MEUW Written Billing Procedures

To help foster and improve the overall accuracy and consistency of the utility billing process for members in compliance with the Public Service Commission of Wisconsin's Utility Billing Audit initiative.

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*Written procedures that comply with the PSC’s Utility Billing Audit information request.*
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INTRODUCTION

The MEUW Subcommittee on Written Billing Procedures was created in August 2014 to develop written billing procedures in response to the Public Service Commission’s (PSC) Utility Billing Audit initiative. The PSC began their utility billing audits in January 2014 to assist municipal electric utilities in ensuring that proper billing procedures are in place so that customer bills are accurate and consistent with requirements of Wisconsin statutes and the Wisconsin Administrative Code.

In order to provide members with timely information in advance of the PSC’s planned audits in the first quarter of 2015, the subcommittee developed written procedures that comply with the PSC’s initial information request and other ancillary issues that relate to the billing process. The procedures and policies were developed by members with differing Customer Information Systems and were written in general terms so each member may modify the information to fit their needs and specific procedures.

Please note that these procedures are provided as a recommendation for you to incorporate in your utility billing policies and procedures. Where applicable, the subcommittee included references to PSC Administrative Code and specific examples to assist you with proper planning.

This is intended to be a living document that will be updated as requirements of the PSC utility billing audit initiative change. Members are encouraged to share with the subcommittee any areas that they would like to see added to the document.

These procedures will not only assist members through the audit process but also serve as a reference for members that experience turnover in utility billing and customer service positions. The subcommittee members invested a significant amount of time preparing this initial set of written billing procedures. We thank them for their commitment, passion and willingness to help MEUW members strengthen their billing process.

New Customers

PROCEDURE FOR DETERMINING THE PROPER RATE SCHEDULE

An application for new service (or an upgrade to existing service) is submitted. With input from the customer/electrician or others, the size of service is determined. Service is installed and an electric meter is installed. Once this is completed, the application is forwarded to the billing department. The billing department builds a new account (or updates the existing account for an upgrade).

- Determine the rate schedule appropriate for the customer based on the information on the application compared to the rate tariff.
- If further information is needed, discuss with internal staff or customer/electrician.
- A new account is added to the billing system for a new service.
- The existing account is updated for an upgrade to the existing service.

_PSC Code Reference_: PSC 113.0809 Installation of metering equipment and your rate tariff

PROCEDURE FOR DETERMINING THE RESPONSIBLE PARTY FOR BILLING

In order to comply with privacy laws and identity theft protection rules, a written application for utility service to be placed in the customers’ name for billing purposes is required. Proof of identity must be provided when submitting the application in person. However, service cannot be denied if the customer does not provide his/her proof of identity. No changes or information may be given out to anyone who inquires about the account, even the customer whose name is on the account.

- If a rental property and no move-in application has been received from a new tenant, the account reverts
back to the landlord upon a final bill requested by the tenant who is moving out.

- If a current owner requests a final bill and the new owner does not apply for service, the account opens up into the name of “current occupant” and an application is mailed with the first bill. If the application is not received back by the due date of the first bill, a door hanger with an application attached is applied notifying the occupant that services will be disconnected if the attached application is not submitted for billing purposes.

_PSC Code Reference: PSC 113.0408 Application for Residential Service_

CUSTOMER APPLICATION FOR UTILITY SERVICE

An application for services can include the following details:

- Name of person responsible for billing
- Address where service is to be provided
- Mailing address if different than service address
- Move-in date
- Buying/renting
- Driver's license #
- Date of birth
- Password
- Phone number(s)
- Last 4 digits of social security # (utility cannot deny service if not provided)
- Question: Do you currently have service with (utility name)? If yes, do you need a final reading? Please specify the date the reading is needed by with the address you are moving from.
- Customer signature
- Landlord section: for Landlord signature/address/phone # for the utility to verify you have the most up to date information and acknowledgement that the person applying for service is correct.

_PSC Code Reference: PSC 113.0408 Application for Residential Service_  
*See exhibit section for sample customer application.*

**Billing**

DESCRIPTION OF THE OVERALL BILLING PROCESS

Begin by describing your utility's overall billing process:

- Which services are billed (electric, water, sanitary sewer, storm sewer, refuse/recycling, other)
- The frequency of the billing for those services (monthly, quarterly, other)
- The approximate number of accounts billed for each service
- The number of cycles billed and details for each cycle (when are they billed, when are bills due, which customer class(es) are included in each cycle)
- The process when normal billing dates fall on a holiday or weekend
Continue by describing your utility’s procedures completed prior to billing:

• Verify new customer setups are complete
• Verify meter exchanges are complete
• Verify billing adjustments are complete
• Verify payments have been updated from cash receipting
• Verify penalties have been calculated and posted

Continue by describing your utility’s meter reading and usage verification procedures:

• How are the meters read (utility staff physically visit each meter and use meter read books or a handheld device, AMR system where utility staff drive a particular cycle’s service territory and collect the reads automatically, AMI system where the meter reads are transferred automatically from a Meter Data Management System or equivalent)
• Describe the reports your utility uses to verify any variances in consumption (high/low, no consumption, no reads, other)
• Describe your process for when an error is detected (meter tech/reader visits the property to check the physical state of the meter and verify the read, other)

Continue by describing your utility’s billing procedures:

• The process of transferring meter reads into the billing system
• The bill calculation process
• List reports that are run to detect potential billing issues
• Large/industrial power billing procedures; if billed separately:
  o When are they billed
  o How are the reads collected (WPPI members participating in WPPI’s meter reading service should describe this process)
  o Indicate if these customers receive additional schedules with their normal utility bill that may provide additional usage information

Finish by describing your utility’s bill printing and customer portal procedures:

• How is the bill presented (postcard, statement, e-bill)
• Are bills processed and mailed internally or is a third-party used – if a third-party is used, name the company and describe the process
• If your utility has online bill payment and presentment, name the vendor and describe how the billing information is uploaded to their website

PROCEDURE FOR ESTIMATING

Your utility’s goal should be to read all meters on a monthly basis. If the meter(s) at a property do not return a reading automatically to the utility, the meter reader will attempt to gain access to the meter(s) to obtain a meter reading. If the meter reader cannot obtain access to the meter(s), a meter reading card can be left at the property for the occupant to fill out and mail back. The meter reading card needs to be sent back prior to the new bill being processed and mailed (within five days from the time the meter reading card was left at the property). If the meter reading card doesn’t reach the utility in time, the meter card will be noted as being late and filed away. In the event we are unable to obtain a meter reading, the billing system will estimate a reading; [INCLUDE YOUR CIS PROCEDURES FOR ESTIMATING USAGE]. In cases where customers are moving in or out of a property, customer reads and/or estimated reads are not acceptable; an actual
reading is required to be obtained by a meter reader or other utility representative.

PSC Code References: PSC 113.0405; PSC 113.0406(2)(b); PSC 113.0406(2)(c)

PROCEDURE FOR HANDLING LATE PAYMENTS

Customers have 20 days to pay their bill. The first business day after the due date, after all payments have been posted, a 1 percent late charge is applied to the delinquent amount of each service on customer’s accounts. A reminder/disconnection notice is computer generated and mailed to customers with delinquent charges. For residential tenants who have delinquent accounts, the landlord must be notified of the delinquent account within 14 days after the charges become past due. Customers have 10 days to make payment and/or arrangements to avoid disconnection of service(s) which takes place between the 11th and 20th day after the reminder/disconnection notice is mailed.

Prior to physical disconnection, residents should be notified of the pending disconnection of service. If the delinquent bill is in the name of the landlord and the disconnection notice was mailed to them, notification can be issued to residents in each apartment of the pending disconnection. The PSC requirement for this notification is by door tag, phone or personal contact attempt. It is the responsibility of each customer to provide the utility with an updated phone number. For utilities that use an IVR system to provide this notification, a call that cannot be completed due to an invalid phone number is considered the attempt the utility is required to make.

Customers are given contact information for energy assistance as well as several local agencies so they may seek out assistance to help pay their bill. When filling out a DPA with a customer, any assistance promised to the customer by the agency may be taken into consideration.

If a customer expresses concern over a medical situation in their household they believe may be aggravated by disconnection of service(s), the account should be put on hold and the customer will be provided with a medical alert form. The customer will need to provide a completed medical alert form from their physician and return it to the utility to determine if the customer’s situation is such that disconnection of service(s) will cause harm. It is advised to maintain contact with the customer and require updated medical information as necessary based on the customer’s situation.

INCLUDE YOUR UTILITY POLICY FOR DISCONNECTION.

PSC Code References: PSC 113.0406(1); PSC 113.0301

BUDGET BILLING PROCEDURE

A budget payment plan shall be offered to all current and potential residential customers and all commercial accounts where the major purpose of the service is to provide for residential living. In order to accurately establish a monthly budget payment amount that will closely match a customer’s actual consumption, it is recommended that potential budget payment plan participants have at least one year of consumption history at the service address. Regardless of consumption history, however, it is the customer’s right to establish a budget payment plan. When consumption history does not exist to base the monthly payment amount on, then the utility shall use that service addresses previous customer’s consumption history or a good faith estimate as to what the current customer’s consumption will be. Further, each utility’s budget payment plan shall conform to these minimum requirements:

- A budget payment plan tariff shall be on file with the PSC and applies to charges for utility services under PSC jurisdiction.
- A budget payment plan may be established at any time of the year. The budget amount shall be calculated on the basis of the estimated consumption and estimated applicable rates through the end of the budget year. If the budget year is a fixed year, then prospective and existing customers requesting a budget payment plan after the start of the fixed year shall have their initial monthly budget amount determined on the basis of the number of months remaining in the current budget year.
- An applicant for a budget payment plan must be informed at the time of application that budget amounts shall be reviewed every six months and, if necessary, adjusted in order to reflect current circumstances. Adjustments to the budget payment amount will be made with the objective being that the customer’s underbilled or
overbilled balance at the end of the budget year is less than one month's budget payment amount.

• Customers on the budget payment plan shall be notified of adjustments by a bill insert; a message printed on the bill itself, or both. The customer shall be informed of the adjustment at the same time the bill containing the adjustment is rendered.

• Customers who have arrearages shall be allowed to establish a budget payment plan by signing a deferred payment agreement for arrears, according to the provisions of PSC 113.0404. Such customers would then be eligible for the budget payment plan.

• Budget payment plans shall be subject to the late payment charge provisions. In addition, if a budget payment is not paid, you must notify the customer with the next billing that if proper payment is not received after this notification, the next regular billing may effectuate the removal of the customer from the budget payment plan and reflect the appropriate amount due.

• At the end of a budget year, if an underbilled or overbilled balance exists in the customer’s account, it shall be handled as follows:
  o A customer’s debit balance (i.e. they have used more than they have paid for) shall be paid in full or, at the customer’s option, on a deferred basis using a separate deferred payment arrangement, or added to the monthly budget payment over the course of the next budget year.
  o A customer’s credit balance shall be applied, at the customer’s option, against the customer’s account, credited in monthly installments to the customer’s account over the course of the next budget year, or refunded to the customer.

_PSC Code Reference: PSC 113.0406(5)_

PROCEDURE FOR REFUNDS AND CREDITS

For customers with a credit on their active account, we refund the amount of that credit to the customer if the customer makes that request. Depending upon the reason the customer has a credit, and more likely depending upon the size of the credit, customers may choose to leave the credit on their account to be applied toward their next billing.

Customers who move from one property to another within our service area can either choose to have a credit balance refunded to them or transferred to their new address to be applied toward their next bill. Customers moving outside of our service area who have a credit balance remaining on their account after all final charges are paid will have a refund check mailed to them at their new address.

An exception to refunding a credit to a customer is if the credit was a result of energy assistance. In that case, the refund cannot be sent directly to the customer; if the customer provides us with their new provider information, we will send the remaining energy assistance credit to the new provider to be applied to the customer’s account. If the customer does not have a new provider then the credit would be sent back to the state of Wisconsin.

