



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

March 5, 2013 --- VIA E-MAIL

Mr. Peter Mann, City Administrator
Ashland Water Utility
601 Main Street W.
Ashland, WI 54806
E-mail: pmann@coawi.org

Re: Application of Ashland Water Utility, Ashland County, 250-WR-103
Wisconsin, for Authority to Increase Water Rates

Dear Mr. Mann:

The Public Service Commission (Commission) staff has analyzed your application for a water rate increase. The application was received on September 28, 2012. 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.

The revenue requirement for the 2013 test year is comprised of the following:

Operation and Maintenance Expenses	\$	1,034,257
Depreciation Expense	\$	288,943
Property Tax Equivalent and Other Taxes	\$	338,100
Return on Rate Base	\$	450,070
Total	\$	2,111,370

We have used a 5.00 percent rate of return on the estimated water utility net investment rate base for the 2013 test year, as recommended by our staff auditor. The proposed rates would increase annual revenues from water public utility service by an estimated \$498,716, of which \$389,199 would be from general service customers and \$109,517 would be from the public fire protection charge.

The increase in water utility revenues results because of a 36 percent increase in gross plant investment and a 36 percent increase in operating expenses since your last water rate case in 2001.

We have selected some customers for comparison of proposed and present rates (see Schedule 14 of the enclosed staff exhibit).

Pursuant to your request and as shown in Schedule 13, staff has determined rates for the public fire protection (PFP) charge for directly charging general service customers and non-customers under the equivalent meters method. Also, Schedule Mg-2, General Service Suburban, which is intended to recover PFP related costs from water customers residing outside the corporate limits of the municipality, is not applicable when PFP is directly charges to these customers. Accordingly, Schedule Mg-2 will be removed from your filed tariff.

As shown in Schedule 13, we propose to revise your volume rate blocks by combining the second and third blocks. 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).
- Creating Schedule OC-1, Other Charges, to incorporate the miscellaneous charges you requested.
- 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.

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.

Mr. Peter Mann
Docket 250-WR-103
Page 3

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:00646406

Enclosures

cc: Andrew Behm, E-mail: andrew.behm@bakertilly.com

ASHLAND WATER UTILITY

	<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				
		2009	2010	2011	2012	2013
460	Unmetered Sales to General Customers					
	Residential	\$ 0	\$ 57	\$ 123	\$ 60	\$ 60
	Commercial	5,634	2,426	1,020	3,027	3,027
	Industrial	0	0	0	0	0
	Public Authority	0	924	49	324	324
461	Metered Sales to General Customers					
	Residential	619,303	638,487	623,766	652,607	645,435
	Commercial	362,258	353,775	338,243	336,692	336,692
	Industrial	20,235	17,745	21,832	22,180	22,180
	Public Authority	40,704	34,759	40,069	39,603	39,603
	Total general sales	\$ 1,048,134	\$ 1,048,173	\$ 1,025,102	\$ 1,054,493	\$ 1,047,321
462	Private fire protection service	33,006	32,924	33,776	33,006	33,006
463	Public fire protection service	500,464	507,689	510,239	510,664	510,664
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	16,274	18,437	18,654	18,438	17,951
472	Rents from water property	0	0	0	0	0
473	Interdepartmental rents	0	0	0	0	0
474	Other water revenues	9,920	8,706	4,640	9,403	3,712
	TOTAL OPERATING REVENUES	\$ 1,607,798	\$ 1,615,929	\$ 1,592,411	\$ 1,626,004	\$ 1,612,654
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	0	0	0	0	0
612	Maint. of collecting and impounding reservoirs	0	0	0	0	0
613	Maintenance of lake, river, and other intakes	3,256	4,746	4,244	10,925	4,642
614	Maintenance of wells and springs	0	0	0	0	0
616	Maintenance of supply mains	0	0	0	0	0
617	Maintenance of misc. water source plant	0	0	0	0	0
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	0	0	0	0	0
623	Fuel or power purchased for production	60,640	48,190	63,175	64,565	65,792
624	Pumping labor and expenses	153,018	82,861	86,125	30,495	32,600
625	Expenses transferred--credit	0	0	0	0	0
626	Miscellaneous expenses	1,253	1,311	1,759	1,220	1,243
627	Rents	0	0	0	0	0
630	Maintenance supervision and engineering	0	0	0	0	0
631	Maintenance of structures and improvements	3,107	2,553	1,752	10,145	4,400
632	Maintenance of power production equipment	0	0	0	0	0
633	Maintenance of pumping equipment	2,679	6,204	15,021	7,968	7,057

COMPARATIVE INCOME STATEMENT
(continued)

