

MADISON WATER UTILITY**Authorized Rates and Rules**Public Fire Protection Service - - - Fd-1

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.

This 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.

Public Fire Protection Service Charges:

| | <u>Semiannual</u> | <u>Quarterly</u> | <u>Monthly</u> |
|------------------------|-------------------|------------------|----------------|
| 5/8 -inch meter - \$ | 9.00 | \$ 4.50 | \$ 1.50 |
| 3/4 -inch meter - \$ | 25.50 | \$ 12.75 | \$ 4.25 |
| 1 -inch meter - \$ | 57.00 | \$ 28.50 | \$ 9.50 |
| 1 1/4 -inch meter - \$ | 75.00 | \$ 37.50 | \$ 12.50 |
| 1 1/2 -inch meter - \$ | 105.00 | \$ 52.50 | \$ 17.50 |
| 2 -inch meter - \$ | 225.00 | \$ 112.50 | \$ 37.50 |
| 3 -inch meter - \$ | 750.00 | \$ 375.00 | \$ 125.00 |
| 4 -inch meter - \$ | 1,650.00 | \$ 825.00 | \$ 275.00 |
| 6 -inch meter - \$ | 3,000.00 | \$ 1,500.00 | \$ 500.00 |
| 8 -inch meter - \$ | 6,000.00 | \$ 3,000.00 | \$ 1,000.00 |
| 10 -inch meter - \$ | 10,500.00 | \$ 5,250.00 | \$ 1,750.00 |
| 12 -inch meter - \$ | 15,000.00 | \$ 7,500.00 | \$ 2,500.00 |

Customers who are provided service under Schedules Mg-1, Ug-1, Mgt-1, or Mz-1 shall also be subject to the charges in 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.

Private Fire Protection Service Demand Charges:

| <u>Size of Connection</u> | <u>Semiannual</u> | <u>Quarterly</u> | <u>Monthly</u> |
|---------------------------|-------------------|------------------|----------------|
| ¾ -inch - \$ | 4.20 | \$ 2.10 | \$ 0.70 |
| 1 -inch - \$ | 6.30 | \$ 3.15 | \$ 1.05 |
| 1¼ -inch - \$ | 8.10 | \$ 4.05 | \$ 1.35 |
| 1½ -inch - \$ | 10.50 | \$ 5.25 | \$ 1.75 |
| 2 -inch - \$ | 14.70 | \$ 7.35 | \$ 2.45 |
| 3 -inch - \$ | 26.10 | \$ 13.05 | \$ 4.35 |
| 4 -inch - \$ | 43.80 | \$ 21.90 | \$ 7.30 |
| 6 -inch - \$ | 87.30 | \$ 43.65 | \$ 14.55 |
| 8 -inch - \$ | 139.80 | \$ 69.90 | \$ 23.30 |
| 10 -inch - \$ | 210.00 | \$ 105.00 | \$ 35.00 |
| 12 -inch - \$ | 279.90 | \$ 139.95 | \$ 46.65 |
| 14 -inch - \$ | 349.80 | \$ 174.90 | \$ 58.30 |
| 16 -inch - \$ | 420.00 | \$ 210.00 | \$ 70.00 |

Billing: Same as Schedule Mg-1.

General Service - Metered - - - Mg-1

Service Charges (All Customer Classes):

| | <u>Semiannual</u> | <u>Quarterly</u> | <u>Monthly</u> |
|---------------------|-------------------|------------------|----------------|
| ⅝ -inch meter - \$ | 27.00 | \$ 13.50 | \$ 4.50 |
| ¾ -inch meter - \$ | 31.50 | \$ 15.75 | \$ 5.25 |
| 1 -inch meter - \$ | 46.50 | \$ 23.25 | \$ 7.75 |
| 1¼ -inch meter - \$ | 60.00 | \$ 30.00 | \$ 10.00 |
| 1½ -inch meter - \$ | 75.00 | \$ 37.50 | \$ 12.50 |
| 2 -inch meter - \$ | 111.00 | \$ 55.50 | \$ 18.50 |
| 3 -inch meter - \$ | 180.00 | \$ 90.00 | \$ 30.00 |
| 4 -inch meter - \$ | 270.00 | \$ 135.00 | \$ 45.00 |
| 6 -inch meter - \$ | 465.00 | \$ 232.50 | \$ 77.50 |
| 8 -inch meter - \$ | 720.00 | \$ 360.00 | \$ 120.00 |
| 10 -inch meter - \$ | 1,056.00 | \$ 528.00 | \$ 176.00 |
| 12 -inch meter - \$ | 1,410.00 | \$ 705.00 | \$ 235.00 |

