Public Service Commission of Wisconsin

Phil Montgomery, Chairperson
Eric Callisto, Commissioner
Ellen Nowak, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

July 12, 2012 --- **VIA E-MAIL**

CeA

Mr. John Weidl, City Administrator/Clerk/Treasurer
Princeton Municipal Water and Electric Utility
P.O. Box 53
531 S. Fulton Street
Princeton, WI 54968
E-mail: jweidl@cityofprincetonwi.com

Re: Application of Princeton Municipal Water and Electric Utility, Green Lake County, Wisconsin, for Authority to Increase Water Rates — 4880-WR-102

Dear Mr. Weidl:

The Public Service Commission (Commission) staff has analyzed your application for a water rate increase. The application was received on November 8, 2011. A proposed staff exhibit has been prepared, a copy of which is enclosed. The exhibit contains schedules showing staff's proposed revenue requirement, cost-of-service analysis, and proposed rates.

We intend to submit our proposal at the public hearing, which will be scheduled at a later date.

We have used a 4.00 percent rate of return on the estimated water utility net investment rate base for the 2012 test year, per your request. The proposed rates would increase annual revenues from water public utility service by an estimated $76,539, of which $49,144 would be from general service customers and $27,395 would be from the public fire protection charge.

The increase in water utility revenues results because of a 23 percent increase in gross plant investment and a 35 percent increase in operating expenses since your last water rate case in 2007.

We have selected some customers for comparison of proposed and present rates (see Schedule 14 of the enclosed staff exhibit). Please note that, in general, large-volume users would receive a larger percentage increase in water rates than an average residential customer. We believe that the larger increase to large-volume users is reasonable because the proposed rates more appropriately reflect the cost of providing service than do the present rates.

As shown in Schedule 13, we propose to revise your volume rate blocks resulting in a uniform rate for all customer classes. The meter service charges are intended to recover customer costs associated with billing, meters, and service laterals. The volume rates are intended to recover your cost of supplying water. The revised block rates will recover the cost of supplying water from each customer class in a more equitable manner than did your old volume block rates.

We are proposing a number of additional changes in Schedule 13 that are intended to simplify and update the tariff provisions. These include:

- Revising Schedule Mpa-1, Public Service; Schedule Ug-1, General Water Service – Unmetered; and Schedule BW-1, Bulk Water, to reference the volumetric charges in Schedule Mg-1 instead of establishing separate rates in these schedules. This change ensures that these rates will reflect future changes to Schedule Mg-1 through a Simplified Rate Case (SRC).
- Eliminating Schedule Mz-1, Building and Construction Water Service, because the revised Schedule Ug-1 now applies to these customers.
- Replacing Schedule Mgt-1, Seasonal, Emergency, or Temporary Service, with a new Schedule Sg-1, Seasonal Service.

The depreciation expense included in the revenue requirement was computed using the water depreciation rates on the enclosed Schedule 15. When the Final Decision is issued in this docket, these rates will be certified for use by your utility effective January 1, 2012.

We are recommending to the Commission that your water utility's filed rules and regulations be updated in order to reflect the latest requirements in Wis. Admin. Code ch. PSC 185. A copy is enclosed.

The proposed staff exhibit is intended to give the Commission the staff's view point and is not a final decision. The utility has the prerogative to present its own case. It may be advantageous to the utility to submit additional information which is believed to be pertinent to substantiate its position. Please note that the Commission will base its decision on the merits of the case.

If you have any questions, please call me at (608) 266-3768.

Sincerely,

/s/ Stephen P. Kemna

Stephen P. Kemna, P.E.
Public Service Engineer
Division of Water, Compliance and Consumer Affairs

SPK:DL:00584191

Enclosures

Docket No. 4880-WR-102
Witness: Stephen Kemna
Exhibit No. _____

PRINCETON MUNICIPAL WATER AND ELECTRIC UTILITY

Division of Water, Compliance and Consumer Affairs
Public Service Commission of Wisconsin
July 2012

COMPARATIVE INCOME STATEMENT

ACCT NO.	OPERATING REVENUES	2008	2009	2010	2011	TEST YEAR 2012
460	Unmetered Sales to General Customers					
	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
461	Metered Sales to General Customers					
	Residential	213,134	216,553	206,373	217,450	203,787
	Commercial	71,646	70,161	68,750	60,152	71,265
	Industrial	2,506	2,065	2,175	2,350	406
	Public Authority	5,563	5,442	5,470	13,450	12,628
	TOTAL GENERAL SALES	$ 292,849	$ 294,221	$ 282,768	$ 293,402	$ 288,086
462	Private fire protection service	3,562	3,562	3,562	3,562	3,562
463	Public fire protection service	162,252	167,109	171,009	170,000	158,773
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	1,186	1,475	1,661	1,600	1,600
472	Rents from water property	0	0	0	0	0
473	Interdepartmental rents	227	306	133	0	0
474	Other water revenues	9,267	7,035	9,365	7,750	7,700
	TOTAL OPERATING REVENUES	$ 469,343	$ 473,708	$ 468,498	$ 476,314	$ 459,721
	OPERATING EXPENSES					
	SOURCE OF SUPPLY					
600	Operation labor	$ 0	$ 0	$ 0	$ 0	$ 0
601	Purchased water	0	0	0	0	0
602	Operation supplies and expenses	0	0	0	0	0
605	Maintenance of water source plant	0	0	0	0	0
	PUMPING EXPENSES					
620	Operation labor	16,030	17,684	18,248	18,708	15,900
621	Fuel for power production	0	0	0	0	0
622	Fuel or power purchased for pumping	15,376	18,847	12,140	16,691	13,605
623	Operation supplies and expenses	39,995	3,970	6,244	17,573	4,900
625	Maintenance of pumping plant	2,278	0	0	50,000	0