ACCT NO.	OPERATING EXPENSES	ESTIMATED TEST YEAR				
		2009	2010	2011	2012	2013
WATER TREATMENT EXPENSES						
640	Operation supervision and engineering	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
641	Chemicals	46,008	51,453	34,796	45,150	46,008
642	Operation labor and expenses	46,436	82,796	90,565	136,810	72,000
643	Miscellaneous expenses	1,479	2,304	1,012	0	0
644	Rents	0	0	0	0	0
650	Maintenance supervision and engineering	0	0	0	0	0
651	Maintenance of structures and improvements	5,736	15,146	20,695	11,845	9,605
652	Maintenance of water treatment equipment	30,988	21,714	31,125	31,810	68,406
TRANS & DISTRIBUTION EXPENSES						
660	Operation supervision and engineering	0	0	0	0	0
661	Storage facilities expenses	10,102	8,878	10,211	10,436	8,526
662	Transmission and distribution expenses	33,553	43,373	44,992	42,715	31,600
663	Meter expenses	3,026	887	2,862	3,719	3,355
664	Customer installations expenses	0	0	0	0	0
665	Miscellaneous expenses	0	0	0	0	0
666	Rents	0	0	0	0	0
670	Maintenance supervision and engineering	0	0	0	0	0
671	Maintenance of structures and improvements	4,136	7,541	5,514	5,635	4,098
672	Maintenance of distr.reservoirs and standpipes	4,516	24,459	24,789	48,340	49,236
673	Maintenance of transmission and distr. mains	68,052	43,442	85,263	68,496	63,242
675	Maintenance of services	40,833	42,723	34,861	43,489	38,824
676	Maintenance of meters	5,462	2,948	6,479	4,379	983
677	Maintenance of hydrants	19,031	21,807	18,760	21,276	17,583
678	Maintenance of miscellaneous plant	350	57	508	6,835	3,296
CUSTOMER ACCOUNTS EXPENSES						
901	Supervision	11,014	16,097	16,787	16,575	16,890
902	Meter reading labor	17,311	16,600	17,377	18,385	18,734
903	Customer records and collection expenses	22,079	12,476	13,502	12,815	13,058
904	Uncollectible accounts	0	0	0	0	0
905	Miscellaneous customer accounts expenses	15,488	29,814	32,057	31,090	31,681
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	122,764	144,956	143,152	155,750	152,800
921	Office supplies and expenses	827	0	0	0	0
922	Administrative expenses transferred -- credit	0	0	0	0	0
923	Outside services employed	37,689	40,181	47,272	61,500	62,669
924	Property insurance	4,453	3,252	3,474	3,856	3,929
925	Injuries and damages	9,222	8,226	8,879	9,500	9,681
926	Employee pensions and benefits	61,014	73,531	69,433	72,885	182,500
928	Regulatory commission expenses	426	405	1,043	6,150	6,267
929	Duplicate charges -- credit	0	0	0	0	0
930	Miscellaneous general expenses	2,123	1,173	826	2,350	2,395
931	Rents	1,128	1,134	1,175	1,135	1,157
932	Maintenance of general plant	0	0	0	0	0
TOTAL OPER. & MAINT. EXPENSES		\$ 849,199	\$ 863,238	\$ 939,485	\$ 998,244	\$ 1,034,257
403	DEPRECIATION EXPENSE	310,050	285,716	290,909	281,543	288,943
404-407	AMORTIZATION EXPENSE	56,215	0	0	0	0
408	TAXES AND TAX EQUIVALENT	287,525	314,372	329,870	336,282	338,100
TOTAL OPERATING EXPENSES		\$ 1,502,989	\$ 1,463,326	\$ 1,560,264	\$ 1,616,069	\$ 1,661,300
NET OPERATING INCOME		\$ 104,809	\$ 152,603	\$ 32,147	\$ 9,935	\$ (48,646)

NET INVESTMENT RATE BASE

UTILITY FINANCED PLANT IN SERVICE	\$	13,571,724
Less: ACCUMULATED PROVISION FOR DEPRECIATION		<u>4,521,422</u>
NET PLANT IN SERVICE	\$	9,050,302
Plus: MATERIALS AND SUPPLIES		102,286
Less: REGULATORY LIABILITY		<u>151,191</u>
NET INVESTMENT RATE BASE	\$	<u><u>9,001,397</u></u>
RATE OF RETURN ON RATE BASE		5.00%

ESTIMATED INCOME STATEMENT FOR THE 2013 TEST YEAR
AND

REVENUE REQUIREMENT TO YIELD A 5.00% RETURN ON NET INVESTMENT RATE BASE

	<u>Present Rates</u>	<u>Increase</u>	<u>After Rate Increase</u>
TOTAL OPERATING REVENUES	\$ <u>1,612,654</u>	\$ <u>498,716</u>	\$ <u>2,111,370</u>
OPERATING EXPENSES:			
OPERATION & MAINTENANCE EXPENSES	\$ 1,034,257		\$ 1,034,257
DEPRECIATION EXPENSE	288,943		288,943
AMORTIZATION EXPENSE	0		0
TAXES AND TAX EQUIVALENT	<u>338,100</u>		<u>338,100</u>
TOTAL OPERATING EXPENSES	\$ <u>1,661,300</u>		\$ <u>1,661,300</u>
NET OPERATING INCOME (LOSS)	\$ <u>(48,646)</u>		\$ <u><u>450,070</u></u>
RATE OF RETURN ON RATE BASE	-		5.00%