Plus Volume Charges:

Residential Customers: All water used - \$2.10 per 100 cubic feet or
\$2.81 per 1,000 gallons

Nonresidential Customers:

First 50,000 cubic feet used semiannually or - \$1.75 per 100 cubic feet
25,000 cubic feet used per quarter or
8,333 cubic feet used per month

Over 50,000 cubic feet used semiannually or - \$1.37 per 100 cubic feet
25,000 cubic feet used per quarter or
8,333 cubic feet used per month

OR

First 374,000 gallons used semiannually or - \$2.34 per 1,000 gallons
187,000 gallons used per quarter or
62,331 gallons used per month

Over 374,000 gallons used semiannually or - \$1.83 per 1,000 gallons
187,000 gallons used per quarter or
62,331 gallons used per month

Residential Class includes customers who have water service provided for residential or domestic purposes. Sales through a single meter to buildings with three or more dwelling units are classified as commercial.

Nonresidential Class includes commercial, industrial, and public authority customers. Commercial customers include business entities and institutions, except governmental entities, that provide goods or services. Sales through a single meter to buildings with three or more dwelling units are classified as commercial. Churches and parochial schools are not governmental and are classified as commercial. Industrial customers include customers who are engaged in the manufacture or production of goods. Public Authority customers include any department, agency, or entity of local, state, or federal government, including public schools, colleges, and universities.

Billing: Bills for water service are rendered semiannually, quarterly, or 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 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 where metering configurations support such an approach. Meter readings from individually metered separate service laterals shall not be combined for billing purposes.

Non-Sufficient Funds Charge - - - NSF-1

A \$25.00 charge will be applied to the customer's account when a check 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 check was for payment of multiple services.

Billing: Same as Schedule Mg-1.

Wholesale Water Service - - - W-1

Public Fire Protection Service

Service Charges:

| | <u>Semiannual</u> | <u>Quarterly</u> | <u>Monthly</u> |
|---------------------------------|-------------------|------------------|----------------|
| Fitchburg | \$ 570.00 | \$ 285.00 | \$ 95.00 |
| Maple Bluff | \$13,200.00 | \$6,600.00 | \$2,200.00 |
| Shorewood Hills | \$13,200.00 | \$6,600.00 | \$2,200.00 |
| Waunona Sanitary District No. 2 | \$ 7,500.00 | \$3,750.00 | \$1,250.00 |

General Service

Service Charges:

| | <u>Semiannual</u> | <u>Quarterly</u> | <u>Monthly</u> |
|---------------------------------|-------------------|------------------|----------------|
| Fitchburg | \$ 465.00 | \$ 232.50 | \$ 77.50 |
| Maple Bluff | \$1,860.00 | \$ 930.00 | \$310.00 |
| Shorewood Hills | \$2,115.00 | \$1,057.50 | \$352.50 |
| Waunona Sanitary District No. 2 | \$ 930.00 | \$ 465.00 | \$155.00 |

Volume Charges:

| | |
|--|--|
| Fitchburg | \$1.64 per 100 cubic feet of water used or \$2.19 per 1,000 gallons of water used |
| Maple Bluff, Shorewood Hills, and Waunona Sanitary District No. 2 | \$1.55 per 100 cubic feet of water used or \$2.07 per 1,000 gallons of water used |

Billing: Same as Schedule Mg-1.

Public Service - - - Mpa-1

Metered Service: Water used by the City of Madison 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 for public authority customers.

