

## Chapter 3

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# Electric Utility Regulations and Rates

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## Article A: Rates

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### **Sec. 9-3-1 Power Cost Adjustment Clause—PCAC.**

- (a) All metered rates shall be subject to a positive or negative power cost adjustment charge equivalent to the amount by which the current cost of power (per kilowatt-hour of sales) is greater or lesser than the base cost of power purchased and produced (per kilowatt-hour of sales).
- (b) The current cost per kilowatt-hour of energy billed is equal to the cost of power purchased and produced for the most recent month, divided by the kilowatt-hours of energy sold. The monthly adjustment (rounded to the nearest one one-hundredth of a cent) is equal to the current cost less the base cost. The base cost of power (U) is \$0.0342 per kilowatt-hour.
- (c) Periodic changes shall be made to maintain the proper relative structure of the rates and to insure that power costs are being equitably recovered from the various rate classes. The company shall file with the Public Service Commission of Wisconsin within thirty (30) days for changes in the rates to incorporate a portion of the power cost adjustment into the base rates, if after final wholesale rates have been authorized, the monthly adjustment (A) exceeds \$0.0227 per kilowatt-hour.
- (d) For purposes of calculating the power cost adjustment charge, the following formula shall be used:

$$A = \frac{C}{S} - U$$

A is the power cost adjustment rate in dollars per kilowatt-hour rounded to four (4) decimal places applied on a per kilowatt-hour basis to all metered sales of electricity.

S is the total kilowatt-hours sold during the most recent month.

U is the base cost of power which equals the average cost of power purchased and produced per kilowatt-hour of sales for the test year period. This figure remains constant in each subsequent monthly calculation at \$0.0342 per kilowatt-hour until otherwise changed by the Public Service Commission of Wisconsin.

C is the cost of power purchased and produced in dollars in the most recent month. Cost of power purchased and produced for calculation of C are the monthly amounts which would be recorded in the following accounts of the Uniform System of Accounts:

Class A & B utilities  
Accounts 501, 547 and 555

**9-3-1**

Class C utilities  
Accounts 501, 539 and 545

Class D utilities  
Accounts 501, 531 and 540

**Sec. 9-3-2 Residential Service—Rg-1.**

- (a) **Application.** This rate will be applied to residential single-phase customers for ordinary household purposes. Single-phase motors may not exceed five (5) horsepower individual-rated capacity without utility permission. Customers who do not meet this criteria will be served under the applicable rate.
- (b) **Customer Charge.** Three and 25/100 Dollars (\$3.25) per month.
- (c) **Energy Charge.** \$0.0631 per kilowatt-hour (kWh).
- (d) **Power Cost Adjustment Clause.** Charge per all kWh, varies monthly, see Schedule PCAC.
- (e) **Minimum Monthly Bill.** The minimum monthly bill shall be the customer charge.
- (f) **Prompt Payment of Bills.** A charge of three percent (3%) but not less than thirty cents (30¢) will be added to bills not paid within twenty (20) days from date of issuance. A late payment charge shall be applied only once to any given amount outstanding. This charge is applicable to all customers.

**Sec. 9-3-3 Farm Service—Fg-1.**

CANCELLED

(Customers will be transferred to the Rg-1, Residential Service or the Cg-1, General Service Rate Schedules).

**Sec. 9-3-4 General Service—Cg-1.**

- (a) **Application.**
  - (1) This rate will be applied to single and three-phase customers. This includes commercial, institutional, government, farm and other customers. The monthly Maximum Measured Demand of customers served on this rate shall not exceed thirty (30) kilowatts for three (3) or more months in a consecutive twelve (12) month period.
  - (2) Cg-1 customers shall be transferred into the appropriate demand class as soon as the application conditions of that class have been met.

- (b) **Customer Charges.**
  - (1) Single-phase: Four and 50/100 Dollars (\$4.50) per month.
  - (2) Three-phase: Nine Dollars (\$9.00) per month.
- (c) **Energy Charge.** \$0.0631 per kilowatt-hour (kWh).
- (d) **Power Cost Adjustment Clause.** Charge per all kWh, varies monthly, see Schedule PCAC.
- (e) **Minimum Monthly Bill.** The minimum monthly bill shall be the customer charge.
- (f) **Prompt Payment of Bills.** Same as Rg-1.
- (g) **Farm Customer.** Defined as a person or organization using electric service for the operation of an individual farm, or for residential use in living quarters on the farm occupied by persons principally engaged in the operation of the farm and by their families. A "farm" is a tract of land used to raise or produce agricultural and dairy products, for raising livestock, poultry, game, fur-bearing animals, or for floriculture, or similar purposes, and embracing not less than three (3) acres; or, if small, where the principal income of the operator is derived therefrom. (Otherwise, the service used for residential purposes is classed as residential, and that used for commercial is classed as general service.)
- (h) **Determination of Maximum Measured Demand.** The Maximum Measured Demand in any month shall be that demand in kilowatts necessary to supply the average kilowatts in fifteen (15) consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters. Said demand meter shall be reset to zero (0) when the meter is read each month.

