

PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of
Thursday, December 8, 2016

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Nowak, Commissioner Montgomery and Commissioner Huebsch.

Minutes

The Commission approved the minutes of the open meeting of Thursday, December 1, 2016.

137-CE-184 – Application of American Transmission Company LLC to Rebuild the Existing 69 kV Transmission Line Between the Finger Road Substation in the City of Green Bay, Brown County, Wisconsin, and the Canal Substation in the City of Sturgeon Bay, Door County, Wisconsin

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

2630-CW-105 – Application of the City of Hudson, as a Water Public Utility, for Authority to Purchase and Renovate a Building for Utility Use Purposes, in the City of Hudson, St. Croix County, Wisconsin

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3000-CW-102 – Application of the City of Lake Mills, as a Water Public Utility, for Authority to Perform Non-Routine Meter Replacement in the City of Lake Mills, Jefferson County, Wisconsin

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

2360-PW-101 – Application of the Village of Greendale, Milwaukee County, Wisconsin, as a Water Public Utility, for Authority to Adjust Water Rates through its Purchased Water Adjustment Clause

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

3870-WA-100 – Application of the Morrisonville Sanitary District No. 1, Dane County, Wisconsin, as a Water Public Utility, for Authority to Abandon its Water Utility and to Sell its Assets to the Windsor Water Utility, in the Village of Windsor, Dane County, Wisconsin

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5670-WR-103 – Application of the City of Stanley, Chippewa County, Wisconsin, as a Water Public Utility, for Authority to Adjust Water Rates

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6572-CW-100 – Application of the Village of Windsor for Authority to be a Public Utility, Acquire Facilities, Establish its Own Rates, and Provide Water Service to Customers Formerly Served by the Morrisonville Sanitary District No. 1 and the Windsor Sanitary District Number One, in the Village of Windsor, Dane County, Wisconsin

The Commission approved the Notice of Proceeding and directed it be signed by the Secretary to the Commission on behalf of the Commission.

1-AC-248 – Adopting Updated Federal Gas Pipeline Safety Code

Amended Notice of Rulemaking Without Hearing and Request for Comments

The Commission approved the Amended Notice of Rulemaking Without Hearing and Request for Comments regarding the adoption of the updated federal regulations concerning natural gas pipeline safety and directed it be signed by the Secretary to the Commission on behalf of the Commission.

The Commission further directed the Office of General Counsel to make the necessary filings.

6680-RM-100 – Application of Wisconsin Power and Light Company for Approval of its Risk Management Plan for Hedging

The Commission approved the gas risk management plan filed on behalf of Wisconsin Power and Light Company (WP&L), with conditions, capping the long-term procurement strategy at 20 percent and limiting purchases under that strategy to 10 percent of each future year's system demand; limiting hedging under the mid-term strategy to 35 percent of WP&L's system demand; imposing a volumetric restriction of not hedging more than 10,000 dekatherms per day for a future month; requiring various reporting conditions; and providing an expiration date for the

plan of March 31, 2018, or until the Commission takes final action on a new plan, provided WP&L files a new plan by January 1, 2018.

The Commission directed the Division of Energy Regulation to draft an order consistent with its decision.

3045-WI-100 – Summary Investigation of the Village of Lannon, Waukesha County, Wisconsin, as a Water Public Utility, for Failure to Charge Reasonable Rates

The Commission opened a summary investigation under Wis. Stat. § 196.28(1) to determine whether the rates being charged by the Village of Lannon (Lannon) are reasonable, and if Lannon fails to provide the necessary information, authorizing the issuance of an order requiring Lannon to provide additional information by filing a rate case application within 45 days. The Commission further determined that if Lannon fails to provide the additional information by filing a rate case application, Commission staff is directed to prepare the necessary filings.

The Commission approved the issuance of a Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission. The Commission further directed the Secretary to the Commission, on behalf of the Commission, to sign any subsequent order as may be necessary consistent with the Commission's determinations.

3720-WI-104 – Investigation into the City of Milwaukee, Milwaukee County, Wisconsin, as a Water Public Utility, for the Installation of Bypass Valves at the Linnwood Water Treatment Plant

The Commission discussed this matter and determined that the City of Milwaukee, as a water public utility (MWW), failed to obtain a Certificate of Authority prior to installing the bypass valves in the piping which transmits water to and from the ozone building at the Linnwood Water Treatment Plant.

The Commission further determined that a letter of reprimand should be sent to MWW for its violation of Wis. Stat. § 196.49 and Wis. Admin. Code § PSC 184.03(3).

The Commission directed that MWW and Commission staff shall meet within 30 days of receipt of the letter of reprimand to discuss the Commission's expectations and concerns going forward.

The Commission delegated to the Administrator of the Division of Water, Telecommunications and Consumer Affairs the authority to schedule additional meetings, if necessary, and to determine whether or to what extent any reports or formal plan may be required to avoid a reoccurrence of a similar noncompliance issue in the future.

While MWW failed to obtain the required Certificate of Authority, it has provided sufficient documentation in this investigation regarding the project so that a determination as to the recoverability of the costs for the project can be addressed in MWW's next rate case.

The Commission directed the Division of Water, Telecommunications and Consumer Affairs to draft a letter of reprimand consistent with its discussion.

6240-WI-101 – Investigation of the City of Waukesha, Waukesha County, Wisconsin, as a Water Public Utility, into the Repairs of the Parking Deck at the Utility Office

The Commission discussed this matter and determined that the City of Waukesha, as a water public utility (Waukesha), failed to obtain a Certificate of Authority prior to replacing and substantially improving the parking deck located on top of Waukesha's maintenance building and garage.

The Commission further determined that a letter of reprimand should be sent to Waukesha for its violation of Wis. Stat. § 196.49 and Wis. Admin. Code § PSC 184.03(3).

The Commission directed that Waukesha and Commission staff shall meet within 30 days of receipt of the letter of reprimand to discuss the Commission's expectations and concerns going forward.

The Commission delegated to the Administrator of the Division of Water, Telecommunications and Consumer Affairs the authority to schedule additional meetings, if necessary, and to determine whether or to what extent any reports or formal plan may be required to avoid a reoccurrence of a similar noncompliance issue in the future.

While Waukesha failed to obtain the required Certificate of Authority, the Commission acknowledges the project and concludes it is reasonable to include the costs of the project in Waukesha's pending rate case as the nature, scope and cost of the project would have met the code requirements for obtaining the required approvals.

The Commission directed the Division of Water, Telecommunications and Consumer Affairs to draft a letter of reprimand consistent with its discussion.

The Commission adjourned the meeting at 10:44 a.m.

Sandra J. Paske
Secretary to the Commission