PUBLIC NOTICE TO ALL CUSTOMERS OF THE VILLAGE OF PALMYRA WATER AND SEWER UTILITY

The Village of Palmyra Water and Sewer Utility (Utility) has filed an application with the Public Service Commission of Wisconsin (Commission) to increase water rates. The increase is necessary due to a 50.54 percent increase in gross plant investment and a 87.97 percent increase in operating expenses since the last water rate case was completed in 2002. The total increase in water revenues requested is \$115,594, which results in an overall increase in customer rates of 38.29 percent and is comprised of a 43.51 percent increase in general service charges and a 30.23 percent increase in PFP charges.

The Utility's current total public fire protection (PFP) cost of \$118,774, which includes the additional storage, pumping, and distribution costs required to provide the high flows and pressures needed to fight fires. The Utility currently collects \$118,774 from the Village of Palmyra (Village) for providing PFP water service to the Village. This municipal PFP charge is based on 100 percent of the Utility's total PFP cost. The Village collects the funds to pay for the municipal PFP charge through property taxes. The Village recently approved changing the Utility's method of PFP cost recovery from the municipal PFP charge to a direct PFP charge collected through direct bills to water utility customers.

The increase in water utility revenues and the change in cost recovery for public fire protection will result in an estimated overall rate increase of 147.48 percent over the water utility's present revenues, including the public fire protection charge.

Accordingly, the Utility requested Commission authorization to collect a direct PFP charge from each customer of the water utility and requested the charge be based on the equivalent meters method. This change would allow the Utility to collect a portion of the PFP charge from property owners who benefit from the Utility's PFP but are not subject to property taxes. This request conforms with Wis. Stat. § 196.03(3)(b), which provides municipalities the option to charge PFP directly on the water utility bills of general service customers as well as nongeneral service customers who own land that is located in the city, village, or town and in an area in which the municipal utility has an obligation to provide water for PFP. The Utility intends to charge non-general service customers using adjacent property language permitted under Wis. Stat. § 196.03(3)(b)2.b. The Village adopted a resolution which states the annual direct charge for PFP service will be based on 100 percent of the cost of PFP service and will be calculated using the equivalent meters method. The proposed total PFP cost is \$154,683.

If the request is granted, the water bill for an average residential customer with a %-inch or ¾-inch meter who uses 9,000 gallons of water per quarter will increase from \$46.53 to \$115.15, or 147.47 percent including the public fire protection charge. (Excluding the public fire protection charge, this average residential customer's water bill will increase from \$46.53 to \$72.54, or 55.90%.)

A public hearing on the application has been scheduled for Tuesday, January 6, 2026, at 1:00 p.m. This hearing has no physical location. Parties and Commission staff appear by Zoom. Parties and Commission staff may use the telephone connection as a backup or if no adequate

internet connection exists. Members of the public participate by Zoom or may use the telephone connection as a backup or if no adequate internet connection exists.

Join Zoom over the internet at: https://us02web.zoom.us/my/pschearings

The Commission intends to livestream and record this hearing on <u>YouTube</u>. A member of the public may observe without participation any hearing session by:

- 1. Attending any physical location as noticed,
- 2. Watching on YouTube at: https://www.youtube.com/@PSCWI-Hearings,
- 3. If no adequate internet connection exists, listening by telephone.
 - Dial: +1 312 626 6799
 - Enter Meeting ID: 809 513 2930

A person may testify in this proceeding without becoming a party and without attorney representation. A person may submit this testimony in only one of the following ways:

- Web Comment. File a comment on the internet. Go to the Commission's web site at http://psc.wi.gov, click the dropdown menu labeled "Commission Action". Select the item labeled "File a Public Comment". On the next page select the "File a comment" link that appears for docket number 4520-WR-102. Web comments shall be received no later than Thursday, January 8, 2026.
- Live Comment. Make a live comment at the hearing. The ALJ may receive live comments from any member of the public in attendance after the close of any party and Commission staff testimony. The ALJ will receive such comments by stating the name of each member of the public connected to the hearing one at a time and asking if they would like to comment.
- Mail Comment. Send a comment by U.S. Mail. All comments submitted by U.S. Mail shall be received no later than Thursday, January 8, 2026 and shall be addressed to: Attn: Docket 4520-WR-102 Comments, Public Service Commission, P.O. Box 7854, Madison, WI 53707-7854.

To access the documents, schedule, and other information about this docket, go to the Commission's web site at http://psc.wi.gov, select the dropdown menu labeled "Eservices". Select the item labeled "Docket Search (CMS)". On the next page enter 4520-WR-102 in the spaces labeled "Case #" and select "Search".

If you have any questions, please contact the Village of Palmyra Water and Sewer Utility at 262-495-4106.