

# Public Service Commission of Wisconsin

Rebecca Cameron Valcq, Chairperson  
Ellen Nowak, Commissioner  
Mike Huebsch, Commissioner

4822 Madison Yards Way  
P.O. Box 7854  
Madison, WI 53707-7854

June 14, 2019

Mr. Theran Jacobson, P.E.  
Verona Water Utility  
410 Investment Court  
Verona, WI 53593

Ms. Kate Hanson, Staff Attorney  
Citizens Utility Board  
6401 Odana Road, Suite 24  
Madison, WI 53719

Re: Application of the City of Verona, Dane County, 6100-WR-103  
Wisconsin, as a Water Public Utility, for Authority to  
Adjust Water Rates

Dear Mr. Jacobson and Ms. Hanson:

Public Service Commission (Commission) staff has analyzed the Verona Water Utility (Utility) application for a water rate increase. The application was received on July 31, 2018. The attached proposed exhibit contains schedules showing Commission staff's proposed cost-of-service analysis and proposed rates. Commission staff intends to submit this exhibit at the public hearing, which will be scheduled at a later date.

The revenue requirement for the 2018 test year is comprised of the following:

Operation and Maintenance Expenses	\$	797,080
Depreciation Expense	\$	491,682
Property Tax Equivalent and Other Taxes	\$	738,200
Return on Rate Base	\$	653,717
Total	\$	2,680,679

We have used a 5.30 percent rate of return on the estimated water utility net investment rate base for the 2018 test year, as recommended by our staff auditor. ([PSC REF#: 366952.](#))

The proposed rates shown in Schedule 13 would increase annual revenues from water public utility service by an estimated \$695,496, of which \$557,704 would be from general service customers and \$137,792 would be from the public fire protection (PFP) charge. The increase in water utility revenues results from an 83.10 percent increase in gross plant investment and a 57.40 percent increase in operating expenses since your last water rate case in 2011.

The overall increase in customer rates is 40.29 percent, comprised of a 44.68 percent increase in general service charges and a 28.83 percent increase in fire protection charges.

A typical residential customer's bill would rise 38.52 percent (not including PFP). Commission staff provided analysis of customer bills for comparison of proposed and present rates (see Schedule 14 of the attached Commission staff exhibit).

The rates authorized in the Utility's last rate case were adjusted for inflation through the Simplified Rate Case (SRC) process in 2016.

As requested and as shown in Schedule 13, Schedule Mg-1, General Service – Metered has been deleted and Schedule Mg-1R General Service – Metered - Residential, Mg-1MF, General Service – Metered – Multifamily Residential, and Mg-1NR, General Service – Metered – Nonresidential have been created to show class based rates for water service. The Residential Class will keep its uniform rate structure and the Multifamily Residential Class will have a uniform volume rate for all water sales. The Nonresidential Class which includes commercial, industrial, and public authority customers, will remain with a declining block rate structure.

A copy of the changes to the Utility's filed rules that reflect the latest requirements in Wis. Admin. Code ch. PSC 185 is attached. These changes will be recommended to the Commission. The proposed Commission staff exhibit is intended to give the Commission the analysis provided by Commission staff and is not a final decision. The Utility and Citizens Utility Board (CUB) may present their own cases and may submit any additional information which is believed to be pertinent to substantiate the parties' position.

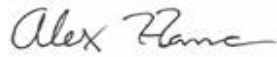
After reviewing, please confirm by Electronic Records Filing (ERF) that the Utility and the (CUB) respectively are in agreement with Commission staff's cost of service analysis and rate design proposal as set forth in the Exhibit within 14 days of the date of this letter. Please identify the document type in ERF as "Exhibit Offered." If the Utility or CUB are not in agreement with any individual component(s), please contact Commission staff for further discussion.

Please note that the Commission will base its decision on the merits of the case.

Mr. Theran Jacobson  
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If you have any questions, please contact me.

Sincerely,



Alex Hanna  
Public Utility Rate Analyst  
Public Service Commission of Wisconsin  
Division of Water Utility Regulation and Analysis  
(608) 267-2336 | [Alex.Hanna@wisconsin.gov](mailto:Alex.Hanna@wisconsin.gov)

AJH;jac DL:01686358

Attachments

cc: Vicky Lawry, Verona Water Utility  
Gwen Zech, Baker Tilly Virchow Krause, LLP  
Jodi Dobson, Baker Tilly Virchow Krause LLP

**Ex.-PSC-COSS and Rate Design**

**Verona Water Utility**

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COMPARATIVE INCOME STATEMENT

ACCT NO.	OPERATING REVENUES	TEST YEAR				
		2014	2015	2016	2017	2018
460	Unmetered Sales to General Customers					
	Residential	\$ 4,432	\$ 3,366	\$ 3,318	\$ 2,887	\$ 3,200
	Multi-Family Residential	0	0	0	0	0
	Commercial	58,294	16,771	32,455	608	16,600
	Industrial	645	1,334	0	113	500
	Public Authority	2,365	0	1,440	1,482	1,000
	Irrigation	0	0	0	0	0
461	Metered Sales to General Customers					
	Residential	636,781	638,269	744,002	740,811	757,575
	Multi-Family Residential	82,869	90,393	96,456	106,586	106,582
	Commercial	300,609	320,579	252,916	249,676	249,200
	Industrial	65,410	65,482	72,301	80,424	84,126
	Public Authority	44,990	47,812	46,751	48,019	50,653
	Irrigation	0	0	0	0	0
	<b>TOTAL GENERAL SALES</b>	<b>\$ 1,196,395</b>	<b>\$ 1,184,006</b>	<b>\$ 1,249,639</b>	<b>\$ 1,230,606</b>	<b>\$ 1,269,436</b>
462	Private fire protection service	\$ 43,768	\$ 46,914	\$ 52,184	\$ 55,305	\$ 56,128
463	Public fire protection service	464,096	464,096	475,118	478,019	478,019
465	Other water sales	0	0	0	0	0
466	Sales for resale	0	0	0	0	0
467	Interdepartmental sales	0	0	0	0	0
470	Forfeited discounts	7,945	6,738	5,535	5,941	6,100
472	Rents from water property	121,902	103,148	118,411	119,435	113,700
473	Interdepartmental rents	0	0	0	0	0
474	Other water revenues	54,114	70,916	43,606	70,732	61,800
	<b>TOTAL OPERATING REVENUES</b>	<b>\$ 1,888,220</b>	<b>\$ 1,875,818</b>	<b>\$ 1,944,493</b>	<b>\$ 1,960,038</b>	<b>\$ 1,985,183</b>
	<b>OPERATING EXPENSES</b>					
	<b>SOURCE OF SUPPLY</b>					
600	Operation labor	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
601	Operation labor and expenses	0	0	0	0	0
602	Purchased water	0	0	0	0	0
603	Miscellaneous expenses	0	0	0	0	0
604	Rents	0	0	0	0	0
610	Maintenance supervision and engineering	0	0	0	0	0
611	Maintenance of structures and improvements	0	0	0	0	0
612	Maint. of collecting and impounding reservoirs	0	0	0	0	0
613	Maintenance of lake, river, and other intakes	0	0	0	0	0
614	Maintenance of wells and springs	0	0	0	0	0
616	Maintenance of supply mains	0	0	0	0	0
617	Maintenance of misc. water source plant	0	0	0	0	0
	<b>PUMPING EXPENSES</b>					
620	Operation supervision and engineering	9,800	11,221	15,169	14,517	15,300
621	Fuel for power production	0	0	0	0	0
622	Power production labor and expenses	0	0	0	0	0
623	Fuel or power purchased for production	85,314	73,671	73,562	90,337	80,800
624	Pumping labor and expenses	5,957	4,977	6,551	5,493	5,800
625	Expenses transferred--credit	0	0	0	0	0
626	Miscellaneous expenses	0	0	0	0	0
627	Rents	0	0	0	0	0
630	Maintenance supervision and engineering	0	0	0	0	0
631	Maintenance of structures and improvements	0	0	0	0	0
632	Maintenance of power production equipment	0	0	0	0	0
633	Maintenance of pumping equipment	14,175	14,056	13,920	15,091	14,600

COMPARATIVE INCOME STATEMENT  
(continued)