COMPARATIVE INCOME STATEMENT
(continued)

ACCT NO.	OPERATING EXPENSES	2008	2009	2010	2011	TEST YEAR 2012
	WATER TREATMENT EXPENSES					
630	Operation labor	$ 8,823	$ 11,789	$ 12,166	$ 12,237	$ 12,292
631	Chemicals	7,471	11,910	18,731	14,228	11,000
632	Operation supplies and expenses	6,832	3,970	6,243	6,250	4,800
635	Maintenance of water treatment plant	0	0	0	1,200	0
	TRANSMISSION & DISTRIBUTION EXPENSES					
640	Operation labor	0	0	0	0	0
641	Operation supplies and expenses	0	0	0	0	0
650	Maintenance of distr. reservoirs	0	580	91,400	2,750	8,800
651	Maintenance of mains	742	2,274	476	1,199	1,225
652	Maintenance of services	3,166	1,780	1,725	2,335	2,500
653	Maintenance of meters	2,047	5,195	0	2,474	2,500
654	Maintenance of hydrants	981	1,686	695	1,233	1,250
655	Maintenance of other plant	0	0	0	0	0
	CUSTOMER ACCOUNTS EXPENSES					
901	Meter reading labor	2,724	5,104	4,138	4,108	4,232
902	Accounting and collecting labor	8,755	9,226	9,838	9,551	9,838
903	Supplies and expenses	1,628	2,117	1,658	1,855	2,026
904	Uncollectible accounts	0	0	0	0	0
906	Customer service and informational expense	0	0	0	0	0
	SALES EXPENSES					
910	Sales Expenses	0	0	0	0	0
	ADMINISTRATIVE & GENERAL EXPENSES					
920	Administrative and general salaries	7,953	9,408	10,032	18,265	9,700
921	Office supplies and expenses	789	1,496	1,311	1,259	1,349
922	Administrative expenses transferred -- credit	0	0	0	0	0
923	Outside services employed	23,540	22,750	34,643	29,675	22,500
924	Property insurance	3,434	3,798	3,675	4,000	4,100
925	Injuries and damages	0	0	0	0	0
926	Employee pensions and benefits	21,898	25,284	25,300	22,953	20,778
928	Regulatory commission expenses	0	0	0	0	2,500
930	Miscellaneous general expenses	2,275	4,000	4,453	3,934	4,023
933	Transportation expenses	0	0	0	0	0
935	Maintenance of general plant	0	0	0	0	0
	TOTAL OPER. & MAINT. EXPENSES	$ 176,737	$ 162,868	$ 263,116	$ 242,478	$ 159,818
403	**DEPRECIATION EXPENSE**	98,223	97,262	98,775	113,519	122,961
404-407	**AMORTIZATION EXPENSE**	0	0	0	0	0
408	**TAXES AND TAX EQUIVALENT**	87,755	90,364	89,089	98,811	93,500
	TOTAL OPERATING EXPENSES	$ 362,715	$ 350,494	$ 450,980	$ 454,808	$ 376,279
	NET OPERATING INCOME	**$ 106,628**	**$ 123,214**	**$ 17,518**	**$ 21,506**	**$ 83,442**

NET INVESTMENT RATE BASE

UTILITY FINANCED PLANT IN SERVICE	$	4,919,383
Less: ACCUMULATED PROVISION FOR DEPRECIATION		913,954
NET INVESTMENT	$	4,005,429
Plus: MATERIALS AND SUPPLIES		12,000
Less: REGULATORY LIABILITY		17,927
NET INVESTMENT RATE BASE	$	3,999,502
RATE OF RETURN ON RATE BASE		4.00%

ESTIMATED INCOME STATEMENT FOR THE 2012 TEST YEAR AND REVENUE REQUIREMENT TO YIELD A 4.00% RETURN ON NET INVESTMENT RATE BASE

	Present Rates	Increase	After Rate Increase
TOTAL OPERATING REVENUES	$ 459,721	$ 76,538	$ 536,260
OPERATING EXPENSES:			
OPERATION & MAINTENANCE EXPENSES	$ 159,818		$ 159,818
DEPRECIATION EXPENSE	122,961		122,961
AMORTIZATION EXPENSE	0		0
TAXES AND TAX EQUIVALENT	93,500		93,500
TOTAL OPERATING EXPENSES	$ 376,279		$ 376,279
NET OPERATING INCOME (LOSS)	$ 83,442		$ 159,980
RATE OF RETURN ON RATE BASE	2.09%		4.00%

UTILITY FINANCED PLANT IN SERVICE AND DEPRECIATION EXPENSE
TEST YEAR 2012

ACCT NO.	ACCOUNT DESCRIPTION	Balance 12/31/2011 ($)	Major Additions ($)	Normal Additions ($)	Retirements ($)	Balance 12/31/2012 ($)	Test Year Rate Base Balance ($)	Depreciation Rate (%)	Depreciation Expense ($)
	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	0	0	0	0	0	0	N/A	0
311	Structures and improvements	7,642	0	0	0	7,642	7,642	3.20%	245
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	48,386	0	0	0	48,386	48,386	2.90%	1,403
316	Supply mains	16,415	0	0	0	16,415	16,415	1.80%	295
317	Other water source plant	0	0	0	0	0	0	0.00%	0
	PUMPING PLANT								
320	Land and land rights	0	0	0	0	0	0	N/A	0
321	Structures and improvements	25,797	0	0	0	25,797	25,797	3.20%	826
323	Other power production equipment	0	0	0	0	0	0	0.00%	0
325	Electric pumping equipment	78,978	0	0	0	78,978	78,978	4.40%	3,475
326	Diesel pumping equipment	0	0	0	0	0	0	0.00%	0
328	Other pumping equipment	19,741	0	0	0	19,741	19,741	4.40%	869
	WATER TREATMENT PLANT								
330	Land and land rights	0	0	0	0	0	0	N/A	0
331	Structures and improvements	0	0	50,000	0	50,000	25,000	3.20%	800
332	Sand or Other Media Filtration Equip	1,516,011	0	0	0	1,516,011	1,516,011	3.30%	50,028
333	Membrane Filtration Equipment	0	0	0	0	0	0	0.00%	0
334	Other Water Treatment Equipment	0	0	0	0	0	0	0.00%	0