In situations where the landlord pays the final bill of the tenant, and the tenant also pays their final bill which results in a credit on the tenant’s account, a refund of the credit balance to the tenant can be made.

Credits on customer accounts due to overpayment need to be refunded within 60 days from the date of the credit or the utility may be subject to payment of interest on the amount of the credit for the time the credit was on the customer's account.

_PSC Code Reference: PSC 113.0406(8)_

PROCEDURE FOR ACCOUNTS WITH MULTIPLE METERS

The residential rate tariff contains an explanation of how to bill residential customers who have more than one meter. There are “Time of Day” rates where the customer charge encompasses both meters; the tariff defines how to bill a customer with two residential meters that is not a “Time of Day” customer. If a residential customer has two meters (and is NOT “Time of Day”) the customer is billed for two, full customer charges.
Billing commercial and industrial accounts with multiple meters requires the customer to meet certain criteria in order to be billed for one meter charge. The requirements for totalizing usage are: services have to be at the same location, voltage for each service has to be the same and there has to be usage on all of the meters. If a customer meets all of those criteria, they are billed for total usage on all meters on one bill and are charged one customer charge based on the tariff their usage falls into.

If any changes took place where a customer didn’t meet ALL three requirements, that customer would no longer be eligible for totalized billing.

MAINTAINING CUSTOMERS ON THE PROPER RATE SCHEDULE

There is little chance that a residential customer’s load would grow or shrink over time that would require a move to a different rate schedule. In this case, simply verify a new residential customer is properly classified when they are first entered into your CIS.

Commercial and industrial customers are most likely to move between rate schedules due to variations in peak demand and energy usage. The rate schedules where the most changes occur are the Gs-1 and CP-1 schedules.

The CP-1 tariff applies to customers whose demand exceeds 50 kW for three or more months in a consecutive 12-month period. Utilities can monitor Gs-1 customers that are close to this threshold that do not have demand meters installed by running a kWh usage report and looking for those customers that regularly exceed 4,000 kWhs each month. If their usage meets this criterion, install a demand meter and move them to the CP-1 customer class.

For CP-1 customers that may not maintain the required peak demand to remain a CP-1 customer, utilities can run a demand report each month to look for those that fall below 50 kW in a given month. Put them on a watch list to ensure that their usage does not fall below 50kW per month for 12 consecutive months. If their usage meets this criterion, you can offer them a one-time option to be billed on this rate for another 12 months.

PSC Code Reference: PSC 113.0802

Other Applicable Reference: WPPI Energy Metering and Billing Best Practices, 2012, pages 15-19. See exhibit section for this information that will help your utility improve its procedures related to maintaining customers on the proper rate schedule. Special thanks to WPPI Energy for sharing their work product!

SERVICE ADDRESS WITH CONSUMPTION AND NO CUSTOMER TO BILL

When you become aware that a service address has billable consumption but no responsible party to bill, your first task is to determine if one exists. This situation will generally be detected when dealing with foreclosed properties or as accounts cycle through your collection/disconnection processes. The primary tool for determining a responsible party to bill is provided for by use of the Occupant Tag.

The Occupant Tag must conform to PSC standards (see the exhibit section for an example) and hung in a conspicuous location on the service address in question. The tag essentially gives the occupant of the service address five days to apply for utility service or be subject to disconnection. If no eligible, responsible party steps forward five days after the tag is hung to apply for utility service:

- The electric service can be disconnected (even during the winter moratorium) if you determine the service address is unoccupied or the electric service is not an essential component of the heating system for the residence.
- If you determine the service address is occupied, it is during the winter moratorium on residential disconnections, and the electric service is an integral part of the heating system for the residence you maintain utility service to. In this circumstance, if you:
  - Have no separate agreement with the property owner indicating otherwise or have not complied with Wis. Stat. § 196.643 (see example for text of this statute) regarding how to handle utility service between customers, you can bill in the name of occupant for the charges incurred at the service address until the moratorium ends. Once the moratorium ends, follow your regular collection/disconnection processes if the bill remains unpaid.

PSC Code Reference: PSC 113.0802

Other Applicable Reference: WPPI Energy Metering and Billing Best Practices, 2012, pages 15-19. See exhibit section for this information that will help your utility improve its procedures related to maintaining customers on the proper rate schedule. Special thanks to WPPI Energy for sharing their work product!
o Have an agreement with the property owner indicating they are the responsible party in this situation or have complied with Wis. Stat. § 196.643, you can bill the property owner for the charges incurred at the service address. Once the moratorium ends, follow your regular collection/disconnection processes if the bill remains unpaid.

The applicable portion of Wis. Stat. § 196.643 reads:

196.643 Owner responsibility for service to rental dwelling unit.

(1) RESPONSIBLE PARTY. When a customer terminates service to the customer's rental dwelling unit, a public utility shall make reasonable attempt to identify the party responsible for service to the rental dwelling unit after the customer's termination. If a responsible party cannot be identified, the public utility may give the owner written notice by regular or other mail of the public utility's intent to hold the owner responsible for service to the rental dwelling unit. The owner shall not be responsible for service if the public utility does not give the notice under this subsection or if, within 15 days after the date the notice is mailed, the owner notifies the public utility of the name of the party responsible for service to the rental dwelling unit or notifies the public utility that service to the rental dwelling unit should be terminated and affirms that service termination will not endanger human health or life or cause damage to property.

*See exhibit section for example occupant tag.

PROCEDURE FOR ASSURING THAT ALL CUSTOMERS ARE BEING BILLED

There are several steps that a utility can take to help ensure that everyone receiving services from the utility are being billed. Many of these are specific to the size of the utility, the capabilities of the meter reading and billing systems, and staff available to perform various tasks. The steps can be grouped into three types; prevention, detection and investigation.

Prevention

The best way to ensure customers do not receive services without being properly billed is to have good controls that prevent or minimize the opportunity for unbilled customers.

The process for setting up a new customer in the billing system is an opportunity for errors to occur. Depending on other system capabilities, if a customer is not properly set up for all the correct billing services, the issue may not be discovered in the future. This is particularly true for fixed charge type of services, since there is not a changing volume input (kWh, gallons, etc.) that if missed would contribute to a variance report (line loss, water loss, etc.).

Confirm that the process for brand new service additions (building permits) includes a mandatory routing through utility billing. Developing a flowchart of the process would be beneficial so all parties involved understand their role in the entire process. For new construction, confirm there is a consistent process for when meters are installed. If meter installation occurs after building inspection, determine the process that communicates the necessary items such as location, customer and meter information to the billing department.

The process for adding new customers, or making changes to existing customers should involve two people. This provides for someone to review and verify the account setup that was initially entered. The additional review can help identify errors and omissions for minor items such as spelling but also to confirm that the appropriate services are added to the customer account.

Detection

A good process that continually monitors for unbilled customers will help discover issues, and prevent new ones.

If your billing system utilizes Meter Data Management (MDM) capabilities, the features available can help detect unbilled customers. Often an MDM system will require that every meter on the system that is providing information has a customer billing account associated with it. Active meters without an active customer account should prompt an error or variance report that calls attention to the issues.

For metering systems that are manual, the meter readers play a key role in reporting field observations back to the billing department. They should be coached to report back observations about unusual circumstances. These could
include noting physical locations that are skipped over because there is either no meter or no account associated with what appears to be a physical service delivery point.

Regardless of the system or process that collects meter information, the billing system often has reports that can be used to discover customers that may not be getting charged for all services. Here are some examples of reports that can be reviewed each billing cycle to compare relevant information:

- Confirm that the quantity of energy kWh equals the PCAC quantity for each rate class
- Compare a detail list and total count of the number of customers receiving a fixed customer charge to the number of customers being billed for other charges such as sales tax or the Commitment to Community (CTC) charge for each rate class
- Review for reasonableness a detail list of customers billed for a fixed customer charge but do not have any volume charges

Look for information available outside of the utility department for lists to find possible unbilled customers. A specific example that has been recently used to discover unbilled customers was a request to the fire department for a list of locations that have fire sprinkler systems they inspect. The water private fire protection charge has no volume component with active usage. Therefore, if the charge is not added when setting up a new customer, the fee could likely remain unbilled for years. This outside list can be compared to the list of utility customers being charged for this service. Another example would be utilizing a periodic overhead pole inspection/inventory to confirm the quantity and type of unmetered streetlights charged to the municipality or private yard lights that might not be invoiced monthly.

### Investigation

Some system reports can be used to discover and isolate unknown usage that is not being charged to any customer. Monitor closely distribution system inputs (purchased power, pumped water, etc.) for changes that do not match changes in sales. Few individual customers may be significant enough to make a noticeable difference in a month. However, these issues can contribute to changes in historical electric line loss and water loss trends.

Timing differences often contribute to the difficulty of using distribution system loss reports to discover specific unbilled customer issues. A utility often reads meters on various dates during the month, or has multiple invoicing cycles each month. Differences between usage periods for quantities invoiced and the calendar month information regarding power purchased or water pumped can reduce the short-term usefulness of monthly loss reports. However, year-to-date or a rolling average report can help determine changing trends.

If the utility has an MDM system, additional capabilities may be available. One option would be the creation of a report that can totalize daily consumption through all system customer meters. When compared to water pumped or power purchased, this can provide much more useful information for operations staff to become aware of a sudden change in distribution system performance.

### Procedure For Compliance With Points In The Most Recent Rate Order

As both electric meters and corresponding meter data collection and billing systems increase in capability, the PSC is including ever more complex and detailed requirements into rate tariffs. This provides greater options for customers. In addition, a more detailed tariff improves the link between the drivers of utility costs (capital and operating) and a rate design to recover the specific costs from the customer groups that cause them.

The best way to ensure compliance with items detailed in rate tariffs is to make sure relevant utility staff is familiar with all the details of the entire tariff. Billing, metering and engineering staff should review the current tariff at least once per year. Printing out the tariff on paper and routing the document through the office can provide assurance that it has been reviewed by all. In addition, each year when the required notification of current of utility rates is distributed to customers, it should be reviewed in detail to confirm that it matches the rate tariffs. This document can also be modified into a reference guide for internal utility staff (see examples).

Often, new components of rate order tariffs are common across municipal utilities and added the next time a utility files for a new tariff. By participating in formal training, or collaborating with other utilities through organizations (MEUW,
WPPI, GLU, etc), a utility can make an educated prediction about what new components will likely be added to their tariff the next time a new rate review is requested.

When a new rate case is under consideration before the PSC, billing staff should closely review the proposed tariff document to search for new components to determine if the capability for full compliance currently exists in the billing system. Some specific examples of newer tariff components may include:

- Option for Gs-1 customers that exceed both minimum kWh and load factor levels three or more times in a rolling twelve month period to choose Cp-1 rates for one year.
- Energy “Limiter” kWh rate to be invoiced to Cp-1 customers in lieu of both the regular energy and demand charges if that total is higher.
- Requirement that the utility provide separate notification to the PSC if the monthly PCAC rate exceeds a set limit three or more times in a twelve month period to evaluate the need to adjust rates.
- Commitment-to-Community (CTC) rates by customer class that include system calculations to ensure the charge does not exceed 3.0% of the total electric bill.
- Changes to the electric demand kW minimum and maximum limits to qualify for the various rate classes.

If a new tariff includes items not presently in the current tariff, utility staff should thoroughly test their billing system to prepare modifications required for implementation.

Some tariffs may include actions that should take place if particular corresponding changes occur within the customer base. An above-mentioned example is the requirement to separately notify the PSC of recurring large PCAC adjustments. Another example is the requirement that CTC collections in total should average $16 per meter per year. An analytical review should be part of an annual year-end procedure checklist. If the charges appropriately comply with the 3 percent limit individually, but do not collect the proper funds in total a tariff adjustment should be considered.

