



Public Service Commission of Wisconsin

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Public Service Commission of Wisconsin
 RECEIVED: 4/22/2025 10:35:00 AM

April 22, 2025

Pete Hartz, Water Systems Manager
 Watertown Water Department
 P.O. Box 477
 Watertown, WI 53094

Re: Application of Watertown Water Department, Dodge and
 Jefferson Counties, Wisconsin, for Authority to Adjust
 Water Rates

6230-WR-111

Dear Pete Hartz:

Public Service Commission (Commission) staff has analyzed the Watertown Water Department (applicant) application for a water rate increase. The Commission received the application on December 3, 2024. The attached proposed exhibit (Exhibit) contains schedules showing Commission staff's proposed cost-of-service analysis and proposed rates. Commission staff intends to submit the Exhibit at the public hearing, which will be scheduled at a later date.

The revenue requirement for the 2025 test year is comprised of the following:

Operation and Maintenance Expenses	\$	2,588,045
Depreciation Expense	\$	1,029,873
Property Tax Equivalent and Other Taxes	\$	747,940
Return on Rate Base	\$	1,973,161
Total	\$	6,339,019

Commission staff used a 6.30 percent rate of return on the estimated water utility net investment rate base for the 2025 test year, as recommended by Commission staff's auditor.

([PSC REF#: 542050](#).)

Schedule 13 of the Exhibit shows the proposed rates that would increase annual revenues from water public utility service by an estimated \$803,853. Commission staff estimates that \$436,167 would be from general service customer charges, and \$367,716 would be from public fire protection (PFP) charges. The increase in water utility revenues would result from an 8.84 percent increase in gross plant investment and a 12.01 percent increase in operating expenses since the applicant's last water conventional rate case in 2017.

The proposed overall increase in customer rates is 15.28 percent and is comprised of a 10.49 percent increase in general service charges and a 33.34 percent increase in PFP charges.

Under the rates proposed in the Exhibit, a typical Single Family Residential customer's bill would increase 18.63 percent, including PFP. Schedule 14 of the Exhibit shows Commission staff's analysis of customer bills for comparison of proposed and present rates.

Schedule X-1, Water Utility Operating Rules of Schedule 13 includes changes to the applicant's filed rules that reflect the latest requirements in Wis. Admin. Code ch. PSC 185. Commission staff will recommend these changes to the Commission.

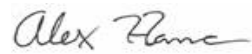
The proposed Commission staff Exhibit is intended to provide the Commission with Commission staff's analysis and is not a final decision. After review of the attached Exhibit, the applicant may, within five business days of the date of this letter, present its own analysis and may submit any additional information it believes to be pertinent to support its position. If Commission staff does not receive a response within that time, it will assume the applicant is in agreement with the staff proposal, and Commission staff will contact the applicant to schedule the public hearing. Please note that this is the applicant's primary opportunity to address any concerns or changes to Commission staff's proposed Exhibit.

The applicant should also be aware that the Commission will base its decision on the merits of the case and that the general service and PFP rates are typically effective within 90 days of the Final Decision.

In order to receive notification of official correspondence (i.e. data requests, notices, final decisions, etc.), individuals must subscribe to the Utility ID or PSC Docket. To subscribe, go to the Commission's [Electronic Records Filing \(ERF\)](#) system. For help subscribing, go to [Subscribing to Dockets](#).

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

AJH:cal:rgs DL:02070955

Attachment

cc: Mark Stevens, Watertown Water Department
Peter Curtin, Ehlers
Ariana Schmidt, Ehlers
Brian Roemer, Ehlers

Ex.-PSC-COSS and Rate Design

Watertown Water Department

	<u>Schedule</u>
Comparative Income Statement	1
Net Investment Rate Base	2
Utility Financed Plant in Service and Depreciation Expense	3
System Demand Ratios	4
Allocation of Utility Financed Plant to Service Cost Functions	5
Allocation of Total Plant to Service Cost Functions	5A
Allocation of Depreciation Expense to Service Cost Functions	6
Allocation of Operation and Maintenance Expenses to Service Cost Functions	7
Summary of Allocation of Operating Costs to Service Cost Functions	8
Customer Class Demand Ratios	9
Customer Class Allocation Factors	10
Allocation of Service Cost Functions to Customer Classes	11
Comparison of Revenue at Present Rates, Cost of Service and Proposed Rates	12
Proposed Water Rates and Rules	13
Customer Water Bill Comparison at Present and Proposed Rates	14

COMPARATIVE INCOME STATEMENT

ACCT NO.	OPERATING REVENUES	ESTIMATED TEST YEAR				
		2021	2022	2023	2024	2025
460	Unmetered Sales to General Customers					
	Residential	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	Multi-Family Residential	0	0	0	0	0
	Commercial	0	0	0	0	0
	Industrial	0	0	0	0	0
	Public Authority	0	0	0	0	0
	Irrigation	0	0	0	0	0
461	Metered Sales to General Customers					
	Residential	2,399,819	2,330,754	2,388,199	2,370,007	2,365,719
	Multi-Family Residential	253,060	252,803	263,906	267,250	268,650
	Commercial	509,479	521,262	514,387	497,082	496,675
	Industrial	943,856	963,813	887,852	907,815	906,850
	Public Authority	149,359	214,031	150,993	117,263	119,666
	Irrigation	0	0	0	0	0
	TOTAL GENERAL SALES	\$ 4,255,573	\$ 4,282,663	\$ 4,205,337	\$ 4,159,417	\$ 4,157,560
462	Private fire protection service	\$ 57,095	\$ 57,743	\$ 57,510	\$ 57,950	\$ 59,364
463	Public fire protection service	1,096,098	1,102,384	1,105,105	1,101,996	1,102,930
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	34,017	36,848	38,239	27,457	35,000
472	Rents from water property	111,538	113,304	113,304	101,187	105,000
473	Interdepartmental rents	0	0	0	0	0
474	Other water revenues	65,654	56,877	76,560	50,000	75,312
	TOTAL OPERATING REVENUES	\$ 5,619,975	\$ 5,649,819	\$ 5,596,055	\$ 5,498,007	\$ 5,535,166
	OPERATING EXPENSES					
	SOURCE OF SUPPLY					
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	20,559	21,190	21,982	23,767	26,395
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	21,147	30,902	12,984	23,594	30,000
616	Maintenance of supply mains	0	0	0	0	0
617	Maintenance of misc. water source plant	4,524	2,782	1,269	3,000	3,000
	PUMPING EXPENSES					
620	Operation supervision and engineering	0	0	0	0	0
621	Fuel for power production	0	0	0	0	0
622	Power production labor and expenses	7,119	8,319	6,969	7,375	7,450
623	Fuel or power purchased for production	331,271	319,900	371,496	335,667	325,000
624	Pumping labor and expenses	17,864	18,163	18,842	22,159	23,624
625	Expenses transferred--credit	0	0	0	0	0
626	Miscellaneous expenses	2,051	2,378	7,204	12,500	12,119
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	5,001	7,392	4,788	4,771	11,438
633	Maintenance of pumping equipment	6,901	7,486	6,176	8,938	9,717

COMPARATIVE INCOME STATEMENT
(continued)