UTILITY FINANCED PLANT IN SERVICE AND DEPRECIATION EXPENSE
TEST YEAR 2012
(continued)

ACCT NO.	ACCOUNT DESCRIPTION	Balance 12/31/2011 ($)	Major Additions ($)	Normal Additions ($)	Retirements ($)	Balance 12/31/2012 ($)	TEST YEAR RATE BASE BALANCE ($)	DEPRECIATION RATE (%)	DEPRECIATION EXPENSE ($)
	TRANSMISSION & DISTRIBUTION PLANT								
340	Land and land rights	4,450	0	0	0	4,450	4,450	N/A	0
341	Structures and improvements	0	0	0	0	0	0	0.00%	0
342	Distribution reservoirs and standpipes	216,735	0	0	0	216,735	216,735	1.90%	4,118
343	Transmission and distribution mains	1,930,086	0	267,750	0	2,197,836	2,063,961	1.30%	26,831
345	Services	402,281	0	84,300	0	486,581	444,431	2.90%	12,888
346	Meters	117,009	0	13,000	0	130,009	123,509	5.50%	3,396
348	Hydrants	150,695	0	21,533	0	172,228	161,462	2.20%	3,552
349	Other transmission and distr. plant	3,941	0	0	0	3,941	3,941	5.00%	197
	GENERAL PLANT								
389	Land and land rights	0	0	0	0	0	0	N/A	0
390	Structures and improvements	55,234	0	0	0	55,234	55,234	2.90%	1,602
391	Office furniture and equipment	2,303	0	1,000	0	3,303	2,803	5.80%	163
391	Office furniture & equip - Computers	19,514	0	2,500	0	22,014	20,764	26.70%	5,544
392	Transportation equipment	7,229	0	2,500	0	9,729	8,479	13.30%	1,128
393	Stores equipment	0	0	0	0	0	0	0.00%	0
394	Tools, shop and garage equipment	9,772	0	5,000	0	14,772	12,272	5.80%	712
395	Laboratory equipment	0	0	100	0	100	50	5.80%	3
396	Power operated equipment	60,724	0	0	0	60,724	60,724	7.50%	4,554
397	Communication equipment	1,598	0	0	0	1,598	1,598	15.00%	240
397	SCADA equipment	0	0	2,000	0	2,000	1,000	9.20%	92
398	Miscellaneous equipment	0	0	0	0	0	0	0.00%	0
	TOTAL UTILITY FINANCED PLANT IN SERVICE	**4,694,541**	**0**	**449,683**	**0**	**5,144,224**	**4,919,383**		**122,961**

PRINCETON MUNICIPAL WATER AND ELECTRIC UTILITY

SYSTEM DEMAND RATIOS

MAXIMUM DAY SYSTEM DEMAND

TOTAL ANNUAL PUMPAGE	37,134,000	Gallons
AVERAGE DAILY PUMPAGE	101,737	Gallons
MAXIMUM DAY PUMPAGE	254,342	Gallons
FIRE FLOW:		
GAL/MIN	2,000	
DURATION (HOURS)	2	
TOTAL FLOW	240,000	Gallons
AVERAGE DAY PLUS FIRE FLOW	341,737	Gallons

RATIO:	BASE =	$\frac{101,737}{341,737}$	29.77%	
	MAX DAY =	100-BASE	70.23%	

MAXIMUM HOUR SYSTEM DEMAND

AVERAGE HOUR ON MAX DAY	10,598	Gallons
MAXIMUM HOUR PUMPAGE	14,837	Gallons
AVERAGE HOUR PLUS ONE HOUR FIRE FLOW	124,239	Gallons

RATIO:	BASE =	$\frac{101,737}{2,981,737}$	3.41%	Use	10.00%
	MAX HOUR =	100-BASE	96.59%	Use	90.00%

ALLOCATION OF UTILITY FINANCED PLANT
TO SERVICE COST FUNCTIONS

ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	BASE COSTS		EXTRA-CAPACITY					CUSTOMER COSTS			
					MAX DAY		MAX HOUR						
			System ($)	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	7,642	2,275		5,367								
312	Collecting and impounding reservoirs	0	0		0								
313	Lake, river, and other intakes	0	0		0								
314	Wells and springs	48,386	14,405		33,981								
316	Supply mains	16,415	4,887		11,528								
317	Other water source plant	0	0		0								
	PUMPING PLANT												
320	Land and land rights	0	0		0								
321	Structures and improvements	25,797	7,680		18,117								
323	Other power production equipment	0	0		0								
325	Electric pumping equipment	78,978	23,512		55,466								
326	Diesel pumping equipment	0	0		0								
328	Other pumping equipment	19,741	5,877		13,864								
	WATER TREATMENT PLANT												
330	Land and land rights	0	0		0								
331	Structures and improvements	25,000	7,443		17,557								
332	Sand or Other Media Filtration Equip	1,516,011	451,325		1,064,686								
333	Membrane Filtration Equipment	0	0		0								
334	Other Water Treatment Equipment	0	0		0								