The following suggested actions can be performed when new rates are installed in the CIS:

- Someone other than the individual that installed the rates compares a listing of the new rates contained in the CIS to the authorized rates in the rate order to ensure they are installed correctly.
- Once a billing cycle is completed under the new rates and prior to mailing the bills, a random sample of bills from each rate class/tariff are manually recalculated to ensure that the CIS correctly calculated those bills.
- If the water utility receives new rates, we select bills that cover all usage blocks to ensure that the CIS correctly calculates bills in all blocks.

*See exhibit section for sample documents.

**ERROR DETECTION PROGRAMS IN THE BILLING SYSTEM**

By definition, the billing system of each utility is unique to the meter data collection process, customer billing software and tariff requirements. The information provided here is only for reference purposes, and can assist utilities to determine if they are maximizing the capabilities of their systems ability to assist in the error detection process.

If your utility has an AMI (Automated Meter Infrastructure) or MDM (Meter Data Management) system that is independent of the billing software, these tools can often be used to detect issues before the information is passed along to the billing system. Errors that meter reading system may be able to detect include:

- Missing intervals
- High usage
- No usage
- Outage reporting
- Meter tampering
- Meters without a corresponding billing account
- Water leak/Continuous usage report (this is not a billing error)
There are many obvious benefits to an automated meter reading system. However, with automation, there is also a loss of physical contact and observation of each customer each month. If your utility utilizes manual (human) meter readers, they should be coached in a manner so they understand the important role they have in the process. A process should be in place to facilitate the communication of any unusual observations they make when collecting meter usage data. These items could include:

- Unusual usage levels (if prior consumption data is available)
- Customers or properties that don’t have a corresponding utility account

Once the collected meter information is transferred, billing systems often have many types of processes that can assist the error detection process. Each billing system is unique not only by the type of software, but how it is customized to the customer groups and tariff requirements. Some examples of issues the billing system may be able to detect include:

- Multiple active customers with the same address
- Active services without a corresponding required meter
- Charges added to an inactive customer account
- Inactive customers with a security deposit that has not been disbursed
- Active services without current reading data
- Comparison of usage levels to the prior month (or year)

Reviewing reports generated by the billing system provide additional opportunity for utility staff to detect irregularities and errors. Scanning through a detail billing register report can find individual customers with unusual or missing charges. However, errors of omission or small errors may be hard to detect using this method. A summary report of charges by service and rate can find other types of billing errors. Things to look for with this type of report include:

- Does the quantity of energy kWh and PCAC kWh match for each rate class? If not, individual customers may have an incorrect quantity. Another more common cause is a customer having an energy rate from one rate class, and a PCAC rate from a different class.
- Do the quantity of customers within a single class match across rates? It is possible for active customers to have no usage in a billing period. However, the number of customers receiving other fixed type charges within a rate should match. If they don’t, a customer might have an incorrect rate such as the customer, demand, distribution demand or CTC charges. Some errors may not be evident to the customer if the price per unit is the same across customer groups. Usually various water customer classes pay the same rate per unit (gallon, meter, etc.). However, having an incorrect rate will still lead to incorrect reporting and analysis.
- Do the quantity of customers and volume units invoiced in a billing period compare reasonably to prior periods? For some charges, the number of customers charged does not change frequently. When they do, utility billing staff is usually aware of the situation. If the number of large customers changes (Cp-2, Cp-3, water meters above 3”, etc.) staff should confirm that this is appropriate.

In most situations, the report writing capabilities of the billing software can provide the detailed data to look for billing errors. However, exporting information into excel can convert the data into easier to review information that can be understood by both utility billing staff and customers. A specific example of this is being aware of when a customer exceeds a demand ceiling three times in twelve months to qualify for a higher electric rate class. An example of a template used for this billing error & rate class review is attached.

**PROCEDURES AFTER AN ERROR IS DISCOVERED**

As metering and billing systems become more complex and tariff requirements become more detailed, the opportunity for errors continues to rise. When an error is discovered, the utility should follow a process to not only properly resolve the issue for the impacted customer. A review should investigate if the problem is common to other customers, if current error prevention procedures failed, and what customer specific or utility wide should be taken to prevent the issue from
recurring. Because there are an unlimited number of potential errors, the processes taken to correct the issues are dependent on the type of error.

To resolve the issue with the customer, it is important to be familiar with both statutory regulations and PSC rules.

**Statutory References**

- **Wis. Stat. § 196.22 Discrimination Forbidden.** No public utility may charge, demand, collect or receive more or less compensation for any service performed by it within the state, or for any service in connection therewith, than is specified in the schedules for the service filed under Wis. Stat. § 196.19, including schedules of joint rates, as may at the time be in force, or demand, collect or receive any rate, toll or charge not specified in the schedule.

- **Wis. Stat. § 196.635 Unbilled Utility Service.** All service supplied by a public utility must be billed within two years of such service. No customer shall be liable for unbilled service two years after the date of the service unless:
  - The utility made a reasonable effort to measure the service but the customer did not allow the utility access to any device, including but not limited to a meter, necessary to measure service.
  - The customer obtained the service by fraud or deception, including but not limited to theft or tampering with any device, including but not limited to a meter, necessary to measure service.
  - The customer obtained the service by negligent interference by the customer or the customer's agent with equipment necessary to measure service and the interference causes service to go unmeasured.

- **Wis. Stat. § 893.43** requires refunds to go back six years.

**Electric Rules**

- **PSC 113.0406(3)(b) Billing.** The original billing rendered because of meter inaccuracy, or errors in billing, or misapplication of rates, shall be separated from the regular bill and the charges explained in detail.

- **PSC 113.0406(4)(a) Billing.** Each bill for service shall be computed at the proper filed rate, which shall be the rate selected by the utility unless the customer selects a rate under par. (e).

- **PSC 113.0924(4) Adjustment of bills for metering inaccuracies.** If the recalculated bills indicate that more than $10 is due the utility, the utility may bill the customer for the amount due. For all customers, the period of back billing may not exceed 24 months unless there is evidence of fraud or deception in accordance with Wis. Stat. § 196.635.

When the proper charges for a customer have been determined, the manner in which the issue is communicated can have a significant impact on the customer's willingness to accept the conclusion and related billing adjustments. Because it is easier to communicate an issue with spoken words rather than a letter that can be misinterpreted, it may be best to first notify a customer with a phone call. If a customer has been undercharged, the customer service representative can give a brief summary of the issue and state that a letter will be following that will provide a description of the situation and provide detail calculations of the remedy billing adjustment.

Before any communication to a customer, utility staff should look at the issue from the perspective of the customer. This includes an assumption that the customer may not understand the normal correct billing procedure, so a billing in error may not appear unusual to them. It is important to follow up any verbal conversation with a written letter to document the issue and confirm an understanding of the resolution. The letter should also include information about the customers’ rights to appeal disagreements to the PSC.

If customers do owe additional charges to the utility, a good practice is to offer the ability for the customer to pay the additional amount due over a period of time. If the amount is significant relative to the correct typical charges on the account, the time given to the customers can be increased up to the same two years that match the maximum period of time that back charges can be corrected. Two example letters communicating billing error situations to customers are attached.

*See exhibit section for sample documents.*
PROCEDURE FOR CALCULATING POWER COST ADJUSTMENT CLAUSE (PCAC)

All metered rates are 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 (per kilowatt-hour of sales). The base cost of power is equal to the forecasted cost of power established by the PSC in the utility’s most recent electric rate case and can be found on Schedule No. PCAC in the utility’s rate tariffs filed with the PSC.

The PCAC calculation includes the following components:

- Total purchased power for the most recent month
- Total kilowatt-hour sales for the most recent month (include sales to all customer classes, including street lighting)
- The base cost of power (referred to as the U-factor in your PCAC rate tariff)

PCAC Formula:
\[ PCAC = \frac{\text{total purchased power}}{\text{total kilowatt-hour sales}} - \text{U-factor} \]

PCAC calculation example (based on fictitious amounts):
- Purchased power = $1,000,000
- Total kilowatt-hour sales = 10,000,000 kWh
- Base cost of power = $.0795

\[ PCAC = \frac{$1,000,000}{10,000,000\text{kWh}} - .0795 \]
\[ PCAC = .0205/\text{kWh} \]

Metering

PROCEDURES FOR NEW METER INSTALLATION

Each municipal utility should have clearly documented standard metering installations for each customer class for both underground and overhead services. When a customer requests a new service and an installation plan has been prepared and presented to the customer by a trained utility crew, the following procedures should apply to the meter installation.

- All energy sold to customers shall be measured by commercially acceptable meters owned and maintained by the municipal utility.
- All residential units including multi-dwelling buildings, mobile home parks and tenant spaces in commercial buildings shall have a separate meter installed.
- For large power metering, municipal utilities should have a specifically trained person assigned responsibility and accountability for customer load estimating and sizing power and metering transformers. This person should perform basic research, review loads of similar customers and discuss key issues with the customer regarding their facility. Municipal utilities should hire another utility or a competent contractor for this service if there are no trained meter technicians on staff. Thorough planning for meter installation is the key to safe and accurate measurement of service.
- Wisconsin administrative code requires that municipal utilities record multipliers on the face of the meter. One of two approaches can be used:
  1. The CT ratio, PT ratio and pulse rate should all be identified individually.
  2. The CT and PT ratios should be multiplied together and recorded as the “meter multiplier.”

The same approach should be consistently used for all meters.

- A standard meter set up information sheet should be completed to document all critical information regarding all meter installations. The signer is responsible for assuring that all information collected on the sheet is accurately entered into the applicable system of record and that the document is retained for future review. A
sample form is attached.

• Billing staff should also confirm that all applicable meters and multipliers are correctly entered into the Billing/CIS as needed to compute the customer bills. For municipal utilities with less automated processes, an organizational binder that is accurate and complete could serve as the system of record.

• When the meter is read and the first customer bill is produced, billing staff should work with the meter technician to determine that the bill is calculating as intended and according to the correct meter multiplier.

• Within 90 days of any large customer metering installation, an independent third party professional should verify the meter installation and paperwork. This third party could be a second utility employee, an employee of another utility or a contractor.

_PSC Code References:_ PSC 113.0803; PSC 113.0806; PSC 113.0809

_Other Applicable References:_ Municipal Utility Electric Service Rules

**PROCEDURES FOR ELECTRIC METER TESTING**

Electric utilities are required to perform the following testing of meters or have an approved statistical sampling plan for testing that is approved by the PSC.

• Test before the meter is placed in service. A manufacturer’s certified test results can be used.

• Whenever the meter is repaired.

• When the meter is suspected of being inaccurate or damaged.

• Upon request of the customer or when the accuracy is questioned by a customer.

• Within 20 years of service for most meter types, or in accordance with the utility’s statistical sampling plan.

• When the meter is removed from service, unless the utility’s statistical sampling plan does not require testing upon retirement.

_PSC Code References:_ PSC 113.0911; PSC 113.0920; PSC 113.0921

**PROCEDURES FOR DETECTING METER ERRORS**

Whether your utility is using a manual or automated meter reading entry, most Billing/CIS software systems used by the MEUW membership are capable of producing numerous reports that may help to detect metering errors. Errors can include skipped readings, inaccurate readings, equipment failure, theft of service, meter tampering and inaccurate meter installation. In order to produce the most complete and accurate bills, use the reporting features in your billing/CIS software to develop the following reports each time you import meter reading data. Follow up on each reported item to determine if any correction or additional action is necessary.

• Skipped Readings - This will yield active meters that do not retrieve any reading at all. Skipped readings can be the result of equipment failure, inaccurate meter installation or meter tampering.

• High Electric Readings - This is a search performed within the Meter Reading Entry screen that will show all electric readings above a set criteria. High readings reports can detect equipment failure, inaccurate meter installation or theft of service.

• Zero Electric Readings - This is a search performed within the Meter Reading Entry screen that will display all electric meters that show zero usage. Any active meter should register some kWh consumption for the billing period. A zero reading is likely due to an equipment failure or meter tampering.