		ESTIMATED TEST YEAR				
ACCT NO.	OPERATING EXPENSES	2021	2022	2023	2024	2025
WATER TREATMENT EXPENSES						
640	Operation supervision and engineering	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
641	Chemicals	25,725	39,750	41,449	40,000	45,000
642	Operation labor and expenses	143,949	138,809	147,864	125,684	135,077
643	Miscellaneous expenses	1,460	2,072	1,334	1,680	1,800
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	24,430	28,608	21,272	21,130	35,879
TRANS & DISTRIBUTION EXPENSES						
660	Operation supervision and engineering	\$ 66,997	\$ 69,207	\$ 71,730	\$ 75,208	\$ 76,500
661	Storage facilities expenses	0	0	0	0	0
662	Transmission and distribution expenses	48,633	51,192	46,132	59,280	48,700
663	Meter expenses	18,388	18,423	25,210	58,999	35,000
664	Customer installations expenses	0	0	0	0	0
665	Miscellaneous expenses	7,712	15,393	16,798	16,733	16,340
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	21,604	39,900	35,332	33,200	330,000
673	Maintenance of transmission and distr. mains	172,992	220,427	131,233	142,280	172,650
675	Maintenance of services	94,758	91,774	127,008	77,280	79,562
676	Maintenance of meters	0	0	0	0	0
677	Maintenance of hydrants	66,395	72,752	85,115	77,280	74,562
678	Maintenance of miscellaneous plant	0	0	0	0	0
CUSTOMER ACCOUNTS EXPENSES						
901	Supervision	0	0	0	0	0
902	Meter reading labor	1,190	1,228	1,180	2,934	2,835
903	Customer records and collection expenses	78,655	94,893	71,027	196,963	203,000
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
SALES EXPENSES						
910	Sales Expenses	0	0	0	0	0
ADMIN. & GENERAL EXPENSES						
920	Administrative and general salaries	132,097	122,073	211,837	185,617	230,000
921	Office supplies and expenses	31,623	35,180	41,089	40,000	39,846
922	Administrative expenses transferred -- credit	0	0	0	0	0
923	Outside services employed	200,495	190,901	149,843	200,000	200,000
924	Property insurance	31,217	33,731	39,604	30,000	32,000
925	Injuries and damages	20,710	17,067	23,548	23,000	20,000
926	Employee pensions and benefits	324,989	255,589	270,681	351,533	319,368
928	Regulatory commission expenses	6,417	5,428	8,188	6,000	6,250
929	Duplicate charges -- credit	0	0	0	0	0
930	Miscellaneous general expenses	35,916	46,278	23,131	7,500	7,500
931	Rents	0	0	0	0	0
932	Maintenance of general plant	38,378	33,676	78,781	26,577	27,433
TOTAL OPER. & MAINT. EXPENSES		\$ 2,011,167	\$ 2,042,863	\$ 2,121,096	\$ 2,240,650	\$ 2,588,045
403	DEPRECIATION EXPENSE	1,070,670	1,070,083	989,522	1,060,269	1,029,873
404-407	AMORTIZATION EXPENSE	0	0	0	0	0
408	TAXES AND TAX EQUIVALENT	996,097	849,649	756,180	736,023	747,940
TOTAL OPERATING EXPENSES		\$ 4,077,934	\$ 3,962,595	\$ 3,866,798	\$ 4,036,942	\$ 4,365,858
NET OPERATING INCOME		\$ 1,542,041	\$ 1,687,224	\$ 1,729,257	\$ 1,461,065	\$ 1,169,308

NET INVESTMENT RATE BASE

UTILITY FINANCED PLANT IN SERVICE	\$	47,854,408
Less: ACCUMULATED PROVISION FOR DEPRECIATION		<u>16,681,176</u>
NET PLANT IN SERVICE	\$	31,173,232
Plus: MATERIALS AND SUPPLIES		<u>146,786</u>
NET INVESTMENT RATE BASE	\$	<u><u>31,320,018</u></u>
RATE OF RETURN ON RATE BASE		6.30%

ESTIMATED INCOME STATEMENT FOR THE 2025 TEST YEAR
AND
REVENUE REQUIREMENT TO YIELD A 6.30% RETURN ON NET INVESTMENT RATE BASE

	<u>Present Rates</u>	<u>Increase</u>	<u>After Rate Increase</u>
TOTAL OPERATING REVENUES	\$ <u>5,535,166</u>	\$ <u>803,853</u>	\$ <u>6,339,019</u>
OPERATING EXPENSES:			
OPERATION & MAINTENANCE EXPENSES	\$ 2,588,045		\$ 2,588,045
DEPRECIATION EXPENSE	1,029,873		1,029,873
AMORTIZATION EXPENSE	0		0
TAXES AND TAX EQUIVALENT	<u>747,940</u>		<u>747,940</u>
TOTAL OPERATING EXPENSES	\$ <u>4,365,858</u>		\$ <u>4,365,858</u>
NET OPERATING INCOME (LOSS)	\$ <u>1,169,308</u>		\$ <u><u>1,973,161</u></u>
RATE OF RETURN ON RATE BASE	3.73%		6.30%

**UTILITY FINANCED PLANT IN SERVICE AND DEPRECIATION EXPENSE
TEST YEAR 2025**

<u>ACCT NO.</u>	<u>ACCOUNT DESCRIPTION</u>	Balance	Major	Normal		Balance	Test Year	Depreciation	
		12/31/2024	Less	Additions	Retirements	12/31/2025	Rate Base	Rate	Expense
		(\$)	Retirements	(\$)	(\$)	(\$)	Balance	(%)	(\$)
			(\$)				(\$)		
INTANGIBLE PLANT									
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
SOURCE OF SUPPLY									
310	Land and Land Rights	140,057	0	0	0	140,057	140,057	N/A	0
311	Structures and Improvements	811,046	0	0	0	811,046	811,046	3.20%	25,953
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	765,255	0	0	0	765,255	765,255	2.90%	22,192
316	Supply Mains	594,842	0	0	0	594,842	594,842	1.80%	10,707
317	Other Water Source Plant	0	0	0	0	0	0	0.00%	0
PUMPING PLANT									
320	Land and Land Rights	20,662	0	0	0	20,662	20,662	N/A	0
321	Structures and Improvements	324,650	0	0	0	324,650	324,650	3.20%	9,036
323	Other Power Production Equipment	714,675	0	0	0	714,675	714,675	4.40%	31,446
325	Electric Pumping Equipment	706,965	0	0	0	706,965	706,965	fully Depreciated	0
326	Diesel Pumping Equipment	0	0	0	0	0	0	0.00%	0
328	Other Pumping Equipment	39,665	0	0	0	39,665	39,665	4.40%	1,745
WATER TREATMENT PLANT									
330	Land and Land Rights	16,442	0	0	0	16,442	16,442	N/A	0
331	Structures and Improvements	6,230,307	0	0	0	6,230,307	6,230,307	3.20%	199,370
332	Sand or Other Media Filtration Equipment	3,312,534	0	0	0	3,312,534	3,312,534	3.30%	109,314
333	Membrane Filtration Equipment	0	0	0	0	0	0	0.00%	0
334	Other Water Treatment Equipment	202,569	0	0	0	202,569	202,569	6.00%	12,154