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

ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	BASE COSTS		EXTRA-CAPACITY					CUSTOMER COSTS			
					MAX DAY		MAX HOUR						
			System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
	TRANSMISSION & DISTRIBUTION PLANT												
340	Land and land rights	4,450	122	275	213	0	0	2,474	288	0	183	657	239
341	Structures and improvements	0	0	0	0	0	0	0	0	0	0	0	0
342	Distribution reservoirs and standpipes	216,735	21,674						195,062				
343	Transmission mains	204,684	60,936		143,749								
343	Distribution mains	1,859,277		185,928				1,673,349					
345	Services	444,431										444,431	
346	Meters	123,509									123,509		
348	Hydrants	161,462											161,462
349	Other transmission and distr. plant	3,941	108	243	188	0	0	2,191	255	0	162	582	211
	GENERAL PLANT												
389	Land and land rights	0	0	0	0	0	0	0	0	0	0	0	0
390	Structures and improvements	55,234	6,970	2,165	15,848	0	0	19,486	2,271	0	1,438	5,175	1,880
391	Office furniture and equipment	2,803	354	110	804	0	0	989	115	0	73	263	95
391	Office furniture & equip - Computers	20,764	2,620	814	5,958	0	0	7,325	854	0	541	1,946	707
392	Transportation equipment	8,479	1,070	332	2,433	0	0	2,991	349	0	221	794	289
393	Stores equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, shop and garage equipment	12,272	1,549	481	3,521	0	0	4,329	505	0	320	1,150	418
395	Laboratory equipment	50	6	2	14	0	0	18	2	0	1	5	2
396	Power operated equipment	60,724	7,663	2,380	17,423	0	0	21,423	2,497	0	1,581	5,690	2,067
397	Communication equipment	1,598	202	63	458	0	0	564	66	0	42	150	54
397	SCADA equipment	1,000	126	39	287	0	0	353	41	0	26	94	34
398	Miscellaneous equipment	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	**4,919,383**	**620,803**	**192,832**	**1,411,462**	**0**	**0**	**1,735,491**	**202,305**	**0**	**128,096**	**460,936**	**167,458**

ALLOCATION OF TOTAL PLANT
TO SERVICE COST FUNCTIONS

ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	BASE COSTS		EXTRA-CAPACITY					CUSTOMER COSTS			
					MAX DAY		MAX HOUR						
			System ($)	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	7,642	2,275		5,367								
312	Collecting and impounding reservoirs	0	0		0								
313	Lake, river, and other intakes	0	0		0								
314	Wells and springs	48,386	14,405		33,981								
316	Supply mains	16,415	4,887		11,528								
317	Other water source plant	0	0		0								
	PUMPING PLANT												
320	Land and land rights	0	0		0								
321	Structures and improvements	25,797	7,680		18,117								
323	Other power production equipment	0	0		0								
325	Electric pumping equipment	78,978	23,512		55,466								
326	Diesel pumping equipment	0	0		0								
328	Other pumping equipment	19,741	5,877		13,864								
	WATER TREATMENT PLANT												
330	Land and land rights	0	0		0								
331	Structures and improvements	25,000	7,443		17,557								
332	Sand or Other Media Filtration Equip	1,516,011	451,325		1,064,686								
333	Membrane Filtration Equipment	0	0		0								
334	Other Water Treatment Equipment	0	0		0								

ALLOCATION OF TOTAL PLANT
TO SERVICE COST FUNCTIONS
(continued)

ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	BASE COSTS		EXTRA-CAPACITY					CUSTOMER COSTS			
					MAX DAY		MAX HOUR						
			System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
	TRANSMISSION & DISTRIBUTION PLANT												
340	Land and land rights	4,450	123	275	201	0	0	2,473	340	0	173	640	226
341	Structures and improvements	0	0	0	0	0	0	0	0	0	0	0	0
342	Distribution reservoirs and standpipes	270,152	27,015						243,137				
343	Transmission mains	204,684	60,936		143,749								
343	Distribution mains	1,964,434		196,443				1,767,990					
345	Services	457,210										457,210	
346	Meters	123,509									123,509		
348	Hydrants	161,462											161,462
349	Other transmission and distr. plant	3,941	109	243	178	0	0	2,190	301	0	153	566	200
	GENERAL PLANT												
389	Land and land rights	0	0	0	0	0	0	0	0	0	0	0	0
390	Structures and improvements	55,234	6,788	2,208	15,296	0	0	19,869	2,732	0	1,388	5,138	1,815
391	Office furniture and equipment	2,803	344	112	776	0	0	1,008	139	0	70	261	92
391	Office furniture & equip - Computers	20,764	2,552	830	5,750	0	0	7,469	1,027	0	522	1,932	682
392	Transportation equipment	8,479	1,042	339	2,348	0	0	3,050	419	0	213	789	279
393	Stores equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, shop and garage equipment	12,272	1,508	491	3,399	0	0	4,415	607	0	308	1,142	403
395	Laboratory equipment	50	6	2	14	0	0	18	2	0	1	5	2
396	Power operated equipment	60,724	7,462	2,427	16,817	0	0	21,844	3,004	0	1,526	5,649	1,995
397	Communication equipment	1,598	196	64	443	0	0	575	79	0	40	149	52
397	SCADA equipment	1,000	123	40	277	0	0	360	49	0	25	93	33
398	Miscellaneous equipment	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	**5,090,736**	**625,608**	**203,473**	**1,409,814**	**0**	**0**	**1,831,261**	**251,838**	**0**	**127,929**	**473,572**	**167,240**

