



PUBLIC SERVICE COMMISSION OF WISCONSIN

STATE OFFICE BUILDING
MADISON 2, WISCONSIN

Filed Aug 3-1962

LEONARD BESSMAN CHAIRMAN
ARTHUR L. PADRUTT COMMISSIONER
STANLEY P. HEBERT COMMISSIONER
EDWARD T. KAVENY, SECRETARY

PSC 113, 120, 134

August 2, 1962

FILE NO. 2-U-5737

Mr. James J. Burke
Revisor of Statutes
State Capitol
Madison, Wisconsin

Re: In the Matter of Standard Guarantee,
Deposit and Disconnect Rules for Gas
and Electric Utilities

Dear Sir:

Pursuant to Section 227.023, Wisconsin Statutes, we are enclosing a certified copy of the order of August 2, 1962 in the above entitled matter repealing, amending, and adopting rules PSC 113.02, and PSC 134.09, Section PSC 113.02(1) and PSC 113.13, chapter PSC 120, PSC 134.06, PSC 134.07, PSC 134.08 and PSC 134.09(1)(2)(3), Wisconsin Administrative Code.

Very truly yours,

Edward T. Kaveny
Secretary

mcb

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

STATE OF WISCONSIN)
) SS
PUBLIC SERVICE COMMISSION)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Edward T. Kaveny, Secretary of the Public Service Commission of Wisconsin, and custodian of the official records of said commission, do hereby certify that the annexed document in docket 2-U-5737, amending, adopting and repealing rules

relating to standard guarantee, deposit and disconnect rules for gas and electric utilities

were duly approved and adopted by this Commission on August 2, 1962

I further certify that said copy has been compared by me with the original on file in this commission and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the department at the Capitol, in the city of Madison, this *2nd* day of *August* A.D. 1962.

Edward T. Kaveny
Secretary

PUBLIC SERVICE COMMISSION OF WISCONSIN

In the Matter of the Application of
Madison Gas and Electric Company for Gas
and Electric Utilities

100-1000

ORDER RECONSIDERING HEARS

In its order dated February 20, 1942, the Commission
declined to consider the propriety and wisdom of the
proposed purchase of the Madison Gas
and Electric Company.

In March 5, 1942, the Commission issued an order
granting the proposed purchase of the GEC.

The Commission, on March 13, 1942, in response to
a request of the utilities of the city of Madison and others,
issued its order of hearing. The Review of Utilities was
held with notice in the North Notice Section of the Bureau
of Administrative Counsel, as provided under section 227.03,
Statutes.

Pursuant to the order, hearing was held April 15,
1942 at Madison before Chairman William A. Lewis.

APPEARANCES:

In Opposition:

Madison Gas Utilities, by

W. J. McLaughlin
Attorney

Madison Electric & Water Utilities, by

John H. Johnson
Attorney

Madison Public Utilities, by

H. L. Leonard
Attorney

Appearances: (Continued)

In Opposition: (Continued)

Stoughton Utility, by

Ed Malinowski, superintendent
Stoughton

As Interest May Appear:

City of Kaukauna Electric & Water Department, by

Norbert D. Rhinerson, general manager
Leo Hennes, office manager
Kaukauna

Wisconsin Electric Power Company
Wisconsin Michigan Power Company
Wisconsin Natural Gas Company, by

Jack R. Wiedabach, attorney
Milwaukee

Madison Gas and Electric Company, by

R. F. Stumpf, secretary
R. J. O'Leary
Madison

Milwaukee Gas Light Company, by

John Sheehy
Milwaukee

Of the Commission Staff:

E. M. Downey, rates and research department

Findings of Ultimate Fact

THE COMMISSION FINDS:

The rules set forth in the order herein made are necessary to effectuate the purposes of the statutes (Chapters 195, 196) under which it regulates all electric and gas utilities of this state. Said rules are also just and reasonable.

Commission of Law
and Administration

That it be authorized pursuant to the provisions of Chapters 125, 126 and 127, Statutes, to repeal, amend, and adopt rules as set forth in the order below.

Order

THE COMMISSION OF LAW AND ADMINISTRATION:

It is authorized pursuant to the authority vested in the Public Service Commission of Wisconsin by Chapters 125, 126, and 127, Statutes, the Public Service Commission of Wisconsin to hereby repeal, amend, and adopt rules as follows:

The titles of sections PSC 113.02 and PSC 134.04 are amended to read "Refusal of service".

Sections PSC 113.02(1) and PSC 113.02(2) are repealed and recreated to be section PSC 113.13 as shown below.

Chapter PSC 126 is repealed.

Sections PSC 134.02, PSC 134.07, PSC 134.09, and PSC 134.09(1), (2), and (3) are repealed and recreated to be section PSC 134.06 as shown below.