**UTILITY FINANCED PLANT IN SERVICE AND DEPRECIATION EXPENSE
TEST YEAR 2013**

<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>12/31/2012</u>	<u>Additions</u>	<u>Additions</u>		<u>12/31/2013</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>
INTANGIBLE PLANT									
301	Organization	554	0	0	0	554	554	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	0	0	0	0	0	0	0.00%	0
312	Collecting and impounding reservoirs	0	0	0	0	0	0	0.00%	0
313	Lake, river, and other intakes	88,117	0	0	0	88,117	88,117	1.70%	1,498
314	Wells and springs	0	0	0	0	0	0	0.00%	0
316	Supply mains	0	0	0	0	0	0	0.00%	0
317	Other water source plant	0	0	0	0	0	0	0.00%	0
PUMPING PLANT									
320	Land and land rights	5,712	0	0	0	5,712	5,712	N/A	0
321	Structures and improvements	371,796	0	0	0	371,796	371,796	3.20%	11,897
323	Other power production equipment	134,418	0	0	0	134,418	134,418	4.40%	5,914
325	Electric pumping equipment	254,525	0	0	0	254,525	254,525	4.40%	11,199
326	Diesel pumping equipment	0	0	0	0	0	0	0.00%	0
328	Other pumping equipment	38,591	0	0	0	38,591	38,591	4.40%	1,698
WATER TREATMENT PLANT									
330	Land and land rights	0	0	0	0	0	0	N/A	0
331	Structures and improvements	997,535	0	25,000	0	1,022,535	1,010,035	3.20%	32,321
332	Sand or Other Media Filtration Equip	966,897	0	0	0	966,897	966,897	3.30%	31,908
333	Membrane Filtration Equipment	84,358	0	0	0	84,358	84,358	6.00%	5,061
334	Other Water Treatment Equipment	0	0	0	0	0	0	0.00%	0

UTILITY FINANCED PLANT IN SERVICE AND DEPRECIATION EXPENSE
TEST YEAR 2013
(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>12/31/2012</u>	<u>Additions</u>	<u>Additions</u>		<u>12/31/2013</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	24,345	0	0	0	24,345	24,345	N/A	0
341	Structures and improvements	11,427	0	0	0	11,427	11,427	3.20%	0
342	Distribution reservoirs and standpipes	974,342	0	0	0	974,342	974,342	1.90%	18,512
343	Transmission and distribution mains	5,951,796	0	10,000	300	5,961,496	5,956,646	1.30%	77,436
345	Services	1,555,705	0	5,400	75	1,561,030	1,558,368	2.90%	45,193
346	Meters	498,924	0	0	0	498,924	498,924	5.50%	13,720
348	Hydrants	991,362	0	21,500	689	1,012,173	1,001,768	2.20%	22,039
349	Other transmission and distr. 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	82,990	0	0	0	82,990	82,990	2.90%	2,407
391	Office furniture and equipment	18,189	0	0	0	18,189	18,189	5.80%	0
391	Office furniture & equip - Computers	62,076	0	0	0	62,076	62,076	26.70%	0
392	Transportation equipment	87,241	0	0	0	87,241	87,241	13.30%	0
393	Stores equipment	0	0	0	0	0	0	0.00%	0
394	Tools, shop and garage equipment	63,155	0	0	0	63,155	63,155	5.80%	0
395	Laboratory equipment	5,798	0	0	0	5,798	5,798	5.80%	0
396	Power operated equipment	108,527	0	0	0	108,527	108,527	7.50%	8,140
397	Communication equipment	6,293	0	0	0	6,293	6,293	15.00%	0
397	SCADA equipment	156,632	0	0	0	156,632	156,632	9.20%	0
398	Miscellaneous equipment	0	0	0	0	0	0	0.00%	0
TOTAL UTILITY FINANCED PLANT IN SERVICE		13,541,305	0	61,900	1,064	13,602,141	13,571,724		288,943

ASHLAND WATER UTILITY
SYSTEM DEMAND RATIOS

MAXIMUM DAY SYSTEM DEMAND

TOTAL ANNUAL PUMPAGE	231,846,000	Gallons		
AVERAGE DAILY PUMPAGE	635,195	Gallons		
MAXIMUM DAY PUMPAGE	1,079,831	Gallons		
FIRE FLOW:				
GAL/MIN	4,000			
DURATION (HOURS)	4			
TOTAL FLOW	960,000	Gallons		
AVERAGE DAY PLUS FIRE FLOW	1,595,195	Gallons		
RATIO:	BASE	=	$\frac{635,195}{1,595,195}$	39.82%
	MAX DAY	=	100-BASE	60.18%

MAXIMUM HOUR SYSTEM DEMAND

AVERAGE HOUR ON MAX DAY	44,993	Gallons		
MAXIMUM HOUR PUMPAGE	71,459	Gallons		
AVERAGE HOUR PLUS ONE HOUR FIRE FLOW	266,466	Gallons		
RATIO:	BASE	=	$\frac{635,195}{6,395,195}$	9.93% Use 10.00%
	MAX HOUR	=	100-BASE	90.07% Use 90.00%

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

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL	BASE COSTS		MAX DAY			MAX HOUR			CUSTOMER COSTS		
			(\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)
INTANGIBLE PLANT													
301	Organization	554	131	6	192	0	0	56	38	0	21	67	43
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	0	0		0								
312	Collecting and impounding reservoirs	0	0		0								
313	Lake, river, and other intakes	88,117	35,088		53,029								
314	Wells and springs	0	0		0								
316	Supply mains	0	0		0								
317	Other water source plant	0	0		0								
PUMPING PLANT													
320	Land and land rights	5,712	2,274		3,438								
321	Structures and improvements	371,796	148,046		223,750								
323	Other power production equipment	134,418	53,524		80,894								
325	Electric pumping equipment	254,525	101,350		153,175								
326	Diesel pumping equipment	0	0		0								
328	Other pumping equipment	38,591	15,367		23,224								
WATER TREATMENT PLANT													
330	Land and land rights	0	0		0								
331	Structures and improvements	1,010,035	402,188		607,847								
332	Sand or Other Media Filtration Equip	966,897	385,011		581,886								
333	Membrane Filtration Equipment	84,358	33,591		50,767								
334	Other Water Treatment Equipment	0	0		0								