• 999’s Readings - This search is done where you enter a series of 9’s in the usage field of the Meter Reading Entry window to search for those types of usage readings. This report can detect meters that are reading backwards or if any meter was estimated high in a previous month and the current month's reading is less than that estimate.

• Inactive Meters with Usage - This will bring up all accounts that show as inactive but the meter is registering
usage. This report detects meter installations that weren’t entered in the billing system or if an occupant unknown account has been updated with an occupant and the account remains inactive.

- **Invalid Meters** - This report will load all accounts where there is an electric service attached to the account but there is no meter attached to the account. In many cases these accounts will have the service marked inactive due to the meter being removed but the property still exists.

- **Billing Variance Report** - This is done over the whole of the account base to compare current consumption with the account history. High and low criteria are used to find accounts that show unusual variances from the historical average. This report can detect errors resulting from almost any kind of metering problem.

- **Physical Inspection** - Require employees to closely observe the distribution system when they are in the field and report anything unusual to their supervisor. Theft of service and meter tampering problems have been found and corrected this way.

- **Internal Controls** - Develop and implement metering and billing procedures that involve more than one employee to complete. All procedures that require a second review will be much less likely to result in a billing error.

- **Customer Contact** - For large customers, review the first few bills with them to ensure the customer is being charged the appropriate rate. If contacted directly, customers will tell you if readings or billed amounts are not what they expected.

All items showing in these reports should be investigated and corrected before printing and mailing customer bills. It is a good idea to develop a team of representatives from the billing, customer service and meter reading/installation departments to investigate these matters and determine the best course of action.

### WATER METER TESTING PROCEDURES

Water utilities are required to perform the following testing of meters or have an approved statistical sampling plan for testing that is approved by the PSC.

- Test before the meter is placed in service. A manufacturer’s certified test results can be used.
- Whenever the meter is repaired (before and after repair).
- When the meter is suspected of being inaccurate or damaged.
- If a meter is removed while a usage dispute is pending.
- Upon request of the customer or when the accuracy is questioned by a customer.
- At the intervals specified by meter size (5/8", 3/4", 1" – 10 years, 1½", 2" – 4 years, 3", 4" – 2 years, 6" and over – 1 year) or otherwise in accordance with the utility’s statistical sampling plan.
- The utility can also replace small customer meters every 20 years without testing under certain conditions.

_PSC Code References: PSC 185.76(1); PSC 185.761_

### Accounting and Collection

**PROCEDURE FOR POSTING PAYMENTS TO GENERAL LEDGER**

[For utilities with fully integrated cash receipting, utility billing and accounting systems.]

- When payment processing for the previous day is complete, your utility should reconcile the batch total with the total bank deposit. When the totals are reconciled, run a checkout process in the cash receipting system that updates customer accounts in the utility billing system. The last step in the daily cash receipting process is to run a general ledger update in the cash receipting system that makes the required entries to the applicable general ledger accounts. No manual general journal entries are required.
[For utilities without fully integrated cash receipting, utility billing and accounting systems.]

- When payment processing for the previous day is complete, your utility should reconcile the batch total with the total bank deposit. When the totals are reconciled, run a checkout process in the cash receipting system that updates customer accounts in the utility billing system. In addition, run a general ledger posting report from the cash receipting system. Use this report to create the general journal entries in the accounting system. Entries should be posted daily and reconciled with the total receipt register and bank deposit.

PROCEDURE FOR BILLING FOR EXTENSION OF SERVICE

The following procedures are in effect for installation charges for extensions of service, overhead to underground service conversions and new services.

Installation Charges for Extension of Service

Each request for extension of new service requires a written application for service in which the applicant agrees to pay any required contribution in aid of construction. The facilities are designed and installed to deliver service to the customer and the area at the lowest reasonable cost, while complying with accepted engineering and planning practices. The cost of each extension is estimated based on reasonable current costs (job specific costs, average cost per foot or unit, or other costing method as appropriate).

Estimate for Extension

Items included in the estimate for the total cost of an extension are the cost of the extension of primary and secondary lines, reconstruction of existing main feeders, the cost of tree trimming or right-of-way clearing, securing easements, moving conflicting facilities and all other costs incident to furnishing service. Items excluded from the cost of extension are the standard meter, the necessary service drop or lateral, and individual standard transformer capacity. A standard design transformer is a transformer with capacity less than or equal to 300 kVA. If a customer requests or requires additional capacity, a charge is added to the total cost of installation equal to the cost of the necessary transformer less a credit for the cost of a 300 kVA transformer.

The final item to consider in the project estimate is the embedded cost credit. Based on the customer classification (residential, general service, power service, or street lighting), your utility should apply the appropriate embedded cost credit from your electric service rules. The lone exception to this process is for residential developers. In this case, the average embedded cost credit is refunded to the developer as structures are built and connected to electric utility facilities. The credit would apply per unit energized within five years from the installation of the contributed extension.

When the electric department completes the project estimate, it should be reviewed by the general manager and accounting department for accuracy. The estimate is then presented to the customer and your utility should require the contribution be paid in advance of construction.

Reconciliation of Actual to Estimated Cost of Extension

Upon completion of the extension of service, your utility should reconcile actual project costs to estimated project costs and either refund or invoice the difference to the customer.

Refunds of Customer Contribution

A refund should be given to a customer who made a contribution for an extension when the utility makes an extension from the contributed extension to a second customer. No refund is given when an extension to the second customer occurs after five years from the original installation date.

The amount of the refund is based on the embedded cost credit at the time of original installation or the current embedded cost credit, whichever is greater. The refund is made to the customer who made the original contribution or the current property owner of record.
**Overhead to Underground Service Conversion**

If a customer requests conversion of an existing overhead service to underground, the utility should prepare an estimate and require the customer pay a contribution in advance of construction. When the conversion is complete, the utility should reconcile actual project costs to estimated project costs and either refund or invoice the difference to the customer.

**New Services**

Standard overhead service drops and standard underground service laterals should be provided at no charge to the customer.

**Required Customer Notifications**

**PROCEDURE FOR ANNUAL REQUIRED CUSTOMER NOTIFICATIONS**

The Public Service Commission of Wisconsin (PSC) requires two customer notifications annually – optional rates and residential customer bill of rights. Your utility should create a yearly schedule to distribute them via bill insert or separate mailing.

**Optional Rates**

This required communication notifies customers who are eligible to take service under more than one rate schedule of the option to select a rate, of the options and service classifications for which the customer may be eligible, and the conditions necessary to qualify. In addition, this communication should notify the customer of the option to select a rate whenever there is a change in rates that would affect them and at any other time they so request.

**Residential Customer Bill of Rights**

This required communication presents residential customers with information commonly referred to as the “Residential Customer Bill of Rights”. The latest version is available on the PSC’s website. This notification should also be presented to new customers when they complete an application for service with your utility.

*PSC Code References: Specific requirements of each required communication can be found in the following PSC code: Optional Rates – 113.0406(e)(f); Residential Customer Bill of Rights – 113.0501(4)*

*See exhibit section for sample documents.*

**Exhibits**

Exhibits begin on the following page.
RESIDENTIAL ELECTRIC SERVICE APPLICATION

DATE: ________________

SERVICE ADDRESS: ____________________________
MUNICIPALITY: □ City of Kaukauna
□ Village of Little Chute
□ Village of Combined Locks
□ Village of Wrightstown
□ Town of Buchanan
□ Other

OWNER’S FULL NAME: ____________________________

TELEPHONE NUMBER: ____________________________

ALTERNATE NUMBER: ____________________________

MAILING ADDRESS: ____________________________

MUNICIPAL PERMIT REQUIRED IN ALL CASES

TYPE OF DWELLING:
□ Single Family
□ Condominium / Townhouse
□ Duplex
□ Apartment Building (# of Units: _____)
□ Mobile Home
□ Other: ___________________

ELECTRICIAN OR BUILDER: ____________________________

TELEPHONE #: ____________________________

SERVICE INFORMATION (All residential services are 120/240 volt single-phase):

<table>
<thead>
<tr>
<th>Select one:</th>
<th>New service size:</th>
<th>Select all that apply:</th>
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</thead>
<tbody>
<tr>
<td>New Overhead Service</td>
<td>100 Amp</td>
<td>Temporary Service (minimum $175 charge)</td>
</tr>
<tr>
<td>New Underground Service*</td>
<td>200 Amp</td>
<td>Electric Heat</td>
</tr>
<tr>
<td>Service Upgrade</td>
<td>320 Amp</td>
<td>Central Air Conditioner</td>
</tr>
<tr>
<td>Old Service Size: ___</td>
<td></td>
<td>Electric Range</td>
</tr>
</tbody>
</table>

* An underground service lateral may require a payment in advance if placed in an area served by existing overhead utility facilities.

For all new services, one of the following checklists must be entirely completed:

Overhead Service:
- Application card filled out by owner/electrician/builder
- Address posted
- Meter socket location approved by utility
- Meter socket & service equipment installed
- Service inspected-or-affidavit signed (per municipality)
- Submit completed application (see below)

Underground Service:
- Application card filled out by owner/electrician/builder
- Address posted
- Meter socket location approved by utility
- Meter socket & service equipment installed
- Service inspected-or-affidavit signed (per municipality)
- Backfilled and final grade established
- Cable route cleared of all obstructions
- Winter charge (November 15 - March 15) = $250
- Submit completed application (see below)

Underground services may take several weeks to energize once the above steps are done, dependent upon utility work load and weather. Utility is not responsible for damage to unmarked privately owned underground facilities.

APPLICANT’S SIGNATURE STATING THE ABOVE ITEMS ARE COMPLETE: ____________________________

FAX FORM TO (920) 462-0034  --OR-- MAIL TO: Kaukauna Utilities
TELEPHONE # (920) 766-5721  Attention: Engineering Tech
P.O. Box 1777
777 Island Street
Kaukauna, WI 54130-7077

FOR UTILITY USE ONLY

METER #: ____________________________
METER SERIAL #: ____________________________
DIAL SIZE: ____________________________
MULTIPLIER: ____________________________
READING: ____________________________
AMR ID #: ____________________________
CYCLE/ROUTE/WALK#: ____________________________
CUSTOMER #: ____________________________
ACCOUNT #: ____________________________

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<tbody>
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<tr>
<td>Meter Issued</td>
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</tr>
<tr>
<td>Meter Installed</td>
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<td>Meter Tech Records</td>
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<td>Billing Clerk (File)</td>
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Revised 2/1/2012

Exhibit 1 of 30
## Non-Residential Electric Service Application

**Date:** __________________

<table>
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<tr>
<th>Service Address:</th>
<th>MOUIPALITY:</th>
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</thead>
<tbody>
<tr>
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<td>![Radio buttons for municipalities]</td>
</tr>
<tr>
<td></td>
<td>City of Kaukauna</td>
</tr>
<tr>
<td></td>
<td>Village of Little Chute</td>
</tr>
<tr>
<td></td>
<td>Village of Combined Locks</td>
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<td></td>
<td>Village of Wrightstown</td>
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<tr>
<td></td>
<td>Town of Buchanan</td>
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<td></td>
<td>Other</td>
</tr>
</tbody>
</table>

**Mailing Address:** __________________________

**Business Name:** __________________________

**Owner's Full Name:** __________________________

**Telephone Number:** __________________________

**Alternate Number:** __________________________

**Electrician or Builder:** __________________________

**Telephone #:** __________________________

### Service Information

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<thead>
<tr>
<th>Select One: Overhead (400 Amp or Less)</th>
<th>Service Size (100 to 1600 Amps):</th>
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<td>Service Cable MCM (if &gt; 400 Amps):</td>
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| Number of Parallel Runs: | |

