

SERVICE DATE Dec 14, 2023

PUBLIC SERVICE COMMISSION OF WISCONSIN

Simplified Rate Case for the City of Ladysmith, as a Water Public
Utility, Rusk County, Wisconsin

2940-WQ-104

FINAL DECISION**Introduction**

On December 1, 2023, the Ladysmith Municipal Water Utility (applicant) filed an application for a water rate increase under Wis. Stat. § 196.193, a Simplified Rate Case (SRC) process that does not require a hearing. ([PSC REF#: 486120.](#)) The Commission reviewed the information submitted by the applicant in support of its application and determined that the water rate increase, as requested, is justified.

Findings of Fact

1. The revenue increase is calculated by multiplying the applicant's prior year revenue from sales of utility service by the 2023 rate increase factor (8.0 percent) set by the Commission on February 15, 2023 and effective March 1, 2023. ([PSC REF#: 459385.](#))
2. The revenue increase, combined with the applicant's prior year net operating income, results in an overall rate of return that does not exceed 6.5 percent, the overall rate of return for municipally owned water or combined water and sewer public utility set by the Commission on February 15, 2023 and effective March 1, 2023. ([PSC REF#: 459385.](#))
3. The effective date of the rate increase is not less than 12 months from the effective date of a previous SRC increase and is not less than 45 days from the date of the application.
4. The applicant's last rate increase authorized pursuant to a hearing under Wis. Stat. § 196.20 has been in effect for at least one calendar year (i.e., January through December).

5. The applicant has fewer than 4,000 customers, and the total of all prior rate increases granted since the last hearing under Wis. Stat. § 196.20 does not result in rates that are more than 40 percent higher than the base rates previously authorized by a hearing under Wis. Stat. § 196.20.

6. The applicant notified all its customers of the proposed rate increase.

[\(PSC REF#: 486121.\)](#)

Conclusions of Law

1. The Commission has jurisdiction under Wis. Stat. §§ 196.02, 196.193, and 196.39, and Wis. Admin. Code ch. PSC 185.

2. The Commission has authority under Wis. Stat. § 15.02(4) to delegate to the Administrator of the Division of Water Utility Regulation and Analysis (Division Administrator) those functions vested by law as enumerated above and has delegated the authority to issue this Final Decision to the Division Administrator.

Order

1. The applicant shall increase its rates for general service and public fire protection uniformly by the 8.0 percent rate increase factor.

2. The new rates will be effective February 1, 2024 and will be on file with the Commission as Amendment 25, provided that the applicant makes a copy of the new rates available to the public before this date by placing a copy of the new rates at locations where customer payments are accepted, on the applicant's website, or in a form and place that is otherwise readily accessible to the public. If a copy of the new rates is not made available to the public by this date, the new rates shall take effect on the date they are so made available.

3. The applicant shall inform each customer of the new rates authorized by this order.

4. The applicant's current rates and rules shall be available for public inspection.

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5. The applicant shall keep on permanent file all its previous rates.
6. Jurisdiction is retained.
7. This order is effective one day after the date of service.

Dated at Madison, Wisconsin, this 14th day of December, 2023.

For the Commission:

A handwritten signature in black ink, appearing to read "Andrew P. Galvin". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Andrew P. Galvin
Administrator
Division of Water Utility Regulation and Analysis

APG:KRL:alf DL:01979260

See attached Notice of Rights

PUBLIC SERVICE COMMISSION OF WISCONSIN
4822 Madison Yards Way
P.O. Box 7854
Madison, Wisconsin 53707-7854

**NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE
TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE
PARTY TO BE NAMED AS RESPONDENT**

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

PETITION FOR REHEARING

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of the date of service of this decision, as provided in Wis. Stat. § 227.49. The date of service is shown on the first page. If there is no date on the first page, the date of service is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

PETITION FOR JUDICIAL REVIEW

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. In a contested case, the petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of the date of service of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of the date of service of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission serves its original decision.¹ The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

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

Revised: March 27, 2013

¹ See *Currier v. Wisconsin Dep't of Revenue*, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.

Ladysmith Municipal Water Utility

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.

Quarterly Public Fire Protection Service Charges:

<u>Improved Value</u>	<u>Charge</u>	<u>Improved Value</u>	<u>Charge</u>
\$ 0 to 29,999	\$ 13.76	\$ 170,000 to 179,999	\$ 109.22
\$ 30,000 to 39,999	\$ 21.76	\$ 180,000 to 189,999	\$ 115.00
\$ 40,000 to 49,999	\$ 28.03	\$ 190,000 to 199,999	\$ 121.46
\$ 50,000 to 59,999	\$ 34.34	\$ 200,000 to 299,999	\$ 148.65
\$ 60,000 to 69,999	\$ 40.07	\$ 300,000 to 399,999	\$ 219.93
\$ 70,000 to 79,999	\$ 46.53	\$ 400,000 to 499,999	\$ 281.11
\$ 80,000 to 89,999	\$ 52.60	\$ 500,000 to 599,999	\$ 327.19
\$ 90,000 to 99,999	\$ 58.38	\$ 600,000 to 699,999	\$ 401.48
\$ 100,000 to 109,999	\$ 64.58	\$ 700,000 to 799,999	\$ 469.81
\$ 110,000 to 119,999	\$ 71.31	\$ 800,000 to 899,999	\$ 515.17
\$ 120,000 to 129,999	\$ 77.97	\$ 900,000 to 999,999	\$ 575.67
\$ 130,000 to 139,999	\$ 84.05	\$ 1,000,000 to 1,999,999	\$ 849.46
\$ 140,000 to 149,999	\$ 88.95	\$ 2,000,000 to 2,999,999	\$ 1,647.32
\$ 150,000 to 159,999	\$ 95.04	\$ 3,000,000 to 7,999,999	\$ 2,462.77
\$ 160,000 to 169,999	\$ 101.97	\$ 8,000,000 +	\$ 5,227.09

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.

Billing: Same as Schedule Mg-1.

Public Service Commission of Wisconsin

Ladysmith Municipal Water Utility

General Service - Metered

Quarterly Service Charges:

5/8 - inch meter:	\$ 35.64	3 - inch meter:	\$ 343.44
3/4 - inch meter:	\$ 35.64	4 - inch meter:	\$ 515.16
1 - inch meter:	\$ 57.02	6 - inch meter:	\$ 800.28
1 1/4 - inch meter:	\$ 85.54	8 - inch meter:	\$ 1,117.80
1 1/2 - inch meter:	\$ 114.05	10 - inch meter:	\$ 1,464.48
2 - inch meter:	\$ 190.09	12 - inch meter:	\$ 1,817.64

For PSC use only: base 5/8-inch meter charge for SRC purpose - \$33.00

Plus Volume Charges:

First	50,000	gallons used each quarter:	\$7.70 per 1,000 gallons
Next	450,000	gallons used each quarter:	\$6.62 per 1,000 gallons
Over	500,000	gallons used each quarter:	\$5.54 per 1,000 gallons

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

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