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 rates set forth in Schedule BW-1.

Billing: Same as Schedule Mg-1.

General Water Service - Unmetered - - - Ug-1

Where the utility cannot immediately install a water meter, service may be supplied temporarily on an unmetered basis. Unmetered service shall be billed the amount that would be charged to a metered residential customer using 3,600 cubic feet or 26,928 gallons of water semiannually, 1,800 cubic feet or 13,464 gallons of water per quarter, or 600 cubic feet or 4,488 gallons of water per month under Schedule Mg-1, including the service charge for a ½-inch meter. If the utility determines that actual usage exceeds the above stated volumes of water per billing period,

an additional charge for the estimated excess usage shall be made according to the rate for residential customers 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

A customer who voluntarily requests temporary disconnection of water service and who resumes service at the same location within 12 months may be classified as a seasonal customer, unless service is provided to another customer at that location in the intervening period. The utility shall bill a seasonal customer the applicable service charges under Schedule Mg-1, prorated for the period of voluntary disconnection, if necessary.

Seasonal service may 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, such as a one-time fee.

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 at the direction of the utility, estimated. Utility personnel or a utility-approved party shall supervise the delivery of water.

Bulk water sales are:

- A. Water supplied by tank truck or from hydrant for the purpose of extinguishing fires outside the utility's immediate service area;
- B. Water supplied by tank truck or from hydrant 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.

Metered Hydrant and Other Measured Connection Charges

A charge for the volume of water used will be billed to the party using the water at the volume charge for residential customers in Schedule Mg-1. A service charge, in addition to the volumetric charge, will be \$50.00. 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.

Unmetered Hydrant Charges

Hydrants may be used for short periods upon payment of charges as specified, with such usage subject to conditions outlined here or specified by the rules and regulations of the water utility.

Charge for initial period not to exceed 15 days - \$225.00

This charge is based on the following:

| | |
|---|----------|
| Service charge for installation - | \$120.00 |
| Water usage charge - (minimum of 5,000 cubic feet or 37,400 gallons) | \$105.00 |

Additional Charges

| | |
|--|-------------------|
| Installation of additional valves at same time as initial installation - | \$30.00 |
| Moving valve to another hydrant vicinity - | \$60.00 |
| Water usage charge (after initial period of use beyond 15 days) - | \$7.00 per day |
| Hydrant flow test - | \$120.00 per test |

Deposits

The water utility may require reasonable deposits for the temporary use of its equipment under this and other rate schedules. The deposit(s) collected will be refunded upon return of the utility's equipment. Damaged or lost equipment will 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: \$70.00

Billing: Same as Schedule Mg-1.

Water Lateral Installation Charge - - - Cz-1

Subdivision developers shall be responsible, where the main extension has been approved by the utility, for the water service lateral installation costs from the main through the curb stop and box.

When the cost of service laterals installed during a utility main extension are to be collected through assessment, the assessment rate will be determined for each installation project based on the actual cost of that project.

The initial water service lateral(s), not installed as part of a subdivision development or an assessable utility extension, will be installed at the property owner's expense from the main through the curb stop and box as follows:

| <u>Size</u> | <u>Improvement Service Lateral</u> | <u>Regular Service Lateral</u> |
|-------------------|------------------------------------|--|
| 1, 1½, and 2-inch | By Utility at Actual Cost | By Property Owner's Contractor |
| 4-inch and larger | By Utility at Actual Cost | By Utility at Actual Cost or by Property Owner's Contractor |

A water service lateral is a water supply pipe laid from a water main through the curb stop and box, usually set 8 feet into the street right of way.

An improvement service lateral is a water service lateral installed in a new plat or a new street project prior to paving where service will not be used until a later date.

A regular service lateral is a water service lateral installed upon application by the property owner.

Madison Water Utility will make no connections to the property owner's service lateral. Connection will be made by the property owner's plumber.