UTILITY FINANCED PLANT IN SERVICE AND DEPRECIATION EXPENSE
TEST YEAR 2025
(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>12/31/2024</u>	<u>Additions</u>	<u>Additions</u>		<u>12/31/2025</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>
TRANSMISSION & DISTRIBUTION PLANT									
340	Land and Land Rights	32,763	0	0	0	32,763	32,763	N/A	0
341	Structures and Improvements	0	0	0	0	0	0	0.00%	0
342	Distribution Reservoirs and Standpipes	1,225,985	0	0	0	1,225,985	1,225,985	1.90%	23,294
343	Transmission and Distribution Mains	19,187,811	0	343,399	41,100	19,490,110	19,338,961	1.30%	251,406
345	Services	3,011,546	0	37,434	11,369	3,037,611	3,024,579	2.90%	87,713
346	Meters	2,203,845	0	470,725	11,340	2,663,230	2,433,538	5.50%	66,923
348	Hydrants	2,685,839	0	27,891	2,842	2,710,888	2,698,364	2.20%	59,364
349	Other Transmission and Distribution Plant	0	0	0	0	0	0	0.00%	0
GENERAL PLANT									
389	Land and Land Rights	0	0	0	0	0	0	N/A	0
390	Structures and Improvements	3,603,611	0	0	0	3,603,611	3,603,611	2.90%	104,505
391	Office Furniture and Equipment	38,386	0	0	0	38,386	38,386	5.80%	2,226
391	Computer Equipment	289,121	0	0	0	289,121	289,121	ully Depreciated	0
392	Transportation Equipment	228,828	0	0	0	228,828	228,828	ully Depreciated	0
393	Stores Equipment	32,503	0	0	0	32,503	32,503	5.80%	1,885
394	Tools, Shop and Garage Equipment	161,989	0	0	0	161,989	161,989	5.80%	9,395
395	Laboratory Equipment	0	0	0	0	0	0	0.00%	0
396	Power Operated Equipment	75,310	0	0	0	75,310	75,310	ully Depreciated	0
397	Communication Equipment	497,647	0	0	0	497,647	497,647	15.00%	1,246
397	SCADA Equipment	293,154	0	0	0	293,154	293,154	ully Depreciated	0
398	Miscellaneous Equipment	0	0	0	0	0	0	0.00%	0
TOTAL UTILITY FINANCED PLANT IN SERVICE		47,448,007	0	879,449	66,651	48,260,805	47,854,408		1,029,873

Watertown Water Department

SYSTEM DEMAND RATIOS

MAXIMUM DAY SYSTEM DEMAND

TOTAL ANNUAL PUMPAGE 811,503,632 Gallons

AVERAGE DAILY PUMPAGE 2,223,298 Gallons

MAXIMUM DAY PUMPAGE 3,334,946 Gallons

FIRE FLOW:

GAL/MIN	5,000	
DURATION (HOURS)	4.00	
TOTAL FLOW	1,200,000	Gallons

AVERAGE DAY PLUS FIRE FLOW 3,423,298 Gallons

RATIO:	BASE	=	$\frac{2,223,298}{3,423,298}$	=	64.95%

MAX DAY	=	100-BASE	=	35.05%
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MAXIMUM HOUR SYSTEM DEMAND

AVERAGE HOUR ON MAX DAY 138,956 Gallons

MAXIMUM HOUR PUMPAGE 208,434 Gallons

AVERAGE HOUR
PLUS ONE HOUR FIRE FLOW 392,637 Gallons

RATIO:	BASE	=	$\frac{2,223,298}{9,423,298}$	=	23.59%	Use
						23.59%

MAX HOUR	=	100-BASE	=	76.41%	Use
					76.41%

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

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		BASE COSTS			MAX DAY					CUSTOMER COSTS			
		TOTAL	System	Distribution	System	Distribution	MAX HOUR			Billing	Equivalent Meter	Equivalent Service	Fire Protection
							System	Distribution	Storage				
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
INTANGIBLE PLANT													
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
SOURCE OF SUPPLY													
310	Land and Land Rights	140,057	90,962		49,095								
311	Structures and Improvements	811,046	526,743		284,303								
312	Collecting and Impounding Reservoirs	0	0		0								
313	Lake, River, and Other Intakes	0	0		0								
314	Wells and Springs	765,255	497,003		268,252								
316	Supply Mains	594,842	386,327		208,515								
317	Other Water Source Plant	0	0		0								
PUMPING PLANT													
320	Land and Land Rights	20,662	13,419		7,243								
321	Structures and Improvements	324,650	210,847		113,803								
323	Other Power Production Equipment	714,675	464,153		250,522								
325	Electric Pumping Equipment	706,965	459,146		247,819								
326	Diesel Pumping Equipment	0	0		0								
328	Other Pumping Equipment	39,665	25,761		13,904								
WATER TREATMENT PLANT													
330	Land and Land Rights	16,442	10,678		5,764								
331	Structures and Improvements	6,230,307	4,046,340		2,183,967								
332	Sand or Other Media Filtration Equipment	3,312,534	2,151,361		1,161,173								
333	Membrane Filtration Equipment	0	0		0								
334	Other Water Treatment Equipment	202,569	131,561		71,008								

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

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY														
		BASE COSTS			MAX DAY					MAX HOUR			CUSTOMER COSTS			
		TOTAL	System	Distribution	System	Distribution	System	Distribution	Storage	Billing	Equivalent Meter	Equivalent Service	Fire Protection			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)			
TRANSMISSION & DISTRIBUTION PLANT																
340	Land and Land Rights	32,763	3,905	3,906	1,930	0	0	12,649	1,069	0	2,776	3,450	3,078			
341	Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0	0			
342	Distribution Reservoirs and Standpipes	1,225,985	289,254						936,731							
343	Transmission mains	4,825,670	3,134,084		1,691,587											
343	Distribution mains	14,513,291		3,424,212				11,089,079								
345	Services	3,024,579										3,024,579				
346	Meters	2,433,538									2,433,538					
348	Hydrants	2,698,364											2,698,364			
349	Other Transmission and Distribution Plant	0	0	0	0	0	0	0	0	0	0	0	0			
GENERAL PLANT																
389	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0			
390	Structures and Improvements	3,603,611	1,051,617	289,760	554,387	0	0	938,369	79,267	0	205,929	255,943	228,338			
391	Office Furniture and Equipment	38,386	11,202	3,087	5,905	0	0	9,996	844	0	2,194	2,726	2,432			
391	Computer Equipment	289,121	84,372	23,248	44,479	0	0	75,286	6,360	0	16,522	20,535	18,320			
392	Transportation Equipment	228,828	66,777	18,400	35,203	0	0	59,586	5,033	0	13,076	16,252	14,499			
393	Stores Equipment	32,503	9,485	2,614	5,000	0	0	8,464	715	0	1,857	2,308	2,060			
394	Tools, Shop and Garage Equipment	161,989	47,272	13,025	24,921	0	0	42,181	3,563	0	9,257	11,505	10,264			
395	Laboratory Equipment	0	0	0	0	0	0	0	0	0	0	0	0			
396	Power Operated Equipment	75,310	21,977	6,056	11,586	0	0	19,610	1,657	0	4,304	5,349	4,772			
397	Communication Equipment	497,647	145,225	40,015	76,559	0	0	129,586	10,947	0	28,438	35,345	31,533			
397	SCADA Equipment	293,154	85,549	23,572	45,099	0	0	76,336	6,448	0	16,752	20,821	18,575			
398	Miscellaneous Equipment	0	0	0	0	0	0	0	0	0	0	0	0			
TOTAL		47,854,408	13,965,021	3,847,893	7,362,025	0	0	12,461,144	1,052,633	0	2,734,643	3,398,814	3,032,236			

