

## General Application Checklist for PSC Construction Authorization

Wis. Admin. Code 184.04(3) requires that the application include the following items:

- (a) A description of the project including all project components, phases, and a schedule of construction (including proposed start date and end date).
- (b) Information supporting the purpose and necessity of the project.
- (c) An analysis and description of alternatives to the project.
- (d) An analysis of the effect of the project on the quality and reliability of service.

Per Wis. Stat. 196.49(3)(b), please specifically address how the project will:

- Not substantially impair the efficiency of this Utility's service.
- Not provide facilities unreasonably in excess of the Utility's probable future requirements.
- Increase the value or available quantity of service in proportion to any addition to this Utility's cost of service.

- (e) The project cost itemized by major plant accounts as identified in the PSC uniform system of accounts, including all administrative, overhead, engineering, legal, construction, and inspection costs. (Please note that if the as-built cost of the project exceeds the authorized amount by more than 10% then the utility will be required to notify the PSC and provide a justification for the cost overrun). PSC uniform system of accounts may be found at: <https://psc.wi.gov/Documents/water/USOAWater.pdf>
- (f) Identification of the proposed project funding sources, including utility or municipal sources and outside grants or loans. If the project will be financed, the utility shall include expected financing rates and terms. (Identify estimated amount of grants, principal forgiveness, loans, impact fees, and special assessments).
- (g) An estimate of annual operating costs of the project, by major expense accounts as identified in the uniform system of accounts.
- (h) A description of any plant being retired or replaced and the year it was placed in service, if known.
- (i) A map showing the location of the project and all proposed facilities by Public Land Survey System (PLSS) quarter-quarter section or by another methodology approved by the commission.
- (j) A list of any permits or approvals required by other state agencies or local governmental units and a statement indicating whether the permits or approvals have been applied for or obtained.
- (k) For a project under s. PSC 184.03 (3), that includes new or expanded groundwater wells, surface water intakes, or other sources of water supply, information on any action the utility has taken to mitigate the need for the project. (See supplemental application).

- (l) The identification of any flood-sensitive facilities that would be located in designated flood plains or flood-prone areas.
- (m-n) Information to allow the commission to document the environmental impacts of a project subject to s. PSC 4.10 and that require coordinated commission and department review under s. 30.025, Stats. After consultation with the applicant, the commission shall identify any additional information required on a case-by-case basis. Please note that in the environmental impact application filing requirements documents linked below, there are detailed instructions for the confidential filing of certain information related to rare species. Please consult the documents prior to filing this information.
- For Type II water projects, which involve the construction of water main that is BOTH eight inches in diameter or greater and at least three miles in length or longer see environmental impact application filing requirements at:  
<https://psc.wi.gov/Documents/water/ENVAFRwaterTypeTwo.pdf>
  - All other water projects that DO NOT involve water main construction of the size and length described above are considered Type III water projects, and the environmental impact application filing requirements for those projects can be accessed at:  
<https://psc.wi.gov/Documents/water/ENVAFRwaterTypeThree.pdf>
- (o) Any other information relevant to the project requested by the commission.

- Utility contact information including: name, title, address, phone, and email.
- Consultant contact information including: name, title, address, phone, and email.
- Description of why the project requires PSC authorization (e.g. exceeds cost threshold, construction in service area of another utility, etc.).
- List of any items included in the application that are not related to the construction project.
- Total number of water customers from latest PSC annual report.
- Table showing total water sales (gallons) and percent change over last 5 years per PSC annual reports.
- Table showing average residential customer's water usage per month (gallons) and percent change over last 5 years per PSC annual reports.
- Total water operating revenues (\$) from latest PSC annual report Page W-1.
- Total annual sales of water (\$) from latest PSC annual report Page W-1.
- Percent non-revenue water over last 5 years from PSC annual reports.
- Compute water rate impact based on the following formula:

**Estimated Rate Impact**

The following equation may be used to estimate the percent increase in water rates due to the construction of the proposed project:

$$\text{Estimated \% increase in rates due to construction project} = \frac{(\text{UP})(0.13) + (\text{CP})(0.03)}{\text{Annual Sales of Water}} \times 100\%$$

Where:

**UP** = Utility financed project costs in dollars (loans or funds)

**CP** = Contributed financed project costs in dollars (grants and principal forgiveness)

**Annual Sales of Water** = the utility's annual "total sales of water" in dollars from page W-1 of the utility's most recent PSC Annual Report

- Supplemental application form required for certain types of projects per the [PSC website](#).
- If a utility intends to use Safe Drinking Water Loan Program (SDWLP) funds to help pay for its project, it is important to make sure all SDWLP requirements are met, including filing a rate increase with the PSC in a timely manner. The [DNR Environmental Loans webpage](#) provides the following guidance:
  - A municipality planning to apply for SDWLP financial assistance should develop its proposed water rate changes while its engineering report is being developed.
  - SDWLP applications must be submitted by **June 30** for the upcoming state fiscal year (SFY) funding cycle.
  - A municipal applicant should submit the proposed water rate changes to PSC in an application to increase rates no later than the **September 15** following the SDWLP application submittal.
  - A copy of the PSC approved rate order must be submitted to the applicant's DNR project manager by the **March 15** prior to execution of the Financial Assistance Agreement (FAA).
  - SDWLP loan closing – Sign the FAA by **June 30** following the calendar year in which funding was allocated