**ALLOCATION OF UTILITY FINANCED PLANT
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 PLANT													
340	Land and land rights	24,345	4,596	357	6,587	0	0	3,214	2,137	0	1,216	3,798	2,441
341	Structures and improvements	11,427	2,157	168	3,092	0	0	1,509	1,003	0	571	1,783	1,146
342	Distribution reservoirs and standpipes	974,342	97,434						876,908				
343	Transmission mains	4,491,282	1,788,395		2,702,887								
343	Distribution mains	1,465,364		146,536				1,318,828					
345	Services	1,558,368										1,558,368	
346	Meters	498,924								498,924			
348	Hydrants	1,001,768											1,001,768
349	Other transmission and distr. 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	82,990	19,622	940	28,711	0	0	8,462	5,627	0	3,201	9,999	6,428
391	Office furniture and equipment	18,189	4,301	206	6,293	0	0	1,855	1,233	0	702	2,192	1,409
391	Office furniture & equip - Computers	62,076	14,677	703	21,475	0	0	6,330	4,209	0	2,395	7,479	4,808
392	Transportation equipment	87,241	20,627	988	30,181	0	0	8,896	5,915	0	3,365	10,511	6,757
393	Stores equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, shop and garage equipment	63,155	14,932	716	21,849	0	0	6,440	4,282	0	2,436	7,609	4,892
395	Laboratory equipment	5,798	1,371	66	2,006	0	0	591	393	0	224	699	449
396	Power operated equipment	108,527	25,660	1,230	37,545	0	0	11,066	7,358	0	4,186	13,076	8,406
397	Communication equipment	6,293	1,488	71	2,177	0	0	642	427	0	243	758	487
397	SCADA equipment	156,632	37,034	1,775	54,187	0	0	15,971	10,619	0	6,042	18,872	12,132
398	Miscellaneous equipment	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	13,571,724	3,208,863	153,762	4,695,191	0	0	1,383,858	920,148	0	523,526	1,635,211	1,051,165

**ALLOCATION OF TOTAL PLANT
TO SERVICE COST FUNCTIONS**

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY											
		TOTAL	BASE COSTS		MAX DAY			MAX HOUR			CUSTOMER COSTS		
			(\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	System (\$)	Distribution (\$)	Storage (\$)	Billing (\$)	Equivalent Meter (\$)
INTANGIBLE PLANT													
301	Organization	554	99	15	146	0	0	134	27	0	15	69	48
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	0	0		0								
312	Collecting and impounding reservoirs	0	0		0								
313	Lake, river, and other intakes	88,117	35,088		53,029								
314	Wells and springs	0	0		0								
316	Supply mains	0	0		0								
317	Other water source plant	0	0		0								
PUMPING PLANT													
320	Land and land rights	5,712	2,274		3,438								
321	Structures and improvements	371,796	148,046		223,750								
323	Other power production equipment	134,418	53,524		80,894								
325	Electric pumping equipment	254,525	101,350		153,175								
326	Diesel pumping equipment	0	0		0								
328	Other pumping equipment	38,591	15,367		23,224								
WATER TREATMENT PLANT													
330	Land and land rights	0	0		0								
331	Structures and improvements	1,010,035	402,188		607,847								
332	Sand or Other Media Filtration Equip	1,335,997	531,984		804,013								
333	Membrane Filtration Equipment	84,358	33,591		50,767								
334	Other Water Treatment Equipment	0	0		0								

**ALLOCATION OF TOTAL PLANT
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	Storage	System	Distribution	Billing	Equivalent Meter	Equivalent Service	
(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)		
TRANSMISSION & DISTRIBUTION PLANT													
340	Land and land rights	24,345	3,153	805	4,519	0	0	7,245	1,466	0	834	3,710	2,613
341	Structures and improvements	11,427	1,480	378	2,121	0	0	3,401	688	0	391	1,741	1,227
342	Distribution reservoirs and standpipes	974,342	97,434						876,908				
343	Transmission mains	4,491,282	1,788,395		2,702,887								
343	Distribution mains	4,815,665		481,566				4,334,098					
345	Services	2,219,221										2,219,221	
346	Meters	498,924									498,924		
348	Hydrants	1,563,302											1,563,302
349	Other transmission and distr. 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	82,990	14,882	2,235	21,809	0	0	20,119	4,071	0	2,316	10,302	7,257
391	Office furniture and equipment	18,189	3,262	490	4,780	0	0	4,409	892	0	508	2,258	1,590
391	Office furniture & equip - Computers	62,076	11,132	1,672	16,313	0	0	15,049	3,045	0	1,732	7,706	5,428
392	Transportation equipment	87,241	15,644	2,350	22,926	0	0	21,149	4,279	0	2,435	10,829	7,629
393	Stores equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, shop and garage equipment	63,155	11,325	1,701	16,596	0	0	15,310	3,098	0	1,762	7,839	5,522
395	Laboratory equipment	5,798	1,040	156	1,524	0	0	1,406	284	0	162	720	507
396	Power operated equipment	108,527	19,462	2,923	28,519	0	0	26,310	5,323	0	3,029	13,472	9,490
397	Communication equipment	6,293	1,128	170	1,654	0	0	1,526	309	0	176	781	550
397	SCADA equipment	156,632	28,088	4,219	41,161	0	0	37,971	7,683	0	4,371	19,443	13,696
398	Miscellaneous equipment	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	18,513,512	3,319,937	498,681	4,865,089	0	0	4,488,128	908,072	0	516,655	2,298,090	1,618,860