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 (\$)	Equivalent Service (\$)	
INTANGIBLE PLANT													
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
SOURCE OF SUPPLY													
310	Land and Land Rights	140,057	90,962		49,095								
311	Structures and Improvements	1,057,928	687,083		370,845								
312	Collecting and Impounding Reservoirs	0	0		0								
313	Lake, River, and Other Intakes	0	0		0								
314	Wells and Springs	1,032,757	670,735		362,022								
316	Supply Mains	594,842	386,327		208,515								
317	Other Water Source Plant	0	0		0								
PUMPING PLANT													
320	Land and Land Rights	20,662	13,419		7,243								
321	Structures and Improvements	454,950	295,472		159,478								
323	Other Power Production Equipment	714,675	464,153		250,522								
325	Electric Pumping Equipment	1,100,309	714,608		385,701								
326	Diesel Pumping Equipment	0	0		0								
328	Other Pumping Equipment	39,665	25,761		13,904								
WATER TREATMENT PLANT													
330	Land and Land Rights	16,442	10,678		5,764								
331	Structures and Improvements	7,425,788	4,822,758		2,603,030								
332	Sand or Other Media Filtration Equipment	4,145,730	2,692,489		1,453,241								
333	Membrane Filtration Equipment	0	0		0								
334	Other Water Treatment Equipment	202,569	131,561		71,008								

ALLOCATION OF TOTAL PLANT
TO SERVICE COST FUNCTIONS
(continued)

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY													
		BASE COSTS			MAX DAY					MAX HOUR			CUSTOMER COSTS		
		TOTAL	System	Distribution	System	Distribution	System	Distribution	Storage	Billing	Equivalent Meter	Equivalent Service	Fire Protection		
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
TRANSMISSION & DISTRIBUTION PLANT															
340	Land and Land Rights	32,763	3,125	4,292	1,523	0	0	13,898	983	0	2,191	3,909	2,841		
341	Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0	0		
342	Distribution Reservoirs and Standpipes	1,429,211	337,203						1,092,008						
343	Transmission mains	4,825,670	3,134,084		1,691,587										
343	Distribution mains	20,203,487		4,766,735				15,436,751							
345	Services	4,341,576										4,341,576			
346	Meters	2,433,538									2,433,538				
348	Hydrants	3,155,922											3,155,922		
349	Other Transmission and Distribution Plant	0	0	0	0	0	0	0	0	0	0	0	0		
GENERAL PLANT															
389	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0		
390	Structures and Improvements	3,603,611	977,763	322,155	515,436	0	0	1,043,276	73,802	0	164,468	293,421	213,290		
391	Office Furniture and Equipment	38,386	10,415	3,432	5,490	0	0	11,113	786	0	1,752	3,126	2,272		
391	Computer Equipment	289,121	78,447	25,847	41,354	0	0	83,703	5,921	0	13,195	23,541	17,112		
392	Transportation Equipment	228,828	62,088	20,457	32,730	0	0	66,248	4,686	0	10,444	18,632	13,544		
393	Stores Equipment	32,503	8,819	2,906	4,649	0	0	9,410	666	0	1,483	2,647	1,924		
394	Tools, Shop and Garage Equipment	161,989	43,952	14,481	23,170	0	0	46,897	3,318	0	7,393	13,190	9,588		
395	Laboratory Equipment	0	0	0	0	0	0	0	0	0	0	0	0		
396	Power Operated Equipment	75,310	20,434	6,733	10,772	0	0	21,803	1,542	0	3,437	6,132	4,457		
397	Communication Equipment	497,647	135,026	44,489	71,180	0	0	144,073	10,192	0	22,713	40,520	29,455		
397	SCADA Equipment	293,154	79,541	26,207	41,931	0	0	84,871	6,004	0	13,379	23,870	17,351		
398	Miscellaneous Equipment	0	0	0	0	0	0	0	0	0	0	0	0		
TOTAL		58,589,090	15,896,902	5,237,732	8,380,190	0	0	16,962,043	1,199,909	0	2,673,994	4,770,563	3,467,756		

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

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL (\$)	BASE COSTS		MAX DAY			MAX HOUR			CUSTOMER COSTS		
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)	Fire Protection (\$)
INTANGIBLE PLANT													
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
SOURCE OF SUPPLY													
310	Land and Land Rights	0	0		0								
311	Structures and Improvements	25,953	16,855		9,098								
312	Collecting and Impounding Reservoirs	0	0		0								
313	Lake, River, and Other Intakes	0	0		0								
314	Wells and Springs	22,192	14,413		7,779								
316	Supply Mains	10,707	6,954		3,753								
317	Other Water Source Plant	0	0		0								
PUMPING PLANT													
320	Land and Land Rights	0	0		0								
321	Structures and Improvements	9,036	5,869		3,167								
323	Other Power Production Equipment	31,446	20,423		11,023								
325	Electric Pumping Equipment	0	0		0								
326	Diesel Pumping Equipment	0	0		0								
328	Other Pumping Equipment	1,745	1,133		612								
WATER TREATMENT PLANT													
330	Land and Land Rights	0	0		0								
331	Structures and Improvements	199,370	129,483		69,887								
332	Sand or Other Media Filtration Equipment	109,314	70,995		38,319								
333	Membrane Filtration Equipment	0	0		0								
334	Other Water Treatment Equipment	12,154	7,894		4,260								

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

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL (\$)	BASE COSTS		MAX DAY			MAX HOUR			CUSTOMER COSTS		
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)	Fire Protection (\$)
	TRANSMISSION & DISTRIBUTION PLANT												
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	23,294	5,496						17,798				
343	Transmission mains	62,734	40,743		21,991								
343	Distribution mains	188,672		44,515				144,158					
345	Services	87,713										87,713	
346	Meters	66,923									66,923		
348	Hydrants	59,364											59,364
349	Other Transmission and Distribution Plant	0	0	0	0	0	0	0	0	0	0	0	0
	GENERAL PLANT												
389	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
390	Structures and Improvements	104,505	36,754	5,109	19,497	0	0	16,544	2,043	0	7,680	10,066	6,813
391	Office Furniture and Equipment	2,226	783	109	415	0	0	352	44	0	164	214	145
391	Computer Equipment	0	0	0	0	0	0	0	0	0	0	0	0
392	Transportation Equipment	0	0	0	0	0	0	0	0	0	0	0	0
393	Stores Equipment	1,885	663	92	352	0	0	298	37	0	139	182	123
394	Tools, Shop and Garage Equipment	9,395	3,304	459	1,753	0	0	1,487	184	0	690	905	612
395	Laboratory Equipment	0	0	0	0	0	0	0	0	0	0	0	0
396	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0
397	Communication Equipment	1,246	438	61	232	0	0	197	24	0	92	120	81
397	SCADA Equipment	0	0	0	0	0	0	0	0	0	0	0	0
398	Miscellaneous Equipment	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	1,029,873	362,199	50,344	192,138	0	0	163,037	20,129	0	75,687	99,200	67,138