If a property owner requests that a service lateral be installed by a Board of Public Works approved contractor, all work shall be done in accordance with the City of Madison Standard Specifications for Public Works Construction. A water utility inspector must be present during installation, and the property owner is responsible for paying an inspection fee at the time of application. This inspection fee shall be a reasonable cost as set forth in the water utility's Fee Schedule approved by the Board of Water Commissioners. The contractor shall provide the water utility a minimum notice of one working day so that an inspector can be scheduled. The contractor shall also provide the water utility with the cost of installation for the street portion of the service lateral.

Lead Service Laterals

When property owners apply for lead service lateral replacement, new service laterals will be installed on the utility side at no expense to the property owner if they are properly sized. If existing service laterals are not properly sized, the water utility will install the adequate size and the property owner will be charged for the incremental cost of materials and labor as set forth in the water utility's Fee Schedule approved by the Board of Water Commissioners.

Billing: Same as Schedule Mg-1.

Rules and Regulations - - - X-1

Delete Schedule X-1 (10 pages). Incorporate the operating rules for municipal water utilities as provided by the Public Service Commission.

Water Main Extension Rule - - - X-2

Application

Written application for extension of a water main shall be made to the Water Utility Manager by the owner of the property to be benefited, or his authorized agent. The application shall state the location of the premises to be served by its officially recorded description. To support an application, the applicant may submit the signatures of owners of land fronting on said main extension agreeing to their intent to apply for water service upon completion of said extension.

Location of Property to be Served

All property to be served by the main extension shall front on an existing public right-of-way or public water main easement, unless specifically authorized by resolution of the Madison Common Council.

Methods for Installation of Mains

A. Private Contracts

This is the most common method for installing mains. It is intended for use when all the property to be serviced by the main extension is under one ownership. The method is as follows:

1. The developer applies for a main extension and indicates that the mains are to be installed by private contract.
2. The Board of Public Works introduces a resolution to the Common Council whereby the Council orders the main laid and authorizes the Mayor and City Clerk to enter into a contract with the developer for the installation of the mains by private contract.
3. The developer and the City enter into a contract whereby the City agrees to provide water service and the developer agrees to install all water mains 10 inches and smaller at no cost to the City. For mains 12 inches and larger, the City agrees to pay the incremental material cost between 10 inch and the size installed. The developer further agrees to prepay all City costs of the project; to provide a performance bond, irrevocable letter of credit, or certified check for the full amount of the project to be in effect for one year after acceptance of the project; and upon acceptance of the project to turn ownership and control of the mains over to the water utility.
4. The developer engages a contractor who is qualified by the Board of Public Works who installs the water mains.
5. Upon completion of the project, the water utility will require certification that all bills are paid and will then introduce a resolution to the Common Council accepting the project. One year after the acceptance, the bond, irrevocable letter of credit, or the certified check will be released.

B. Water Utility Contract with Future Assessments and Refunds

This method may be used at the option of the Water Utility Manager when a large portion of the project will benefit property not under the ownership of the developer. The method is as follows:

1. The water utility will determine the amount, based on the assessment rate as per Chapter 13.19 of the City Ordinances, which would be assessed if the entire project were to be immediately assessable.
2. The Board of Public Works introduces a resolution to the Common Council whereby the Council orders the mains to be laid and authorizes the Mayor and City Clerk to enter into a contract with the party applying for the main.
3. The City and the party applying for the main enter into a contract whereby the City agrees to install the main and the party applying for the main agrees to prepay the amount determined in B.1. The City further agrees that, after all the costs of the project are accounted for, a revised assessment rate shall be determined as per the procedure outlined in Chapter 13.19. The City further agrees that as property along the mains, which is not under the ownership of the party requesting the mains, becomes assessable, the City will assess said property in accordance with Chapter 13.19. If said property is assessed within 10 years of the date of acceptance of the project, the assessments shall be returned to the party requesting the main. If the property is assessed after that date, the water utility shall retain the assessments.
4. The City then lets a contract and has the mains installed.

C. Water Utility Contract with Assessments

This method is intended for use only upon approval of the Water Utility Manager when funds are available for utility financed mains. The method is intended mainly for use when there is no party requesting water service, such as when mains are installed in street projects or to improve the hydraulic characteristics of the distribution system.

