

July 21, 2009

Board of Public Works:

As you may know, Milwaukee Water Works was recently granted a 3.8% rate increase effective September 1, 2009. Since the West Allis Municipal Water Utility purchases water from Milwaukee Water Works for resale to its customers, this will result in an approximate \$90,000 yearly increase in expenses 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 intends to submit a PWAC application to the Public Service Commission for their approval. The estimated new rates are as follows:

Quarterly Service Charge	<u>Previous Rate</u>	<u>New Rate</u>
(Based on Meter Size): 5/8 or 3/4 inch	\$31.95	\$32.36
1-inch	\$45.60	\$46.20
1 1/4-inch	\$63.60	\$64.45
1 1/2-inch	\$76.80	\$77.83
2-inch	\$115.20	\$116.75
3-inch	\$185.70	\$188.35
4-inch	\$249.00	\$252.60
6-inch	\$366.00	\$371.52
8-inch	\$438.00	\$444.67
10-inch	\$588.00	\$597.19
12-inch	\$747.00	\$758.88

Plus Volume Charges:

	<u>Previous Rate</u>	<u>New Rate</u>
First 100 ccf's used per quarter	\$1.730	\$1.732
Next 4,900 ccf's used per quarter	\$1.600	\$1.602
Next 5,000 ccf's used per quarter	\$1.550	\$1.552
Over 10,000 ccf's used per quarter	\$1.480	\$1.482

NOTE: 1 ccf is approximately 748 gallons