<table>
<thead>
<tr>
<th>Select Voltage: 120/240 1-Ph 3W (400 Amp or Less)</th>
<th>Calculated Load kVA:</th>
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</thead>
<tbody>
<tr>
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<td>Anticipated Diversity (%):</td>
</tr>
<tr>
<td>277/480 3-Ph 4W Y</td>
<td>Square Footage of Building Served:</td>
</tr>
<tr>
<td>Greater than 480 V (Call Utility)</td>
<td>AC Unit Size (Tons):</td>
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<td></td>
<td>Type of Heating:</td>
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<tr>
<td></td>
<td>BTU:</td>
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List All Motors (what it will be used for, hp, locked-rotor current, & voltage)(attach additional sheets as needed)*:

*See utility service rules for soft-start requirements and rural limitations

**Type of Service:**

- Agricultural
- Commercial
- Industrial
- Municipal
- Other: ___________________

**Town of Buchanan**

**Town of Freedom**

**Town of Holland**

**Town of Vanden Broek**

**Village of Little Chute**

**Village of Combined Locks**

**Village of Wrightstown**

**Village of Wrightstown**

**Other: ___________________**

**Overhead (400 Amp or Less)**

**Underground**

**120/240 1-Ph 3W (400 Amp or Less)**

**120/208 3-Ph 4W Y**

**277/480 3-Ph 4W Y**

**Greater than 480 V (Call Utility)**

**Seasonal**

**Apartment Building (# of Units:___ )**

**Temporary (See utility for cost)**

**Municipal**

**Agricultural**

**Commercial**

**Industrial**

**Other: ___________________**

**Overhead (400 Amp or Less)**

**Underground**

**120/240 1-Ph 3W (400 Amp or Less)**

**120/208 3-Ph 4W Y**

**277/480 3-Ph 4W Y**

**Greater than 480 V (Call Utility)**

**Contact Utility to discuss new service (Enginering Tech's #(920) 462-0222 or Manager of Elect. Dist. # (920) 462-0214)**

**Application card filled out by owner/electrician/builder/consultant engineer**

**Address posted (temporary posting permitted until permanent sign can be placed)**

**Submit completed application (see below)**

**Applicant's Signature Stating the Above Items Are Complete:** __________________________

**Fax Form To:** (920) 462-0034

**Telephone #:** (920) 766-5721

**Mail To:** Kaukauna Utilities

**Attention:** Engineering Tech

**P.O. Box 1777**

**777 Island Street**

**Kaukauna, WI 54130-7077**

---

**For Utility Use Only**

<table>
<thead>
<tr>
<th>Meter #:</th>
<th>Date</th>
<th>Initials</th>
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</tbody>
</table>

**Meter Serial #:** __________________________

**CtR/PtR/Multiplier:** __________________________

**Dials:** __________________________

**Reading:** __________________________

**Metering Type:**

- Conventional Secondary
- Primary (12.5 kV)
- Primary (34.5 kV)

**W.O. #:** __________________________

**AMR ID #:** __________________________

**Modem Ph #:** __________________________

**Cycle/Route/Walk: #:** __________________________

**Account #:** __________________________

**Date:** 2/1/12

---

Exhibit 2 of 30
ASSURING CUSTOMERS ARE BILLED ON THE PROPER RATE

**Application/Eligibility**
Any person involved with the metering and billing process should know and fully understand the “application” (also the availability and eligibility sections if applicable) section of each rate structure offered by the utility. This is critical in assuring that all customers are billed on the correct rate, and if applicable, understand the rate options that are available for them.

**Optional Rates**
Each utility should put forth a reasonable effort, which includes standardized analysis and standardized customer communication procedures, to assure that all customers who have rate options available to them understand their options and choose the rate option that works best for them. In most cases, unless the tariff specifies, it is not the utility’s obligation to assure that each customer is billed on the lowest cost option. This is more of a customer service issue than a billing accuracy issue since the customer is (unless specified otherwise in the applicable tariff) considered to be billed correctly under each option. Utilities should avoid implementing rate structures where they assume responsibility for assuring that customers are billed on the lowest cost option. There may be situations where this makes sense for a particular member but the implications should be fully understood prior to proceeding and the policies needed to fulfill the related obligations need to be developed prior to implementation and enforced after implementation.

The most common optional rates today are the Optional Time-Of-Use (TOU) rates. For members with conventional metering, the member will only have data available to do a reasonably accurate “lowest cost” analysis for the customers who have had a TOU meter installed for a number of months (ideally a year or more). This would generally only be the 1% – 2% of residential customers who currently participate in a TOU rate or who participated in a TOU rate in the past but the utility opted to continue billing (under the standard rate) using the TOU meter. For members with AMI metering installed and fully functional, data will be available to conduct a “best rate” analysis for every residential customer on the system.

As a best practice, members with conventional metering should annually conduct a “best rate” analysis for every residential customer with a TOU meter. The results should be communicated to each customer following the analysis. For members with fully functional AMI metering, a “best rate” analysis should be conducted for every residential customer on an annual basis. The individual results should also be communicated to each customer following the analysis. For any other rate classes where optional TOU rates are available, the same analysis and customer communication procedures would apply.

**Standard Rates**
For residential customers it is very unlikely that loads would grow or shrink over time, requiring them to be moved to a different rate class. If the customer is set-up correctly on the right rate structure initially, the only work that needs to be done on an ongoing basis to assure they are on the “proper rate” is the analysis and communication identified above associated with optional rates.
For commercial and industrial customers, however, there is significant analysis and communications work that needs to be done in addition to that associated with optional rates. This additional work needs to be done to assure that customers are being billed on the correct rate and is much more critical than the best practice work that is recommended for optional rates.

Commercial and Industrial (C&I) customer (those billed on a GS or CP rate structure) loads can grow or shrink dramatically over time. Unless the utility has procedures in place to track and evaluate these changes, it is certain that over time, some customers will be billed on the wrong rate. A customer billed on the wrong rate is considered a billing error and is subject to the same refund and back-billing rules as any other type of billing error. Because these customers can be large and a significant percentage of a member’s total revenue, these errors can have a significant impact on the utility’s and customer’s finances. It is very important that each utility has strong procedures in place to assure that each commercial and industrial customer is billed on the correct rate each month.

In almost all cases, a customer’s peak demand (in some cases peak demand during any hour and in some cases, peak demand during on-peak hours only) is used to determine what rate applies. Cut-off points between rates are set at the member’s discretion and, for the largest customers, are often set to clump customers with similar load profiles or to isolate customers with unique usage patterns. This allows members to design rates that more closely reflect cost of service for the largest customers on their system. This approach can provide members with an advantage in serving large customers since an investor owned utility serving hundreds or thousands of large customers cannot provide the same level of targeted customization. On the down side, it limits standardization among members and adds a level of complexity when developing reports or otherwise doing rate verification work on a system-wide basis.

Typical cutoff points for the “average” member might be as follows:

- **GS-1**  ≤ 50 kW
- **CP-1**  50 kW – 200 kW
- **CP-2**  200 kW – 1,000 kW
- **CP-3**  >1,000 kW

For members with very large industrial customers there might also be a CP-4 rate or even a CP-5 rate.

For Wisconsin members, TOU metering is mandatory for all customers with loads of 200 kW and greater. As a result, most Wisconsin members have their CP-2 cutoff point set at 200 kW.

The most challenging “rate border” to monitor is the border between the GS-1 and CP-1 rates. The reason for this is because GS-1 customers are generally set up with meters that only measure the energy (kWh) consumed between meter readings. These meters do not have the ability to track peak demand. Yet peak demand is needed to determine if a customer should be moved to the CP-1 rate. This is a significant issue that needs to be fully understood by all employees involved with the metering and billing process. Any member who is not regularly monitoring the GS-1/CP-1 transition point is almost certain to be billing some customers on the wrong rate.
There are a number of options that members can use to reduce the number of customers that might be impacted by this issue or to catch rate eligibility changes in a timely manner. Those options are as follows:

a) Raise the cutoff point between GS-1 and CP-1 to a higher level.

b) Put demand meters on all GS customers as a standard practice. Collect and maintain demand readings for all GS customers.

c) Change the cutoff from GS-1 to CP-1 to a kWh cutoff as opposed to a kW cutoff. An example might be that all customers with monthly energy consumption less than 10,000 kWh are GS-1 customers, those with consumption above 10,000 kWh are CP-1 customers.

d) Use energy consumption to estimate demand and put demand meters on those customers who appear to be approaching the GS/CP Transition Point (kW).

If option “a” above is used by a member, one of options “b”, “c” or “d” should also be used. The benefit of using option “a” is that options “c” or “d” would apply to a much smaller number of customers. Several WPPI members currently have the cutoff between their GS-1 and CP-1 rates set at 100 kW. They report that the number of customers that need to be monitored is very manageable and that the number of customers in a position to potentially manipulate internal loads to switch to a more beneficial rate is very small. A disadvantage to this approach is that there will be fewer customers with demand data, which could complicate cost of service analysis and rate design.

If option “b” is used, the demands should be collected and stored each month for each GS customer. The demand history should also be reviewed each month to determine if any customers need to be moved to the CP-1 rate. Metering and billing staff need to be educated on the reasoning and importance of collecting and storing the demand readings from customers who are not currently being billed on a demand rate. The billing system needs to be set up to store demands for these customers but not to use the demands for billing. Reports need to be written to flag any customers who reach the demand level cutoff for the CP rate schedule. The demand flag reports should be run and carefully reviewed on a monthly basis.

If option “c” is pursued, the member CP-1 rate design will need to be changed. The kWh cutoff level is recommended to be set based on where a member would want the kW cutoff point to be if kW was being used for this purpose. This comparison is provided because most utilities only have experience with kW cutoff values. It is meant only to help members determine where they might want to set their kWh cutoff point. The formula used for this determination is the same as the one used to determine the kWh demand trigger as explained in “d” below, except that a percentage factor of 75% is used rather than 50%. The table below shows suggested GS/CP Rate Transition Points (kWh) based on various Demand Equivalents (kW). It should be understood that peak demand will no longer be used to determine the transition point from GS to CP-1. If this approach is used, the actual peak demand of customers on the CP-1 rate could vary.
significantly based on the load factor of the customer. Table 1 below is provided simply as a reference to help members determine where they might want to set the GS/CP Transition Point. The formula used to calculate the GS/CP Transition Point is: Desired Demand Equivalent (kW) * .75 * 8 hours/day * 5 days/week * 4 weeks/month.

Table 1

<table>
<thead>
<tr>
<th>Desired Demand Equivalent (kW)</th>
<th>GS/CP Rate Transition Point (kWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>40</td>
<td>40 * .75 * 8 * 5 * 4 = 4,800</td>
</tr>
<tr>
<td>50</td>
<td>50 * .75 * 8 * 5 * 4 = 6,000</td>
</tr>
<tr>
<td>60</td>
<td>60 * .75 * 8 * 5 * 4 = 7,200</td>
</tr>
<tr>
<td>70</td>
<td>70 * .75 * 8 * 5 * 4 = 8,400</td>
</tr>
<tr>
<td>80</td>
<td>80 * .75 * 8 * 5 * 4 = 9,600</td>
</tr>
<tr>
<td>90</td>
<td>90 * .75 * 8 * 5 * 4 = 10,800</td>
</tr>
<tr>
<td>100</td>
<td>100 * .75 * 8 * 5 * 4 = 12,000</td>
</tr>
</tbody>
</table>

If members pursue this option, a kWh usage report should be run for all GS and CP-1 customers on a monthly basis. The report should be reviewed each month to determine if any customers need to be moved between the GS and CP rates.

If option “d” is implemented, it is recommended that any customer whose average demand is estimated to be greater than 50% of the GS/CP Rate Transition Point (kW) should have a demand meter installed. When calculating the estimated demand, the conservative assumption that all energy is used during on-peak hours, Monday through Friday, should be used. Using this technique, the Demand Meter Triggers (kWh) for determining when a demand meter should be installed were calculated for different GS/CP Rate Transition Points (kW) and are as shown in Table 2 below. The number of hours per month used in this process is calculated as 8 hours/day * 5 days/week * 4 weeks/month = 160 hours/month.