## Sec. 9-3-5 Large Power Service—Cp-2.

- (a) **Application.**
  - (1) This rate will be applied to customers for all types of service if their monthly Maximum Measured Demand is in excess of thirty (30) kilowatts (kW) per month for three (3) or more months in a consecutive twelve (12) month period.
  - (2) Customers billed on this rate shall continue to be billed on this rate until their monthly Maximum Measured Demand is less than thirty (30) kW per month for twelve (12) consecutive months. The utility shall annually offer a customer billed on this rate the option to continue to be billed on this rate for another twelve (12) months if their monthly Maximum Measured Demand is less than thirty (30) kW per month. However, this option shall be offered with the provision that the customer waives all rights to billing adjustments arising from a claim that the bill for service would be less on another rate schedule than under this rate schedule.
- (b) **Customer Charge.** Twelve and 50/100 Dollars (\$12.50) per month.
- (c) **Customer Demand Charge.** Fifty cents (\$0.50) per kW of the highest monthly Maximum Measured Demand occurring in the current month or preceding eleven (11) month period.

- (d) **Demand Charge.** Three and 45/100 Dollars (\$3.45) per kW of billed demand.
- (e) **Energy Charge.** \$0.0466 per kilowatt-hour (kWh).
- (f) **Demand/Energy Limiter.** Customers with low load factors shall pay the lesser of a bill calculated on the standard demand and energy rates or \$0.0900 per kWh.
- (g) **Power Cost Adjustment Clause.** Charge per all kWh, varies monthly, see Schedule PCAC.
- (h) **Prompt Payment of Bills.** Same as Rg-1.
- (i) **Minimum Monthly Bill.** The minimum monthly bill shall be equal to the customer charge, plus the customer demand charge.
- (j) **Determination of Maximum Measured Demand.** The Maximum Measured Demand in any month shall be that demand in kilowatts necessary to supply the average kilowatts in fifteen (15) consecutive minutes of greatest consumption of electricity during each month. Such Maximum Measured Demand shall be determined from readings of permanently installed meters or, at the option of the utility, by any standard methods or meters. Said demand meter shall be reset to zero (0) when the meter is read each month.
- (k) **Determination of Billed Demand.** The Billed Demand for large power customers shall be the Maximum Measured Demand.

### **Sec. 9-3-6 Street Lighting Service—Ms-1.**

- (a) **Application.** This schedule will be applied to municipal street lighting. The utility will furnish, install and maintain the overhead street lighting units. The ornamental system, located in downtown La Farge, will be owned and maintained by the Village. However, the utility will maintain the ornamental fixtures.
- (b) **Mercury Vapor Lights.** This rate schedule is closed to new mercury vapor lights.
- (c) **Investment Charges.**

Overhead System:

175 W MV - \$5.25 per lamp per month

100 W HPS - \$5.25 per lamp per month

Ornamental System:

150 W HPS - \$14.00 per month

[NOTE: MV refers to Mercury Vapor lamps and  
HPS refers to High Pressure Sodium lamps]

- (d) **Energy Charge.** \$0.0366 per kilowatt-hour (kWh).
- (e) **Power Cost Adjustment Clause.** Charge per all kWh, varies monthly, see Schedule PCAC.
- (f) **Prompt Payment of Bills.** Same as Rg-1.

