

PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of  
Thursday, October 31, 2024

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Strand, Commissioner Nieto and Commissioner Hawkins.

**Minutes**

The Commission approved the minutes of the open meeting of Tuesday, October 22, 2024.

**935-CW-101 - Application of the Town of Campbell, as a Water Public Utility, for Authority to Construct Well No. 1, in the Town of Campbell, La Crosse County, Wisconsin**

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

**1690-CW-101 - Application of the City of Durand, as a Water Public Utility, for Authority to Construct a Media Filter Rehabilitation, in the City of Durand, Pepin County, Wisconsin**

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

**137-CE-209 - Application of American Transmission Company LLC, as an Electric Public Utility, for a Certificate of Public Convenience and Necessity to Construct and Operate the Western Feed Transmission Line Project, Consisting of the Jupiter and Cosmos 345 kV Substations, Two Sets of Double-Circuit 345 kV Transmission Lines, One Set of Double-Circuit 138/345 kV, and One Single-Circuit 345 kV to Interconnect the New Jupiter and Cosmos Substations Located Primarily in the Villages of Yorkville and Mount Pleasant, Racine County, Wisconsin**

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

**5296-PW-102 - Application of the Town of Scott, Brown 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 to be signed by the Secretary to the Commission.

**5395-WR-101 - Application of the Village of Sheldon, Rusk County, Wisconsin, as a Water Public Utility, for Authority to Adjust Water Rates**

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

**5470-PFP-100 - Application of City of Shullsburg, Lafayette County, Wisconsin, as a Water Public Utility, for Authority to Change its Method of Cost Recovery for Providing Public Fire Protection Service**

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

**5820-UR-117 - Application of Superior Water, Light and Power Company for Authority to Adjust Retail Electric, Gas, and Water Rates**

The Commission reviewed the application of Superior Water, Light, and Power Company (applicant) for authority to adjust retail electric, gas, and water rates and made the following determinations:

1. The Commission approved all uncontested alternatives listed in the Final Decision Matrix. ([PSC REF#: 521613](#)).
2. The Commission removed the estimated water tower painting expense from the test year revenue requirement and did not authorize deferral accounting treatment at this time.
3. It is reasonable to include the percentage of industry association dues as set forth in Ex.-PSC-Griffin-2 in the test year revenue requirement consistent with past Commission practice.
4. The removal of institutional or goodwill advertising expenses from the test year revenue requirement as proposed by Commission staff is reasonable.
5. It is reasonable to exclude all Annual Incentive Plan compensation from the test year revenue requirement.
6. It is reasonable to exclude all Short-Term Incentive Plan compensation from the test year revenue requirement.
7. It is reasonable to remove accrued payroll from the test year revenue requirement.
8. The 2025 wage increase for non-represented employees shall be held to the inflation rate of 2.10 percent for the test year revenue requirement.

9. The Commission authorized the removal of four regular full- time employees, based on actual headcount levels from the test year revenue requirement.
10. The Commission authorized the inclusion of the cost overruns related to docket 5820-CG-107 in the natural gas test year revenue requirement.
11. The Commission authorized amortization of the additional Manufactured Gas Plant (MGP) remediation costs over ten years.
12. The Commission authorized carrying costs on the unamortized balance of the MGP costs at the applicant's authorized long term debt rate of 3.62 percent until December 31, 2026.
13. A reasonable interest rate for the applicant's short-term borrowing in 2025 is 4.80 percent.
14. A financial capital structure consisting of 55.00 percent equity for 2025 is reasonable.
15. A reasonable rate of return on the applicant's common equity in 2025 is 9.80 percent.
16. The Commission declined to adopt a specific electric or natural gas Cost of Service Study (COSS) model, and instead relied upon multiple models for revenue allocation and rate design.
17. The Commission approved an electric revenue allocation proposed by Commission staff, as adjusted for final revenue requirement.
18. The Commission approved the electric rate design proposed by Commission staff in Ex.-PSC-Garcia-6, as adjusted for final revenue requirement.
19. The Commission accepted the fixed customer charges for each class proposed by the applicant and presented in Commission staff's offered rate design.
20. It is not necessary to require the applicant to propose a New Load Market Pricing rate option as proposed by Enbridge.
21. The Commission approved the natural gas revenue allocation proposed by Commission staff in Ex.-PSC-Garcia-4, as adjusted for final revenue requirement.
22. The Commission accepted the natural gas design proposed by Commission staff in Ex.-PSC-Garcia-4, as adjusted for final revenue requirement.

23. The Commission accepted the fixed natural gas customer charges for each class proposed by Commission staff.
24. The Commission accepted the water revenue allocation proposed by Commission staff.
25. The Commission accepted the water revenue allocation proposed by Commission staff, as adjusted for final revenue requirement.
26. The Commission reviewed other proposals discussed in the record and declined to take additional action. The Commission observed that it would be appropriate to continue discussions on potential modifications to standard order language as discussed by CUB. The Commission also noted the importance of the applicant working diligently to replace water service lines containing lead, and encouraged the applicant to work with Commission staff and representatives of the Wisconsin Department of Natural Resources on the same.
27. The Commission found it reasonable to include the order conditions from the applicant's rate proceeding in docket 5820-UR-116 along with the standard order conditions as outlined in Issue 30 of the Final Decision Matrix.

The Commission directed the Division of Energy Regulation and Analysis to draft an order consistent with its discussion and to return it to the Commission for final approval.

The Commission adjourned the meeting at 12:03 p.m.

A handwritten signature in black ink, appearing to read 'Cru Stubley', with a large, sweeping flourish at the end.

Cru Stubley  
Secretary to the Commission

DL:02039500