



Public Service Commission of Wisconsin

Eric Callisto, Chairperson
Mark Meyer, Commissioner
Lauren Azar, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

For Immediate Release – December 18, 2008

Contact: Timothy Le Monds or Teresa Smith, (608) 266-9600

New Rate Structure for Madison Water Utility Will Encourage Residents to Conserve Water Use

MADISON - The Public Service Commission of Wisconsin (PSC) today approved the City of Madison Water Utility's request for a 12 percent residential water rate increase and to implement a new residential rebate program for high efficiency WaterSense toilets.

The Madison Water Utility asked the Commission for authority to change its water rates to cover operating costs, water treatment measures and well improvement costs. The proposal is the first step in the utility's efforts to implement water conservation and efficiency measures to address declining groundwater levels and to curb high volume water use in the community. In its *2008 Water Conservation and Sustainability Plan*, the water utility established a goal to reduce per capita residential water use by 20 percent by 2020.

In its decision today, the Commission set rates for the City of Madison Water Utility to increase by approximately 12 percent or an increase of about \$1.62 on the average residential customer's monthly bill. The Commission approved a uniform single volume rate of \$1.41 per 100 cubic feet for residential use as well as a high efficiency toilet rebate program. As part of the Commission's decision, the utility will be required to evaluate the new toilet rebate program for their residential customers, determine its effects on water conservation and report back to the PSC by April 1, 2010, and annually thereafter.

When a utility requests a change in rates, the PSC conducts a thorough audit of the utility's expenses and revenues. A public hearing on the utility's request was held in November 2008 in Madison. The testimony provided at this hearing was part of the record the Commission reviewed as it considered all aspects of the application. The Commission will issue a written order to finalize today's decision.

Documents associated with this case can be viewed on the PSC's Electronic Regulatory Filing System at <http://psc.wi.gov>. Type case number 3280-WR-110 in the boxes provided on the PSC homepage, or click on the Electronic Regulatory Filing System button.

(END)