ALLOCATION OF DEPRECIATION EXPENSE
TO SERVICE COST FUNCTIONS

ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	BASE COSTS		EXTRA-CAPACITY					CUSTOMER COSTS			Fire Protection ($)
					MAX DAY		MAX HOUR						
			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	0	0		0								
311	Structures and improvements	245	73		172								
312	Collecting and impounding reservoirs	0	0		0								
313	Lake, river, and other intakes	0	0		0								
314	Wells and springs	1,403	418		985								
316	Supply mains	295	88		207								
317	Other water source plant	0	0		0								
	PUMPING PLANT												
320	Land and land rights	0	0		0								
321	Structures and improvements	826	246		580								
323	Other power production equipment	0	0		0								
325	Electric pumping equipment	3,475	1,035		2,440								
326	Diesel pumping equipment	0	0		0								
328	Other pumping equipment	869	259		610								
	WATER TREATMENT PLANT												
330	Land and land rights	0	0		0								
331	Structures and improvements	800	238		562								
332	Sand or Other Media Filtration Equip	50,028	14,894		35,134								
333	Membrane Filtration Equipment	0	0		0								
334	Other Water Treatment Equipment	0	0		0								

ALLOCATION OF DEPRECIATION EXPENSE
TO SERVICE COST FUNCTIONS
(continued)

ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	BASE COSTS		EXTRA-CAPACITY					CUSTOMER COSTS			Fire Protection ($)
					MAX DAY		MAX HOUR						
			System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	
	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	4,118	412						3,706				
343	Transmission mains	2,661	792		1,869								
343	Distribution mains	24,170		2,417				21,753					
345	Services	12,888										12,888	
346	Meters	3,396									3,396		
348	Hydrants	3,552											3,552
349	Other transmission and distr. plant	197	5	9	7	0	0	84	14	0	13	50	14
	GENERAL PLANT												
389	Land and land rights	0	0	0	0	0	0	0	0	0	0	0	0
390	Structures and improvements	1,602	271	36	626	0	0	321	55	0	50	190	52
391	Office furniture and equipment	163	28	4	64	0	0	33	6	0	5	19	5
391	Office furniture & equip - Computers	5,544	939	123	2,167	0	0	1,111	189	0	174	659	181
392	Transportation equipment	1,128	191	25	441	0	0	226	39	0	35	134	37
393	Stores equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, shop and garage equipment	712	121	16	278	0	0	143	24	0	22	85	23
395	Laboratory equipment	3	1	0	1	0	0	1	0	0	0	0	0
396	Power operated equipment	4,554	772	101	1,780	0	0	913	156	0	143	541	149
397	Communication equipment	240	41	5	94	0	0	48	8	0	8	29	8
397	SCADA equipment	92	16	2	36	0	0	18	3	0	3	11	3
398	Miscellaneous equipment	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	**122,961**	**20,837**	**2,739**	**48,054**	**0**	**0**	**24,652**	**4,200**	**0**	**3,849**	**14,605**	**4,025**

ALLOCATION OF OPERATION AND MAINTENANCE EXPENSES
TO SERVICE COST FUNCTIONS

ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	BASE COSTS		EXTRA-CAPACITY					CUSTOMER COSTS			
					MAX DAY		MAX HOUR						
			System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
	SOURCE OF SUPPLY												
600	Operation labor	0	0		0								
601	Purchased water	0	0										0
602	Operation supplies and expenses	0	0		0								
605	Maintenance of water source plant	0	0		0								
	PUMPING EXPENSES												
620	Operation labor	15,900	4,734		11,166								
621	Fuel for power production	0	0										
622	Fuel or power purchased for pumping	13,605	13,605										
623	Operation supplies and expenses	4,900	1,459		3,441								
625	Maintenance of pumping plant	0	0		0								
	WATER TREATMENT EXPENSES												
630	Operation labor	12,292	3,659		8,633								
631	Chemicals	11,000	11,000										
632	Operation supplies and expenses	4,800	1,429		3,371								
635	Maintenance of water treatment plant	0	0		0								
	TRANSMISSION & DISTRIBUTION EXPENSES												
640	Operation labor	0	0	0	0	0	0	0	0	0	0	0	0
641	Operation supplies and expenses	0	0	0	0	0	0	0	0	0	0	0	0
650	Maintenance of distr. reservoirs	8,800	880						7,920				
651	Maintenance of transmission mains	72	8		5		58						
651	Maintenance of distribution mains	1,153		137		76		940					
652	Maintenance of services	2,500										2,500	
653	Maintenance of meters	2,500									2,500		
654	Maintenance of hydrants	1,250											1,250
655	Maintenance of other plant	0	0	0	0	0	0	0	0	0	0	0	0