**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		
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)	Fire Protection (\$)
SOURCE OF SUPPLY													
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	26,395	17,143		9,252								
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	30,000	19,484		10,516								
616	Maintenance of supply mains	0	0		0								
617	Maintenance of misc. water source plant	3,000	1,948		1,052								
PUMPING EXPENSES													
620	Operation supervision and engineering	0	0		0								
621	Fuel for power production	0	0										
622	Power production labor and expenses	7,450	7,450										
623	Fuel or power purchased for production	325,000	325,000										
624	Pumping labor and expenses	23,624	15,343		8,281								
625	Expenses transferred--credit	0	0		0								
626	Miscellaneous expenses	12,119	7,871		4,248								
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	11,438	7,429		4,009								
633	Maintenance of pumping equipment	9,717	6,311		3,406								
WATER TREATMENT EXPENSES													
640	Operation supervision and engineering	0	0		0								
641	Chemicals	45,000	45,000										
642	Operation labor and expenses	135,077	87,727		47,350								
643	Miscellaneous expenses	1,800	1,169		631								
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	35,879	23,302		12,577								

**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 (\$)				
TRANSMISSION & DISTRIBUTION EXPENSES																
660	Operation supervision and engineering	76,500	9,774	4,767	934	0	0	15,438	26,049	0	3,616	8,220	7,703			
661	Storage facilities expenses	0	0						0							
662	Transmission lines expenses	5,672	3,684		1,988											
662	Distribution lines expenses	43,028		10,152				32,876								
663	Meter expenses	35,000									35,000					
664	Customer installations expenses	0										0				
665	Miscellaneous expenses	16,340	2,088	1,018	199	0	0	3,297	5,564	0	772	1,756	1,645			
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	330,000	77,859						252,141							
673	Maintenance of transmission mains	20,110	13,061		7,049											
673	Maintenance of distribution mains	152,540		35,990				116,550								
675	Maintenance of services	79,562										79,562				
676	Maintenance of meters	0									0					
677	Maintenance of hydrants	74,562											74,562			
678	Maintenance of miscellaneous plant	0	0	0	0	0	0	0	0	0	0	0	0			
CUSTOMER ACCOUNTS EXPENSES																
901	Supervision	0								0						
902	Meter reading labor	2,835								2,835						
903	Customer records and collection expenses	203,000								203,000						
904	Uncollectible accounts	0								0						
905	Miscellaneous customer accounts expenses	0								0						
906	Customer service and Information Expenses	0								0						
SALES EXPENSES																
910	Sales Expenses	0								0						
ADMINISTRATIVE & GENERAL EXPENSES																
920	Administrative and general salaries	230,000	56,167	9,914	21,286	0	0	32,105	54,174	15,719	7,520	17,094	16,020			
921	Office supplies and expenses	39,846	9,731	1,718	3,688	0	0	5,562	9,385	2,723	1,303	2,961	2,775			
922	Administrative expenses transferred -- credit	0	0	0	0	0	0	0	0	0	0	0	0			
923	Outside services employed	200,000	48,841	8,621	18,510	0	0	27,918	47,108	13,669	6,539	14,865	13,931			
924	Property insurance	32,000	8,683	2,861	4,577	0	0	9,264	655	0	1,460	2,606	1,894			
925	Injuries and damages	20,000	4,884	862	1,851	0	0	2,792	4,711	1,367	654	1,486	1,393			
926	Employee pensions and benefits	319,368	77,991	13,766	29,557	0	0	44,580	75,224	21,827	10,442	23,737	22,245			
928	Regulatory commission expenses	6,250	1,526	269	578	0	0	872	1,472	427	204	465	435			
929	Duplicate charges -- credit	0	0	0	0	0	0	0	0	0	0	0	0			
930	Miscellaneous general expenses	7,500	1,832	323	694	0	0	1,047	1,767	513	245	557	522			
931	Rents	0	0	0	0	0	0	0	0	0	0	0	0			
932	Maintenance of general plant	27,433	6,699	1,182	2,539	0	0	3,829	6,462	1,875	897	2,039	1,911			
TOTAL OPERATION & MAINTENANCE EXPENSES		2,588,045	887,993	91,443	194,775	0	0	296,131	484,712	263,955	68,653	155,348	145,037			

SUMMARY OF ALLOCATION OF OPERATING COSTS TO SERVICE COST FUNCTIONS

OPERATING COST	EXTRA-CAPACITY											
	TOTAL (\$)	BASE COSTS		MAX DAY					CUSTOMER COSTS			Fire Protection (\$)
		System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	MAX HOUR			Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)	
						System (\$)	Distribution (\$)	Storage (\$)				
OPERATION AND MAINTENANCE	2,588,045	887,993	91,443	194,775	0	0	296,131	484,712	263,955	68,653	155,348	145,037
DEPRECIATION EXPENSE	1,029,873	362,199	50,344	192,138	0	0	163,037	20,129	0	75,687	99,200	67,138
AMORTIZATION EXPENSE	0	0	0	0	0	0	0	0	0	0	0	0
TAXES AND TAX EQUIVALENT	747,940	202,938	66,864	106,980	0	0	216,535	15,318	0	34,136	60,900	44,269
RETURN ON NET INVESTMENT RATE BASE	1,973,161	575,813	158,659	303,555	0	0	513,805	43,403	0	112,756	140,142	125,027
TOTAL	6,339,019	2,028,944	367,310	797,448	0	0	1,189,508	563,562	263,955	291,232	455,590	381,471

CUSTOMER CLASS DEMAND RATIOS

CUSTOMER CLASS	BASE COSTS						EXTRA-CAPACITY MAX DAY DEMAND					EXTRA-CAPACITY MAX HOUR DEMAND				
	Annual Volume 100 CCF	Average Day Volume CF		System Adjusted Percent (%)	Distribution Adjusted Percent (%)	Extra Capacity Ratio	Volume Rate CF Per Day	Percent (%)	System Adjusted Percent (%)	Distribution Adjusted Percent (%)	Extra Capacity Ratio	Volume Rate CF Per Hour	Percent (%)	System Adjusted Percent (%)	Distribution Adjusted Percent (%)	Storage Adjusted Percent (%)
			Percent (%)													
Residential	417,500	114,384	46.88%	46.88%	46.88%	2.00	228,767	41.21%	41.21%	41.21%	4.30	20,494	27.14%	28.95%	28.95%	27.14%
Multifamily Residential	62,000	16,986	6.96%	6.96%	6.96%	1.75	29,726	5.35%	5.35%	5.35%	3.90	2,760	3.66%	3.90%	3.90%	3.66%
Commercial	108,400	29,699	12.17%	12.17%	12.17%	1.50	44,548	8.02%	8.02%	8.02%	3.50	4,331	5.74%	6.12%	6.12%	5.74%
Industrial	265,000	72,603	29.76%	29.76%	29.76%	1.10	79,863	14.39%	14.39%	14.39%	2.20	6,655	8.82%	9.40%	9.40%	8.82%
Public Authority	28,800	7,890	3.23%	3.23%	3.23%	1.50	11,836	2.13%	2.13%	2.13%	3.50	1,151	1.52%	1.63%	1.63%	1.52%
Public Fire Protection	8,906	2,440	1.00%	1.00%	1.00%		160,428	28.90%	28.90%	28.90%		40,107	53.12%	50.00%	50.00%	53.12%
TOTALS	890,606	244,002	100%	100%	100%		555,168	100%	100%	100%		75,498	100%	100%	100%	100%

