

MEMORANDUM

DATE: June 16, 2025

TO: Commissioners

FROM: Cortney Nagel
Administrative Services Manager

RE: Request for Water Rate Increase – Based on Public Service Commission Docket 6240-WR-111

On August 15, 2023, the Public Service Commission of Wisconsin (PSC) approved a rate order for the Water Utility through docket 6240-WR-111, which included two-rate steps. The Step I rates became effective October 1, 2023 and step II rates were effective October 1, 2024.

In the rate order, the PSC established a requirement that the Utility must file another conventional rate case within two years of the Final Decision issued in the docket listed above. Because of the timing of the annual PSC report due date and employee training in the Finance department, the Utility will be requesting an extension with the PSC to file the next rate case by October 1, 2025.

The PSC provided several reasons for requiring the Utility to file another rate case.

- At the time of the last rate case, all costs related to operating with Lake Michigan water were estimates, and now actual operating costs will be available.
- The Utility has several facilities that will be abandoned as a result of the transition and more accurate estimates of the abandonment should be available.
- Amortization of the costs related to the Oak Creek option and Planning and Government Approval costs will be complete.

While the precise increase will be determined by the PSC, projections show a water rate increase of 13%, which is a 6.6% increase to the overall bill. The actual calculated increase will come back to the Commission for approval.

Recommended Motion: Move to submit an application to request an increase to water rates, per PSC order in docket 6240-WR-111.