

**PUBLIC NOTICE TO ALL WATER CUSTOMERS OF  
CITY OF CUDAHY WATER UTILITY**

The City of Cudahy Water Utility has filed an application with the Public Service Commission of Wisconsin (PSCW) to increase water rates. The increase is necessary due to a 7 percent increase in gross plant investment, an 8 percent increase in operating expenses, and a 22% decrease in sales volume since the last water rate case was completed in 2009. The total increase in water revenues requested is \$580,725 which will result in an estimated overall rate increase of 30% over the water utility's present revenues. If the request is granted, the water bill for an average residential customer with a 5/8-inch or 3/4-inch meter who uses 2,500 cubic feet of water triannually will increase from \$50.25 to \$64.90, or 29%.

A telephonic public hearing on the application has been scheduled for Thursday, July 14, 2011, at 10:00 am in the Lower Level EOC, City Hall, 5050 S. Lake Drive, Cudahy WI 53110, Wisconsin. Enter City Hall via the north doors. Scheduling questions regarding this hearing may be directed to the PSCW at (608) 266-3766. If you have any questions, please contact Frank Miller, Water Superintendent, City of Cudahy Water Utility at (414) 769-2234.

**WATER RATES**

Existing Rate: All Customers (Treated Water):

First 8,000 cubic feet used triannually - \$1.41 per 100 cubic feet  
Next 592,000 cubic feet used triannually - \$1.17 per 100 cubic feet  
Next 5,400,000 cubic feet used triannually - \$0.96 per 100 cubic feet  
Over 6,000,000 cubic feet used triannually - \$0.86 per 100 cubic feet

Existing Rate: Raw Water Customers:

For all water used triannually - \$0.34 per 100 cubic feet

Proposed Rate: Residential Customers (Treated Water):

For all water used triannually - \$1.86 per 100 cubic feet

Proposed Rate: Non-Residential Customers (Treated Water):

First 8,000 cubic feet used triannually - \$1.86 per 100 cubic feet  
Next 592,000 cubic feet used triannually - \$1.60 per 100 cubic feet  
Next 5,400,000 cubic feet used triannually - \$1.37 per 100 cubic feet  
Over 6,000,000 cubic feet used triannually - \$0.95 per 100 cubic feet

Proposed Rate: Raw Water Customers:

For all water used triannually - \$0.42 per 100 cubic feet

Residential Customers, as defined by the PSCW, include 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. Non-Residential Customers, include properties classified as commercial (which includes properties having three or more living units), industrial, and public authority.

Please note that the existing declining rate structure was replaced with a uniform rate structure for Residential Customers, and a declining rate structure for the Non-Residential Customers. The uniform rate structure is part of the Utility's efforts to reduce peak usage and lower the capacity needed to serve all of the customers.

City of Cudahy Water Utility

Proposed Water Rates and Rules

Public Fire Protection Service - - - F-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.

Triannual Public Fire Protection Service Charges:

5/8 -inch meter - \$	17.40	3 -inch meter - \$	263.00
3/4 -inch meter - \$	17.40	4 -inch meter - \$	439.00
1 -inch meter - \$	43.80	6 -inch meter - \$	872.40
1 1/4 -inch meter - \$	65.00	8 -inch meter - \$	1,396.00
1 1/2 -inch meter - \$	87.60	10 -inch meter - \$	2,094.00
2 -inch meter - \$	141.00	12 -inch meter - \$	2,792.00

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.

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.

Triannual Private Fire Protection Service Demand Charges:

2-inch or smaller connection	\$ 26.00
3-inch connection	\$ 48.80
4-inch connection	\$ 81.60
6-inch connection	\$ 162.80
8-inch connection	\$ 260.80

10-inch connection	\$ 390.80
12-inch connection	\$ 521.20
14-inch connection	\$ 651.60
16-inch connection	\$ 782.00

Billing: Same as Schedule Mg-1.