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

ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	BASE COSTS		EXTRA-CAPACITY					CUSTOMER COSTS			
					MAX DAY		MAX HOUR						
			System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
	CUSTOMER ACCOUNTS EXPENSES												
901	Meter reading labor	4,232								4,232			
902	Accounting and collecting labor	9,838								9,838			
903	Supplies and expenses	2,026								2,026			
904	Uncollectible accounts	0								0			
906	Customer service and informational expense	0								0			
	SALES EXPENSES												
910	Sales Expenses	0								0			
	ADMINISTRATIVE & GENERAL EXPENSES												
920	Administrative and general salaries	9,700	2,116	24	4,629	13	10	163	1,377	280	435	435	217
921	Office supplies and expenses	1,349	294	3	644	2	1	23	192	39	60	60	30
922	Administrative expenses transferred -- credit	0	0	0	0	0	0	0	0	0	0	0	0
923	Outside services employed	22,500	4,909	55	10,737	31	24	379	3,195	649	1,008	1,008	504
924	Property insurance	4,100	504	164	1,135	0	0	1,475	203	0	103	381	135
925	Injuries and damages	0	0	0	0	0	0	0	0	0	0	0	0
926	Employee pensions and benefits	20,778	4,533	51	9,915	28	22	350	2,950	600	931	931	466
928	Regulatory commission expenses	2,500	545	6	1,193	3	3	42	355	72	112	112	56
930	Miscellaneous general expenses	4,023	878	10	1,920	6	4	68	571	116	180	180	90
933	Transportation expenses	0	0	0	0	0	0	0	0	0	0	0	0
935	Maintenance of general plant	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL OPERATION & MAINTENANCE EXPENSES	**159,818**	**50,554**	**450**	**56,789**	**160**	**122**	**3,441**	**16,763**	**17,852**	**5,330**	**5,609**	**2,748**

SUMMARY OF ALLOCATION OF OPERATING COSTS TO SERVICE COST FUNCTIONS

				EXTRA-CAPACITY								
		BASE COSTS		MAX DAY		MAX HOUR			CUSTOMER COSTS			
OPERATING COST	TOTAL ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
OPERATION AND MAINTENANCE	159,818	50,554	450	56,789	160	122	3,441	16,763	17,852	5,330	5,609	2,748
DEPRECIATION EXPENSE	122,961	20,837	2,739	48,054	0	0	24,652	4,200	0	3,849	14,605	4,025
AMORTIZATION EXPENSE	0	0	0	0	0	0	0	0	0	0	0	0
TAXES AND TAX EQUIVALENT	93,500	11,490	3,737	25,894	0	0	33,634	4,625	0	2,350	8,698	3,072
RETURN ON NET INVESTMENT RATE BASE	159,980	20,189	6,271	45,901	0	0	56,439	6,579	0	4,166	14,990	5,446
TOTAL	**536,260**	**103,070**	**13,197**	**176,637**	**160**	**122**	**118,166**	**32,168**	**17,852**	**15,694**	**43,902**	**15,291**

CUSTOMER CLASS DEMAND RATIOS

CUSTOMER CLASS	Annual Volume 1,000 Gallons	Average Day Volume Gallons	Percent (%)	System Adjusted Percent (%)	Distribution Adjusted Percent (%)	Extra Capacity Ratio	Volume Rate Gallons Per Day	Percent (%)	System Adjusted Percent (%)	Distribution Adjusted Percent (%)	Extra Capacity Ratio	Volume Rate Gallons Per Hour	Percent (%)	System Adjusted Percent (%)	Distribution Adjusted Percent (%)	Storage Adjusted Percent (%)
	BASE COSTS						EXTRA-CAPACITY MAX DAY DEMAND					EXTRA-CAPACITY MAX HOUR DEMAND				
Residential	18,529	50,764	65.63%	65.63%	65.63%	2.70	137,064	31.79%	35.85%	35.85%	5.50	11,634	8.55%	36.04%	36.04%	14.42%
Commercial	8,029	21,997	28.44%	28.44%	28.44%	2.10	46,194	10.71%	12.08%	12.08%	4.20	3,850	2.83%	11.92%	11.92%	4.77%
Industrial	43	118	0.15%	0.15%	0.15%	1.10	130	0.03%	0.03%	0.03%	2.10	10	0.01%	0.03%	0.03%	0.01%
Public Authority	1,350	3,699	4.78%	4.78%	4.78%	2.10	7,767	1.80%	2.03%	2.03%	4.20	647	0.48%	2.01%	2.01%	0.80%
Public Fire Protection	282	774	1.00%	1.00%	1.00%		240,000	55.66%	50.00%	50.00%		120,000	88.14%	50.00%	50.00%	80.00%
TOTALS	**28,233**	**77,352**	**100%**	**100%**	**100%**		**431,155**	**100%**	**100%**	**100%**		**136,141**	**100%**	**100%**	**100%**	**100%**
									50%	50%	<-- Public Fire % Limits -->			50%	50%	80%

Maximum Day Demand = 267,733 (GAL/DAY) SUM OF GENERAL SERVICE AVERAGE AND MAXIMUM DAY EXTRA CAPACITY DEMAND

Maximum Hour Demand = 19,331 (GAL/HR) SUM OF GENERAL SERVICE AVERAGE AND MAXIMUM HOUR EXTRA CAPACITY DEMAND

1.05 = NON-COINCIDENT / COINCIDENT RATIO FOR MAX DAY

1.30 = NON-COINCIDENT / COINCIDENT RATIO FOR MAX HOUR

CUSTOMER CLASS ALLOCATION FACTORS

NUMBER OF METERS

Meter size (inches):	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	TOTAL METERS	PERCENT
Residential	560	0	0	0	0	0	0	0	0	0	0	0	0	560	80%
Commercial	107	4	7	3	9	1	0	0	0	0	0	0	0	131	19%
Industrial	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0%
Public Authority	9	0	0	0	0	1	0	0	1	0	0	0	0	11	2%
TOTALS	**677**	**4**	**7**	**3**	**9**	**2**	**0**	**0**	**1**	**0**	**0**	**0**	**0**	**703**	**100%**

EQUIVALENT METERS

ALLOCATION FACTOR:														TOTAL	
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**	**PERCENT**
Residential	560	0	0	0	0	0	0	0	0	0	0	0	0	560	70%
Commercial	107	4	18	11	45	8	0	0	0	0	0	0	0	193	24%
Industrial	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0%
Public Authority	9	0	0	0	0	8	0	0	25	0	0	0	0	42	5%
TOTALS	**677**	**4**	**18**	**11**	**45**	**16**	**0**	**0**	**25**	**0**	**0**	**0**	**0**	**796**	**100%**