Table 2

<table>
<thead>
<tr>
<th>GS/CP Rate Transition Point (kW)</th>
<th>Demand Meter Trigger (kWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>40</td>
<td>40 * .5 * 8 * 5 * 4 = 3,200</td>
</tr>
<tr>
<td>50</td>
<td>50 * .5 * 8 * 5 * 4 = 4,000</td>
</tr>
<tr>
<td>60</td>
<td>60 * .5 * 8 * 5 * 4 = 4,800</td>
</tr>
<tr>
<td>70</td>
<td>70 * .5 * 8 * 5 * 4 = 5,600</td>
</tr>
<tr>
<td>80</td>
<td>80 * .5 * 8 * 5 * 4 = 6,400</td>
</tr>
<tr>
<td>90</td>
<td>90 * .5 * 8 * 5 * 4 = 7,200</td>
</tr>
<tr>
<td>100</td>
<td>100 * .5 * 8 * 5 * 4 = 8,000</td>
</tr>
</tbody>
</table>

When using this approach two reports need to be run and reviewed monthly. First, a kWh usage report that determines if any new customers grew beyond the Demand Meter Trigger (kWh) and need to have a demand meter installed. Second, a demand report that determines if any GS
customers with demand meters grew beyond the GS/CP Rate Transition Point and need to be moved to the CP rate structure.

It is important to note that this approach is quite conservative and if followed accurately, is likely to assure that all applicable customers are billed the correct rate. There is, however, the chance that a customer with relatively large loads and very low hours of usage could be missed by this process. In order to catch these potential exceptions, it is important to understand how individual C&I customers use electricity. Customers fitting the profile explained above should have a demand meter installed and demands should be collected and monitored on a monthly basis, regardless of their monthly energy consumption levels.

For all other commercial and industrial rates it is also necessary to generate and review reports to determine if any customer needs to be moved either up or down a rate class (or potentially more than one rate class). This applies to all GS and CP rate classes.
FINAL NOTICE

OCCUPANT
1500 ANYWHERE ST

Meter #: 202020202         Acct: 111222333

DISCONNECTION WILL OCCUR WITHIN (5) DAYS OF THIS NOTICE ON 11/25/14 AT THE SERVICE ADDRESS UNLESS THE OCCUPANT AT THE ABOVE SERVICE ADDRESS APPLIES FOR UTILITY SERVICE EITHER BY PHONE 715-423-6300 OR IN PERSON AT 221 16TH STREET SOUTH BY 4:30 PM ON 11/24/14.

To avoid the inconvenience of service interruption and an additional reconnection charge, we urge you to apply for utility service IMMEDIATELY AT OUR OFFICE. Please contact us at once, in person or by telephone at 715-423-6300 if you dispute this notice. You may appeal this notice to the Public Service Commission at (800) 225-7729.

Utility service will be continued during serious illness or protective service emergency if the occupant submits a statement or notice pursuant to PSC 134.062 (11)(a).

111222333
OCCUPANT
Service Address: 1500 ANYWHERE ST
11/20/14

Time:_________              Place:________________________________

Attempt at Contact Made ☒  Initials:__________
Route: 22-2222
# City of Oconomowoc Electric Utility Rate Summary
(Effective January 31, 2014)

## RESIDENTIAL SERVICE (Rg-1)
(Sales tax exempt November – April)

<table>
<thead>
<tr>
<th>Service</th>
<th>Single Phase</th>
<th>Three Phase</th>
<th>Energy Charge</th>
<th>Commitment to Community Charge</th>
<th>Sales tax exempt November – April</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge</td>
<td>$6.0000 per month</td>
<td>$12.0000 per month</td>
<td>$0.1169 per kWh</td>
<td>$1.0000 per month</td>
<td></td>
</tr>
</tbody>
</table>

## RESIDENTIAL SERVICE – Optional Time-of-Day (Rg-2)
(Sales tax exempt November – April)

<table>
<thead>
<tr>
<th>Service</th>
<th>Single Phase</th>
<th>Three Phase</th>
<th>Energy Charge</th>
<th>Commitment to Community Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge</td>
<td>$6.0000 per month</td>
<td>$12.0000 per month</td>
<td>$0.1169 per kWh</td>
<td>$1.0000 per month</td>
</tr>
</tbody>
</table>

## GENERAL SERVICE (Gs-1)
Demand less than 50kW per month

<table>
<thead>
<tr>
<th>Service</th>
<th>Single Phase</th>
<th>Three Phase</th>
<th>Energy Charge</th>
<th>Commitment to Community Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge</td>
<td>$7.0000 per month</td>
<td>$12.0000 per month</td>
<td>$0.1169 per kWh</td>
<td>$2.0000 per month</td>
</tr>
</tbody>
</table>

## GENERAL SERVICE – Optional Time-of-Day (Gs-2)
Demand less than 50kW per month

<table>
<thead>
<tr>
<th>Service</th>
<th>Single Phase</th>
<th>Three Phase</th>
<th>Energy Charge</th>
<th>Commitment to Community Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Charge</td>
<td>$7.0000 per month</td>
<td>$12.0000 per month</td>
<td>$0.1169 per kWh</td>
<td>$2.0000 per month</td>
</tr>
</tbody>
</table>

## SMALL POWER SERVICE (Cp-1)
Demand between 50kW and 200kW per month

<table>
<thead>
<tr>
<th>Service</th>
<th>Customer Charge</th>
<th>Distribution Demand Charge</th>
<th>Demand Charge</th>
<th>Energy Charge</th>
<th>Energy Limiter</th>
<th>Commitment to Community Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Peak</td>
<td>$7.0000 per month</td>
<td>$1.5000 per kW</td>
<td>$8.5000 per kW</td>
<td>$0.0803 per kWh</td>
<td>$0.1403 per kWh</td>
<td>$7.0000 per month</td>
</tr>
<tr>
<td>Off-Peak</td>
<td>$5.0000 per month</td>
<td>$1.5000 per kW</td>
<td>$8.5000 per kW</td>
<td>$0.0803 per kWh</td>
<td>$0.1403 per kWh</td>
<td>$7.0000 per month</td>
</tr>
</tbody>
</table>

## SMALL POWER SERVICE – Optional Time-of-Day (Cp-1 TOD)
Demand between 50kW and 200kW per month

<table>
<thead>
<tr>
<th>Service</th>
<th>Customer Charge</th>
<th>Distribution Demand Charge</th>
<th>Demand Charge</th>
<th>Energy Charge</th>
<th>Energy Limiter</th>
<th>Commitment to Community Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Peak</td>
<td>$5.0000 per month</td>
<td>$1.5000 per kW</td>
<td>$8.5000 per kW</td>
<td>$0.0931 per kWh</td>
<td>$0.0611 per kWh</td>
<td>$7.0000 per month</td>
</tr>
<tr>
<td>Off-Peak</td>
<td>$5.0000 per month</td>
<td>$1.5000 per kW</td>
<td>$8.5000 per kW</td>
<td>$0.0931 per kWh</td>
<td>$0.0611 per kWh</td>
<td>$7.0000 per month</td>
</tr>
</tbody>
</table>

## LARGE POWER SERVICE
- **Time-of-Day Service (Cp-2)**
  Demand between 200kW and 1,000kW per month

<table>
<thead>
<tr>
<th>Service</th>
<th>Customer Charge</th>
<th>Distribution Demand Charge</th>
<th>Demand Charge</th>
<th>Energy Charge</th>
<th>Off-Peak Energy Charge</th>
<th>Commitment to Community Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Peak</td>
<td>$250.0000 per month</td>
<td>$1.7500 per kW</td>
<td>$9.0000 per kW</td>
<td>$0.0958 per kWh</td>
<td>$0.0477 per kWh</td>
<td>$30.0000 per month</td>
</tr>
<tr>
<td>Off-Peak</td>
<td>$250.0000 per month</td>
<td>$1.7500 per kW</td>
<td>$9.0000 per kW</td>
<td>$0.0958 per kWh</td>
<td>$0.0477 per kWh</td>
<td>$30.0000 per month</td>
</tr>
</tbody>
</table>

## INDUSTRIAL POWER
- **Time-of-Day Service (Cp-3)**
  Demand greater than 1,000kW per month

<table>
<thead>
<tr>
<th>Service</th>
<th>Customer Charge</th>
<th>Distribution Demand Charge</th>
<th>Demand Charge</th>
<th>Energy Charge</th>
<th>Off-Peak Energy Charge</th>
<th>Commitment to Community Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-Peak</td>
<td>$315.0000 per month</td>
<td>$1.7500 per kW</td>
<td>$10.0000 per kW</td>
<td>$0.0917 per kWh</td>
<td>$0.0458 per kWh</td>
<td>$55.0000 per month</td>
</tr>
<tr>
<td>Off-Peak</td>
<td>$315.0000 per month</td>
<td>$1.7500 per kW</td>
<td>$10.0000 per kW</td>
<td>$0.0917 per kWh</td>
<td>$0.0458 per kWh</td>
<td>$55.0000 per month</td>
</tr>
</tbody>
</table>

## Electric Rate Information

**On-Peak Hours:**
- **Residential & General Service:** Choice of 7am to 7pm, 8am to 8pm, or 9am to 9pm Monday through Friday, excluding holidays
- **Small, Large & Industrial Power:** 8am to 8pm Monday through Friday, excluding holidays

**Off-Peak Hours:** All times not specified as On-Peak

**Power Cost Adjustment:** All energy charges (per kWh) are subject to the Power Cost Adjustment (PCA) reflecting monthly changes in the cost of power generation and transmission.

**Commitment to Community Charge:** State required funding of low income assistance and energy efficiency programs. The charge shall not exceed the greater of the monthly amount shown or 3.0% of the electric bill.

**Energy Charge:** The total cumulative quantity of electric energy delivered during the billing period measured in kilowatt hours (kWh)

**Demand Charge:** The peak single moment of electric energy consumption during the current billing period on-peak hours, measured in kilowatts (kW)

**Distribution Demand Charge:** The peak single moment of electric energy consumption during the prior twelve months regardless of time of day, measured in kilowatts (kW)

**Commercial Discounts:** Cp-1, Cp-1 TOD, Cp-2 & Cp-3 rates have discounts available:
- **Primary Metering:** 1.75% of Energy, Distribution Demand, and Demand charges
- **Transformer Ownership:** $0.60 per kW of Distribution Demand

**Information Requests:**
- **Billing Questions:** (262) 569-2198
- **Outage Reporting:** (262) 569-2196
- **After Hours Emergency:** (262) 567-4401
- **Diggers Hotline:** (800) 242-8511
- **Website:** www.oconomowoc-wi.gov

**Did You Know?**
As the only municipal electric utility, Oconomowoc Utilities offers the lowest electric prices in Waukesha County.
City of Oconomowoc Water Utility
Rate Summary
(Effective January 31, 2014)

GENERAL SERVICE - METERED (Mg-1)
Monthly Service Charge based on meter size

<table>
<thead>
<tr>
<th>Size</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>$7.70</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>$7.70</td>
</tr>
<tr>
<td>1&quot;</td>
<td>$14.10</td>
</tr>
<tr>
<td>1-1/4&quot;</td>
<td>$19.40</td>
</tr>
<tr>
<td>1-1/2&quot;</td>
<td>$24.70</td>
</tr>
<tr>
<td>2&quot;</td>
<td>$37.90</td>
</tr>
</tbody>
</table>

Volume Charges
First 70,000 gallons/month $3.33 per 1,000 gallons
Next 185,000 gallons/month $2.75 per 1,000 gallons
Over 255,000 gallons/month $2.28 per 1,000 gallons

GENERAL SERVICE - SUBURBAN (Mg-2)
Customers located outside of the City of Oconomowoc are billed at the regular rates (Mg-1) plus a 25% surcharge.