ACCT NO.	OPERATING EXPENSES	TEST YEAR				
		2014	2015	2016	2017	2018
<b>WATER TREATMENT EXPENSES</b>						
640	Operation supervision and engineering	\$ 9,811	\$ 10,877	\$ 12,770	\$ 17,092	\$ 17,600
641	Chemicals	14,183	14,846	12,759	13,134	13,900
642	Operation labor and expenses	15,477	16,946	16,067	13,817	16,100
643	Miscellaneous expenses	0	0	0	0	0
644	Rents	0	0	0	0	0
650	Maintenance supervision and engineering	0	0	0	0	0
651	Maintenance of structures and improvements	0	0	0	0	0
652	Maintenance of water treatment equipment	2,594	15	687	2,491	1,100
<b>TRANS &amp; DISTRIBUTION EXPENSES</b>						
660	Operation supervision and engineering	\$ 64,810	\$ 52,324	\$ 72,345	\$ 66,093	\$ 71,300
661	Storage facilities expenses	0	0	0	0	0
662	Transmission and distribution expenses	29,490	30,730	34,759	18,807	27,600
663	Meter expenses	0	0	0	0	0
664	Customer installations expenses	0	0	0	0	0
665	Miscellaneous expenses	0	0	0	0	0
666	Rents	0	0	0	0	0
670	Maintenance supervision and engineering	0	0	0	0	0
671	Maintenance of structures and improvements	0	0	0	0	0
672	Maintenance of distr.reservoirs and standpipes	33,826	45,900	55,878	73,944	157,300
673	Maintenance of transmission and distr. mains	27,204	53,652	22,482	13,855	30,600
675	Maintenance of services	9,659	22,350	19,721	17,011	20,100
676	Maintenance of meters	26,450	38,507	32,288	23,234	32,000
677	Maintenance of hydrants	6,730	4,192	4,347	3,778	4,200
678	Maintenance of miscellaneous plant	118	2,686	0	0	0
<b>CUSTOMER ACCOUNTS EXPENSES</b>						
901	Supervision	0	0	0	0	0
902	Meter reading labor	4,437	4,421	7,082	0	6,800
903	Customer records and collection expenses	9,171	8,706	10,818	9,090	10,200
904	Uncollectible accounts	0	0	0	0	0
905	Miscellaneous customer accounts expenses	0	0	0	0	0
906	Customer service and Information Expenses	0	0	0	0	0
<b>SALES EXPENSES</b>						
910	Sales Expenses	0	0	0	0	0
<b>ADMIN. &amp; GENERAL EXPENSES</b>						
920	Administrative and general salaries	41,913	39,593	53,366	62,920	64,800
921	Office supplies and expenses	17,138	22,815	24,743	20,383	22,400
922	Administrative expenses transferred -- credit	0	0	0	0	0
923	Outside services employed	89,395	84,559	37,032	42,165	40,400
924	Property insurance	0	12,000	12,000	19,871	20,300
925	Injuries and damages	0	0	0	0	0
926	Employee pensions and benefits	75,813	82,843	90,203	98,189	114,680
928	Regulatory commission expenses	0	0	300	0	4,400
929	Duplicate charges -- credit	0	0	0	0	0
930	Miscellaneous general expenses	205	2,765	2,351	1,158	2,100
931	Rents	0	0	0	0	0
932	Maintenance of general plant	2,608	3,610	2,269	2,020	2,700
<b>TOTAL OPER. &amp; MAINT. EXPENSES</b>		\$ 596,278	\$ 658,262	\$ 633,469	\$ 644,490	\$ 797,080
403	<b>DEPRECIATION EXPENSE</b>	405,065	421,707	450,104	475,374	491,682
404-407	<b>AMORTIZATION EXPENSE</b>	0	0	0	0	0
408	<b>TAXES AND TAX EQUIVALENT</b>	671,827	686,990	670,595	703,660	738,200
<b>TOTAL OPERATING EXPENSES</b>		\$ 1,673,170	\$ 1,766,959	\$ 1,754,168	\$ 1,823,524	\$ 2,026,962
<b>NET OPERATING INCOME</b>		\$ 215,050	\$ 108,859	\$ 190,325	\$ 136,514	\$ (41,779)

## NET INVESTMENT RATE BASE

UTILITY FINANCED PLANT IN SERVICE	\$ 16,833,397
Less: ACCUMULATED PROVISION FOR DEPRECIATION	<u>4,330,712</u>
NET PLANT IN SERVICE	\$ 12,502,685
Plus: MATERIALS AND SUPPLIES	37,928
Less: REGULATORY LIABILITY	<u>206,339</u>
NET INVESTMENT RATE BASE	<u><u>\$ 12,334,274</u></u>
RATE OF RETURN ON RATE BASE	5.30%

**ESTIMATED INCOME STATEMENT FOR THE 2018 TEST YEAR  
AND  
REVENUE REQUIREMENT TO YIELD A 5.30% RETURN ON NET INVESTMENT RATE BASE**

	<u>Present Rates</u>	<u>Increase</u>	<u>After Rate Increase</u>
TOTAL OPERATING REVENUES	\$ <u>1,985,183</u>	\$ <u>695,496</u>	\$ <u>2,680,679</u>
<b>OPERATING EXPENSES:</b>			
OPERATION & MAINTENANCE EXPENSES	\$ 797,080		\$ 797,080
DEPRECIATION EXPENSE	491,682		491,682
AMORTIZATION EXPENSE	0		0
TAXES AND TAX EQUIVALENT	<u>738,200</u>		<u>738,200</u>
TOTAL OPERATING EXPENSES	\$ <u>2,026,962</u>		\$ <u>2,026,962</u>
NET OPERATING INCOME (LOSS)	\$ <u>(41,779)</u>		\$ <u><u>653,717</u></u>
RATE OF RETURN ON RATE BASE	-		5.30%

**UTILITY FINANCED PLANT IN SERVICE AND DEPRECIATION EXPENSE  
TEST YEAR 2018**

<u>ACCT NO.</u>	<u>ACCOUNT DESCRIPTION</u>	<u>Balance 12/31/2017 (\$)</u>	<u>Major Additions Less Retirements (\$)</u>	<u>Normal Additions (\$)</u>	<u>Retirements (\$)</u>	<u>Balance 12/31/2018 (\$)</u>	<u>Test Year Rate Base Balance (\$)</u>	<u>Depreciation</u>	
								<u>Rate (%)</u>	<u>Expense (\$)</u>
<b>INTANGIBLE PLANT</b>									
301	Organization	0	0	0	0	0	0	N/A	0
302	Franchises and Consents	0	0	0	0	0	0	N/A	0
303	Miscellaneous Intangible Plant	0	0	0	0	0	0	N/A	0
<b>SOURCE OF SUPPLY</b>									
310	Land and Land Rights	(20,913)	0	0	0	(20,913)	(20,913)	N/A	0
311	Structures and Improvements	0	0	0	0	0	0	0.00%	0
312	Collecting and Impounding Reservoirs	0	0	0	0	0	0	0.00%	0
313	Lake, River, and Other Intakes	0	0	0	0	0	0	0.00%	0
314	Wells and Springs	886,061	0	8,999	0	895,060	890,561	2.90%	25,826
316	Supply Mains	0	0	0	0	0	0	0.00%	0
317	Other Water Source Plant	0	0	0	0	0	0	0.00%	0
<b>PUMPING PLANT</b>									
320	Land and Land Rights	65,089	0	0	0	65,089	65,089	N/A	0
321	Structures and Improvements	1,801,682	0	0	0	1,801,682	1,801,682	3.20%	57,654
323	Other Power Production Equipment	0	0	0	0	0	0	0.00%	0
325	Electric Pumping Equipment	1,571,032	0	0	0	1,571,032	1,571,032	4.40%	69,125
326	Diesel Pumping Equipment	0	0	0	0	0	0	0.00%	0
328	Other Pumping Equipment	50,709	0	0	0	50,709	50,709	4.40%	2,231
<b>WATER TREATMENT PLANT</b>									
330	Land and Land Rights	0	0	0	0	0	0	N/A	0
331	Structures and Improvements	0	0	0	0	0	0	0.00%	0
332	Sand or Other Media Filtration Equipment	0	0	0	0	0	0	0.00%	0
333	Membrane Filtration Equipment	0	0	0	0	0	0	0.00%	0
334	Other Water Treatment Equipment	120,145	0	0	0	120,145	120,145	6.00%	7,209



**UTILITY FINANCED PLANT IN SERVICE AND DEPRECIATION EXPENSE**  
**TEST YEAR 2018**  
(continued)

<u>ACCT NO.</u>	<u>ACCOUNT DESCRIPTION</u>	<u>Balance</u>	<u>Major</u>	<u>Normal</u>	<u>Retirements</u>	<u>Balance</u>	<u>TEST YEAR</u>	<u>DEPRECIATION</u>	
		<u>12/31/2017</u>	<u>Additions</u>	<u>Additions</u>		<u>12/31/2018</u>	<u>RATE BASE</u>	<u>RATE</u>	<u>EXPENSE</u>
		<u>(\$)</u>	<u>(\$)</u>	<u>(\$)</u>	<u>(\$)</u>	<u>(\$)</u>	<u>(\$)</u>	<u>(%)</u>	<u>(\$)</u>
<b>TRANSMISSION &amp; DISTRIBUTION PLANT</b>									
340	Land and Land Rights	0	0	0	0	0	0	N/A	0
341	Structures and Improvements	0	0	0	0	0	0	0.00%	0
342	Distribution Reservoirs and Standpipes	2,947,051	0	0	0	2,947,051	2,947,051	1.90%	55,994
343	Transmission and Distribution Mains	4,602,951	0	161,375	9,539	4,754,787	4,678,869	1.30%	60,825
345	Services	917,406	0	24,603	4,651	937,358	927,382	2.90%	26,894
346	Meters	1,712,967	0	10,863	2,509	1,721,321	1,717,144	5.50%	47,221
348	Hydrants	793,312	0	28,480	1,651	820,141	806,727	2.20%	17,748
349	Other Transmission and Distribution Plant	45,213	0	0	0	45,213	45,213	5.00%	2,261
<b>GENERAL PLANT</b>									
389	Land and Land Rights	0	0	0	0	0	0	N/A	0
390	Structures and Improvements	451,000	0	0	0	451,000	451,000	2.90%	13,079
391	Office Furniture and Equipment	8,156	0	0	0	8,156	8,156	5.80%	473
391	Computer Equipment	62,421	0	41,528	0	103,949	83,185	26.70%	22,210
392	Transportation Equipment	492,068	0	47,931	15,417	524,582	508,325	13.30%	67,607
393	Stores Equipment	0	0	0	0	0	0	0.00%	0
394	Tools, Shop and Garage Equipment	38,026	0	0	0	38,026	38,026	5.80%	2,206
395	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
396	Power Operated Equipment	7,702	0	0	0	7,702	7,702	7.50%	578
397	Communication Equipment	0	0	0	0	0	0	0.00%	0
397	SCADA Equipment	136,312	0	0	0	136,312	136,312	9.20%	12,541
398	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
<b>TOTAL UTILITY FINANCED PLANT IN SERVICE</b>		<b>16,688,390</b>	<b>0</b>	<b>323,779</b>	<b>33,767</b>	<b>16,978,402</b>	<b>16,833,397</b>		<b>491,682</b>

