

CERTIFICATE

STATE OF WISCONSIN)
)
 PUBLIC SERVICE COMMISSION) SS
 OF WISCONSIN)

I, Lynda L. Dorr, Secretary to the Public Service Commission of Wisconsin and custodian of the official records, certify that the attached order of the Public Service Commission Creating Rules, docket 1-AC-178, was duly approved and adopted by this Commission at its open meeting on June 15, 1999.

I further certify that this copy has been compared by me with the original on file in this Commission and that it is a true copy of the original, and of the whole of the original.

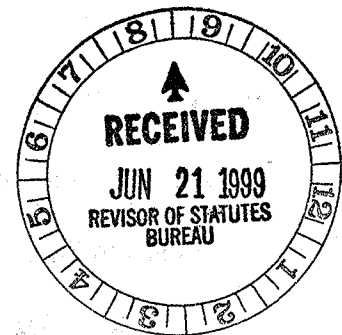
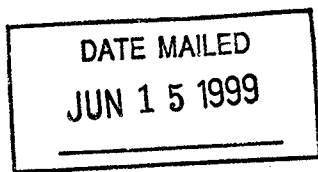
IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the Public Service Commission of Wisconsin at Madison, Wisconsin, this 15th day of June, 1999.

Lynda L. Dorr

 Lynda L. Dorr
 Secretary to the Commission
 Public Service Commission of Wisconsin



9-1-99



BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Rules Implementing s. 66.0735(8), Stats.; Certification of Public Convenience and Necessity Before Construction Debt is Issued for a Joint Local Water Authority

1-AC-178

**ORDER OF THE PUBLIC SERVICE COMMISSION
CREATING RULES**

The Public Service Commission (Commission) creates Wis. Admin. Code ch. PSC 183: Requirements for Joint Local Water Authorities.

**ANALYSIS PREPARED BY THE
PUBLIC SERVICE COMMISSION OF WISCONSIN**

Pursuant to the legislature's authorization in Wis. Stat. § 66.0735(8), as created by 1997 Wisconsin Act 184, the Public Service Commission submitted to the Legislature for Wis. Stat. § 227.19 review the following administrative rules setting forth requirements to be met by joint local water authorities seeking to construct projects requiring the issuance of bonds. A hearing was held on these proposed rules January 8, 1999, and written comments accepted thereafter. The rules set forth standards in the following areas:

PSC 183.01. Application of rules. Provides that these rules apply to joint local water authorities, but not to public utilities.

PSC 183.02. Definitions. Defines a number of key terms contained in this chapter: "authority," "certificate," and "project."

PSC 183.03. Requirements of joint local water authorities before proceeding to issue bonds for a project. Specifies the information which must be submitted by a joint local water

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authority in order to receive Public Service Commission approval to construct a project which requires bonding.

PSC 183.04. Commission review of information submitted. Specifies the course of conduct to be followed by the Public Service Commission in considering an application to construct a project by a joint local water authority, including a 90-day limitation on Commission action.

RULES AND STATUTORY AUTHORITY

Pursuant to authority vested in the Public Service Commission by Wis. Stat. §§ 66.0735(8) and 227.11(2), and interpreting those provisions, the Public Service Commission adopts as rules Wis. Admin. Code ch. PSC 183 as follows:

SECTION 1: Chapter PSC 183 is adopted to read:

Chapter PSC 183

JOINT LOCAL WATER AUTHORITIES

- PSC 183.01 Application of rules
- PSC 183.02 Definitions
- PSC 183.03 Requirements for joint local water authorities before proceeding to issue bonds for a project
- PSC 183.04 Commission review of information submitted

183.01 Application of rules. The rules in ch. PSC 183 shall apply to joint local water authorities as defined by s. 66.0735, Stats. The rules do not apply to any public utility.

183.02 Definitions. The following terms as used in this chapter mean:

- (1) "Authority" means joint local water authority as defined by s. 66.0735, Stats.
- (2) "Certificate" means a specific formal authorization granted by the commission pursuant to s. 66.0735(8), Stats.