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

Maximum Day Demand = 636,301 (CUBIC FEET/DAY) SUM OF GENERAL SERVICE AVERAGE AND MAXIMUM DAY EXTRA CAPACITY DEMAND

Maximum Hour Demand = 45,456 (CUBIC FEET/HR) SUM OF GENERAL SERVICE AVERAGE AND MAXIMUM HOUR EXTRA CAPACITY DEMAND

1.43 = NON-COINCIDENT / COINCIDENT RATIO FOR MAX DAY

1.63 = NON-COINCIDENT / COINCIDENT RATIO FOR MAX HOUR

CUSTOMER CLASS ALLOCATION FACTORS															
Meter size (inches):	NUMBER OF METERS												TOTAL		PERCENT
	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	METERS	
Residential	6,074	1,669	0	0	0	0	0	0	0	0	0	0	0	7,743	89.2%
Multifamily Residential	35	8	75	0	36	18	0	6	0	0	0	0	0	178	2.0%
Commercial	312	184	84	0	24	32	0	13	3	1	0	0	0	653	7.5%
Industrial	14	9	14	0	8	10	0	5	2	1	0	0	0	63	0.7%
Public Authority	7	6	11	0	5	9	0	8	1	1	0	0	0	48	0.6%
TOTALS	6,442	1,876	184	0	73	69	0	32	6	3	0	0	0	8,685	100.0%

EQUIVALENT METERS															
ALLOCATION FACTOR:													TOTAL		PERCENT
Meter size (inches):	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	EQUIV.	
Equiv. meters ratio:	1.0	1.0	2.5	3.7	5.0	8.0	12.5	15.0	25.0	50.0	80.0	120.0	160.0	METERS	
Residential	6,074	1,669	0	0	0	0	0	0	0	0	0	0	0	7,743	73.9%
Multifamily Residential	35	8	188	0	180	144	0	90	0	0	0	0	0	645	6.2%
Commercial	312	184	210	0	120	256	0	195	75	50	0	0	0	1,402	13.4%
Industrial	14	9	35	0	40	80	0	75	50	50	0	0	0	353	3.4%
Public Authority	7	6	28	0	25	72	0	120	25	50	0	0	0	333	3.2%
TOTALS	6,442	1,876	460	0	365	552	0	480	150	150	0	0	0	10,475	100.0%

EQUIVALENT SERVICES															
ALLOCATION FACTOR:													TOTAL		PERCENT
Meter size (inches):	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	EQUIV.	
Equiv. services ratio:	1.0	1.0	1.3	1.7	2.0	3.0	3.5	4.0	5.0	6.0	7.0	8.0	9.0	SERVICES	
Residential	6,074	1,669	0	0	0	0	0	0	0	0	0	0	0	7,743	85.2%
Multifamily Residential	35	8	98	0	72	54	0	24	0	0	0	0	0	291	3.2%
Commercial	312	184	109	0	48	96	0	52	15	6	0	0	0	822	9.0%
Industrial	14	9	18	0	16	30	0	20	10	6	0	0	0	123	1.4%
Public Authority	7	6	14	0	10	27	0	32	5	6	0	0	0	107	1.2%
TOTALS	6,442	1,876	239	0	146	207	0	128	30	18	0	0	0	9,086	100.0%

ALLOCATION OF SERVICE COST FUNCTIONS TO CUSTOMER CLASSES

	TOTAL	Residential	Multifamily Residential	Commercial	Industrial	Public Authority	Public Fire Protection
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
BASE COSTS:							
SYSTEM	2,028,944	951,132	141,246	246,953	603,713	65,611	20,289
DISTRIBUTION	367,310	172,188	25,570	44,707	109,293	11,878	3,673
EXTRA-CAPACITY COSTS:							
MAXIMUM-DAY SYSTEM	797,448	328,603	42,699	63,989	114,716	17,001	230,440
MAXIMUM-DAY DISTRIBUTION	0	0	0	0	0	0	0
MAXIMUM-HOUR SYSTEM	0	0	0	0	0	0	0
MAXIMUM-HOUR DISTRIBUTION	1,189,508	344,402	46,387	72,784	111,843	19,338	594,754
MAXIMUM-HOUR STORAGE	563,562	152,977	20,604	32,330	49,679	8,589	299,382
CUSTOMER COSTS:							
BILLING	263,955	235,325	5,410	19,846	1,915	1,459	
EQUIVALENT METERS	291,232	215,275	17,919	38,979	9,814	9,244	
EQUIVALENT SERVICES	455,590	388,241	14,566	41,226	6,177	5,380	
FIRE PROTECTION	381,471						381,471
TOTAL COST	6,339,019	2,788,144	314,401	560,814	1,007,150	138,500	1,530,010
LESS OTHER REVENUE	274,676	124,833	14,077	25,109	45,093	6,201	59,364
COST OF SERVICE	6,064,343	2,663,312	300,325	535,705	962,057	132,299	1,470,646
REVENUE AT PRESENT RATES	5,260,490	2,365,719	268,650	496,675	906,850	119,666	1,102,930
DIFFERENCE	803,853	297,593	31,675	39,030	55,207	12,633	367,716
PERCENT INCREASE/DECREASE	15.28%	12.58%	11.79%	7.86%	6.09%	10.56%	33.34%

Watertown Water Department
Comparison of Revenue at
Present Rates, Cost of Service, and Proposed Rates

Customer Class	Revenue at Present Rates	Cost of Service		Proposed Rates		
		Revenue Required	Increase over Present Rates	Revenue	Increase over Present Rates	Percent of Cost of Service
Residential	\$2,365,719	\$2,663,312	12.58%	\$2,668,739	12.81%	100.20%
Multifamily Residential	\$268,650	\$300,325	11.79%	\$295,332	9.93%	98.34%
Commercial	\$496,675	\$535,705	7.86%	\$540,223	8.77%	100.84%
Industrial	\$906,850	\$962,057	6.09%	\$962,900	6.18%	100.09%
Public Authority	\$119,666	\$132,299	10.56%	\$127,604	6.63%	96.45%
Public Fire Protection	<u>\$1,102,930</u>	<u>\$1,470,646</u>	33.34%	<u>\$1,470,655</u>	33.34%	100.00%
Total	<u><u>\$5,260,490</u></u>	<u><u>\$6,064,343</u></u>	<u><u>15.28%</u></u>	<u><u>\$6,065,453</u></u>	<u><u>15.30%</u></u>	<u><u>100.02%</u></u>

Watertown Water Department
Proposed Water Rates and Rules

Docket 6230-WR-111

Watertown Water Department

Water Rate File Changes

Amended

F-1
Upf-1
Mg-1
Am-1
OC-1
Mpa-1
Ug-1
Sg-1
BW-1
R-1
Cz-1
LSL-1
LSL-2
X-1
X-2
X-3
X-4

Public Service Commission of Wisconsin**Watertown Water Department****Public Fire Protection Service**

Public fire protection 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.

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.

