

Dear Allouez Water Utility Customer,

The Village of Allouez Water Utility operates under the regulation of the Public Service Commission of Wisconsin (PSC). In 2015, the Village filed a rate case with the PSC for the purpose of adjusting the water rates charged to its customers. This included removing the Public Fire Protection (PFP) charge from the Village's tax levy (municipal charge) and adding it to the customers' monthly water bills (direct charge). The PSC authorized the following three-year transition of the charges for the PFP:

Effective in 2016, the annual municipal charge levied for the PFP was to remain at \$276,725, with the remainder collected through direct charges on the customer water bills at the rate of \$3.57 per month for a $\frac{3}{4}$ " meter.

Effective January 1, 2017, the annual municipal charge levied for the PFP was decreased to \$138,362, and the remainder was collected through direct charges on the customer water bills at the rate of \$5.36 per month for a $\frac{3}{4}$ " meter.

Effective January 1, 2018, the annual municipal charge levied for the PFP was decreased to \$0, and the remainder was to be collected through direct charges on the customer water bills at the rate of \$7.16 per month for a $\frac{3}{4}$ " meter.

While no municipal charge was levied for the PFP charge for 2018, the direct charge on the customer water bill had not been increased from \$5.36 to \$7.16 per month for a $\frac{3}{4}$ " meter (an increase of \$1.80 per month).

The Village discovered the billing error and reached out to the Public Service Commission for guidance. Although the Village would prefer to not back bill for 2018, the PSC directed that the Village is required to do so by Wisconsin State Statute and Administrative Code.

- Wis. Stat. § 196.22 Discrimination forbidden. No public utility may charge, demand, collect or receive more or less compensation for any service performed by it within the state, or for any service in connection therewith, than is specified in the schedules for the service filed under s. 196.19, including schedules of joint rates, as may at the time be in force, or demand, collect or receive any rate, toll or charge not specified in the schedule.
- Wis. Admin. Code § PSC 185.33(15) Billing. Each bill for service shall be computed at the proper filed rate.
- Wis. Admin. Code § PSC 185.15 Free or discriminatory service prohibited. No utility shall provide water service free or at a rate different than provided for in its rates. This section applies to, but is not limited to, water service for all nonutility municipal purposes such as street and sewer flushing and service to nonutility public buildings.

- Wis. Admin. Code § PSC 185.33(14)(b)PSC 185.33(14)(b), Billing. Adjustments to past bills rendered because of meter inaccuracies, errors in billing, or misapplication of rates shall be separated from the current regular billing and the charges explained in detail.

Beginning with the January 2019 water utility billing, the PFP charge will be billed at the PSC approved rate of \$7.16 per month on a ¾" meter. Additionally, for the February 2019 water utility billing there will be a separate line item for the back billing of the PFP charge for 2018. This amounts to \$21.60 for a ¾" meter. Each customer will have the option of paying the back billing charge in full or of setting up a payment plan with the Allouez Water Department.

We sincerely apologize for this error. If you have any questions, please contact our Water Utility Clerk at 920-448-2808. The Public Service Commission of Wisconsin can also be contacted at 608-266-5481.