AN ACT to amend 196.49 (5g) (b); and to create 196.49 (5g) (ar) 1s. of the statutes; relating to: meter installation or replacement projects by water utilities.

Analysis by the Legislative Reference Bureau

This bill exempts water public utilities from needing a certificate of authority issued by the Public Service Commission before beginning certain projects related to installing or replacing customer meters. Specifically, under the bill, a water public utility or a combined water and sewer public utility does not need to obtain a certificate of authority from PSC before beginning a project to install or replace meters that measure service to customers if the estimated average annual cost of the project is not more than $250,000 or 25 percent of the utility’s operating revenues in the year before the project is started, whichever is less. Current law generally requires utilities to obtain a certificate of authority from PSC before engaging in certain construction, installation, or improvement projects.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 196.49 (5g) (ar) 1s. of the statutes is created to read:
196.49 (5g) (ar) 1s. The project is to be completed by a water public utility, a combined water and sewer public utility, or an entity contracted by a water public utility or a combined water and sewer public utility and satisfies all of the following:

a. The primary purpose of the project is to install or replace meters to measure service to customers.

b. The project is to be completed more than one year after it is started.

c. The estimated average annual cost of the project is not more than $250,000 or 25 percent of the utility’s operating revenues in the year before the project is started, whichever is less.

SECTION 2. 196.49 (5g) (b) of the statutes is amended to read:

196.49 (5g) (b) Beginning on May 1, 2014, and on May 1 of each successive even-numbered year thereafter, the commission shall adjust the cost thresholds specified in par. (ar) 1m. and the average annual cost threshold specified in par. (ar) 1s. c. to reflect changes to the cost of utility construction based on the applicable industry cost index numbers published in the Handy–Whitman Index of Public Utility Construction Costs, or an equivalent successor index, and publicize the adjusted cost thresholds on the commission’s website.

(END)