In those cases where this method is used to install mains upon application, the person requesting the mains shall be responsible for grading the street prior to main construction and for any additional construction costs due to frozen ground.

SEE MADISON GENERAL ORDINANCE 13.19

MADISON WATER UTILITY
Customer Water Bill Comparison at Present and Authorized Rates

| Customer Type | Meter Size (Inches) | Volume (100 Cu Ft) | <u>Semiannually</u> | | | <u>Semiannually 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 | 20 | \$ 64.10 | \$ 69.00 | 8% | \$ 73.10 | \$ 78.00 | 7% |
| Average Residential | 5/8 | 36 | \$ 94.98 | \$ 102.60 | 8% | \$ 103.98 | \$ 111.60 | 7% |
| Large Residential | 5/8 | 75 | \$ 170.25 | \$ 184.50 | 8% | \$ 179.25 | \$ 193.50 | 8% |
| Commercial | 5/8 | 5 | \$ 33.75 | \$ 35.75 | 6% | \$ 42.75 | \$ 44.75 | 5% |
| Commercial | 1 | 450 | \$ 785.50 | \$ 834.00 | 6% | \$ 842.50 | \$ 891.00 | 6% |
| Commercial | 1 1/2 | 1,000 | \$ 1,520.00 | \$ 1,635.00 | 8% | \$ 1,625.00 | \$ 1,740.00 | 7% |
| Commercial | 2 | 2,000 | \$ 2,804.00 | \$ 3,041.00 | 8% | \$ 3,029.00 | \$ 3,266.00 | 8% |
| Industrial | 4 | 20,000 | \$ 25,448.00 | \$ 27,860.00 | 9% | \$ 27,098.00 | \$ 29,510.00 | 9% |
| Industrial | 6 | 30,000 | \$ 38,124.00 | \$ 41,755.00 | 10% | \$ 41,124.00 | \$ 44,755.00 | 9% |
| Public Authority | 4 | 35,000 | \$ 44,198.00 | \$ 48,410.00 | 10% | \$ 45,848.00 | \$ 50,060.00 | 9% |
| Commercial | 6 | 40,000 | \$ 50,624.00 | \$ 55,455.00 | 10% | \$ 53,624.00 | \$ 58,455.00 | 9% |
| Public Authority | 8 | 100,000 | \$ 125,854.00 | \$ 137,910.00 | 10% | \$ 131,854.00 | \$ 143,910.00 | 9% |
| Public Authority | 10 | 125,000 | \$ 157,414.00 | \$ 172,496.00 | 10% | \$ 167,914.00 | \$ 182,996.00 | 9% |
| Industrial | 6 | 250,000 | \$ 313,124.00 | \$ 343,155.00 | 10% | \$ 316,124.00 | \$ 346,155.00 | 9% |

MADISON WATER UTILITY**Schedule of Depreciation Rates****Effective January 1, 2011**

| <u>Account Number</u> | <u>Class of Plant</u> | <u>Depr. Rate</u> |
|-----------------------|---|-------------------|
| | SOURCE OF SUPPLY PLANT | |
| 312 | Collecting and Impounding Reservoirs | 1.7% |
| 314 | Wells and Springs | 2.9% |
| 317 | Other Water Source Plant | 4.5% |
| | PUMPING PLANT | |
| 321 | Structures and Improvements | 3.2% |
| 323 | Other Power Production Equipment | 4.4% |
| 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 | |
| 341 | Structures and Improvements | 3.2% |
| 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 - Note 1 | UNIT |
| 393 | Stores Equipment | 5.8% |
| 394 | Tools, Shop and Garage Equipment | 5.8% |
| 395 | Laboratory Equipment | 5.8% |
| 396 | Power Operated Equipment - Note 1 | UNIT |
| 397 | Communication Equipment | 9.2% |
| 397.1 | SCADA/Telemetry Equipment | 9.2% |

Note: The utility uses a unit basis for Accounts 392 and 396, which is certified for use even though these are not the benchmark rates.