



# Public Service Commission of Wisconsin

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## **PSC Audit Leads to Rate-Freeze Settlement for WPSC Customers**

*Agency seeks public comment on new settlement*

MADISON - A request that could have meant a nine percent increase in electric rates for one Wisconsin utility's customers has now become a rate-freeze settlement request, thanks to a collaborative effort to mitigate the rate increase. As a result, the Public Service Commission of Wisconsin (PSC) is now accepting public comments on a proposed rate-freeze settlement from Wisconsin Public Service Corporation (WPSC).

WPSC's rate-freeze settlement proposal, filed with the Commission on October 3, 2012, is a request to freeze WPSC's Wisconsin retail electric rates at 2012 levels through 2013, and, depending on certain updates and adjustments, decrease WPSC's 2013 Wisconsin retail natural gas distribution rates.

The utility filed its initial application for increases in electric rates for \$85 million and gas rates for \$12 million, which would have meant an approximately nine percent increase on electricity bills for WPSC customers. After the filing, PSC staff conducted a full audit on the request and came up with a recommended increase of about \$20 million for electric and a decrease of about \$4 million for gas. The utility reviewed these recommendations and then began discussions with customer groups and other intervenors about a rate-freeze settlement. After discussions, the utility decided the electric increase could actually be offset by an expected over-collection of fuel costs that would otherwise be refunded in 2013.

"The Public Service Commission is committed to closely auditing and evaluating every rate adjustment request to determine how to best mitigate rate increases, especially during these difficult economic times," said Kristin Ruesch, PSC Communications Director. "In this case, Public Service Commission staff, Wisconsin Public Service Corporation, and ratepayer advocacy groups got together to take what could have been a nine percent electric rate increase for residents of Northeastern and North Central Wisconsin and found a compromise resulting in a new request for a rate-freeze for customers. That is good news for Wisconsin."

Any members of the general public may file comment on the new rate-freeze settlement proposal by noon on Monday, October 22, 2012, either through the Commission's web site or by mail as follows:

- Web Comment: Go to the Commission's web site at <http://psc.wi.gov>, click on the "Public Comments" button on the side menu bar. On the next page select the "File a comment" link that appears for docket number 6690-UR-121.
- All comments submitted by U.S. Mail must include the phrase "Docket 6690-UR-121 Comments" in the heading, and should be addressed to:

Docket 6690-UR-121 Comments  
Public Service Commission  
P.O. Box 7854  
Madison WI 53707-7854

This is the second rate-freeze proposal the PSC has considered this year. In June, the Commission approved a rate-freeze request from Alliant Energy for 2013-2014. In 2011, We Energies filed a rate-freeze request for the year of 2012 as a part of an alternative rate case.

The Commission is expected to make a formal decision on WPSC's rate-freeze settlement later this fall.

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