Verona Water Utility

SYSTEM DEMAND RATIOS

MAXIMUM DAY SYSTEM DEMAND

TOTAL ANNUAL PUMPAGE 420,259,816 Gallons

AVERAGE DAILY PUMPAGE 1,151,397 Gallons

MAXIMUM DAY PUMPAGE 1,727,095 Gallons

FIRE FLOW:

GAL/MIN	4,000	
DURATION (HOURS)	3	
TOTAL FLOW	720,000	Gallons

AVERAGE DAY PLUS FIRE FLOW 1,871,397 Gallons

RATIO: BASE =  $\frac{1,151,397}{1,871,397}$  = 61.53%

MAX DAY = 100-BASE = 38.47%

MAXIMUM HOUR SYSTEM DEMAND

AVERAGE HOUR ON MAX DAY 71,962 Gallons

MAXIMUM HOUR PUMPAGE 107,943 Gallons

AVERAGE HOUR PLUS ONE HOUR FIRE FLOW 287,975 Gallons

RATIO: BASE =  $\frac{1,151,397}{6,911,397}$  = 16.66% Use 16.66%

MAX HOUR = 100-BASE = 83.34% Use 83.34%

**ALLOCATION OF UTILITY FINANCED PLANT  
TO SERVICE COST FUNCTIONS**

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL (\$)	BASE COSTS		MAX DAY			MAX HOUR			CUSTOMER COSTS		
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)
<b>INTANGIBLE PLANT</b>													
301	Organization	0	0	0	0	0	0	0	0	0	0	0	0
302	Franchises and Consents	0	0	0	0	0	0	0	0	0	0	0	0
303	Miscellaneous Intangible Plant	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOURCE OF SUPPLY</b>													
310	Land and Land Rights	(20,913)	(12,867)		(8,046)								
311	Structures and Improvements	0	0		0								
312	Collecting and Impounding Reservoirs	0	0		0								
313	Lake, River, and Other Intakes	0	0		0								
314	Wells and Springs	890,561	547,927		342,634								
316	Supply Mains	0	0		0								
317	Other Water Source Plant	0	0		0								
<b>PUMPING PLANT</b>													
320	Land and Land Rights	65,089	40,047		25,042								
321	Structures and Improvements	1,801,682	1,108,504		693,178								
323	Other Power Production Equipment	0	0		0								
325	Electric Pumping Equipment	1,571,032	966,594		604,438								
326	Diesel Pumping Equipment	0	0		0								
328	Other Pumping Equipment	50,709	31,199		19,510								
<b>WATER TREATMENT PLANT</b>													
330	Land and Land Rights	0	0		0								
331	Structures and Improvements	0	0		0								
332	Sand or Other Media Filtration Equipment	0	0		0								
333	Membrane Filtration Equipment	0	0		0								
334	Other Water Treatment Equipment	120,145	73,920		46,225								

**ALLOCATION OF UTILITY FINANCED PLANT  
TO SERVICE COST FUNCTIONS  
(continued)**

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL (\$)	BASE COSTS		MAX DAY			MAX HOUR		CUSTOMER COSTS			Fire Protection (\$)
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	System (\$)	Distribution (\$)	Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)	
<b>TRANSMISSION &amp; DISTRIBUTION PLANT</b>													
340	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	
341	Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0	
342	Distribution Reservoirs and Standpipes	2,947,051	490,961					2,456,090					
343	Transmission mains	4,678,869	2,878,724		1,800,145								
343	Distribution mains	0		0				0					
345	Services	927,382									927,382		
346	Meters	1,717,144								1,717,144			
348	Hydrants	806,727										806,727	
349	Other Transmission and Distribution Plant	45,213	13,754	0	7,348	0	0	0	10,025	0	7,009	3,785	3,293
<b>GENERAL PLANT</b>													
389	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	
390	Structures and Improvements	451,000	177,465	0	102,062	0	0	0	71,293	0	49,843	26,919	23,417
391	Office Furniture and Equipment	8,156	3,209	0	1,846	0	0	0	1,289	0	901	487	423
391	Computer Equipment	83,185	32,733	0	18,825	0	0	0	13,150	0	9,193	4,965	4,319
392	Transportation Equipment	508,325	200,022	0	115,035	0	0	0	80,355	0	56,179	30,341	26,393
393	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, Shop and Garage Equipment	38,026	14,963	0	8,605	0	0	0	6,011	0	4,203	2,270	1,974
395	Laboratory Equipment	0	0	0	0	0	0	0	0	0	0	0	0
396	Power Operated Equipment	7,702	3,031	0	1,743	0	0	0	1,218	0	851	460	400
397	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0
397	SCADA Equipment	136,312	53,638	0	30,848	0	0	0	21,548	0	15,065	8,136	7,078
398	Miscellaneous Equipment	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>16,833,397</b>	<b>6,623,824</b>	<b>0</b>	<b>3,809,437</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,660,978</b>	<b>0</b>	<b>1,860,389</b>	<b>1,004,744</b>	<b>874,024</b>

**ALLOCATION OF TOTAL PLANT  
TO SERVICE COST FUNCTIONS**

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL	BASE COSTS		MAX DAY		MAX HOUR			CUSTOMER COSTS			Fire Protection
			(\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)	
<b>INTANGIBLE PLANT</b>													
301	Organization	0	0	0	0	0	0	0	0	0	0	0	0
302	Franchises and Consents	0	0	0	0	0	0	0	0	0	0	0	0
303	Miscellaneous Intangible Plant	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOURCE OF SUPPLY</b>													
310	Land and Land Rights	0	0		0								
311	Structures and Improvements	0	0		0								
312	Collecting and Impounding Reservoirs	0	0		0								
313	Lake, River, and Other Intakes	0	0		0								
314	Wells and Springs	890,561	547,927		342,634								
316	Supply Mains	0	0		0								
317	Other Water Source Plant	0	0		0								
<b>PUMPING PLANT</b>													
320	Land and Land Rights	65,089	40,047		25,042								
321	Structures and Improvements	2,325,928	1,431,052		894,876								
323	Other Power Production Equipment	0	0		0								
325	Electric Pumping Equipment	1,688,980	1,039,163		649,817								
326	Diesel Pumping Equipment	0	0		0								
328	Other Pumping Equipment	50,709	31,199		19,510								
<b>WATER TREATMENT PLANT</b>													
330	Land and Land Rights	0	0		0								
331	Structures and Improvements	0	0		0								
332	Sand or Other Media Filtration Equipment	0	0		0								
333	Membrane Filtration Equipment	0	0		0								
334	Other Water Treatment Equipment	120,145	73,920		46,225								

**ALLOCATION OF TOTAL PLANT  
TO SERVICE COST FUNCTIONS  
(continued)**

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL	BASE COSTS		MAX DAY		MAX HOUR			CUSTOMER COSTS			Fire Protection
			System	Distribution	System	Distribution	System	Distribution	Storage	Billing	Equivalent Meter	Equivalent Service	
(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	
<b>TRANSMISSION &amp; DISTRIBUTION PLANT</b>													
340	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
341	Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0	0
342	Distribution Reservoirs and Standpipes	3,029,014	504,615					2,524,399					
343	Transmission mains	5,538,827	3,407,822		2,131,005								
343	Distribution mains	19,279,163		3,211,792			16,067,372						
345	Services	3,148,659										3,148,659	
346	Meters	1,717,144								1,717,144			
348	Hydrants	2,603,421											2,603,421
349	Other Transmission and Distribution Plant	45,213	5,009	4,112	2,728	0	0	20,570	3,232	0	2,198	4,031	3,333
<b>GENERAL PLANT</b>													
389	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
390	Structures and Improvements	451,000	78,844	35,809	45,785	0	0	179,140	28,145	0	19,145	35,105	29,026
391	Office Furniture and Equipment	8,156	1,426	648	828	0	0	3,240	509	0	346	635	525
391	Computer Equipment	83,185	14,542	6,605	8,445	0	0	33,042	5,191	0	3,531	6,475	5,354
392	Transportation Equipment	508,325	88,866	40,361	51,605	0	0	201,909	31,723	0	21,578	39,567	32,716
393	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, Shop and Garage Equipment	38,026	6,648	3,019	3,860	0	0	15,104	2,373	0	1,614	2,960	2,447
395	Laboratory Equipment	0	0	0	0	0	0	0	0	0	0	0	0
396	Power Operated Equipment	7,702	1,346	612	782	0	0	3,059	481	0	327	600	496
397	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0
397	SCADA Equipment	136,312	23,830	10,823	13,838	0	0	54,144	8,507	0	5,786	10,610	8,773
398	Miscellaneous Equipment	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>41,735,559</b>	<b>7,296,258</b>	<b>3,313,780</b>	<b>4,236,980</b>	<b>0</b>	<b>0</b>	<b>16,577,579</b>	<b>2,604,559</b>	<b>0</b>	<b>1,771,671</b>	<b>3,248,642</b>	<b>2,686,091</b>