**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	0	0	0	0	0	0	0	0	0	
311	Structures and improvements	0	0	0	0	0	0	0	0	0	0	0	0	
312	Collecting and impounding reservoirs	0	0	0	0	0	0	0	0	0	0	0	0	
313	Lake, river, and other intakes	1,498	596	902	0	0	0	0	0	0	0	0	0	
314	Wells and springs	0	0	0	0	0	0	0	0	0	0	0	0	
316	Supply mains	0	0	0	0	0	0	0	0	0	0	0	0	
317	Other water source plant	0	0	0	0	0	0	0	0	0	0	0	0	
PUMPING PLANT														
320	Land and land rights	0	0	0	0	0	0	0	0	0	0	0	0	
321	Structures and improvements	11,897	4,737	7,160	0	0	0	0	0	0	0	0	0	
323	Other power production equipment	5,914	2,355	3,559	0	0	0	0	0	0	0	0	0	
325	Electric pumping equipment	11,199	4,459	6,740	0	0	0	0	0	0	0	0	0	
326	Diesel pumping equipment	0	0	0	0	0	0	0	0	0	0	0	0	
328	Other pumping equipment	1,698	676	1,022	0	0	0	0	0	0	0	0	0	
WATER TREATMENT PLANT														
330	Land and land rights	0	0	0	0	0	0	0	0	0	0	0	0	
331	Structures and improvements	32,321	12,870	19,451	0	0	0	0	0	0	0	0	0	
332	Sand or Other Media Filtration Equip	31,908	12,706	19,202	0	0	0	0	0	0	0	0	0	
333	Membrane Filtration Equipment	5,061	2,015	3,046	0	0	0	0	0	0	0	0	0	
334	Other Water Treatment Equipment	0	0	0	0	0	0	0	0	0	0	0	0	

**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	18,512	1,851						16,661					
343	Transmission mains	58,386	23,249		35,137									
343	Distribution mains	19,050		1,905			17,145							
345	Services	45,193										45,193		
346	Meters	13,720									13,720			
348	Hydrants	22,039											22,039	
349	Other transmission and distr. 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	2,407	566	16	832	0	148	144	0	119	391	191		
391	Office furniture and equipment	0	0	0	0	0	0	0	0	0	0	0	0	
391	Office furniture & equip - Computers	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	0	0	0	0	0	0	0	0	0	0	0	0	
394	Tools, shop and garage equipment	0	0	0	0	0	0	0	0	0	0	0	0	
395	Laboratory equipment	0	0	0	0	0	0	0	0	0	0	0	0	
396	Power operated equipment	8,140	1,916	56	2,813	0	501	487	0	401	1,321	644		
397	Communication equipment	0	0	0	0	0	0	0	0	0	0	0	0	
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	288,943	67,997	1,977	99,864	0	0	17,794	17,292	0	14,240	46,905	22,874	

**ALLOCATION OF OPERATION AND MAINTENANCE EXPENSES
TO SERVICE COST FUNCTIONS**

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY							CUSTOMER COSTS			Fire Protection (\$)	
		TOTAL (\$)	BASE COSTS		MAX DAY		MAX HOUR			Billing (\$)	Equivalent Meter (\$)		Equivalent Service (\$)
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)				
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	0	0		0								
612	Maint. of collecting and impounding reservoirs	0	0		0								
613	Maintenance of lake, river, and other intakes	4,642	1,848		2,794								
614	Maintenance of wells and springs	0	0		0								
616	Maintenance of supply mains	0	0		0								
617	Maintenance of misc. water source plant	0	0		0								
PUMPING EXPENSES													
620	Operation supervision and engineering	0	0		0								
621	Fuel for power production	0	0		0								
622	Power production labor and expenses	0	0		0								
623	Fuel or power purchased for production	65,792	65,792										
624	Pumping labor and expenses	32,600	12,981		19,619								
625	Expenses transferred--credit	0	0		0								
626	Miscellaneous expenses	1,243	495		748								
627	Rents	0	0		0								
630	Maintenance supervision and engineering	0	0		0								
631	Maintenance of structures and improvements	4,400	1,752		2,648								
632	Maintenance of power production equipment	0	0		0								
633	Maintenance of pumping equipment	7,057	2,810		4,247								
WATER TREATMENT EXPENSES													
640	Operation supervision and engineering	0	0		0								
641	Chemicals	46,008	46,008										
642	Operation labor and expenses	72,000	28,670		43,330								
643	Miscellaneous expenses	0	0		0								
644	Rents	0	0		0								
650	Maintenance supervision and engineering	0	0		0								
651	Maintenance of structures and improvements	9,605	3,825		5,780								
652	Maintenance of water treatment equipment	68,406	27,239		41,167								