Monthly Public Fire Protection Service Charges:

5/8 - inch meter:	\$ 11.60	3 - inch meter:	\$ 176.20
3/4 - inch meter:	\$ 11.60	4 - inch meter:	\$ 291.20
1 - inch meter:	\$ 29.60	6 - inch meter:	\$ 582.00
1 1/4 - inch meter:	\$ 43.40	8 - inch meter:	\$ 932.00
1 1/2 - inch meter:	\$ 59.40	10 - inch meter:	\$ 1,397.00
2 - inch meter:	\$ 94.40	12 - inch meter:	\$ 1,863.00

Customers who are provided service under Schedules Mg-1, Ug-1 or Sg-1 shall also be subject to the charges in this schedule according to the size of their primary meter. Customers who are provided service under Schedule Am-1 are exempt from these charges for any additional meters.

Under Wis. Stat. § 196.03(3)(b), the City of Watertown has elected to make the charges in this schedule applicable to non-general service customers who own property that is located both within the municipal limits and in an area where the utility has an obligation to provide water for public fire protection. Each parcel shall be billed at the 5/8-inch meter rate under this schedule.

Billing: Same as Schedule Mg-1.

Public Service Commission of Wisconsin

Watertown Water Department

Private Fire Protection Service - Unmetered
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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.

Monthly Private Fire Protection Service Demand Charges:

2 - inch or smaller connection:	\$	10.00
3 - inch connection:	\$	19.00
4 - inch connection:	\$	32.00
6 - inch connection:	\$	64.00
8 - inch connection:	\$	99.00
10 - inch connection:	\$	154.00
12 - inch connection:	\$	207.00
14 - inch connection:	\$	259.00
16 - inch connection:	\$	308.00

Billing: Same as Schedule Mg-1.

Public Service Commission of Wisconsin**Watertown Water Department****General Service - Metered**

Monthly Service Charges:

5/8 - inch meter:	\$ 9.00	3 - inch meter:	\$ 60.00
3/4 - inch meter:	\$ 9.00	4 - inch meter:	\$ 90.00
1 - inch meter:	\$ 14.00	6 - inch meter:	\$ 165.00
1 1/4 - inch meter:	\$ 19.00	8 - inch meter:	\$ 220.00
1 1/2 - inch meter:	\$ 24.00	10 - inch meter:	\$ 320.00
2 - inch meter:	\$ 35.00	12 - inch meter:	\$ 420.00

Plus Volume Charges:

First	1,600	cubic feet used each month:	\$4.40 per 100 cubic feet
Next	65,000	cubic feet used each month:	\$3.87 per 100 cubic feet
Over	66,600	cubic feet used each month:	\$3.39 per 100 cubic feet

Billing: Bills for water service are rendered monthly 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.

Public Service Commission of Wisconsin**Watertown Water Department****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 \$60.00 and a monthly rental fee for the use of this additional meter.

Monthly Additional Meter Rental Charges:

5/8 - inch meter:	\$ 4.50
3/4 - inch meter:	\$ 4.50
1 - inch meter:	\$ 7.00
1 1/4 - inch meter:	\$ 9.50
1 1/2 - inch meter:	\$ 12.00
2 - inch meter:	\$ 17.50

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-1 rates shall apply.

Billing: Same as Schedule Mg-1.

Public Service Commission of Wisconsin**Watertown Water Department****Other Charges**

Payment Not Honored by Financial Institution Charge: The utility shall assess a \$17.50 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.

Special Billing Charge: The utility shall assess a \$30.00 charge to the requestor to cover administrative expenses whenever an existing customer or the property owner requests a special billing outside of the normal utility billing. This charge may not be assessed to a new customer.

Special Meter Reading Charge: The utility shall assess a \$30.00 charge to the requestor whenever an existing customer or the property owner requests a special meter reading by utility personnel on a date other than the regularly scheduled meter reading. This charge may not be assessed if the customer or the property owner provides the meter reading. This charge may not be assessed to a new customer.

Missed Appointment Charge: The utility shall assess a missed appointment charge when a customer, without providing reasonable cancellation notice, fails to be present at the customer's location for an appointment scheduled with utility personnel. The utility may not apply the charge for the first such missed appointment during normal business hours. The utility shall apply the charge for the first such missed appointment after normal business hours.

During normal business hours:	\$40.00
After normal business hours:	\$60.00

Real Estate Closing Account Charge: The utility shall assess a \$15.00 charge whenever a customer or the customer's agent requests written documentation from the utility of the customer's account status in connection with a real estate closing.

Billing: Same as Schedule Mg-1.

Public Service Commission of Wisconsin

Watertown Water Department

Public Service

Metered Service

Water used by the City of Watertown 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-1.

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-1, excluding any service charges.

Billing: Same as Schedule Mg-1.

Public Service Commission of Wisconsin

Watertown Water Department

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 400 cubic feet of water monthly under Schedule Mg-1, including the service charge for a 5/8-inch meter. If the utility determines that actual usage exceeds 400 cubic feet of water monthly, an additional charge for the estimated excess usage shall be made according to the rates under Schedule Mg-1.

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-1.

Billing: Same as Schedule Mg-1.

Public Service Commission of Wisconsin

Watertown Water Department

Seasonal Service

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-1 year-round, including the period of temporary disconnection.

Seasonal service shall include customers taking service under Schedule Mg-1, 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-1, unless the utility and customer agree to an alternative payment schedule for the period of voluntary disconnection.

Public Service Commission of Wisconsin

Watertown Water Department

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 \$60.00 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-1. In addition, for meters that are assigned to bulk water customers for more than 7 days, the applicable service charge in Schedule Mg-1 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-1.

Public Service Commission of Wisconsin

Watertown Water Department

Reconnection Charges

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: \$60.00

After normal business hours: \$75.00

Billing: Same as Schedule Mg-1.

Public Service Commission of Wisconsin

Watertown Water Department

Water Lateral Installation Charge
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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-1.

Public Service Commission of Wisconsin**Watertown Water Department****Financial Assistance for Replacement of Customer-Side Service Lines Containing Lead (LSLs)**

The Utility has established a financial assistance program to assist property owners with the costs associated with the removal and replacement of customer-side service lines containing lead (LSLs) connected to the Utility's water distribution system. For purposes of the financial assistance program, the customer-side service line is from the curb stop to the property's water meter.

A. Utility Inspection and Inventory

In order to implement the financial assistance program, the Utility may request that the property owner permit an authorized Utility employee or representative reasonable access to the property in order to inspect and determine or confirm the customer-side service line's construction material.

B. LSL Replacement in Conjunction with Utility-Side Replacement

In the event the Utility has planned replacement of the Utility-side line or water main containing lead, the LSL connected to the Utility's distribution system must be replaced at the same time.

At least 45 days prior to the scheduled date of the Utility-side replacement, the Utility shall notify the property owner in writing of the scheduled date of the replacement. The property owner must schedule replacement of the LSL within 30 days of receiving the 45-day notice from the Utility. The LSL replacement must coincide with the Utility's replacement of the Utility's line or water main containing lead.

C. LSL Replacement Without Utility-Side Replacement

If the Utility identifies that a customer-side service line contains lead, the Utility shall notify the property owner that the customer-side service line contains lead and must be replaced. Unless the Utility grants an extension, the property owner must replace the LSL within 36 months of notification.

Public Service Commission of Wisconsin**Watertown Water Department****Financial Assistance for Replacement of Customer-Side Service Lines Containing Lead (LSLs)****D. LSL Replacement – Financial Assistance Program**

The Utility shall make financial assistance available to all property owners who have an LSL. The Utility will make financial assistance available to such property owners in the form of a grant by covering up to 50% of the costs associated with the replacement of a LSL if done in conjunction with an identified Utility project. The maximum grant amount shall not exceed \$5,000. The Utility may make additional financial assistance available in the form of a loan for up to another 50% of the replacement costs. In order to receive financial assistance, a property owner must submit Utility Program Specific Requirements.