**ALLOCATION OF DEPRECIATION EXPENSE  
TO SERVICE COST FUNCTIONS**

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL (\$)	BASE COSTS		MAX DAY		MAX HOUR			CUSTOMER COSTS			Fire Protection (\$)
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)	
<b>INTANGIBLE PLANT</b>													
301	Organization	0	0	0	0	0	0	0	0	0	0	0	0
302	Franchises and Consents	0	0	0	0	0	0	0	0	0	0	0	0
303	Miscellaneous Intangible Plant	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOURCE OF SUPPLY</b>													
310	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
311	Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0	0
312	Collecting and Impounding Reservoirs	0	0	0	0	0	0	0	0	0	0	0	0
313	Lake, River, and Other Intakes	0	0	0	0	0	0	0	0	0	0	0	0
314	Wells and Springs	25,826	15,890	9,936	0	0	0	0	0	0	0	0	0
316	Supply Mains	0	0	0	0	0	0	0	0	0	0	0	0
317	Other Water Source Plant	0	0	0	0	0	0	0	0	0	0	0	0
<b>PUMPING PLANT</b>													
320	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
321	Structures and Improvements	57,654	35,472	22,182	0	0	0	0	0	0	0	0	0
323	Other Power Production Equipment	0	0	0	0	0	0	0	0	0	0	0	0
325	Electric Pumping Equipment	69,125	42,530	26,595	0	0	0	0	0	0	0	0	0
326	Diesel Pumping Equipment	0	0	0	0	0	0	0	0	0	0	0	0
328	Other Pumping Equipment	2,231	1,373	858	0	0	0	0	0	0	0	0	0
<b>WATER TREATMENT PLANT</b>													
330	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
331	Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0	0
332	Sand or Other Media Filtration Equipment	0	0	0	0	0	0	0	0	0	0	0	0
333	Membrane Filtration Equipment	0	0	0	0	0	0	0	0	0	0	0	0
334	Other Water Treatment Equipment	7,209	4,435	2,774	0	0	0	0	0	0	0	0	0

**ALLOCATION OF DEPRECIATION EXPENSE  
TO SERVICE COST FUNCTIONS  
(continued)**

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL (\$)	BASE COSTS		MAX DAY		MAX HOUR			CUSTOMER COSTS			Fire Protection (\$)
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)	
<b>TRANSMISSION &amp; DISTRIBUTION PLANT</b>													
340	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
341	Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0	0
342	Distribution Reservoirs and Standpipes	55,994	9,328						46,666				
343	Transmission mains	60,825	37,423		23,402								
343	Distribution mains	0		0			0						
345	Services	26,894										26,894	
346	Meters	47,221									47,221		
348	Hydrants	17,748											17,748
349	Other Transmission and Distribution Plant	2,261	507	0	254	0	0	0	506	0	512	291	192
<b>GENERAL PLANT</b>													
389	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
390	Structures and Improvements	13,079	5,153	0	3,016	0	0	0	1,654	0	1,674	953	629
391	Office Furniture and Equipment	473	186	0	109	0	0	0	60	0	61	34	23
391	Computer Equipment	22,210	8,751	0	5,121	0	0	0	2,809	0	2,842	1,619	1,068
392	Transportation Equipment	67,607	26,637	0	15,588	0	0	0	8,550	0	8,652	4,928	3,252
393	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, Shop and Garage Equipment	2,206	869	0	509	0	0	0	279	0	282	161	106
395	Laboratory Equipment	0	0	0	0	0	0	0	0	0	0	0	0
396	Power Operated Equipment	578	228	0	133	0	0	0	73	0	74	42	28
397	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0
397	SCADA Equipment	12,541	4,941	0	2,892	0	0	0	1,586	0	1,605	914	603
398	Miscellaneous Equipment	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>491,682</b>	<b>193,724</b>	<b>0</b>	<b>113,368</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>62,182</b>	<b>0</b>	<b>62,922</b>	<b>35,836</b>	<b>23,649</b>



**ALLOCATION OF OPERATION AND MAINTENANCE EXPENSES  
TO SERVICE COST FUNCTIONS**

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL (\$)	BASE COSTS		MAX DAY		MAX HOUR			CUSTOMER COSTS			Fire Protection (\$)
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)	
<b>SOURCE OF SUPPLY</b>													
600	Operation labor	0	0		0								
601	Operation labor and expenses	0	0		0								
602	Purchased water	0	0										0
603	Miscellaneous expenses	0	0		0								
604	Rents	0	0		0								
610	Maintenance supervision and engineering	0	0		0								
611	Maintenance of structures and improvements	0	0		0								
612	Maint. of collecting and impounding reservoirs	0	0		0								
613	Maintenance of lake, river, and other intakes	0	0		0								
614	Maintenance of wells and springs	0	0		0								
616	Maintenance of supply mains	0	0		0								
617	Maintenance of misc. water source plant	0	0		0								
<b>PUMPING EXPENSES</b>													
620	Operation supervision and engineering	15,300	9,413		5,887								
621	Fuel for power production	0	0										
622	Power production labor and expenses	0	0										
623	Fuel or power purchased for production	80,800	80,800										
624	Pumping labor and expenses	5,800	3,569		2,231								
625	Expenses transferred--credit	0	0		0								
626	Miscellaneous expenses	0	0		0								
627	Rents	0	0		0								
630	Maintenance supervision and engineering	0	0		0								
631	Maintenance of structures and improvements	0	0		0								
632	Maintenance of power production equipment	0	0		0								
633	Maintenance of pumping equipment	14,600	8,983		5,617								
<b>WATER TREATMENT EXPENSES</b>													
640	Operation supervision and engineering	17,600	10,829		6,771								
641	Chemicals	13,900	13,900										
642	Operation labor and expenses	16,100	9,906		6,194								
643	Miscellaneous expenses	0	0		0								
644	Rents	0	0		0								
650	Maintenance supervision and engineering	0	0		0								
651	Maintenance of structures and improvements	0	0		0								
652	Maintenance of water treatment equipment	1,100	677		423								

**ALLOCATION OF OPERATION AND MAINTENANCE EXPENSES  
TO SERVICE COST FUNCTIONS  
(continued)**

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL (\$)	BASE COSTS		MAX DAY		MAX HOUR			CUSTOMER COSTS			Fire Protection (\$)
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)	
<b>TRANSMISSION &amp; DISTRIBUTION EXPENSES</b>													
660	Operation supervision and engineering	71,300	8,415	2,126	964	0	0	10,637	34,389	0	8,394	5,273	1,102
661	Storage facilities expenses	0	0						0				
662	Transmission lines expenses	4,528	2,786		1,742								
662	Distribution lines expenses	23,072		3,844				19,229					
663	Meter expenses	0								0			
664	Customer installations expenses	0										0	
665	Miscellaneous expenses	0	0	0	0	0	0	0	0	0	0	0	0
666	Rents	0	0	0	0	0	0	0	0	0	0	0	0
670	Maintenance supervision and engineering	0	0	0	0	0	0	0	0	0	0	0	0
671	Maintenance of structures and improvements	0	0	0	0	0	0	0	0	0	0	0	0
672	Maintenance of distr.reservoirs and standpipes	157,300	26,205						131,095				
673	Maintenance of transmission mains	5,020	3,088		1,931								
673	Maintenance of distribution mains	25,580		4,262				21,319					
675	Maintenance of services	20,100										20,100	
676	Maintenance of meters	32,000									32,000		
677	Maintenance of hydrants	4,200											4,200
678	Maintenance of miscellaneous plant	0	0	0	0	0	0	0	0	0	0	0	0
<b>CUSTOMER ACCOUNTS EXPENSES</b>													
901	Supervision	0								0			
902	Meter reading labor	6,800								6,800			
903	Customer records and collection expenses	10,200								10,200			
904	Uncollectible accounts	0								0			
905	Miscellaneous customer accounts expenses	0								0			
906	Customer service and Information Expenses	0								0			
<b>SALES EXPENSES</b>													
910	Sales Expenses	0								0			
<b>ADMINISTRATIVE &amp; GENERAL EXPENSES</b>													
920	Administrative and general salaries	64,800	12,928	1,577	4,896	0	0	7,889	25,508	1,048	6,226	3,911	817
921	Office supplies and expenses	22,400	4,469	545	1,692	0	0	2,727	8,817	362	2,152	1,352	282
922	Administrative expenses transferred -- credit	0	0	0	0	0	0	0	0	0	0	0	0
923	Outside services employed	40,400	8,060	983	3,052	0	0	4,919	15,903	653	3,882	2,438	509
924	Property insurance	20,300	3,549	1,612	2,061	0	0	8,063	1,267	0	862	1,580	1,307
925	Injuries and damages	0	0	0	0	0	0	0	0	0	0	0	0
926	Employee pensions and benefits	114,680	22,879	2,791	8,664	0	0	13,962	45,142	1,855	11,019	6,921	1,446
928	Regulatory commission expenses	4,400	878	107	332	0	0	536	1,732	71	423	266	55
929	Duplicate charges -- credit	0	0	0	0	0	0	0	0	0	0	0	0
930	Miscellaneous general expenses	2,100	419	51	159	0	0	256	827	34	202	127	26
931	Rents	0	0	0	0	0	0	0	0	0	0	0	0
932	Maintenance of general plant	2,700	539	66	204	0	0	329	1,063	44	259	163	34
<b>TOTAL OPERATION &amp; MAINTENANCE EXPENSES</b>		<b>797,080</b>	<b>232,290</b>	<b>17,964</b>	<b>52,821</b>	<b>0</b>	<b>0</b>	<b>89,865</b>	<b>265,742</b>	<b>21,068</b>	<b>65,420</b>	<b>42,131</b>	<b>9,780</b>

**SUMMARY OF ALLOCATION OF OPERATING COSTS TO SERVICE COST FUNCTIONS**

<u>OPERATING COST</u>	EXTRA-CAPACITY											
	TOTAL	BASE COSTS		MAX DAY			MAX HOUR		CUSTOMER COSTS			Fire Protection
		(\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)	
OPERATION AND MAINTENANCE	797,080	232,290	17,964	52,821	0	0	89,865	265,742	21,068	65,420	42,131	9,780
DEPRECIATION EXPENSE	491,682	193,724	0	113,368	0	0	0	62,182	0	62,922	35,836	23,649
AMORTIZATION EXPENSE	0	0	0	0	0	0	0	0	0	0	0	0
TAXES AND TAX EQUIVALENT	738,200	129,053	58,613	74,942	0	0	293,217	46,068	0	31,337	57,461	47,510
RETURN ON NET INVESTMENT RATE BASE	653,717	257,233	0	147,938	0	0	0	103,338	0	72,247	39,019	33,942
<b>TOTAL</b>	<b>2,680,679</b>	<b>812,300</b>	<b>76,576</b>	<b>389,068</b>	<b>0</b>	<b>0</b>	<b>383,082</b>	<b>477,331</b>	<b>21,068</b>	<b>231,926</b>	<b>174,446</b>	<b>114,882</b>