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

ACCT NO.	ACCOUNT DESCRIPTION	EXTRA-CAPACITY							CUSTOMER COSTS			Fire Protection (\$)	
		TOTAL (\$)	BASE COSTS		MAX DAY		MAX HOUR			Billing (\$)	Equivalent Meter (\$)		Equivalent Service (\$)
			System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)				
TRANSMISSION & DISTRIBUTION EXPENSES													
660	Operation supervision and engineering	0	0	0	0	0	0	0	0	0	0	0	0
661	Storage facilities expenses	8,526	847					7,679					
662	Transmission lines expenses	9,686	3,857		5,829								
662	Distribution lines expenses	21,914		2,191				19,722					
663	Meter expenses	3,355								3,355			
664	Customer installations expenses	0										0	
665	Miscellaneous expenses	0	0	0	0	0	0	0	0	0	0	0	0
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	4,098	333	126	336	0	0	1,137	999	0	83	746	338
672	Maintenance of distr.reservoirs and standpipes	49,236	4,924					44,312					
673	Maintenance of transmission mains	19,386	7,719		11,666								
673	Maintenance of distribution mains	43,856		4,386				39,471					
675	Maintenance of services	38,824									38,824		
676	Maintenance of meters	983								983			
677	Maintenance of hydrants	17,583											17,583
678	Maintenance of miscellaneous plant	3,296	268	102	270	0	0	914	803	0	67	600	272
CUSTOMER ACCOUNTS EXPENSES													
901	Supervision	16,890								16,890			
902	Meter reading labor	18,734								18,734			
903	Customer records and collection expenses	13,058								13,058			
904	Uncollectible accounts	0								0			
905	Miscellaneous customer accounts expenses	31,681								31,681			
906	Customer service and Information Expenses	0								0			
SALES EXPENSES													
910	Sales Expenses	0								0			
ADMINISTRATIVE & GENERAL EXPENSES													
920	Administrative and general salaries	152,800	32,922	2,296	46,712	0	0	20,665	18,151	10,847	1,514	13,554	6,139
921	Office supplies and expenses	0	0	0	0	0	0	0	0	0	0	0	0
922	Administrative expenses transferred -- credit	0	0	0	0	0	0	0	0	0	0	0	0
923	Outside services employed	62,669	13,502	942	19,158	0	0	8,476	7,445	4,449	621	5,559	2,518
924	Property insurance	3,929	705	106	1,032	0	0	952	193	0	110	488	344
925	Injuries and damages	9,681	2,086	145	2,960	0	0	1,309	1,150	687	96	859	389
926	Employee pensions and benefits	182,500	39,321	2,742	55,791	0	0	24,682	21,679	12,955	1,809	16,189	7,332
928	Regulatory commission expenses	6,267	1,350	94	1,916	0	0	848	744	445	62	556	252
929	Duplicate charges -- credit	0	0	0	0	0	0	0	0	0	0	0	0
930	Miscellaneous general expenses	2,395	516	36	732	0	0	324	285	170	24	212	96
931	Rents	1,157	249	17	354	0	0	156	137	82	11	103	46
932	Maintenance of general plant	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATION & MAINTENANCE EXPENSES		1,034,257	300,019	13,184	267,090	0	0	118,657	103,578	109,997	8,736	77,689	35,307

SUMMARY OF ALLOCATION OF OPERATING COSTS TO SERVICE COST FUNCTIONS

<u>OPERATING COST</u>	EXTRA-CAPACITY											
	TOTAL (\$)	BASE COSTS		MAX DAY			MAX HOUR		CUSTOMER COSTS			Fire Protection (\$)
		System (\$)	Distribution (\$)	System (\$)	Distribution (\$)	Storage (\$)	System (\$)	Distribution (\$)	Billing (\$)	Equivalent Meter (\$)	Equivalent Service (\$)	
OPERATION AND MAINTENANCE	1,034,257	300,019	13,184	267,090	0	0	118,657	103,578	109,997	8,736	77,689	35,307
DEPRECIATION EXPENSE	288,943	67,997	1,977	99,864	0	0	17,794	17,292	0	14,240	46,905	22,874
AMORTIZATION EXPENSE	0	0	0	0	0	0	0	0	0	0	0	0
TAXES AND TAX EQUIVALENT	338,100	60,630	9,107	88,848	0	0	81,964	16,584	0	9,435	41,968	29,564
RETURN ON NET INVESTMENT RATE BASE	450,070	106,413	5,099	155,703	0	0	45,892	30,514	0	17,361	54,227	34,859
TOTAL	2,111,370	535,059	29,367	611,505	0	0	264,307	167,967	109,997	49,772	220,790	122,604

CUSTOMER CLASS DEMAND RATIOS

CUSTOMER CLASS	BASE COSTS					EXTRA-CAPACITY MAX DAY DEMAND					EXTRA-CAPACITY MAX HOUR DEMAND					
	Annual Volume 100	Average Day Volume	Percent	System Adjusted Percent	Distribution Adjusted Percent	Extra Capacity Ratio	Volume Rate Cubic Feet Per Day	Percent	System Adjusted Percent	Distribution Adjusted Percent	Extra Capacity Ratio	Volume Rate Cubic Feet Per Hour	Percent	System Adjusted Percent	Distribution Adjusted Percent	Storage Adjusted Percent
Residential	129,045	35,355	51.10%	51.10%	51.10%	2.50	88,387	31.10%	31.10%	31.10%	5.50	8,102	17.53%	28.66%	28.66%	17.53%
Commercial	101,813	27,894	40.31%	40.31%	40.31%	2.10	58,577	20.61%	20.61%	20.61%	4.50	5,230	11.32%	18.50%	18.50%	11.32%
Industrial	7,171	1,965	2.84%	2.84%	2.84%	1.00	1,965	0.69%	0.69%	0.69%	2.25	184	0.40%	0.65%	0.65%	0.40%
Public Authority	11,993	3,286	4.75%	4.75%	4.75%	2.10	6,900	2.43%	2.43%	2.43%	4.50	616	1.33%	2.18%	2.18%	1.33%
Public Fire Protection	2,525	692	1.00%	1.00%	1.00%		128,342	45.16%	45.16%	45.16%		32,086	69.42%	50.00%	50.00%	69.42%
TOTALS	252,547	69,191	100%	100%	100%		284,171	100%	100%	100%		46,218	100%	100%	100%	100%