**Sec. 9-3-7 Athletic Field Lighting Service—Ms-3.**

- (a) **Application.** This schedule will be applied to customer owned and maintained lighting of athletic fields.
- (b) **Customer Charge.** Twenty-five Dollars (\$25.00) per month, for the months of May through October.
- (c) **Energy Charge.** \$0.0584 per kilowatt-hour (kWh).
- (d) **Power Cost Adjustment Clause.** Charge per all kWh, varies monthly, see Schedule PCAC.
- (e) **Prompt Payment of Bills.** Same as Rg-1.
- (f) **Conditions.**
  - (1) The customer will keep a log of the date and exact hours of use for all times that the athletic field floodlights are turned on.
  - (2) The customer, known as the Calhoun Park Association, or its successor, will own, operate and maintain all equipment used in conjunction with the athletic field lighting system with the exception of the meters, service drop, and transmission line between the utility's control board and the meter.
  - (3) In the event that the utility is requested to make repairs or do maintenance on any of the customer-owned equipment, this request shall be in writing and the customer will be billed on the basis of actual cost of materials used, plus fifteen percent (15%) to cover necessary overhead in securing such materials, plus the actual cost of labor.
  - (4) The lights for athletic field flood lighting will be individually controlled by switches, and the lights will be turned on individually in order to prevent an instantaneous heavy load on the utility system.

**Sec. 9-3-8 Automatic Area Lighting Service—YI-1.**

- (a) **Application.** This schedule will be applied to customers for illumination of private property by means of mercury vapor (MV) or high pressure sodium (HPS) luminaries supported from existing wooden utility poles or similar locations.
- (b) **Mercury Vapor Lights.** This rate schedule is closed to new mercury vapor lights.
- (c) **Investment Charge.**
  - 175 W MV - \$7.30 per lamp per month
  - 100 W HPS - \$6.25 per lamp per month
- (d) **Energy Charge.** Is included in the above Investment Charges.
- (e) **Prompt Payment of Bills.** Same as Rg-1.
- (f) **Conditions of Delivery.** A minimum contract of one (1) year shall be required before the utility will install such luminaries. The customer will furnish a proper location for the utility to mount such lamps. In addition the customer will pay for any excess costs for providing an extension greater than one hundred (100) feet.

**Sec. 9-3-9 through Sec. 9-3-19      Reserved for Future Use.**

## Article B: Regulations

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### **Sec. 9-3-20 Definition and Classification of Customers.**

- (a) **Classification.** Electric customers in general may be classified as follows:
  - (1) Residential customers.
  - (2) General service customers.
  - (3) Power customers — standard or large.
  - (4) Public street and highway lighting customers.
  - (5) Interdepartmental.
  - (6) Miscellaneous customers.
  - (7) Rural customers.
- (b) **Residential Customers.** A residential customer is defined to include *each* separate house, apartment, flat or other living quarters occupied by a person or persons constituting a distinct household and using energy for general household purposes. Lighting use may be extended to include the use of energy for lighting the land and buildings which are adjacent to, connected with, and used exclusively by the residence being served.
- (c) **General Service Customers.** A general service customer is defined to include *each* separate business enterprise, occupation or institution, taking service through a single meter, occupying for its exclusive use any unit or units of space such as an entire building, entire floor, suite of rooms or a single room, and using energy for general purposes as the schedule of rates applicable to the particular installation may permit.
- (d) **Power Customers — Standard or Large.** A power customer is defined to include each residence, separate business enterprise or institution occupying for its exclusive use, any unit or units of space, such as an entire building, entire floor, suite of rooms or a single room, and using energy for driving motors or other electrical loads larger than permitted on the utility's other rate schedules.
- (e) **Public Street and Highway Lighting Customers.** A public street or highway lighting customer is defined to include governmental agencies which take service for the purpose of lighting public streets, highways or traffic signs.
- (f) **Interdepartmental.** An interdepartmental customer is defined to include service for pumping water by the municipal water department and/or pumping sewage by the municipal sewage department of a municipality which also operates an electric utility.
- (g) **Miscellaneous Customers.** Customers using electric service for purposes not included in the above classifications are defined as miscellaneous customers.

### **Sec. 9-3-21 Application of Rates and Combined Metering.**

- (a) The schedules of rates apply when electricity is furnished in any month to one customer at one location for a class of service through one meter. The schedules of rates are based



on delivery and billing service to the ultimate user for retail service and does not permit resale or distribution.

- (b) For all extensions of new or increased service, each unit must be separately metered before service will be rendered.
- (c) Where a customer occupies more than one unit of space, each unit will be metered separately and a separate bill will be computed and rendered based on the readings of each individual meter unless a customer makes arrangements with a utility to provide the approved circuits and loops by which the different units can be connected and all energy metered through one (1) meter.
- (d) Where a commercial and one (1) or more residential units are combined so as to obtain electric service through one (1) meter, the general service rate will be applied.