**CUSTOMER CLASS DEMAND RATIOS**

<u>CUSTOMER CLASS</u>	<u>BASE COSTS</u>					<u>EXTRA-CAPACITY MAX DAY DEMAND</u>					<u>EXTRA-CAPACITY MAX HOUR DEMAND</u>					
	<u>Annual Volume 1,000 Mgal</u>	<u>Average Day Volume Gal</u>	<u>Percent (%)</u>	<u>System Adjusted Percent (%)</u>	<u>Distribution Adjusted Percent (%)</u>	<u>Extra Capacity Ratio</u>	<u>Volume Rate Gal Per Day</u>	<u>Percent (%)</u>	<u>System Adjusted Percent (%)</u>	<u>Distribution Adjusted Percent (%)</u>	<u>Extra Capacity Ratio</u>	<u>Volume Rate Gal Per Hour</u>	<u>Percent (%)</u>	<u>System Adjusted Percent (%)</u>	<u>Distribution Adjusted Percent (%)</u>	<u>Storage Adjusted Percent (%)</u>
<b>Residential</b>	204,208	559,474	50.79%	50.79%	50.79%	2.50	1,398,685	44.90%	44.90%	44.90%	4.75	110,729	25.78%	29.21%	29.21%	25.78%
<b>Multifamily Residential</b>	40,690	111,479	10.12%	10.12%	10.12%	2.25	250,829	8.05%	8.05%	8.05%	4.25	19,741	4.60%	5.21%	5.21%	4.60%
<b>Commercial</b>	90,160	247,014	22.43%	22.43%	22.43%	2.00	494,027	15.86%	15.86%	15.86%	3.75	38,596	8.99%	10.18%	10.18%	8.99%
<b>Industrial</b>	45,390	124,356	11.29%	11.29%	11.29%	1.25	155,445	4.99%	4.99%	4.99%	2.50	12,954	3.02%	3.42%	3.42%	3.02%
<b>Public Authority</b>	17,560	48,110	4.37%	4.37%	4.37%	2.00	96,219	3.09%	3.09%	3.09%	3.75	7,517	1.75%	1.98%	1.98%	1.75%
<b>Public Fire Protection</b>	4,020	11,014	1.00%	1.00%	1.00%		720,000	23.11%	23.11%	23.11%		240,000	55.87%	50.00%	50.00%	55.87%
<b>TOTALS</b>	<b>402,028</b>	<b>1,101,447</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>		<b>3,115,205</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>		<b>429,537</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

50%      50%      <-- Public Fire % Limits -->      50%      50%      80%

Maximum Day Demand = 3,485,638 (GAL/DAY)      SUM OF GENERAL SERVICE AVERAGE AND MAXIMUM DAY EXTRA CAPACITY DEMAND

Maximum Hour Demand = 234,972 (GAL/HR)      SUM OF GENERAL SERVICE AVERAGE AND MAXIMUM HOUR EXTRA CAPACITY DEMAND

2.02 = NON-COINCIDENT / COINCIDENT RATIO FOR MAX DAY

2.18 = NON-COINCIDENT / COINCIDENT RATIO FOR MAX HOUR

**CUSTOMER CLASS ALLOCATION FACTORS**

**NUMBER OF METERS**

Meter size (inches):	NUMBER OF METERS												TOTAL		
	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	METERS	PERCENT
Residential	4,016	0	4	0	2	0	0	0	0	0	0	0	0	4,022	88%
Multifamily Residential	10	0	31	0	23	23	0	4	0	0	0	0	0	91	2%
Commercial	243	0	61	0	19	24	0	24	4	4	5	2	0	386	8%
Industrial	19	0	8	0	4	5	0	2	1	0	0	0	0	39	1%
Public Authority	9	0	8	0	8	16	0	3	1	0	1	0	0	46	1%
<b>TOTALS</b>	<b>4,297</b>	<b>0</b>	<b>112</b>	<b>0</b>	<b>56</b>	<b>68</b>	<b>0</b>	<b>33</b>	<b>6</b>	<b>4</b>	<b>6</b>	<b>2</b>	<b>0</b>	<b>4,584</b>	<b>100%</b>

**EQUIVALENT METERS**

ALLOCATION FACTOR: Meter size (inches): Equiv. meters ratio:	EQUIVALENT METERS												TOTAL		
	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	EQUIV. METERS	PERCENT
Residential	4,016	0	10	0	10	0	0	0	0	0	0	0	0	4,036	58%
Multifamily Residential	10	0	78	0	115	184	0	60	0	0	0	0	0	447	6%
Commercial	243	0	153	0	95	192	0	360	100	200	400	240	0	1,983	28%
Industrial	19	0	20	0	20	40	0	30	25	0	0	0	0	154	2%
Public Authority	9	0	20	0	40	128	0	45	25	0	80	0	0	347	5%
<b>TOTALS</b>	<b>4,297</b>	<b>0</b>	<b>280</b>	<b>0</b>	<b>280</b>	<b>544</b>	<b>0</b>	<b>495</b>	<b>150</b>	<b>200</b>	<b>480</b>	<b>240</b>	<b>0</b>	<b>6,966</b>	<b>100%</b>

**EQUIVALENT SERVICES**

ALLOCATION FACTOR: Meter size (inches): Equiv. services ratio:	EQUIVALENT SERVICES												TOTAL		
	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	SERVICES	PERCENT
Residential	4,016	0	5	0	4	0	0	0	0	0	0	0	0	4,025	80%
Multifamily Residential	10	0	40	0	46	69	0	16	0	0	0	0	0	181	4%
Commercial	243	0	79	0	38	72	0	96	20	24	35	16	0	623	12%
Industrial	19	0	10	0	8	15	0	8	5	0	0	0	0	65	1%
Public Authority	9	0	10	0	16	48	0	12	5	0	7	0	0	107	2%
<b>TOTALS</b>	<b>4,297</b>	<b>0</b>	<b>146</b>	<b>0</b>	<b>112</b>	<b>204</b>	<b>0</b>	<b>132</b>	<b>30</b>	<b>24</b>	<b>42</b>	<b>16</b>	<b>0</b>	<b>5,003</b>	<b>100%</b>

**ALLOCATION OF SERVICE COST FUNCTIONS TO CUSTOMER CLASSES**

	<b>TOTAL</b>	<b>Residential</b>	<b>Multifamily Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Public Authority</b>	<b>Public Fire Protection</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
<b>BASE COSTS:</b>							
<b>SYSTEM</b>	812,300	412,603	82,214	182,169	91,711	35,480	8,123
<b>DISTRIBUTION</b>	76,576	38,897	7,750	17,173	8,646	3,345	766
<b>EXTRA-CAPACITY COSTS:</b>							
<b>MAXIMUM-DAY SYSTEM</b>	389,068	174,686	31,327	61,701	19,414	12,017	89,923
<b>MAXIMUM-DAY DISTRIBUTION</b>	0	0	0	0	0	0	0
<b>MAXIMUM-HOUR SYSTEM</b>	0	0	0	0	0	0	0
<b>MAXIMUM-HOUR DISTRIBUTION</b>	383,082	111,900	19,950	39,004	13,091	7,597	191,541
<b>MAXIMUM-HOUR STORAGE</b>	477,331	123,050	21,938	42,890	14,395	8,354	266,704
<b>CUSTOMER COSTS:</b>							
<b>BILLING</b>	21,068	18,485	418	1,774	179	211	
<b>EQUIVALENT METERS</b>	231,926	134,375	14,866	66,005	5,127	11,553	
<b>EQUIVALENT SERVICES</b>	174,446	140,363	6,322	21,735	2,281	3,745	
<b>FIRE PROTECTION</b>	114,882						114,882
<b>TOTAL COST</b>	2,680,679	1,154,358	184,785	432,451	154,843	82,302	671,939
<b>LESS OTHER REVENUE</b>	259,028	107,560	16,705	55,696	14,499	8,440	56,128
<b>COST OF SERVICE</b>	2,421,651	1,046,799	168,080	376,756	140,345	73,861	615,811
<b>REVENUE AT PRESENT RATES</b>	1,726,155	757,575	106,582	249,200	84,126	50,653	478,019
<b>DIFFERENCE</b>	695,496	289,224	61,498	127,556	56,219	23,208	137,792
<b>PERCENT INCREASE/DECREASE</b>	<b>40.29%</b>	<b>38.18%</b>	<b>57.70%</b>	<b>51.19%</b>	<b>66.83%</b>	<b>45.82%</b>	<b>28.83%</b>

**Verona Water Utility  
Comparison of Revenue  
at  
Present Rates, Cost of Service and Proposed Rates**

<u>Customer Class</u>	<u>Revenue at Present Rates</u>	<u>Cost of Service</u>		<u>Proposed Rates</u>		
		<u>Revenue Required</u>	<u>Increase over Present Rates</u>	<u>Revenue</u>	<u>Increase over Present Rates</u>	<u>Percent of Cost of Service</u>
Residential	\$757,575	\$1,046,799	38.18%	\$1,049,068	38.48%	100.22%
Multifamily Residential	\$106,582	\$168,080	57.70%	\$168,194	57.81%	100.07%
Commercial	\$249,200	\$376,756	51.19%	\$377,740	51.58%	100.26%
Industrial	\$84,126	\$140,345	66.83%	\$140,481	66.99%	100.10%
Public Authority	\$50,653	\$73,861	45.82%	\$71,898	41.94%	97.34%
Public Fire Protection	<u>\$478,019</u>	<u>\$615,811</u>	28.83%	<u>\$615,811</u>	28.83%	100.00%
<b>Total</b>	<u><u>\$1,726,155</u></u>	<u><u>\$2,421,651</u></u>	<u><u>40.29%</u></u>	<u><u>\$2,423,192</u></u>	<u><u>40.38%</u></u>	<u><u>100.06%</u></u>

**Verona Water Utility**  
**Proposed Water Rates and Rules**



Docket 6100-WR-103

**Verona Water Utility**  
**Water Rate File Changes**

**New or Amended**

F-1  
Upf-1  
Mg-1R  
Mg-1MF  
Mg-1NR  
Mg-2  
Am-1  
OC-1  
Mpa-1  
Ug-1  
Sg-1  
BW-1  
R-1  
Cz-1  
X-1  
X-2  
X-3

**Deleted**

Mg-1

**Public Service Commission of Wisconsin**

**Verona Water Utility**

<b>Public Fire Protection Service</b>
---------------------------------------

Public fire protection service includes 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.