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

Maximum Day Demand = 224,328 (CUBIC FEET/DAY) SUM OF GENERAL SERVICE AVERAGE AND MAXIMUM DAY EXTRA CAPACITY DEMAND

Maximum Hour Demand = 16,987 (CUBIC FEET/HR) SUM OF GENERAL SERVICE AVERAGE AND MAXIMUM HOUR EXTRA CAPACITY DEMAND

1.55 = NON-COINCIDENT / COINCIDENT RATIO FOR MAX DAY

1.78 = NON-COINCIDENT / COINCIDENT RATIO FOR MAX HOUR

CUSTOMER CLASS ALLOCATION FACTORS

Meter size (inches):	NUMBER OF METERS												TOTAL		
	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	METERS	PERCENT
Residential	2,511	19	0	0	1	0	0	0	0	0	0	0	0	2,531	84%
Commercial	254	48	53	0	33	34	0	11	1	0	0	0	0	434	14%
Industrial	5	1	3	0	0	5	0	1	0	0	0	0	0	15	0%
Public Authority	14	5	7	0	5	5	0	5	1	0	0	0	0	42	1%
TOTALS	2,784	73	63	0	39	44	0	17	2	0	0	0	0	3,022	100%

ALLOCATION FACTOR: Meter size (inches):	EQUIVALENT METERS												TOTAL		
	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	EQUIV. METERS	PERCENT
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		
Residential	2,511	19	0	0	5	0	0	0	0	0	0	0	0	2,535	66%
Commercial	254	48	133	0	165	272	0	165	25	0	0	0	0	1,062	27%
Industrial	5	1	8	0	0	40	0	15	0	0	0	0	0	69	2%
Public Authority	14	5	18	0	25	40	0	75	25	0	0	0	0	202	5%
TOTALS	2,784	73	158	0	195	352	0	255	50	0	0	0	0	3,867	100%

ALLOCATION FACTOR: Meter size (inches):	EQUIVALENT SERVICES												TOTAL		
	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	EQUIV. SERVICES	PERCENT
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		
Residential	2,511	19	0	0	2	0	0	0	0	0	0	0	0	2,532	78%
Commercial	254	48	69	0	66	102	0	44	5	0	0	0	0	588	18%
Industrial	5	1	4	0	0	15	0	4	0	0	0	0	0	29	1%
Public Authority	14	5	9	0	10	15	0	20	5	0	0	0	0	78	2%
TOTALS	2,784	73	82	0	78	132	0	68	10	0	0	0	0	3,227	100%

ALLOCATION OF SERVICE COST FUNCTIONS TO CUSTOMER CLASSES

	TOTAL	Residential	Commercial	Industrial	Public Authority	Public Fire Protection
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
BASE COSTS:						
SYSTEM	535,059	273,401	215,706	15,193	25,409	5,351
DISTRIBUTION	29,367	15,006	11,839	834	1,395	294
EXTRA-CAPACITY COSTS:						
MAXIMUM-DAY SYSTEM	611,505	190,199	126,052	4,228	14,848	276,178
MAXIMUM-DAY DISTRIBUTION	0	0	0	0	0	0
MAXIMUM-HOUR SYSTEM	0	0	0	0	0	0
MAXIMUM-HOUR DISTRIBUTION	264,307	75,763	48,907	1,722	5,761	132,154
MAXIMUM-HOUR STORAGE	167,967	29,445	19,007	669	2,239	116,606
CUSTOMER COSTS:						
BILLING	109,997	92,125	15,797	546	1,529	
EQUIVALENT METERS	49,772	32,632	13,664	882	2,594	
EQUIVALENT SERVICES	220,790	173,244	40,225	1,977	5,344	
FIRE PROTECTION	122,604					122,604
TOTAL COST	2,111,370	881,816	491,198	26,051	59,118	653,187
LESS OTHER REVENUE	58,080	13,161	10,324	387	1,202	33,006
COST OF SERVICE	2,053,290	868,655	480,874	25,664	57,916	620,181
REVENUE AT PRESENT RATES	1,554,574	645,435	336,692	22,180	39,603	510,664
DIFFERENCE	498,716	223,220	144,182	3,484	18,313	109,517
PERCENT INCREASE/DECREASE	32%	35%	43%	16%	46%	21%

ASHLAND WATER UTILITY
Comparison of Revenue
at
Present Rates, Cost of Service and Proposed Rates

<u>Customer Class</u>	<u>Revenue at Present Rates</u>	<u>Cost of Service</u>		<u>Proposed Rates</u>		
		<u>Revenue Required</u>	<u>Increase over Present Rates</u>	<u>Revenue</u>	<u>Increase over Present Rates</u>	<u>Percent of Cost of Service</u>
Residential	\$645,435	\$868,655	35%	\$872,135	35%	100%
Commercial	\$336,692	\$480,874	43%	\$473,288	41%	98%
Industrial	\$22,180	\$25,664	16%	\$31,409	42%	122%
Public Authority	\$39,603	\$57,916	46%	\$56,528	43%	98%
Public Fire Protection	\$510,664	\$620,181	21%	\$620,599	22%	100%
Total	<u>\$1,554,574</u>	<u>\$2,053,290</u>	<u>32%</u>	<u>\$2,053,960</u>	<u>32%</u>	<u>100%</u>

ASHLAND WATER 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.