EQUIVALENT SERVICES

ALLOCATION FACTOR:														TOTAL	
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**	**PERCENT**
Residential	560	0	0	0	0	0	0	0	0	0	0	0	0	560	77%
Commercial	107	4	9	5	18	3	0	0	0	0	0	0	0	146	20%
Industrial	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0%
Public Authority	9	0	0	0	0	3	0	0	5	0	0	0	0	17	2%
TOTALS	**677**	**4**	**9**	**5**	**18**	**6**	**0**	**0**	**5**	**0**	**0**	**0**	**0**	**724**	**100%**

ALLOCATION OF SERVICE COST FUNCTIONS TO CUSTOMER CLASSES

	TOTAL ($)	Residential ($)	Commercial ($)	Industrial ($)	Public Authority ($)	Public Fire Protection ($)
BASE COSTS:						
SYSTEM	103,070	67,643	29,311	157	4,928	1,031
DISTRIBUTION	13,197	8,661	3,753	20	631	132
EXTRA-CAPACITY COSTS:						
MAXIMUM-DAY SYSTEM	176,637	63,327	21,343	60	3,589	88,319
MAXIMUM-DAY DISTIBUTION	160	57	19	0	3	80
MAXIMUM-HOUR SYSTEM	122	44	15	0	2	61
MAXIMUM-HOUR DISTRIBUTION	118,166	42,585	14,091	38	2,369	59,083
MAXIMUM-HOUR STORAGE	32,168	4,637	1,534	4	258	25,734
CUSTOMER COSTS:						
BILLING	17,852	14,221	3,327	25	279	
EQUIVALENT METERS	15,694	11,047	3,799	20	829	
EQUIVALENT SERVICES	43,902	33,948	8,863	61	1,031	
FIRE PROTECTION	15,291					15,291
TOTAL COST	536,260	246,170	86,055	385	13,920	189,730
LESS OTHER REVENUE	12,862	6,607	2,310	10	373	3,562
COST OF SERVICE	523,397	239,563	83,746	374	13,546	186,168
REVENUE AT PRESENT RATES	446,859	203,787	71,265	406	12,628	158,773
DIFFERENCE	76,538	35,776	12,481	(32)	918	27,395
PERCENT INCREASE/DECREASE	**17%**	**18%**	**18%**	**-8%**	**7%**	**17%**

PRINCETON MUNICIPAL WATER AND ELECTRIC UTILITY
Comparison of Revenue
at
Present Rates, Cost of Service and Proposed Rates

		Cost of Service		Proposed Rates		
Customer Class	Revenue at Present Rates	Revenue Required	Increase over Present Rates	Revenue	Increase over Present Rates	Percent of Cost of Service
Residential	$203,787	$239,563	18%	$236,766	16%	99%
Commercial	$71,265	$83,746	18%	$85,497	20%	102%
Industrial	$406	$374	-8%	$485	19%	130%
Public Authority	$12,628	$13,546	7%	$15,026	19%	111%
Public Fire Protection	$158,773	$186,168	17%	$186,168	17%	100%
Total	$446,859	$523,398	17%	$523,942	17%	100%

PRINCETON MUNICIPAL WATER AND ELECTRIC UTILITY

Proposed Water Rates and Rules

Public Fire Protection Service - - - F-1

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 Princeton shall be $186,168. The utility may bill for this amount in equal monthly installments.

Billing: Same as Schedule Mg-1.

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

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

Monthly Private Fire Protection Service Demand Charges:

2 - inch or smaller connection - $	20.40
3 - inch connection - $	38.40
4 - inch connection - $	64.00
6 - inch connection - $	128.00
8 - inch connection - $	204.00
10 - inch connection - $	306.00
12 - inch connection - $	408.00
14 - inch connection - $	512.00
16 - inch connection - $	614.00

Billing: Same as Schedule Mg-1.

General Service - Metered - - - Mg-1

Monthly Service Charges:

⅝ -inch meter - $	18.00	3 -inch meter - $	195.00
¾ -inch meter - $	18.00	4 -inch meter - $	300.00
1 -inch meter - $	30.00	6 -inch meter - $	450.00
1¼ -inch meter - $	36.00	8 -inch meter - $	600.00
1½ -inch meter - $	60.00	10 -inch meter - $	900.00
2 -inch meter - $	87.00	12 -inch meter - $	1,200.00

Plus Volume Charges:

All water used per month - $6.25 per 1,000 gallons

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 shall be applied to the total unpaid balance for utility service, including unpaid late payment charges. This late payment charge is applicable to all customers. The utility customer may be given a written notice that the bill is overdue no sooner than 20 days after the bill is issued. Unless payment or satisfactory arrangement for payment is made within the next 10 days, service may be disconnected pursuant to Wis. Admin. Code ch. PSC 185.

Combined Metering: Volumetric readings may 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 may not be combined for billing. This requirement does not preclude the utility from combining readings where metering configurations support such an approach. Volumetric readings from individually metered separate service laterals may not be combined for billing purposes.

General Service - Suburban - - - Mg-2

Water customers residing outside the corporate limits of the City of Princeton shall be billed at the regular rates for service (Schedule Mg-1) plus a 25 percent surcharge.

Billing: Same as Schedule Mg-1.

Other Charges - - - OC-1

Non-Sufficient Funds Charge: The utility shall assess a $40.00 charge when a payment rendered for utility service is returned for non-sufficient funds. This charge may not be in addition to, but may be inclusive of, other non-sufficient funds charges when the payment was for multiple services.