The annual charge for public fire protection service to the City of Verona shall be \$615,811. The utility may bill for this amount in equal installments.

Billing: Same as Schedule Mg-1R.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**Private Fire Protection Service - Unmetered**

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:	\$	21.00
3 - inch connection:	\$	39.00
4 - inch connection:	\$	63.00
6 - inch connection:	\$	126.00
8 - inch connection:	\$	201.00
10 - inch connection:	\$	300.00
12 - inch connection:	\$	399.00
14 - inch connection:	\$	498.00
16 - inch connection:	\$	597.00

Billing: Same as Schedule Mg-1R.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**General Service – Metered - Residential**

Quarterly Service Charges:

5/8 - inch meter:	\$ 21.00	3 - inch meter:	\$ 162.00
3/4 - inch meter:	\$ 21.00	4 - inch meter:	\$ 252.00
1 - inch meter:	\$ 36.00	6 - inch meter:	\$ 468.00
1¼ - inch meter:	\$ 51.00	8 - inch meter:	\$ 726.00
1½ - inch meter:	\$ 63.00	10 - inch meter:	\$ 1,068.00
2 - inch meter:	\$ 96.00	12 - inch meter:	\$ 1,410.00

Plus Volume Charges:

All water used quarterly: \$3.48 per 1,000 gallons

**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. The 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. Adm. 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 when metering configurations support such an approach. Meter readings from individually metered separate service laterals shall not be combined for billing purposes.

**Residential** customers include single-family homes, duplexes, and individually-metered condominiums, apartments, and mobile homes.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**General Service – Metered – Multifamily Residential**

Quarterly Service Charges:

5/8 - inch meter:	\$ 21.00	3 - inch meter:	\$ 162.00
3/4 - inch meter:	\$ 21.00	4 - inch meter:	\$ 252.00
1 - inch meter:	\$ 36.00	6 - inch meter:	\$ 468.00
1¼ - inch meter:	\$ 51.00	8 - inch meter:	\$ 726.00
1½ - inch meter:	\$ 63.00	10 - inch meter:	\$ 1,068.00
2 - inch meter:	\$ 96.00	12 - inch meter:	\$ 1,410.00

Plus Volume Charges:

All water used quarterly: \$3.58 per 1,000 gallons

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. The 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. Adm. 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 when metering configurations support such an approach. Meter readings from individually metered separate service laterals shall not be combined for billing purposes.

**Multifamily Residential** customers include master-metered multifamily dwelling units such as condominium complexes, apartment buildings, and mobile home parks.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**General Service – Metered - Nonresidential**

Quarterly Service Charges:

5/8 - inch meter:	\$ 21.00	3 - inch meter:	\$ 162.00
3/4 - inch meter:	\$ 21.00	4 - inch meter:	\$ 252.00
1 - inch meter:	\$ 36.00	6 - inch meter:	\$ 468.00
1¼ - inch meter:	\$ 51.00	8 - inch meter:	\$ 726.00
1½ - inch meter:	\$ 63.00	10 - inch meter:	\$ 1,068.00
2 - inch meter:	\$ 96.00	12 - inch meter:	\$ 1,410.00

Plus Volume Charges:

First	30,000	gallons used each quarter:	\$3.68 per 1,000 gallons
Next	70,000	gallons used each quarter:	\$3.48 per 1,000 gallons
Over	100,000	gallons used each quarter:	\$2.80 per 1,000 gallons

**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. The 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. Adm. 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 when metering configurations support such an approach. Meter readings from individually metered separate service laterals shall not be combined for billing purposes.

**Nonresidential Class** includes commercial, industrial, and public authority customers. Commercial customers include business entities and institutions, except governmental entities, that provide goods or services. Churches and parochial schools are not governmental and are classified as commercial. Industrial customers include customers who are engaged in the manufacture or production of goods. Public Authority customers include any department, agency, or entity of local, state, or federal government, including public schools, colleges, and universities.

**RATE FILE (*DRAFT*)**

Sheet No. 1 of 1

Schedule No. Mg-2

Amendment No. 20

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**General Service - Suburban**

General service water customers residing outside the corporate limits of the City of Verona shall be billed at the rates for general metered service provided in Schedule Mg-1R, plus a 25 percent surcharge.

Billing: Same as Schedule Mg-1R.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**Additional Meter Rental Charge**

Upon request, the utility shall furnish and install additional meters to:

- A. Water service customers for the purpose of measuring the volume of water used that is not discharged into the sanitary sewer system; and
- B. Sewerage service customers who are not customers of the water utility for the purpose of determining the volume of sewage that is discharged into the sanitary sewer system.

The utility shall charge a meter installation charge of \$40.00 and a quarterly rental fee for the use of this additional meter.

Quarterly Additional Meter Rental Charges:

5/8 - inch meter:	\$	10.50
3/4 - inch meter:	\$	10.50
1 - inch meter:	\$	18.00
1 1/4 - inch meter:	\$	25.50
1 1/2 - inch meter:	\$	31.50
2 - inch meter:	\$	48.00

This schedule applies only if the additional meter is installed on the same service lateral as the primary meter and either:

- A. The additional meter is 3/4-inch or smaller if the metering configuration is the Addition Method; or
- B. The additional meter is 2-inch or smaller for all other metering configurations.

If the additional meter is larger than 2-inch or larger than 3/4-inch and installed in the Addition Method, each meter shall be treated as a separate account and Schedule Mg-1R rates shall apply.

Billing: Same as Schedule Mg-1R.



**Public Service Commission of Wisconsin**

**Verona Water Utility**

<b>Other Charges</b>
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Payment Not Honored by Financial Institution Charge: The utility shall assess a \$30.00 charge when a payment rendered for utility service is not honored by the customer's financial institution. This charge may not be in addition to, but may be inclusive of, other such charges when the payment was for multiple services.

Billing: Same as Schedule Mg-1R.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

<b>Public Service</b>
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Metered Service

Water used by the City of Verona on an intermittent basis for flushing sewers, street washing, flooding skating rinks, drinking fountains, etc., shall be metered and billed according to the rates set forth in Schedule Mg-1NR.

Unmetered Service

Where it is impossible to meter the service, the utility shall estimate the volume of water used based on the pressure, size of opening, and the period of time the water is used. The estimated quantity shall be billed at the volumetric rates set forth in Schedule Mg-1NR, excluding any service charges.

Billing: Same as Schedule Mg-1NR.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**General Water Service - Unmetered**

Service may be supplied temporarily on an unmetered basis where the utility cannot immediately install a water meter, including water used for construction. Unmetered service shall be billed the amount that would be charged to a metered residential customer using 13,000 gallons of water quarterly under Schedule Mg-1R, including the service charge for a 5/8-inch meter. If the utility determines that actual usage exceeds 13,000 gallons of water quarterly, an additional charge for the estimated excess usage shall be made according to the rates under Schedule Mg-1R.

This schedule applies only to customers with a 1-inch or smaller service connection. For customers with a larger service connection, the utility shall install a temporary meter and charges shall be based on the rates set forth under Schedule Mg-1R.

Billing: Same as Schedule Mg-1R.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

<b>Seasonal Service</b>
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Seasonal customers are general service customers who voluntarily request disconnection of water service and who resume service at the same location within 12 months of the disconnection, unless service has been provided to another customer at that location in the intervening period. The utility shall bill seasonal customers the applicable service charges under Schedule Mg-1R year-round, including the period of temporary disconnection.

Seasonal service shall include customers taking service under Schedule Mg-1R, Schedule Ug-1, or Schedule Am-1.

Upon reconnection, the utility shall apply a charge under Schedule R-1 and require payment of any unpaid charges under this schedule.

Billing: Same as Schedule Mg-1R, unless the utility and customer agree to an alternative payment schedule for the period of voluntary disconnection.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**Bulk Water**

All bulk water supplied from the water system through hydrants or other connections shall be metered or estimated by the utility. Utility personnel or a party approved by the utility 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 service area;
- B. Water supplied by tank trucks or from hydrants for purposes other than extinguishing fires, such as water used for irrigation or filling swimming pools; or,
- C. Water supplied from hydrants or other temporary connections for general service type applications, except that Schedule Ug-1 applies for water supplied for construction purposes.

A service charge of \$40.00 and a charge for the volume of water used shall be billed to the party using the water. The volumetric charge shall be calculated using the highest volumetric rate for residential customers under Schedule Mg-1R. In addition, for meters that are assigned to bulk water customers for more than 7 days, the applicable service charge in Schedule Mg-1R will apply after the first 7 days.