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 - \$	9.62	3 -inch meter - \$	145.00
3/4 -inch meter - \$	9.62	4 -inch meter - \$	241.00
1 -inch meter - \$	24.10	6 -inch meter - \$	482.00
1 1/4 -inch meter - \$	36.00	8 -inch meter - \$	771.00
1 1/2 -inch meter - \$	48.00	10 -inch meter - \$	1,157.00
2 -inch meter - \$	77.00	12 -inch meter - \$	1,542.00

Customers who are provided service under Schedules Mg-1, Ug-1, or Sg-1 shall be subject to the charges in this schedule according to the size of their primary meter.

Under Wis. Stats. §196.03(3)(b), the City of Ashland 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.

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 - \$	10.50
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3 - inch connection - \$	20.00
4 - inch connection - \$	33.00
6 - inch connection - \$	66.00
8 - inch connection - \$	106.00
10 - inch connection - \$	158.00
12 - inch connection - \$	211.00
14 - inch connection - \$	264.00
16 - inch connection - \$	317.00

Billing: Same as Schedule Mg-1.

General Service - Metered - - - Mg-1

Monthly Service Charges:

5/8 -inch meter - \$	11.80	3 -inch meter - \$	50.00
3/4 -inch meter - \$	11.80	4 -inch meter - \$	70.00
1 -inch meter - \$	15.80	6 -inch meter - \$	109.00
1 1/4 -inch meter - \$	20.00	8 -inch meter - \$	154.00
1 1/2 -inch meter - \$	24.00	10 -inch meter - \$	213.00
2 -inch meter - \$	34.00	12 -inch meter - \$	271.00

Plus Volume Charges:

First	10,000	cubic feet used monthly - \$3.98 per 100 cubic feet
Over	10,000	cubic feet used monthly - \$3.37 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 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: For a residential customer with more than one meter on a single service lateral, volumetric reading from all meters shall be combined for billing. For a nonresidential customer, 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

Delete.

Other Charges - - - OC-1

Non-Sufficient Funds Charge: The utility shall assess a \$35.00 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.

Billing: Same as Schedule Mg-1.

Public Service - - - Mpa-1

Metered Service

Water used by the City of Ashland 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 400 cubic feet of water per month 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 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.

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 \$50.00 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:	\$50.00
After normal business hours:	\$80.00

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.

ASHLAND WATER UTILITY
Customer Water Bill Comparison at Present and Proposed Rates

Customer Type	Meter Size (Inches)	Volume (100 Cu Ft)	<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	\$ 14.74	\$ 19.76	34%	\$ 14.74	\$ 29.38	99%
Average Residential	5/8	4	\$ 20.48	\$ 27.72	35%	\$ 20.48	\$ 37.34	82%
Large Residential	5/8	8	\$ 31.96	\$ 43.64	37%	\$ 31.96	\$ 53.26	67%
Large Residential	5/8	20	\$ 66.40	\$ 91.40	38%	\$ 66.40	\$ 101.02	52%
Commercial	5/8	40	\$ 123.80	\$ 171.00	38%	\$ 123.80	\$ 180.62	46%
Commercial	1	250	\$ 624.50	\$ 919.30	47%	\$ 624.50	\$ 943.40	51%
Commercial	1 1/2	310	\$ 760.70	\$ 1,129.70	49%	\$ 760.70	\$ 1,177.70	55%
Commercial	2	450	\$ 1,071.50	\$ 1,611.50	50%	\$ 1,071.50	\$ 1,688.50	58%
Commercial	3	570	\$ 1,338.90	\$ 2,031.90	52%	\$ 1,338.90	\$ 2,176.90	63%
Industrial	5/8	40	\$ 123.80	\$ 171.00	38%	\$ 123.80	\$ 180.62	46%
Industrial	2	130	\$ 377.10	\$ 533.10	41%	\$ 377.10	\$ 610.10	62%
Industrial	2	190	\$ 507.30	\$ 735.30	45%	\$ 507.30	\$ 812.30	60%
Industrial	3/4	490	\$ 1,142.30	\$ 1,724.10	51%	\$ 1,142.30	\$ 1,733.72	52%
Public Authority	5/8	15	\$ 52.05	\$ 71.50	37%	\$ 52.05	\$ 81.12	56%
Public Authority	3	80	\$ 261.60	\$ 368.40	41%	\$ 261.60	\$ 513.40	96%
Public Authority	3	150	\$ 427.50	\$ 616.50	44%	\$ 427.50	\$ 761.50	78%
Public Authority	3	240	\$ 622.80	\$ 919.80	48%	\$ 622.80	\$ 1,064.80	71%
Public Authority	4	820	\$ 1,894.40	\$ 2,894.40	53%	\$ 1,894.40	\$ 3,135.40	66%