General Service - Metered - - - Mg-1

Triannual Service Charges (All Customer Classes):

5/8 -inch meter - \$	18.40	3 -inch meter - \$	139.60
3/4 -inch meter - \$	18.40	4 -inch meter - \$	217.60
1 -inch meter - \$	31.20	6 -inch meter - \$	401.20
1 1/4 -inch meter - \$	42.80	8 -inch meter - \$	619.60
1 1/2 -inch meter - \$	54.00	10 -inch meter - \$	908.40
2 -inch meter - \$	82.80	12 -inch meter - \$	1,197.60

Plus Volume Charges:

Residential Customers:

For all water used triannually - \$1.86 per 100 cubic feet

Non-Residential Customers:

First 8,000 cubic feet used triannually - \$1.86 per 100 cubic feet  
 Next 592,000 cubic feet used triannually - \$1.60 per 100 cubic feet  
 Next 5,400,000 cubic feet used triannually - \$1.37 per 100 cubic feet  
 Over 6,000,000 cubic feet used triannually - \$0.95 per 100 cubic feet

**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 triannually 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. 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: 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 that is 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 – Metered – Raw Water - - - Mgr-1

Monthly Service Charges:

5/8 -inch meter - \$	4.60	3 -inch meter - \$	34.90
3/4 -inch meter - \$	4.60	4 -inch meter - \$	54.40
1 -inch meter - \$	7.80	6 -inch meter - \$	100.30
1 1/4 -inch meter - \$	10.70	8 -inch meter - \$	154.90
1 1/2 -inch meter - \$	13.50	10 -inch meter - \$	227.10
2 -inch meter - \$	20.70	12 -inch meter - \$	299.40

Plus Volume Charges:

For all raw water used monthly - \$0.42 per 100 cubic feet

Billing: Same as Schedule Mg-1, applicable on a monthly basis.

Non-Sufficient Funds Charge - - - NSF-1

Delete

Other Charges - - - OC-1

Non-Sufficient Funds Charge: The utility shall assess a \$25.00 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.

**CITY OF CUDAHY WATER UTILITY  
Residential Retail**

**Customer Water Bill Comparison at Present and Proposed Rates**

Meter Size Decimal	Customer Type	Meter Size (Inches)	Volume (100 Cu Ft)	Triannually			Triannually Including Public Fire Protection		
				Bills at Old Rates	Bills at New Rates	Percent Change	Bills at Old Rates	Bills at New Rates	Percent Change
0.750	Small Residential	3/4	5	\$22.05	\$27.70	26%	\$35.95	\$45.10	25%
0.750	Average Residential	3/4	25	\$50.25	\$64.90	29%	\$64.15	\$82.30	28%
0.750	Large Residential	3/4	50	\$85.50	\$111.40	30%	\$99.40	\$128.80	30%
0.750	Large Residential	3/4	100	\$151.20	\$204.40	35%	\$165.10	\$221.80	34%
0.750	Large Residential	3/4	158	\$219.06	\$312.28	43%	\$232.96	\$329.68	42%
0.750	Large Residential	3/4	238	\$312.66	\$461.08	47%	\$326.56	\$478.48	47%
6.000	Industrial	6	1,295	\$1,914.35	\$2,494.00	30%	\$2,609.35	\$3,366.40	29%
3.000	Public Authority	3	1,317	\$1,692.09	\$2,267.60	34%	\$1,901.09	\$2,530.60	33%
3.000	Public Authority	3	1,765	\$2,216.25	\$2,984.40	35%	\$2,425.25	\$3,247.40	34%
2.000	Industrial	2	2,090	\$2,541.10	\$3,447.60	36%	\$2,653.10	\$3,588.60	35%
1.000	Commercial	1	3,780	\$4,470.60	\$6,100.00	36%	\$4,505.35	\$6,143.80	36%
4.000	Public Authority	4	3,784	\$4,652.48	\$6,292.80	35%	\$5,000.48	\$6,731.80	35%
8.000	Commercial	8	4,984	\$6,440.48	\$8,614.80	34%	\$7,552.48	\$10,010.80	33%
6.000	Commercial	6	6,995	\$8,374.40	\$11,385.15	36%	\$9,069.40	\$12,257.55	35%
6.000	Public Authority	6	7,560	\$8,916.80	\$12,159.20	36%	\$9,611.80	\$13,031.60	36%
4.000	Commercial	4	7,638	\$8,817.68	\$12,082.46	37%	\$9,165.68	\$12,521.46	37%
4.000	Raw Water	4	10,000	\$3,606.00	\$4,417.60	23%	\$3,954.00	\$4,856.60	23%
6.000	Raw Water	6	30,000	\$10,580.00	\$13,001.20	23%	\$11,275.00	\$13,873.60	23%
8.000	Raw Water	8	60,000	\$20,990.00	\$25,819.60	23%	\$22,102.00	\$27,215.60	23%
8.000	Industrial	8	131,520	\$120,976.40	\$152,164.40	26%	\$122,088.40	\$153,560.40	26%
6.000	Industrial	6	169,276	\$153,236.56	\$187,814.20	23%	\$153,931.56	\$188,686.60	23%