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

Billing: Same as Schedule Mg-1R.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

<b>Reconnection Charges</b>
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The utility shall assess a charge to reconnect a customer, which includes reinstalling a meter and turning on the valve at the curb stop, if necessary. A utility may not assess a charge for disconnecting a customer.

During normal business hours: \$40.00

After normal business hours: \$60.00

Billing: Same as Schedule Mg-1R.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

<b>Water Lateral Installation Charge</b>
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The utility shall charge a customer for the actual cost of installing a water service lateral from the main through curb stop and box if these costs are not contributed as part of a subdivision development or otherwise recovered under Wis. Stats. Chapter 66.

Billing: Same as Schedule Mg-1R.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**Water Utility Operating Rules**

Compliance with Rules

All persons now receiving water service from this water utility, or who may request service in the future, shall be considered as having agreed to be bound by the rules and regulations as filed with the Public Service Commission of Wisconsin.

Establishment of Service

Application for water service may be made in writing on a form furnished by the water utility. The application will contain the legal description of the property to be served, the name of the owner, the exact use to be made of the service, and the size of the service lateral and meter desired. Note particularly any special refrigeration, fire protection, or water-consuming air-conditioning equipment.

Service will be furnished only if (1) the premises have a frontage on a properly platted street or public strip in which a cast iron or other long-life water main has been laid, or where the property owner has agreed to and complied with the provisions of the water utility's filed main extension rule, (2) the property owner has installed or agrees to install a service lateral from the curb stop to the point of use that is not less than 6 feet below the surface of an established or proposed grade and meets the water utility's specifications, and (3) the premises have adequate piping beyond the metering point.

The owner of a multi-unit dwelling has the option of being served by individual metered water service to each unit. The owner, by selecting this option, is required to provide interior plumbing and meter settings to enable individual metered service to each unit and individual disconnection without affecting service to other units. Each meter and meter connection will be treated as a separate water utility account for the purpose of the filed rules and regulations.

No division of the water service lateral to any lot or parcel of land shall be made for the extension and independent metering of the supply to an adjoining lot or parcel of land. Except for duplexes, no division of a water service lateral shall be made at the curb for separate supplies for two or more separate premises having frontage on any street or public service strip, whether owned by the same or different parties. Duplexes may be served by one lateral provided (1) individual metered service and disconnection is provided and (2) it is permitted by local ordinance.

Buildings used in the same business, located on the same parcel, and served by a single lateral may have the customer's water supply piping installed to a central point so that volume can be metered in one place.

The water utility may withhold approval of any application where full information of the purpose of such supply is not clearly indicated and set forth by the applicant property owner.



**Public Service Commission of Wisconsin**

**Verona Water Utility**

**Water Utility Operating Rules**

Reconnection of Service

Where the water utility has disconnected service at the customer's request, a reconnection charge shall be made when the customer requests reconnection of service. See Schedule R-1 for the applicable rate.

A reconnection charge shall also be required from customers whose services are disconnected (shut off at curb stop box) because of nonpayment of bills when due. See Schedule R-1 for the applicable rate.

If reconnection is requested for the same location by any member of the same household, or, if a place of business, by any partner of the same business, it shall be considered as the same customer.

Temporary Metered Service, Meter, and Deposits

An applicant for temporary water service on a metered basis shall make and maintain a monetary deposit for each meter installed as security for payment for use of water and for such other charges which may arise from the use of the supply. A charge shall be made for setting the valve and furnishing and setting the meter. See Schedule BW-1 for the applicable rate.

Water for Construction

When water is requested for construction purposes or for filling tanks or other such uses, an application shall be made to the water utility, in writing, giving a statement of the amount of construction work to be done or the size of the tank to be filled, etc. Payment for the water for construction may be required in advance at the scheduled rates. The service lateral must be installed into the building before water can be used. No connection with the service lateral at the curb shall be made without special permission from the water utility. In no case will any employee of the water utility turn on water for construction work unless the contractor has obtained permission from the water utility.

Customers shall not allow contractors, masons, or other persons to take unmetered water from their premises without permission from the water utility. Any customer failing to comply with this provision may have water service discontinued and will be responsible for the cost of the estimated volume of water used.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**Water Utility Operating Rules**

Use of Hydrants

In cases where no other supply is available, permission may be granted by the water utility to use a hydrant. No hydrant shall be used until the proper meter and valve are installed. In no case shall any valve be installed or moved except by an employee of the water utility.

Before a valve is set, payment must be made for its setting and for the water to be used at the scheduled rates. Where applicable, see Schedule BW-1 for deposits and charges. Upon completing the use of the hydrant, the customer must notify the water utility to that effect.

Operation of Valves and Hydrants and Unauthorized Use of Water - Penalty

Any person who shall, without authority of the water utility, allow contractors, masons, or other unauthorized persons to take water from their premises, operate any valve connected with the street or supply mains, or open any fire hydrant connected with the distribution system, except for the purpose of extinguishing fire, or who shall wantonly damage or impair the same, shall be subject to a fine as provided by municipal ordinance. Utility permission for the use of hydrants applies only to such hydrants that are designated for the specific use.

Refunds of Monetary Deposits

All money deposited as security for payment of charges arising from the use of temporary water service on a metered basis, or for the return of a hydrant valve and fixtures if the water is used on an unmetered basis, will be refunded to the depositor on the termination of the use of water, the payment of all charges levied against the depositor, and the return of the water utility's equipment.

Service Laterals

No water service lateral shall be laid through any trench having cinders, rubbish, rock or gravel fill, or any other material which may cause injury to or disintegration of the service lateral, unless adequate means of protection are provided by sand filling or such other insulation as may be approved by the water utility. Service laterals passing through curb or retaining walls shall be adequately safeguarded by provision of a channel space or pipe casing not less than twice the diameter of the service connection. The space between the service lateral and the channel or pipe casing shall be filled and lightly caulked with an oakum, mastic cement, or other resilient material and made impervious to moisture.

In backfilling the pipe trench, the service lateral must be protected against injury by carefully hand tamping the ground filling around the pipe. There should be at least 6 inches of ground filling over the pipe, and it should be free from hard lumps, rocks, stones, or other injurious material.

**Public Service Commission of Wisconsin**

**Verona Water Utility**

**Water Utility Operating Rules**

Service Laterals (continued)

All water service laterals shall be of undiminished size from the street main into the point of meter placement. Beyond the meter outlet valve, the piping shall be sized and proportioned to provide, on all floors, at all times, an equitable distribution of the water supply for the greatest probable number of fixtures or appliances operating simultaneously.

Replacement and Repair of Service Laterals

The service lateral from the main to and through the curb stop will be maintained and kept in repair and, when worn out, replaced at the expense of the water utility. The property owner shall maintain the service lateral from the curb stop to the point of use.

If an owner fails to repair a leaking or broken service lateral from the curb to the point of metering or use within such time as may appear reasonable to the water utility after notification has been served on the owner by the water utility, the water will be shut off and will not be turned on again until the repairs have been completed.

Abandonment of Service

If a property owner changes the use of a property currently receiving water service such that water service will no longer be needed in the future, the water utility may require the abandonment of the water service at the water main. In such case, the property owner may be responsible for all removal and/or repair costs, including the water main and the utility portion of the water service lateral.

Charges for Water Wasted Due to Leaks

See Wis. Admin. Code § PSC 185.35 or Schedule X-4, if applicable.

Thawing Frozen Service Laterals

See Wis. Admin. Code § PSC 185.88 or Schedule X-4, if applicable.

Curb Stop Boxes

The curb stop box is the property of the water utility. The water utility is responsible for its repair and maintenance. This includes maintaining, through adjustment, the curb stop box at an appropriate grade level where no direct action by the property owner or occupant has contributed to an elevation problem. The property owner is responsible for protecting the curb stop box from situations that could obstruct access to it or unduly expose it to harm. The water utility shall not be liable for failure to locate the curb stop box and shut off the water in case of a leak on the owner's premises.

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Installation of Meters

Meters will be owned, furnished, and installed by the water utility or a utility-approved contractor and are not to be disconnected or tampered with by the customer. All meters shall be so located that they shall be protected from obstructions and permit ready access for reading, inspection, and servicing, such location to be designated or approved by the water utility. All piping within the building must be supplied by the owner. Where additional meters are desired by the owner, the owner shall pay for all piping. Where applicable, see Schedule Am-1 for rates.

Repairs to Meters

Meters will be repaired by the water utility, and the cost of such repairs caused by ordinary wear and tear will be borne by the water utility.

Repair of any damage to a meter resulting from the carelessness of the owner of the premises, owner's agent, or tenant, or from the negligence of any one of them to properly secure and protect same, including any damage that may result from allowing a water meter to become frozen or to be damaged from the presence of hot water or steam in the meter, shall be paid for by the customer or the owner of the premises.

Service Piping for Meter Settings

Where the original service piping is installed for a new metered customer, where existing service piping is changed for the customer's convenience, or where a new meter is installed for an existing unmetered customer, the owner of the premises at his/her expense shall provide a suitable location and the proper connections for the meter. The meter setting and associated plumbing shall comply with the water utility's standards. The water utility should be consulted as to the type and size of the meter setting.

Turning on Water

The water may only be turned on for a customer by an authorized employee of the water utility. Plumbers may turn the water on to test their work, but upon completion must leave the water turned off.

Sprinkling Restrictions and Emergency Water Conditions

Where the municipality has a policy regarding sprinkling restrictions and/or emergency water conditions, failure to comply with such may result in disconnection of service.

See Wis. Admin. Code § PSC 185.37.

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Failure to Read Meters

Where the water utility is unable to read a meter, the fact will be plainly indicated on the bill, and either an estimated bill will be computed or the minimum charge applied. The difference shall be adjusted when the meter is again read, that is, the bill for the succeeding billing period will be computed with the gallons or cubic feet in each block of the rate schedule doubled, and credit will be given on that bill for the amount of the bill paid the preceding period. Only in unusual cases shall more than three consecutive estimated or minimum bills be rendered.