Sections PSC 113.13 and PSC 134.06 are recreated to read:

(PSC 113.13) (PSC 134.06) Deposit, Discontinue, and Disconnect Rule. (a) DEPOSIT RULE. (a) If the credit of an applicant for service has not been established satisfactorily to the utility, he may be required to deposit a sum not exceeding the estimated gross bills for service for any 2 consecutive billing periods selected by the utility. The amount to be deposited may be a minimum of \$5 for each class of service furnished. Deposits shall bear simple interest at the rate of 1% per annum payable from the date of the deposit to the date of refund or discontinuance of service whichever is earlier.

(b) In the case of domestic service, the deposit shall be refunded upon request of the customer after 12 consecutive months of prompt payment, and, without such request, shall be refunded voluntarily by the utility after 36 consecutive months

of prompt payment. In no event, however, shall a deposit be refunded if the customer's credit standing is not satisfactory to the utility.

(j) In the case of commercial or industrial service, the deposit may be refunded upon request of the customer after a consecutive month of prompt payment, if the customer's credit standing is satisfactory to the utility.

(k) If the rules of the utility permit a customer to pay the bill each other discount date 1 month in every 3 months, such payment shall be regarded as prompt payment in the application of the above rules.

(l) A cash deposit or additional deposit may be required if a customer in violation of the need for such a requirement in any case where a default has been referred to is found to be delinquent to cover 1 month's bills as above provided for, or where a customer's credit standing is not satisfactory to the utility. The service of any customer or customer who fails to comply with these requirements may be disconnected upon 5 days' written notice.

(m) **GUARANTEE RULES.** (a) The utility may accept, in lieu of a cash deposit, a contract signed by a guarantor satisfactory to the utility, whereby payment of a specified sum not exceeding the cash deposit requirement is guaranteed. The term of such contract shall be indeterminate, but shall automatically terminate when the customer gives notice to the utility of discontinuance of service at the location covered by the guaranteed agreement or 6 months after discontinuance of service, or at the guarantor's request upon 30 days' written notice to the utility.

(b) Upon termination of a guarantee contract or whenever the utility deems same insufficient as to amount or surety, a cash deposit or a new or additional guarantee may be required upon reasonable written notice to the customer. The service of any customer who fails to comply with these requirements may be disconnected upon 5 days' written notice.

(c) The guarantor shall receive copies of all disconnect notices sent to the customer whose account he has guaranteed unless the guarantor waives such notice in writing.

(n) **SCOPE OF DEPOSIT AND GUARANTEE RULES.**

(a) Where an applicant or customer is unable to furnish either the required cash deposit or a satisfactory guarantor, or where the customer's business is of a hazardous or temporary nature, the utility may at its option bill such applicant or customer on other than a monthly basis with a

notwithstanding a bill which, the amount of purchase requirements and time of payment.

(d) Subsections (1) (1) and (1) (2) are not applicable in those cases where a bill is paid in full with the intention of such amount of credit required.

(e) Disconnection shall not be made if a customer's current bill for service as defined in the utility, is filed with is not paid within a reasonable period set forth in said rules.

(f) The utility may not continue service beyond the price provided under the utility's rules which amount the following conditions: if the utility has a bill or guaranteed a bill amount, such default or guarantee shall be considered as a bill which is not due and payable. If the utility has a bill or guaranteed a bill amount, or if the bill amount bill exceeds the deposit or guarantee, service may not be discontinued or reduced for nonpayment of a bill which is delinquent for a period longer than that permitted under the utility's disconnection rules.

(g) Subsection (1) (1) (1), above, shall apply in all cases unless the customer is willing to enter into a special agreement with the company, a written memorandum of which shall be made by the utility, providing for a specified extension of time and/or an extension of a specified amount of credit, and providing further for the disconnection of such customer upon failure to comply with the terms of such extension agreement.

(h) Some utilities have rules or practices that are more liberal to customers in some particular than the rules enumerated above. It is not the intention of the Commission to require the abandonment of these practices, except that we believe a standardization of interest on customers' prompt payment deposits will avoid confusion and misunderstanding. With this exception, a utility of the classes here involved may establish uniform, non-discriminatory rules and practices more favorable to its customers than those herein established. The purpose herein is rather to set forth a reasonable basis for standardizing these rules.

(5) APPLICATION. All electric and/or gas utilities, whether privately or municipally owned or operated, shall file with the Commission deposit, guarantee, and disconnection rules or procedure in accordance with this section, except that an individual utility, upon proper application and a showing of good cause, may, upon written approval by the Commission, adopt rules giving consideration to specific unusual circumstances.

That a certified copy of this order be filed
with the Secretary of State and Auditor of Accounts, as re-
quired by section 27.01(1), Statutes.

That the reports, amendments, and resolutions
therein herein adopted herein effective as provided by sec-
tion 27.01(1), Statutes.

Witness my hand at Madison, Wisconsin, this 11th day of
January, 1917.

By the Commission:

Approved: Wm. Lorenz

Acting Secretary