ADDITIONAL METER RENTAL CHARGE (Am-1)
Monthly Additional Meter Rental Charge based on meter size

<table>
<thead>
<tr>
<th>Size</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot;</td>
<td>$3.85</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>$3.85</td>
</tr>
<tr>
<td>1&quot;</td>
<td>$7.05</td>
</tr>
</tbody>
</table>

PRIVATE FIRE PROTECTION (Upf-1)
Monthly charge based on connection size

<table>
<thead>
<tr>
<th>Size</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>2&quot; or less</td>
<td>$8.00</td>
</tr>
<tr>
<td>3&quot;</td>
<td>$15.00</td>
</tr>
<tr>
<td>4&quot;</td>
<td>$25.00</td>
</tr>
<tr>
<td>6&quot;</td>
<td>$50.00</td>
</tr>
<tr>
<td>8&quot;</td>
<td>$80.00</td>
</tr>
</tbody>
</table>

Utility Information
Billing and Payments: (262) 569-2198
New, Transferred or Cancelled Service: (262) 569-2198

174 E. Wisconsin Avenue, Oconomowoc WI 53066

Electric & Water Operations Facility: (262) 569-2196
808 S. Worthington Street, Oconomowoc, WI 53066

Wastewater Treatment Facility: (262) 569-2192
900 S. Worthington Street, Oconomowoc, WI 53066

www.oconomowoc-wi.gov

The electric and water utilities are entities with rates and operating rules regulated by the Public Service Commission of Wisconsin.

City of Oconomowoc Wastewater Utility
Rate Summary
(Effective January 31, 2014)

GENERAL SERVICE - METERED
Monthly Service Charge $7.05

Volume Charges per 1,000 gallons of water usage
(Class based on waste strength)
Class “A” (standard) $3.88 residential/commercial
Class “B” (high) $4.39 commercial
Class “C” (special) $3.88 industrial

Summer Lawn Watering Adjustment: For residential customers only, the wastewater quantity invoiced for June through October is based on the average quantity from February through April, unless actual summer water consumption is less.

Industrial Surcharges (Class “C” customers only)
BOD > 250 mg/L $0.40 / Lb
TSS > 270 mg/L $0.26 / Lb

SANITARY DISTRICTS
Customers located in sanitary districts outside of the City of Oconomowoc are billed at rates according to their district contracts.

Utility Programs

BILL PAYMENT ASSISTANCE
The Wisconsin Home Energy Assistance Program (WHEAP) funded by the Commitment to Community program can help income eligible customers pay for their electric service. For more information, contact Waukesha County Social Services at (800) 506-5596.

BUDGET BILLING
A program is offered that charges a fixed amount per month during the year based on your average annual charges. The shortage/overage is reconciled once per year. For more information call (262) 569-3239.

INCENTIVE PROGRAMS
Central Air Tune-Up: A rebate of $25 is available for customers obtaining a qualified tune-up & inspection of a central air conditioner (less than 5 tons) once every three years. For more information call (262) 569-2198.
Appliance Recycling: A rebate of $40 is available with free pick-up of old or inefficient but working refrigerators & freezers. Contact Focus on Energy for this and other efficiency programs available at (855) 398-5226.
Tree Power: A rebate of $50 per tree (limit 3) is available for qualified trees that will provide shade for an air conditioning unit or home upon maturity. For information call (262) 569-3282.

GREEN POWER
You can provide your home or business with energy produced by renewable resources. “Blocks” of renewable energy are offered for an additional $3.00 (300 kWh / block). For information call (262) 569-2198.

ACH AUTOMATIC PAYMENT
A free service allows you to have your monthly payment automatically deducted from your checking or savings account. You will still receive an invoice to monitor your usage and charges. For information call (262) 569-2198.
**Electric Rate Information**

**Residential**
- **Residential Service (Rg-1):**
  - Customer Charge: Single Phase $6.0000 per month
  - Energy Charge: $0.1169 per kWh
  - Commitment to Community Charge: $1.0000 per month

- **Residential Service (Rg-2):**
  - Customer Charge: Single Phase $6.0000 per month
  - Energy Charge: On-Peak $0.2052 per kWh
  - Commitment to Community Charge: $2.0000 per month

- **General Service (Gs-1):**
  - Customer Charge: Single Phase $7.0000 per month
  - Energy Charge: $0.1169 per kWh
  - Commitment to Community Charge: $2.0000 per month

- **General Service (Gs-2):**
  - Customer Charge: Single Phase $7.0000 per month
  - Energy Charge: On-Peak $0.2052 per kWh
  - Commitment to Community Charge: $2.0000 per month

- **Small Power Service (Cp-1):**
  - Customer Charge: $50.0000 per month
  - Distribution Demand Charge: $1.5000 per kW
  - Energy Charge: On-Peak $0.0931 per kWh
  - Commitment to Community Charge: $7.0000 per month

- **Small Power Service (Cp-2):**
  - Customer Charge: $250.0000 per month
  - Distribution Demand Charge: $1.7500 per kW
  - Energy Charge: On-Peak $0.0958 per kWh
  - Commitment to Community Charge: $30.0000 per month

- **Industrial Power (Cp-3):**
  - Customer Charge: $315.0000 per month
  - Distribution Demand Charge: $10.0000 per kW
  - Energy Charge: On-Peak $0.0917 per kWh
  - Commitment to Community Charge: $55.0000 per month

**Electric Utility**
- Website: www.oconomowoc-wi.gov
- Diggers Hotline: (800) 242-8511
- Outage Reporting: (262) 567-4401
- Customer Service: (262) 567-4410
- Billing Questions: (262) 569-2198
- After Hours Emergency: (262) 569-2198
- Did You Know? As the only municipal electric utility, Oconomowoc Utilities offers the lowest electric prices in Waukesha County.

**Did You Know?**

As the only municipal electric utility, Oconomowoc Utilities offers the lowest electric prices in Waukesha County.
City of Oconomowoc
Water Utility
Rate Summary
(Effective January 31, 2014)

GENERAL SERVICE - METERED (Mg-1)
Monthly Service Charge based on meter size
5/8” $7.70 3” $64.10
3/4” $7.70 4” $100.10
1” $14.10 6” $184.90
1-1/4” $19.40 8” $285.80
1-1/2” $24.70 10” $419.30
2” $37.90 12” $552.80

Volume Charges
First 70,000 gallons/month $3.33 per 1,000 gallons
Next 185,000 gallons/month $2.75 per 1,000 gallons
Over 255,000 gallons/month $2.28 per 1,000 gallons

GENERAL SERVICE - SUBURBAN (Mg-2)
Customers located outside of the City of Oconomowoc are billed at the regular rates (Mg-1) plus a 25% surcharge.

ADDITIONAL METER RENTAL CHARGE (Am-1)
Monthly Additional Meter Rental Charge based on meter size
5/8” $3.85 1-1/4” $9.70
3/4” $3.85 1-1/2” $12.35
1” $7.05

PRIVATE FIRE PROTECTION (Upf-1)
Monthly charge based on connection size
2” or less $8.00 15202 10” $120.00 15210
3” $15.00 15203 12” $160.00 15212
4” $25.00 15204 14” $200.00
6” $50.00 15206 16” $240.00
8” $80.00 15208

City of Oconomowoc
Wastewater Utility
Rate Summary
(Effective January 31, 2014)

GENERAL SERVICE - METERED
Monthly Service Charge $7.05

Volume Charges per 1,000 gallons of water usage
(Class based on waste strength)
Class “A” (standard) $3.88
Class “B” (high) $4.39
Class “C” (special) $3.88

Summer Lawn Watering Adjustment: For residential customers only, the quantity for Jun-Oct is the average from Feb-Apr.

SANITARY DISTRICTS
Customers located in sanitary districts outside of the City of Oconomowoc are billed at rates according to their district contracts.

Utility Programs

BILL PAYMENT ASSISTANCE
The Wisconsin Home Energy Assistance Program (WHEAP) funded by the Commitment to Community program can help income eligible customers pay for their electric service. For more information, contact Waukesha County Social Services at (800) 506-5596.

BUDGET BILLING
A program is offered that charges a fixed amount per month during the year based on your average annual charges. The shortage/overage is reconciled once per year. For more information call (262) 569-3239.

INCENTIVE PROGRAMS
Central Air Tune-Up: A rebate of $25 is available for customers obtaining a qualified tune-up & inspection of a central air conditioner (less than 5 tons) once every three years. For more information call (262) 569-2198.

Appliance Recycling: A rebate of $40 is available with free pick-up of old or inefficient but working refrigerators & freezers. Contact Focus on Energy for this and other efficiency programs available at (855) 398-5226.

Tree Power: A rebate of $50 per tree (limit 3) is available for qualified trees that will provide shade for an air conditioning unit or home upon maturity. For information call (262) 569-3282.

GREEN POWER
You can provide your home or business with energy produced by renewable resources. “Blocks” of renewable energy are offered for an additional $3.00 (300 kWh / block). For information call (262) 569-2198.

ACH AUTOMATIC PAYMENT
A free service allows you to have your monthly payment automatically deducted from your checking or savings account. You will still receive an invoice to monitor your usage and charges. For information call (262) 569-2198.
Exhibit 16 of 30

Utilities

Oconomowoc, WI 53066

February 18, 2014

Dear [Name],

Earlier today we discussed on the phone an issue with the two electric meters that provide electric service to your business. Based on a review of your electric meter activity, it appears that about 60% of your power flows through one meter, and 40% through the other. It was recently discovered that the power flowing through the lesser meter has not been invoiced since October 2012. Our electric utility is regulated by the operating rules of the Public Service Commission. As such, we are required to treat all customers equally. Because it is known that the unbilled energy was provided and consumed, we are required to charge for it. The total amount of unbilled electricity is $3,994.18. A page with detail calculations and a graph summary is enclosed with this letter.

We recognize the unfortunate nature of this issue. Within the scope of allowable actions, we would like to assist you in the remedy of the incident.

What we have done:
- To clear the problem that caused the second meter to not be invoiced, starting with your February invoices, you will receive two separate invoices for the two electric meters.
- The invoice you are currently receiving (Customer # [redacted], Meter # [redacted]) will remain unchanged. This invoice is currently enrolled in the ACH program for automatic payments. We have currently left this ACH enrollment active.
- A second invoice (Customer # [redacted], Meter # [redacted]) will be charged with the unbilled amount $3,994.18. This account is not enrolled for ACH payments. We will also turn off the late payment / interest penalty on this account.
- Once you should have received this letter, I will have one of our electric meter technicians call to schedule an on-site visit to review the meters and the electric services provided.

What we can do:
- Because the issue occurred over fifteen months, the amount due for prior service can be paid over an extended period of time, perhaps up to the same fifteen months.
- For the new account, you could manually pay the current charges plus an additional amount.
• If you prefer, we could set up a budget plan in our billing system that will charge a fixed amount based on the annual average charge per month plus an additional amount. This could be set up for ACH automatic payments if you prefer.

Please contact me with any questions you may have, or with the approach you prefer to remedy the situation. You can reach me at (262) 569-3226 or our billing customer service at (262) 569-2198.

