



Public Service Commission of Wisconsin

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PSC Streamlines Milwaukee Water Works Economic Development Rate

Agency's efforts promote job growth in Milwaukee

MADISON – The Public Service Commission of Wisconsin (Commission) took action to attract job creators to Milwaukee today. With a 2-1 vote, the Commission voted to improve terms of an Economic Development Rate (EDR) to make it more attractive to existing and potential customers of Milwaukee Water Works (MWW) who are looking to grow and create jobs.

“The unemployment rate in the City of Milwaukee is 10.2 percent, so it was important for the Commission to streamline this Economic Development Rate and help get people back to work,” PSC Chairperson Phil Montgomery said. “Milwaukee Water Works has plenty of water to sell, and when customers sign up for the improved Economic Development Rate, all ratepayers will benefit when more jobs are created in Milwaukee.”

The Commission approved an initial EDR for MWW in February of 2011. The Commission had approved the EDR as a two-year pilot program; however, as of March 21, 2012, MWW reported that no customers had taken advantage of the EDR. On May 4, 2012 the Commission opened an investigation to determine whether modifications to the EDR were necessary in order to encourage greater participation and create more jobs.

The Commission's action today will reduce the barriers that were identified by potential customers. In order to streamline MWW's EDR and promote job creation, the Commission decided to:

1. Eliminate a requirement that employers who take the rate create and retain at least 25 living wage jobs within just 90 days. Inflexibility on the time needed to create jobs has been inhibiting businesses from seeking the EDR.
2. Allow a prospective customer to affirm that the EDR was one factor in its decision to expand or relocate to Milwaukee, rather than the only factor.
3. Allow participants greater flexibility in demonstrating efficient water use practices
4. Dial down the amount of water job creators would be required to use to receive the EDR savings so more are eligible.
5. Restart the timeline for the EDR, extending the deadline for another two years.

“Today we voted to give an economic development tool to Milwaukee Water Works to expand their customer base and help create jobs,” Commissioner Ellen Nowak said. “Our action today is a step in the right direction for bringing down the unreasonably high unemployment rate in Wisconsin's largest city.”