### **Sec. 9-3-22 Availability of Service Voltages.**

Service may be taken at the following service voltages:

- 120/140 volt, single and 3-phase
- 480 volt, 3-phase

### **Sec. 9-3-23 Other Provisions.**

- (a) **Reconnection Billing.** All customers whose service is disconnected in accordance with the disconnection rules as outlined in Wis. Adm. Code, Ch. PSC 113, shall be required to pay a reconnection charge. The charge shall be Eighteen Dollars (\$18.00) during regular office hours. After regular office hours the minimum reconnection charge of Eighteen Dollars (\$18.00) applies plus any overtime labor costs, not to exceed a total maximum charge of Twenty-eight Dollars (\$28.00).
- (b) **Reconnection of a Seasonal Customer's Service.** Reconnection of a service for a seasonal customer who has been disconnected for less than one (1) year shall be subject to the same reconnection charges outlined above. A seasonal customer shall also be charged for all minimum bills which would have been incurred had the customer not temporarily disconnected service.

### **Sec. 9-3-24 Installation Charges and Embedded Cost Credits.**

- (a) **Definition of Equipment, Installation Charges and Embedded Cost Credits.** For purposes of implementing these installation charges the following definitions shall apply:
  - (1) **Customer Classifications.** Customer classifications are based on usage characteristics. Each classification has a distinct installation charge and embedded cost credit.

For definitions of distribution and service facilities installed in new installations see Section 9-3-20. Examples of customer classifications are as follows:

- a. Residential — Urban, rural and farm
  - b. General — Urban and rural.
  - c. Large power
  - d. Street lighting
- (2) **Total Cost of Installation.** The total cost of an extension shall be defined as the cost of the extension of primary and secondary lines, (excluding the standard meter, the necessary standard service drop or service lateral and individual standard transformer capacity); reconstruction of existing main feeders including changing from single-phase to three-phase or construction of new feeders made necessary solely by addition of such customers; the cost of tree trimming or right-of-way clearing; securing easements; moving conflicting facilities; and all other costs incident to furnishing service. The customer is responsible for the cost of restoration of the property after the utility has completed installation and backfilling where applicable. This definition applies to both the overhead and underground distribution system. If it is found to be advisable for the utility to install facilities in excess of that required to serve the new customer applying for service, the added cost of these facilities will not be used in determining the cost of the extension.
- (3) **Installation Charge.** The installation charge is the total cost of installation less the average depreciated embedded cost of the distribution system (excluding cost of the standard transformer and service facilities). Seasonal customers shall receive one-half (1/2) the average embedded cost allowance of a year-round customer for the same customer classification.
- (4) **Average Depreciated Embedded Cost.** The embedded cost of the distribution system (excluding the standard transformer and service facilities) is determined by the Public Service Commission for each customer classification. The average depreciated embedded cost by customer classification is as follows:
- a. **Residential. (Urban and Rural).** Eighty-two Dollars (\$82.00) determined by dividing the original cost less the estimated accrued depreciation of the distribution system and less customer contributions and advances for construction allocated to this customer classification by the number of customers in the group.
  - b. **Apartment and Rental Units Separately Metered.** The owner of an apartment or rental unit applying for an extension of service shall receive an average depreciated embedded cost credit at Eighty-two Dollars (\$82.00) per unit metered.
  - c. **Subdividers and Residential Developers.** Eighty-two Dollars (\$82.00) per unit (same as residential) energized within five (5) years from the installation of the contributed extension.
  - d. **General.** [Including Multi-Unit Dwellings if Billed on One (1) Meter]. One Hundred Sixty-five Dollars (\$165.00), determined the same way as Residential.
  - e. **Large Power.** Thirty-five and 60/100 Dollars (\$35.60) per kW, of average billed demand. When there is an upgrade, the average billed demand is the difference between the averaged billed demand before and after the upgrade. The embedded

allowance is determined by dividing the original cost less the estimated accrued depreciation of the distribution system and less customer contributions and advances for construction allocated to this customer classification by the estimated average billed demand of these customers.

- f. **Street Lighting.** The dollar amount per fixture is determined by dividing the overall depreciated cost of the distribution facilities allocated to the street lighting class, less credits for past customer contributions and advances for construction, by the total number of lighting fixtures in that classification. The following is the average depreciated embedded cost per street lighting fixture: Twenty-two Dollars (\$22.00).

All average depreciated embedded costs (by rate class) shall be subject to review by the Public Service Commission, as part of each general rate case proceeding.

(b) **Total Cost of Installation by Customer Classification.**

- (1) **Residential (Urban and Rural), General (Urban and Rural), Street Lighting and Large Power Classes.** Will be charged the total installation cost less the average depreciated embedded cost as defined in Subsection (a)(4).