- (3) "Project" has the meaning of s. 66.0735(2)(g), Stats.

183.03 Requirements for joint local water authorities before proceeding to issue bonds for a project.

Every authority shall submit the following information in an application for a certificate of public convenience and necessity that is required before the authority may issue bonds:

- (1) A description of the project for which bonds are being issued, including a map showing proposed and existing facilities, and the location of floodplain areas.
- (2) Information concerning applicable environmental factors for affected lands, such as land use zoning, forest lands, rivers, streams and wetlands.
- (3) The purpose and necessity of the project, with supporting data including project start and end dates.
- (4) The effect of the project on quality and reliability of service.
- (5) A brief description and analysis of the alternatives to the project.
- (6) The cost of the project by major plant categories or functions.
- (7) The proposed method of financing the project including all terms and conditions.
- (8) The estimated annual operating costs of the project, by major expense categories and functions.
- (9) A description of and the original cost of any property being replaced, by major plant categories or functions.

183.04 Commission review of information submitted.

- (1) Upon receipt of an application for a certificate identified in s. PSC 183.02(2), the commission shall review the application and:
 - (a) determine if the proposal in the application requires a hearing. After the hearing, or after the determination that no hearing is required,
 - (b) issue a certificate of public convenience and necessity pursuant to s. 66.0735(8)(c), Stats., or
 - (c) deny the application for a certificate of public convenience and necessity pursuant to s. 66.0735(8)(b), Stats.

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(2) The Commission shall grant or deny the application within 90 days of the date the application is received, unless extended by the Commission for good cause.

**FISCAL ESTIMATE AND INITIAL
REGULATORY FLEXIBILITY ANALYSIS**

There will be no adverse fiscal impact of these proposed rules on state or local units of government in addition to the burdens imposed by the statute itself. In an effort to minimize the impact of the rules on small businesses, as defined in Wis. Stat. § 227.114(1)(a), the Commission requested and received input from a number of municipalities, as well as a professional association. The Commission sees no burden at all on small businesses as a result of these rules since these rules require compliance only by municipalities. Additional input on this issue was invited by correspondence or by appearance at the hearing held January 8, 1999.

EFFECTIVE DATE

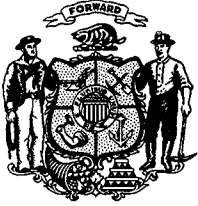
The rules have been sent to the legislature for review pursuant to Wis. Stat. § 227.19. They will become effective on the first day of the month following publication in the Wisconsin Administrative Register, as provided in Wis. Stat. § 227.22.

Dated at Madison, Wisconsin, June 15, 1999

By the Commission:

Lynda L. Dorr
Lynda L. Dorr
Secretary to the Commission

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Public Service Commission of Wisconsin

Ave M. Bie, Chairperson
Joseph P. Mettner, Commissioner
John H. Farrow, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

June 18, 1999

Mr. Gary Poulson
Deputy Revisor
Revisor of Statutes Bureau
131 West Wilson Street, Suite 800
Madison, WI 53703-3233

Re: Rules Implementing Wis. Stats. § 66.0735(8), Certification of
Public Convenience and Necessity Before Construction Debt is
Issued for a Joint Local Water Authority

1-AC-178

Clearinghouse Number 98-194

Dear Mr. Poulson:

Enclosed please find copies of rules approved by the Public Service Commission (Commission) on June 15, 1999. The rules had previously been sent to the legislature for legislative review pursuant to Wis. Stat. § 227.19(2) and were not objected to. We will send you the rules electronically in a couple days. Copies are also being sent to the Secretary of State for filing.

Please call if you have any questions. Thanks for your help.

Sincerely,

Steven Levine
Legal Counsel
Division of Water, Compliance, and Consumer Affairs

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Enclosures

cc: Secretary of State