Special Billing Charge: The utility shall assess a $40.00 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 $25.00 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 if a customer schedules an appointment with utility personnel at the customer's location and, without providing reasonable cancellation notice to the utility, fails to be present. The utility may not charge for the first missed appointment during normal business hours but may apply the charge to subsequent missed appointments. The utility shall apply the charge for the first missed appointment after normal business hours.

During normal business hours:	$25.00
After normal business hours:	$50.00

Real Estate Closing Account Charge: The utility shall assess a $25.00 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 - - - Mpa-1

Metered Service
Water used by the City of Princeton 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.

General Water Service - Unmetered - - - Ug-1

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 3,000 gallons of water per month under Schedule Mg-1, including the service charge for a ⅝-inch meter. If the utility determines that actual usage exceeds 3,000 gallons of water per month, 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.

Standby Water Service - - - Sws-1

A standby charge shall apply to each lot or equivalent parcel of land for which water system facilities are available but are not connected. An equivalent parcel of land shall be each full 100 feet where unplatted. An isolated parcel of less than 100 feet shall be equivalent to a lot. Where more than one lot or equivalent is used as a unit and a customer is connected, the total charge for water service to such customer shall be not less than the standby charge applicable to the several lots. This rate is not applicable to land declared by the local municipality as unbuildable.

For each lot or equivalent parcel of land - $9.50 per month.

Example: An unplatted 480 foot parcel of land would constitute four equivalent parcels.

Billing: Same as Schedule Mg-1.

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

Delete.

Seasonal Service - - - Sg-1

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 or Schedule Ug-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.

Building and Construction Water Service - - - Mz-1

Delete.

Bulk Water - - - BW-1

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-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.

Reconnection Charges - - - R-1

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-1.

Water Lateral Installation Charge - - - Cz-1

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.

Rules and Regulations - - - X-1

Delete Schedule X-1. Incorporate the operating rules for municipal water utilities as provided by the Public Service Commission.

Water Main Extension Rule - - - X-2

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

A. Where the cost of the extension is to immediately be collected through assessment by the municipality against the abutting property, the procedure set forth under Wis. Stat. § 66.0703 will apply, and no additional customer contribution to the utility will be required.

B. Where the municipality is unwilling or unable to make a special assessment, the extension will be made on a customer-financed basis as follows:

1. The applicant(s) will advance as a contribution in aid of construction the total amount equivalent to that which would have been assessed for all property under 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.

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

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

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

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

PRINCETON MUNICIPAL WATER AND ELECTRIC UTILITY

Customer Water Bill Comparison at Present and Proposed Rates

			Monthly		
Customer Type	Meter Size (Inches)	Volume (1000 Gallons)	Bills at Old Rates	Bills at New Rates	Percent Change
Small Residential	5/8	2	$ 26.96	$ 30.50	13%
Average Residential	5/8	3	$ 31.44	$ 36.75	17%
Large Residential	5/8	10	$ 62.80	$ 80.50	28%
Large Residential	5/8	25	$ 126.55	$ 174.25	38%
Large Residential	5/8	30	$ 147.80	$ 205.50	39%
Large Residential	5/8	120	$ 513.30	$ 768.00	50%
Large Residential	5/8	280	$ 1,057.30	$ 1,768.00	67%
Commercial	3/4	10	$ 62.80	$ 80.50	28%
Commercial	1 1/2	15	$ 126.05	$ 153.75	22%
Commercial	1 1/2	35	$ 211.05	$ 278.75	32%
Commercial	2	75	$ 408.05	$ 555.75	36%
Industrial	5/8	15	$ 84.05	$ 111.75	33%
Public Authority	5/8	20	$ 105.30	$ 143.00	36%
Public Authority	2	35	$ 238.05	$ 305.75	28%
Public Authority	2	45	$ 280.55	$ 368.25	31%
Public Authority	4	60	$ 557.30	$ 675.00	21%
Public Fire Protection (Annual charge)			158,773.00	186,168.00	17%

Princeton Municipal Water and Electric Utility
Schedule of Water Depreciation Rates
Effective January 1, 2012

Account Number	Account Title	Deprec. Rate
	SOURCE OF SUPPLY PLANT	
311	Structures and Improvements	3.2%
314	Wells and Springs	2.9%
316	Supply Mains	1.8%
	PUMPING PLANT	
321	Structures and Improvements	3.2%
325	Electric Pumping Equipment	4.4%
328	Other Pumping Equipment	4.4%
	WATER TREATMENT PLANT	
331	Structures and Improvements	3.2%
332	Sand and Other Media Filtration Equipment	3.3%
	TRANSMISSION AND DISTRIBUTION PLANT	
342	Distribution Reservoirs and Standpipes	1.9%
343	Transmission and Distribution Mains	1.3%
345	Services	2.9%
346	Meters	5.5%
348	Hydrants	2.2%
349	Other Transmission and Distribution Plant	5.0%
	GENERAL PLANT	
390	Structures and Improvements	2.9%
391	Office Furniture and Equipment	5.8%
391.1	Computer Equipment	26.7%
392	Transportation Equipment	13.3%
394	Tools, Shop and Garage Equipment	5.8%
395	Laboratory Equipment	5.8%
396	Power Operated Equipment	7.5%
397	Communication Equipment	15.0%
397.1	Communication Equipment - SCADA	9.2%

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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.

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.

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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, valve, and backflow preventer 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.

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.

Thawing Frozen Service Laterals

See Wis. Admin. Code § PSC 185.88.

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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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.

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.

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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.

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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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, for some reason, 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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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 insure the safety of the public.

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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 811.09.