Municipal Water Utility by using the following schedule:

For a hose line one and one-half (1-1/2) inches in diameter or greater, a fee of forty dollars (\$40.00) for an initial three (3) calendar day period or fraction thereof. Ten dollars (\$10.00) per calendar day or fraction thereof following the initial three (3) calendar day period if the failure or break is in that portion of the water service line which the property owner is required to maintain and repair.

For a hose line less than one and one-half (1-1/2) inches in diameter, a fee of twenty dollars (\$20.00) for an initial three (3) calendar day period or fraction thereof. Five dollars (\$5.00) per calendar day or fraction thereof after the initial

three (3) calendar day period if the failure or break is in that portion of the water service line which the property owner is required to maintain and repair.

The above applicable charges will be waived if the failure or break in the water service is caused by an employee or authorized agent of the Municipal Water Utility or is located on the Municipal Water Utility's portion of the service line.

Billing: Same as Schedule Mg-1.

Rules and Regulations - - - X-1

No change.

Water Main Extension Rule - - - X-2

Water mains will be extended for new customers on the following basis:

- A. Where the cost of the extension is to immediately be collected through assessment by the municipality against the abutting property, the procedure set forth under Wis. Stat. § 66.0703 will apply, and no additional customer contribution to the utility will be required.
- B. Where the municipality is unwilling or unable to make a special assessment, the extension will be made on a customer-financed basis as follows:
 1. The applicant(s) will advance as a contribution in aid of construction the total amount equivalent to that which would have been assessed for all property under A.
 2. Part of the contribution required in B.1. will be refundable. When additional customers are connected to the extended main within 10 years of the date of completion, contributions in aid of construction will be collected equal to the amount which would have been assessed under A. for the abutting property being served. This amount will be refunded to the original contributor(s). In no case will the contributions received from additional customers exceed the proportionate amount which would have been required under A., nor will it exceed the total assessable cost of the original extension.
- C. When a customer connects to a transmission main or connecting loop installed at utility expense within 10 years of the date of completion, there will be a contribution required of an amount equivalent to that which would have been assessed under A.

Water Main Installations in Platted Subdivisions - - - X-3

Application for installation of water mains in regularly platted real estate development subdivisions shall be filed with the utility.

If the developer, or a contractor employed by the developer, is to install the water mains (with the approval of the utility), the developer shall be responsible for the total cost of construction.

If the utility or its contractor is to install the water mains, the developer shall be required to advance to the utility, prior to the beginning of the construction, the total estimated cost of the extension. If the final costs exceed estimated costs, an additional billing will be made for the balance of the cost due. This balance is to be paid within 30 days. If final costs are less than estimated, a refund of the overpayment will be made by the water utility.

WEST ALLIS MUNICIPAL WATER UTILITY

Customer Water Bill Comparison at Present and Authorized Rates

Customer Type	Meter Size (Inches)	Volume 100 Cu. Ft.	Quarterly			Quarterly Bills With Fire		
			Bill at Old Rates	Bill at New Rates	Percent Change	Bill at Old Rates	Bill at New Rates	Percent Change
Small Residential	5/8	10	\$ 27.61	\$ 29.90	8%	\$ 38.65	\$ 41.30	7%
Average Residential	5/8	22	\$ 40.73	\$ 44.90	10%	\$ 51.77	\$ 56.30	9%
Large Residential	5/8	30	\$ 49.47	\$ 54.90	11%	\$ 60.51	\$ 66.30	10%
Commercial	5/8	100	\$ 125.98	\$ 142.40	13%	\$ 137.02	\$ 153.80	12%
Industrial	1	400	\$ 442.02	\$ 503.00	14%	\$ 456.37	\$ 517.70	13%
Commercial	2	3,767	\$ 3,928.42	\$ 4,487.39	14%	\$ 3,961.54	\$ 4,521.89	14%
Commercial	3	4,112	\$ 4,333.00	\$ 4,945.04	14%	\$ 4,377.16	\$ 4,990.04	14%
Commercial	3	4,340	\$ 4,566.24	\$ 5,211.80	14%	\$ 4,610.40	\$ 5,256.80	14%
Public Authority	6	10,180	\$ 10,362.78	\$ 11,926.60	15%	\$ 10,429.02	\$ 11,995.60	15%
Public Authority	6	10,850	\$ 10,974.49	\$ 12,643.50	15%	\$ 11,040.73	\$ 12,712.50	15%
Industrial	6	6,853	\$ 7,167.88	\$ 8,209.36	15%	\$ 7,234.12	\$ 8,278.36	14%
Industrial	4	9,390	\$ 9,514.18	\$ 10,948.80	15%	\$ 9,569.38	\$ 11,005.80	15%
Public Authority	6	15,716	\$ 15,417.15	\$ 17,850.12	16%	\$ 15,483.39	\$ 17,919.12	16%
Commercial	4	16,495	\$ 16,031.55	\$ 18,581.65	16%	\$ 16,086.75	\$ 18,638.65	16%
Public Authority	6	33,399	\$ 31,561.73	\$ 36,770.93	17%	\$ 31,627.97	\$ 36,839.93	16%

West Allis Municipal Water Utility
 Schedule of Depreciation Rates
 Docket 6360-WR-106
 Effective January 1, 2006

<u>Account Number</u>	<u>Class of Plant</u>	<u>Depr. Rate</u>
SOURCE OF SUPPLY PLANT		
311	Structures and Improvements	3.2%
PUMPING PLANT		
321	Structures and Improvements	3.2%
325	Electric Pumping Equipment	4.4%
WATER TREATMENT EQUIPMENT		
332	Water Treatment Equipment	6.0%
TRANSMISSION AND DISTRIBUTION PLANT		
342	Distribution Reservoirs and Standpipes	1.9%
343	Transmission and Distribution Mains	1.3%
345	Services	2.9%
346	Meters	5.5%
348	Hydrants	2.2%
GENERAL PLANT		
390	Structures and Improvements	2.9%
391	Office Furniture and Equipment	5.8%
391.1	Computer Equipment	26.7%
392	Transportation Equipment	13.3%
394	Tools, Shop and Garage Equipment	5.8%
396	Power Operated Equipment	7.5%
397	Communication Equipment	10.0%
398	Miscellaneous Equipment	5.8%