Sincerely,

[Signature]

John Schuh,
Utility Accounting Manager
City of Oconomowoc Utilities
### Electric Meter: $0.0699 / kWh (not invoiced)

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<th>Date</th>
<th>Reading Date</th>
<th>Energy Charge</th>
<th>PCAC Rate</th>
<th>PCAC Charge</th>
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Total: $3,694.18

### Electric Meter: $0.0999 / kWh (invoiced)

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<th>PCAC Rate</th>
<th>PCAC Charge</th>
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</table>

Total: $3,583.94

#### Uninvoiced Charges: $3,994.18

Number of Months: 15
Average: $266.28

#### Exhibit 18 of 30

![Graph showing invoiced and corrected charges over time with peak periods highlighted]
Menasha Utilities
Commercial and Industrial Accounts
Metering Work Sheet

Section 1 -- Customer Service Information
Customer: __________________________
Service Address: __________________________
                      Menasha, WI 54952
Billing Address: __________________________
City, State, Zip: __________________________
Date: __________________________
Customer Account: __________________________
Contact Name: __________________________
Phone: __________________________
Need Date: __________________________

Section 2 -- Customer Service Specification
Service Type
3 Phase 4-Wire 13.2 KVolts

Entrance Data
Total Entrance Switch Rating: _______ Amperes
% Continuous Ampere Rating: _______ 60 %
Load: _______ Amperes
Primary Facilities: Overhead
PT Location: Cabinet
Meter Location: Building
MU Rate Class: __________________________

Load Data

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<tr>
<th>KW</th>
<th>KVA</th>
<th>PF</th>
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<tr>
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<tr>
<td>3Ø</td>
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</tr>
<tr>
<td>Total</td>
<td></td>
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</tr>
</tbody>
</table>

Transformer Size: _______ KVA
Service Facilities: URD
CT Location: Cabinet
Service Size: __________________________
Service Conductors: __________________________

Section 3 -- Metering Requirements
Voltage Transformer: Yes
Current Transformer: Yes
CT Bars: Yes
Customer Pulses: No
Isolation Relay: No
Type: 10-Wire
Meter Test Switch: Yes
Type: 9S
Meter Form: __________________________
Telephone Ckt.: No
Cell Phone Ckt.: Yes
IP Connection: Yes
Quantity: __________________________
Ratio: __________________________
Quantity: __________________________
Ratio: __________________________
Length: __________________________
Width: __________________________
Thickness: __________________________

滔滔不绝

Meter Socket Type: 13 Jaws
Meter Voltage: 120 V
Telephone Number: __________________________
Cell Phone Number: __________________________
IP Address: __________________________

Exhibit 19 of 30
Menasha Utilities
Commercial and Industrial Accounts
Metering Work Sheet

Section 4 - One-Line Metering Sketch
Section 5 -- Calculations
Menasha Utilities
Commercial and Industrial Accounts
Metering Work Sheet

Section 6 -- Meter Wiring Diagram
## Section 7 -- Routing

<table>
<thead>
<tr>
<th>Role</th>
<th>Signature</th>
<th>Date</th>
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<tbody>
<tr>
<td>Distribution Manager</td>
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<tr>
<td>Meter Technician</td>
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<tr>
<td>Engineering Manager</td>
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<td>Customer Service</td>
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<tr>
<td>Meter Shop File</td>
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</table>

## Section 8 -- Form Revisions
October 8, 2014

Dear Oconomowoc Utilities Customer,

You’ve recently qualified to make a choice to change your electric rate class for billing.

The Public Service Commission of Wisconsin (PSC) set new rates for Oconomowoc in early 2014 which require us to monitor each customer’s usage and give qualifying customers, such as your business, the ability to choose among rate classes. The rates at which we provide electric services to our customers are divided into groups based on the consumption characteristics of to each customer.

**Current Rate Class**
- Your electric service is currently invoiced using the *General Service Gs-1* rate schedule. As such, you are billed for electric *energy*, which is the total cumulative quantity of electricity delivered each month, regardless of how much is used at once.

**Optional Rate Class**
- You can choose to move to the *Commercial Power Cp-1* rate schedule. These rates offer lower *energy* rates than *General Service* rates. However, two additional charges are added for electric *demand*.
  - Electric *demand* is the measure of electricity delivered at a single moment in time. The *demand charge* reflects the monthly maximum single moment of electric consumption during on-peak hours. The *distribution demand charge* reflects the maximum single moment of electric consumption during the prior 12 months.

**Other Options**
- You have always had the option to be billed for *energy* at Time-Of-Use (TOU) rates. You still have this option under either of the *General Service* rates or the *Commercial Power Cp-1* rates.

The TOU rates are higher for on-peak hours and lower for off-peak hours than the standard *energy* rate. Off-peak hours are 8pm to 8am on weekdays, and all day on
weekends & holidays. Based on the difference in rates, and when you consume most of your energy, this option could be beneficial.

**How Do You Choose the Best Rate Class?**

We understand that making a choice between rate schedules may be difficult. Below is a chart of rates in each class. We have also recalculated your current month’s utility bill using the various options. (Please note that the current month invoice may not be characteristic of your typical average consumption.)

Moving to a new rate class does not mean that your total electric bill will be consistently lower (or higher). The changes will be dependent on the way you use electricity in the future.

<table>
<thead>
<tr>
<th></th>
<th></th>
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<tbody>
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<td>Energy Charge</td>
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<td>Energy Charge - Off Peak</td>
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<td>Distribution Demand Charge</td>
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<th>Cp-1</th>
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<td>$1,802.43</td>
<td>$1,661.06</td>
<td>$1,521.34</td>
<td>$1,450.30</td>
</tr>
</tbody>
</table>

Please note that if your electric demand exceeds 50kW three times in twelve months, you no longer have a choice, as we are required to move you up to the *Commercial Power Cp-1* rates. For reference, your electric demand was 32kW for this billing period.
Next Steps

- Return the form below and indicate which rate option you would like to choose.
- If we do not receive a reply from you before the next monthly invoice is generated, we will keep you on your current rate schedule.
- If you choose to change rates, the new rates will be effective the following month.
- If you choose to change to a new rate class, you must remain on this rate for at least one year, unless you have a change in usage that requires a rate change.

If you would like further explanations of the differences between rate classes, or would like us to assist you with your further analysis of your options please let us know. Our billing department phone number is (262) 569-2198. We will be glad to help you.

Sincerely,

John Schuh
Utility Accounting Manager
Oconomowoc Utilities

10/08/2014

___ I would like to remain at the current General Service (Gs-1) rates. [Default Choice]
___ I would like to move to the General Service, Time of Day (Gs-2) rates.
___ I would like to move to the Commercial Power (Cp-1) rates.
___ I would like to move to the Commercial Power, Time of Day (Cp-1 TOD) rates.

Signed, Customer Name/Representative  Date

Please return this to us with your utility payment. You may also send this back to us by:

Mail: Oconomowoc Utilities, 174 E. Wisconsin Avenue, Oconomowoc WI 53066
Fax: (262) 569-3238
E-mail: eschmidt@oconomowoc-wi.gov
<table>
<thead>
<tr>
<th>Description of Services</th>
<th>READING DATES FROM</th>
<th>TO</th>
<th>METER READING PRESENT</th>
<th>PREVIOUS</th>
<th>USAGE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elec: METER</td>
<td>09/20/14</td>
<td>09/26/14</td>
<td>15,579</td>
<td>15,271</td>
<td>12,320</td>
<td></td>
</tr>
<tr>
<td>Elec: METER</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Elec: Gs-1 CUSTOMER CHARGE</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Elec: Gs-1 ENERGY USAGE CHARGE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elec: POWER COST ADJUSTMENT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elec: COMMITMENT TO COMMUNITY</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Elec: SALES TAX</td>
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</tr>
<tr>
<td>Elec: PENALTY</td>
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</tr>
</tbody>
</table>

**Total Current Charges:** $1,602.43

**Arrears Balance:** $3,408.77

**Total Amount Due Now:** $5,011.20

**"After Due Date 10/21/2014"** $5,061.31

Please make checks payable to Oconomowoc City Utilities.

For payment options visit our website at www.oconomowocutilities.com or call 1-877-390-7368 to make a payment by phone.

Rate schedules and rules are available at the utility office. Inquiries regarding this bill or service rendered may be made at the Oconomowoc City Utilities, 174 E. Wisconsin Ave., Oconomowoc, WI 53066, or by calling (262) 569-2198.

**POWER COST ADJUSTMENT**

The P.C.A. is the month to month adjustment in the cost of power due to demand and fuel charges that are billed to Oconomowoc.

**LATE PAYMENT CHARGE**

A charge of 1% will be added to bills not paid within 20 days from date of issuance.

Exhibit 27 of 30
How can the PSC help?

Prior to contacting the PSC, contact your utility company to try to resolve the problem. If you cannot resolve the problem with your utility company, you may contact the PSC Consumer Affairs Division at 608-266-2001, 1-800-225-7729, or on the web at: http://psc.wi.gov/consumerInfo/complaints/index-complaints.htm. A staff member will obtain information from you and the utility company, and try to resolve the issue.

Moving?

If you are planning to buy a home or rent a new apartment, contact your utility for an estimate of the energy costs at the new address. It can provide you with an average of how much energy was used at the new address or the largest and smallest bills during the last 12 months.

Service Disconnection or Refusal

Utility services can be disconnected if you:

- Fail to pay your utility bill
- Fail to comply with a deferred payment agreement
- Tamper with your meter, i.e., self reconnection
- Fail to pay a properly assessed deposit
- Have a safety hazard, i.e., exposed wires, meter socket damage
- Live at an address where the prior customer failed to pay his or her utility bill and continues to reside at that address.
- Fail to provide the utility access to your meter or other utility equipment
A utility must send you a notice before your service is disconnected unless the disconnection is due to a safety hazard or self-reconnection. The disconnection notice must clearly state the reasons for the disconnection, when the disconnection can happen, and how to contact your utility to try to resolve the issue. The dispute procedures must be printed on the disconnection notice. Both you and the utility company must make reasonable attempts to work together to resolve the problem.

**Deposits**

Utility companies may require a deposit for service to ensure payment. A standard deposit cannot exceed the sum of the two largest consecutive bills during the last twelve months. A deposit requested due to non-payment during the winter months cannot exceed the four highest consecutive bills during the last twelve months. The following rules apply to payment and refund of deposits:

- **Existing Residential Service:** A standard deposit can be requested if your service was disconnected during the last 12 months for nonpayment of an undisputed account or your initial application was falsified or incomplete. A winter non-payment deposit can be required if you had debt incurred during the winter that was 80 days or more past due and you had the ability to pay.

- **New Residential Service:** A deposit can be requested if you have an unpaid bill for the same type of service anywhere in Wisconsin during the last six years which remains undisputed. A deposit can also be required if there is good reason to believe that you do not intend to, or will be unable to pay your bills at the time payment is due.

For residential service, the deposit will be refunded, with interest, after 12 consecutive months of prompt payment. You do not have to post a deposit if you can document that your income is at or below 200 percent of the federal poverty guidelines.

**Budget Payment, Installment Plans and Medical Emergencies**

To manage high winter gas bills or high summer electric bills, ask your utility about budget billing payment plans. This allows you to average estimated annual use into even monthly payments. Every six months, your payment amount is adjusted to reflect your actual use. At the end of a budget year, your bill is adjusted to correct over-billing or under-billing.

You may use installment plans to pay what you owe your utility. They can be used for both current bills and overdue bills. A down payment and installment payments will be negotiated between you and your utility depending on your situation. If the agreed installment payments are not paid, the utility may disconnect your service.

If the disconnection will aggravate a medical or protective services emergency, the utility will delay service disconnection for up to 21 days. The utility may require documentation from a professional involved with the medical emergency or crisis.
Winter Disconnection Rules

If the utility service provides or affects the primary heat source to your home, a utility cannot disconnect service from November 1 through April 15. Before winter, the utility must attempt to contact customers whose service was disconnected for non-payment. Utilities are also required to check the customer’s well-being, attempt to negotiate payment plans, and inform the customer about any special assistance available to avoid disconnection.

Meter Readings

If the utility cannot read your meter, you will get an estimated bill. Estimated usage is determined based on historical usage at the residence and weather patterns. To avoid estimated readings, you can read your own meter. The PSC requires utilities to read your meter at least once every six months and when there is a change of customer. You must allow these readings or your service can be disconnected.

The Public Service Commission of Wisconsin is an independent state agency that oversees more than 1,100 Wisconsin public utilities that provide natural gas, electricity, heat, steam, water and telecommunications services.