If the meter is damaged (see Surreptitious Use of Water) or fails to operate, the bill will be based on the average use during the past year, unless there is some reason why the use is not normal. If the average use cannot be properly determined, the bill will be estimated by some equitable method.

See Wis. Admin. Code § PSC 185.33.

Complaint Meter Tests

See Wis. Admin. Code § PSC 185.77.

Inspection of Premises

During reasonable hours, any officer or authorized employee of the water utility shall have the right of access to the premises supplied with service for the purpose of inspection or for the enforcement of the water utility's rules and regulations. Whenever appropriate, the water utility will make a systematic inspection of all unmetered water taps for the purpose of checking waste and unnecessary use of water.

See Wis. Stat. § 196.171.

Vacation of Premises

When premises are to be vacated, the water utility shall be notified, in writing, at once, so that it may remove the meter and shut off the water supply at the curb stop. The owner of the premises shall be liable for prosecution for any damage to the water utility's property. See "Abandonment of Service" in Schedule X-1 for further information.

Deposits for Residential Service

See Wis. Admin. Code § PSC 185.36.

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Deposits for Nonresidential Service

See Wis. Admin. Code § PSC 185.361.

Deferred Payment Agreement

See Wis. Admin. Code § PSC 185.38 or Schedule X-4, if applicable.

Dispute Procedures

See Wis. Admin. Code § PSC 185.39.

Disconnection and Refusal of Service

See Wis. Admin. Code § PSC 185.37.

The following is an example of a disconnection notice that the utility may use to provide the required notice to customers.

DISCONNECTION NOTICE

Dear Customer:

The bill enclosed with this notice includes your current charge for water utility service and your previous unpaid balance.

You have 10 days to pay the water utility service arrears or your service is subject to disconnection.

If you fail to pay the service arrears or fail to contact us within the 10 days allowed to make reasonable deferred payment arrangement or other suitable arrangement, we will proceed with disconnection action.

To avoid the inconvenience of service interruption and an additional charge of (amount) for reconnection, we urge you to pay the full arrears IMMEDIATELY AT ONE OF OUR OFFICES.

If you have entered into a Deferred Payment Agreement with us and have failed to make the deferred payments you agreed to, your service will be subject to disconnection unless you pay the entire amount due within 10 days.

If you have a reason for delaying the payment, call us and explain the situation.

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Disconnection and Refusal of Service (continued)

DISCONNECTION NOTICE (continued)

PLEASE CALL THIS TELEPHONE NUMBER, (telephone number), IMMEDIATELY IF:

1. You dispute the notice of delinquent account.
2. You have a question about your water utility service arrears.
3. You are unable to pay the full amount of the bill and are willing to enter into a deferred payment agreement with us.
4. There are any circumstances you think should be taken into consideration before service is discontinued.
5. Any resident is seriously ill.

Illness Provision: If there is an existing medical emergency in your home and you furnish the water utility with a statement signed by either a licensed Wisconsin physician or a public health official, we will delay disconnection of service up to 21 days. The statement must identify the medical emergency and specify the period of time during which disconnection will aggravate the existing emergency.

Deferred Payment Agreements: If you are a residential customer and you are unable to pay the full amount of the water utility service arrears on your bill, you may contact the water utility to discuss arrangements to pay the arrears over an extended period of time.

This time payment agreement will require:

1. Payment of a reasonable amount at the time the agreement is made.
2. Payment of the remainder of the outstanding balance in monthly installments over a reasonable length of time.
3. Payment of all future water utility service bills in full by the due date.

In any situation where you are unable to resolve billing disputes or disputes about the grounds for proposed disconnection through contacts with our water utility, you may make an appeal to the Public Service Commission of Wisconsin by calling (800) 225-7729.

(WATER UTILITY NAME)

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Collection of Overdue Bills

An amount owed by the customer may be levied as a tax as provided in Wis. Stat. § 66.0809.

Surreptitious Use of Water

When the water utility has reasonable evidence that a person is obtaining water, in whole or in part, by means of devices or methods used to stop or interfere with the proper metering of the water utility service being delivered, the water utility reserves the right to estimate and present immediately a bill for unmetered service as a result of such interference, and such bill shall be payable subject to a 24-hour disconnection of service. If the water utility disconnects the service for any such reason, the water utility will reconnect the service upon the following conditions:

- A. The customer will be required to deposit with the water utility an amount sufficient to guarantee the payment of the bills for water utility service.
- B. The customer will be required to pay the water utility for any and all damages to water utility equipment resulting from such interference with the metering.
- C. The customer must further agree to comply with reasonable requirements to protect the water utility against further losses.

See Wis. Stat. §§ 98.26 and 943.20.

Repairs to Mains

The water utility reserves the right to shut off the water supply in the mains temporarily to make repairs, alterations, or additions to the plant or system. When the circumstances will permit, the water utility will give notification, by newspaper publication or otherwise, of the discontinuance of the water supply. No credit will be allowed to customers for such temporary suspension of the water supply.

See Wis. Admin. Code § PSC 185.87.

Duty of Water Utility with Respect to Safety of the Public

It shall be the duty of the water utility to see that all open ditches for water mains, hydrants, and service laterals are properly guarded to prevent accident to any person or vehicle, and at night there shall be displayed proper signal lighting to insure the safety of the public.



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Handling Water Mains and Service Laterals in Excavation Trenches

Contractors must call Digger’s Hotline and ensure a location is done to establish the existence and location of all water mains and service laterals as provided in Wis. Stat. § 182.0175. Where water mains or service laterals have been removed, cut, or damaged during trench excavation, the contractors must, at their own expense, cause them to be replaced or repaired at once. Contractors must not shut off the water service laterals to any customer for a period exceeding 6 hours.

Protective Devices

- A. Protective Devices in General: The owner or occupant of every premise receiving water supply shall apply and maintain suitable means of protection of the premise supply and all appliances against damage arising in any manner from the use of the water supply, variation of water pressure, or any interruption of water supply. Particularly, such owner or occupant must protect water-cooled compressors for refrigeration systems by means of high and/or low pressure safety cutout devices. There shall likewise be provided means for the prevention of the transmission of water ram or noise of operation of any valve or appliance through the piping of their own or adjacent premises.
- B. Relief Valves: On all "closed systems" (i.e., systems having a check valve, pressure regulator, reducing valve, water filter, or softener), an effective pressure relief valve shall be installed at or near the top of the hot water tank or at the hot water distribution pipe connection to the tank. No stop valve shall be placed between the hot water tank and the relief valve or on the drain pipe. See applicable plumbing codes.
- C. Air Chambers: An air chamber or approved shock absorber shall be installed at the terminus of each riser, fixture branch, or hydraulic elevator main for the prevention of undue water hammer. The air chamber shall be sized in conformance with local plumbing codes. Where possible, the air chamber should be provided at its base with a valve for water drainage and replenishment of air.

Cross-Connections

Every person owning or occupying a premise receiving municipal water supply shall maintain such municipal water supply free from any connection, either of a direct or of an indirect nature, with a water supply from a foreign source or of any manner of connection with any fixture or appliance whereby water from a foreign supply or the waste from any fixture, appliance, or waste or soil pipe may flow or be siphoned or pumped into the piping of the municipal water system.

See Wis. Admin. Code § NR 811.06.

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**Water Main Extension Rule**

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 paragraph A.
  
  - 2. Part of the contribution required in paragraph 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 paragraph 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 paragraph 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 paragraph A.

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**Water Main Installations in Platted Subdivisions**

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.

## Verona Water Utility

### Customer Water Bill Comparison at Present and Proposed Rates

Customer Type	Meter Size	Volume (1000 Gallons)	Quarterly		Percent Change
			Bills at Old Rates	Bills at New Rates	
Small Residential	5/8"	7	\$ 33.00	\$ 45.36	37.45%
Average Residential	5/8"	13	\$ 47.82	\$ 66.24	38.52%
Large Residential	5/8"	30	\$ 89.81	\$ 125.40	39.63%
Large Residential	1"	75	\$ 213.06	\$ 297.00	39.40%
Large Residential	5/8"	125	\$ 324.46	\$ 456.00	40.54%
Multifamily Residential	5/8"	350	\$ 665.51	\$ 1,274.00	91.43%
Multifamily Residential	2"	650	\$ 1,187.84	\$ 2,423.00	103.98%
Multifamily Residential	2"	750	\$ 1,343.84	\$ 2,781.00	106.94%
Multifamily Residential	3"	500	\$ 991.95	\$ 1,952.00	96.78%
Commercial	1 1/2"	1,100	\$ 1,866.15	\$ 3,217.00	72.39%
Commercial	2"	1,100	\$ 1,889.84	\$ 3,250.00	71.97%
Commercial	4"	1,500	\$ 2,608.60	\$ 4,526.00	73.50%
Commercial	6"	3,725	\$ 6,205.26	\$ 10,972.00	76.82%
Industrial	2"	6,000	\$ 9,533.84	\$ 16,970.00	78.00%
Industrial	3"	1,450	\$ 2,473.95	\$ 4,296.00	73.65%
Industrial	3"	1,100	\$ 1,927.95	\$ 3,316.00	72.00%
Industrial	4"	1,000	\$ 1,828.60	\$ 3,126.00	70.95%
Public Authority	2"	175	\$ 446.84	\$ 660.00	47.70%
Public Authority	2"	600	\$ 1,109.84	\$ 1,850.00	66.69%
Public Authority	2"	1,600	\$ 2,669.84	\$ 4,650.00	74.17%
Public Authority	3"	225	\$ 562.95	\$ 866.00	53.83%