

December 19, 2012

Comments Submitted Via ERF

Mr. Justin Chasco
Public Service Commission of Wisconsin
P.O. Box 7854
Madison, Wisconsin 53707-7854

RE: PSC Docket 1-AC-229 Comments

Dear Mr. Chasco:

The Municipal Environmental Group - Water Division (MEG - Water) appreciates this opportunity to provide comments on the economic impact of the Commission's proposal to revise parts of chs. PSC 113, 134, and 185 that deal with applications for service. MEG - Water is an association of 58 municipal water utilities who have joined together to provide input on proposed laws and regulations that affect municipal water utilities in Wisconsin. Our comments are limited to the portion of the Commission's proposal that revises parts of PSC 185.

The proposed change in PSC 185.30(1)(a) and PSC 185.305(1)(a) would have a significant economic impact on some water utilities.

Under current PSC regulations, PSC 185.33(18)(a), "[a]ll new customers are required to make an application for service." Many municipal water utilities comply with this provision by requiring an application before connecting a new building to the municipality's water system. After the new building is connected, bills for service are sent to "occupant" at the service address. No further applications are required. These utilities do not put the name of an individual resident on a bill unless requested to do so. The municipal water utility treats the occupant as the utility's customer.

Under the proposal, PSC 185.30(1)(a) and PSC 185.305(1)(a) are revised to require a "residential user" or a "non-residential user" of water service to apply for service. If these provisions are interpreted to require a new application every time the user within the connected building changes, this would have a very significant economic impact on the municipal water utilities that do not currently do this.

This issue regarding who is considered to be a municipal water utility customer was discussed in great depth among stakeholders at a March 6, 2012 working session hosted by the PSC on revisions to the PSC 185 customer service rules. (See Docket No. 1-AC-233, PSC Ref # 164211.) No consensus was reached on how to handle this issue at that meeting. However, the expectation was that if the issue was to be addressed, it would be addressed as part of the revision to the PSC 185 customer service rules.

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In order to avoid a significant economic impact on some municipal water utilities from the changes proposed in this Docket 1-AC-229, MEG-Water suggests that the first sentence of PSC 185.30(1)(a) and PSC 185.305(1)(a) be changed to use the same language as that currently in the first sentence of PSC 185.33(18)(a). This will allow municipal water utilities to follow their same practice with regard to applications and the billing of occupants. If there is no change in this provision, the proposal in Docket 1-AC-229 should not have a significant economic impact on municipal water utilities.

Thank you for your consideration of these comments. We would be happy to discuss any questions that you may have about them.

MUNICIPAL ENVIRONMENTAL GROUP
-- WATER DIVISION

/s/ Lawrie J. Kobza

Lawrie J. Kobza
Legal Counsel

cc: MEG - Water Members (via e-mail)

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