E. Loan Agreement and Process

Upon request, the Utility will provide financial assistance to the property owner in the form of a loan for up to 50% of the LSL replacement costs. Loans are only available upon completion of the LSL replacement and meeting all other Utility program specific requirements. The property owner may make a loan request by submitting an application for assistance to the Utility within 30 days of the completion of the LSL replacement.

F. Loan Agreement Term and Repayment

The term of the loan will include a 10-year repayment period with an interest charge of 2.5 percent. The loan will be repaid in equal installments invoiced to the property owner, annually. Loan repayments that are past due may be placed on the property tax roll as provided in Section 66.0809, Wisconsin Statutes. The Utility shall not forgive the amount loaned to a property owner.

Public Service Commission of Wisconsin**Watertown Water Department****Financial Assistance for Replacement of Customer-Side Service Lines Containing Lead (LSLs) and Disconnection**

The Utility may disconnect water service in accordance with Schedule X-1 and Wis. Admin. Code § PSC 185.37 when one of the following occurs:

A. Failure to Provide Access to Inventory Customer-Side Service Line

If the property owner does not provide the requested reasonable access for inspections to determine or confirm the customer-side service line's construction material as described in Schedule LSL-1, the Utility may proceed to disconnect water service following the notification and disconnection procedures set forth in the Utility's tariffs and Wis. Admin. Code § PSC 185.37. Reconnection charges shall apply.

B. Failure to Replace LSL When Required as Part of a Utility Replacement

If the property owner does not replace the LSL, or any necessary and reasonable agreement with the customer is not in place as described in Schedule LSL-1, the Utility may refuse to reconnect the property owner's water service or may proceed to disconnect water service following the notification and disconnection procedures set forth in Schedule X-1 and Wis. Admin. Code § PSC 185.37. Reconnection charges shall apply.

C. Failure to Replace LSL When Not Required as Part of a Utility Replacement

If the property owner does not replace the LSL by the date specified by the Utility pursuant to Schedule LSL-1, the Utility may proceed to disconnect water service following the notification and disconnection procedures set forth in Schedule X-1 and Wis. Admin. Code § PSC 185.37. Reconnection charges shall apply.

Public Service Commission of Wisconsin

Watertown Water Department

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**Watertown Water Department****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**Watertown Water Department****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**Watertown Water Department****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.

Public Service Commission of Wisconsin**Watertown Water Department****Water Utility Operating Rules**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.

Public Service Commission of Wisconsin**Watertown Water Department****Water Utility Operating Rules**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.

Public Service Commission of Wisconsin

Watertown Water Department

Water Utility Operating Rules

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.

Public Service Commission of Wisconsin

Watertown Water Department

Water Utility Operating Rules

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)

Public Service Commission of Wisconsin**Watertown Water Department****Water Utility Operating Rules**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 ensure the safety of the public.

Public Service Commission of Wisconsin**Watertown Water Department****Water Utility Operating Rules**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.

Public Service Commission of Wisconsin

Watertown Water Department

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.

Public Service Commission of Wisconsin

Watertown Water Department

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.

Public Service Commission of Wisconsin

Watertown Water Department

Water Customer Supplemental 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.

Thawing Frozen Service Laterals

See Wis. Admin. Code § PSC 185.88.

Deferred Payment Agreement

The utility shall offer deferred payment agreements to residential accounts and may offer such agreements to other customers. However, the utility will not offer a deferred payment agreement to a residential customer who is a tenant if any of the following criteria applies:

- The tenant has defaulted on a deferred payment agreement in the past 12 months. This criterion only applies to deferred payment agreements and not to other types of payment extensions or agreements.

Watertown Water Department
Customer Water Bill Comparison at Present and Proposed Rates

Customer Type	Meter Size	Volume (100 Cubic Feet)	<u>Monthly</u>			<u>Monthly Including Public Fire Protection</u>		
			Bills at Old Rates	Bills at New Rates	Percent Change	Bills at Old Rates	Bills at New Rates	Percent Change
Small Residential	5/8"	2	\$ 16.00	\$ 17.80	11.25%	\$ 24.60	\$ 29.40	19.51%
Average Residential	5/8"	4	\$ 23.60	\$ 26.60	12.71%	\$ 32.20	\$ 38.20	18.63%
Large Residential	5/8"	10	\$ 46.40	\$ 53.00	14.22%	\$ 55.00	\$ 64.60	17.45%
Large Residential	5/8"	20	\$ 83.80	\$ 94.88	13.22%	\$ 92.40	\$ 106.48	15.24%
Large Residential	5/8"	40	\$ 156.80	\$ 172.28	9.87%	\$ 165.40	\$ 183.88	11.17%
Multifamily Residential	2"	205	\$ 785.65	\$ 836.83	6.51%	\$ 855.65	\$ 931.23	8.83%
Multifamily Residential	3"	140	\$ 573.40	\$ 610.28	6.43%	\$ 703.40	\$ 786.48	11.81%
Multifamily Residential	3"	180	\$ 719.40	\$ 765.08	6.35%	\$ 849.40	\$ 941.28	10.82%
Multifamily Residential	3"	215	\$ 847.15	\$ 900.53	6.30%	\$ 977.15	\$ 1,076.73	10.19%
Commercial	3"	460	\$ 1,741.40	\$ 1,848.68	6.16%	\$ 1,871.40	\$ 2,024.88	8.20%
Commercial	4"	310	\$ 1,223.90	\$ 1,298.18	6.07%	\$ 1,438.90	\$ 1,589.38	10.46%
Commercial	4"	780	\$ 2,888.10	\$ 3,062.36	6.03%	\$ 3,103.10	\$ 3,353.56	8.07%
Commercial	6"	1,765	\$ 6,115.10	\$ 6,476.51	5.91%	\$ 6,546.10	\$ 7,058.51	7.83%
Industrial	3"	960	\$ 3,434.10	\$ 3,642.56	6.07%	\$ 3,564.10	\$ 3,818.76	7.15%
Industrial	3"	2,190	\$ 7,370.10	\$ 7,812.26	6.00%	\$ 7,500.10	\$ 7,988.46	6.51%
Industrial	3"	24,145	\$ 77,626.10	\$ 82,239.71	5.94%	\$ 77,756.10	\$ 82,415.91	5.99%
Industrial	4"	7,775	\$ 25,272.10	\$ 26,775.41	5.95%	\$ 25,487.10	\$ 27,066.61	6.20%
Public Authority	3"	870	\$ 3,146.10	\$ 3,337.46	6.08%	\$ 3,276.10	\$ 3,513.66	7.25%
Public Authority	3"	1,585	\$ 5,434.10	\$ 5,761.31	6.02%	\$ 5,564.10	\$ 5,937.51	6.71%
Public Authority	4"	360	\$ 1,406.40	\$ 1,491.68	6.06%	\$ 1,621.40	\$ 1,782.88	9.96%
Public Authority	6"	1,670	\$ 5,811.10	\$ 6,154.46	5.91%	\$ 6,242.10	\$ 6,736.46	7.92%