

*Filed December 17, 1974  
4:00 pm BDP*

PSC 113, 134, 185

BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

STATE OF WISCONSIN                    )  
  ) SS  
PUBLIC SERVICE COMMISSION         )

I, John F. Goetz, Secretary of the Public Service Commission and legal custodian of the official records of said Commission, do hereby certify under my signature and official seal of the Commission that the attached amended, created and recreated portions of Wis. Adm. Code Chapters PSC 113, PSC 134, and PSC 185, relating to deposit, guarantee, and disconnect procedures of electric, gas, and water utilities, were duly approved and adopted by Order of November 13, 1974 (Docket No. 2-U-7720).

I further certify that the copy of said rules attached hereto has been compared by me with the original on file in this Commission and that the same is a true copy thereof.

Dated at Madison, Wisconsin

December 17, 1974

*John F. Goetz*  
John F. Goetz  
Secretary

ORDER OF THE PUBLIC SERVICE COMMISSION  
AMENDING, REPEALING, RECREATING, AND  
CREATING RULES

Pursuant to authority vested in the Public Service Commission by Chapters 196 and 227, Wis. Stats., The Public Service Commission amends, repeals, recreates, and creates rules as follows:

Section PSC 113.02 of the WISCONSIN ADMINISTRATIVE CODE is repealed.

Section PSC 113.12(3) and (4) of the WISCONSIN ADMINISTRATIVE CODE are created to read:

(3) Each electric utility, for every municipality in which it serves, shall provide in the respective telephone directories a telephone listing by which the utility can be notified during a 24-hour day of any utility service deficiency or emergency which may exist.

(4) Where a second language is common in a particular area served by the utility and so identified by the Commission, all rules pertaining to billing and credit shall be available upon customer request, for distribution in English and that second language in every business office of the utility in that area accessible to the public and where customer payments are received.

Section PSC 113.13 of the WISCONSIN ADMINISTRATIVE CODE is repealed.

Sections PSC 113.131 and PSC 113.132 of the  
WISCONSIN ADMINISTRATIVE CODE are created to read:

PSC 113.131 DEPOSITS. (1) NEW RESIDENTIAL SERVICE. A utility shall not require a cash deposit or other guarantee as a condition of new service unless a customer has an outstanding account balance with the utility which accrued within the last 6 years, and which at the time of the request for new service remains outstanding and not in dispute. (See Wis. Adm. Code section PSC 113.134).

(2) EXISTING RESIDENTIAL SERVICE. A utility shall not require a cash deposit or other guarantee as a condition of continued service unless either or both of the following circumstances apply.

(a) The utility has shut off or discontinued the service of the customer within the last 12-month period for violation of the utility's filed rules or for nonpayment of a delinquent service account not currently in dispute.

(b) Subsequent credit information indicates that the initial application for service was falsified or incomplete to the extent that a deposit would be required under this section.

(3) COMMERCIAL SERVICE. (a) In the case of commercial service 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.

(b) In the case of commercial service, the deposit shall be refunded after 24 consecutive months of prompt payment, if the customer's credit standing is satisfactory to the utility.

(c) In the case of commercial accounts, payment shall be considered "prompt" if it is made prior to notice of disconnection for non-payment not in dispute.

(4) CONDITIONS OF DEPOSIT. The maximum deposit for a new account shall not exceed the highest estimated gross bill for any 2 consecutive months. Deposits for existing accounts shall not exceed the highest actual gross bill for any 2 consecutive months within the preceding 12-month review period as determined by the utility.

(5) Deposits shall bear interest of at least the legal rate, payable from the date of deposit to the date of refund or discontinuance of service, whichever is earlier.

(6) The utility shall review the payment record of each residential utility customer with a deposit on file at 12-month intervals. The utility shall not require or continue to require a cash deposit unless a deposit is required under the provisions of section PSC 113.131(2).

(7) Any deposit or portion thereof refunded to a customer shall be refunded by check unless both the customer and the utility agree to a credit on the regular billing, or unless subsection (8) applies.

(8) Upon termination of service, the deposit, with accrued interest shall be credited to the final bill and the balance shall be returned promptly to the customer.

(9) A utility shall not require any customer to pay a deposit or establish a guarantee in lieu of deposit without explaining, in writing if requested, why that deposit is being required.

(10) Service may be refused or disconnected for failure to pay a deposit request subject to the rules pertaining to disconnection and refusal of service. (Wis. Adm. Code section PSC 113.132)

(11) GUARANTEE TERMS AND CONDITIONS. (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 for no longer than 2 years, but shall automatically terminate after the customer has closed his account with the utility, 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 8 days' written notice.

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

(12) In lieu of cash deposit or guarantee, an applicant for new service who has an outstanding account accrued within the last 6 years with the same utility shall have the right to receive service from that utility under a deferred payment agreement as defined in Wis. Adm. Code section PSC 113.133 for the outstanding account.

(13) The rules in subsections (11) and (12) of this section are not applicable to deposits or guarantees made in connection with the financing of extensions or other equipment.

PSC 113.132 DISCONNECTION AND REFUSAL OF SERVICE. (1) DELINQUENT ACCOUNT. (a) The due date of the bill for utility service shall not be less than 20 days after issuance. A bill for utility service is delinquent if unpaid after the due date.

NOTE: See December 17, 1974 order of the Public Service Commission in Docket No. 2-U-7720.

(b) At least 8 calendar days prior to disconnection, the utility shall give written disconnect notice upon a form which must be in the tariff of the utility filed with the Public Service Commission and which conforms to the requirements of Wis. Adm. Code section PSC 113.132(9) unless excepted elsewhere.

(c) When a customer, either directly or through the Public Service Commission, disputes a disconnection notice the utility shall investigate any disputed issue and shall attempt to resolve that issue by negotiation. During this investigation and negotiation, utility service shall not be disconnected over this matter.

(d) If a disputed issue cannot be resolved pursuant to Wis. Adm. Code section PSC 113.134(1), the utility shall inform the customer of the right to contact the Public Service Commission.

(2) Utility service may be disconnected or refused for any of the following reasons:

(a) Failure to pay a delinquent account or failure to comply with the terms of a deferred payment agreement (See Wis. Adm. Code section PSC 113.133.).

(b) Violation of the utility's rules pertaining to the use of service in a manner which interferes with the service of others or to the operation of non-standard equipment, if the customer has first been notified and provided with reasonable opportunity to remedy the situation.

(c) Failure to comply with deposit or guarantee arrangements as specified in Wis. Adm. Code section PSC 113.131.

(d) Diversion of service around the meter.

(3) A public utility may disconnect utility service without notice where a dangerous condition exists for as long as the condition exists.

(4) Service may be denied to any customer for failure to comply with applicable requirements of this section, or of the utility's rules, or with section 167.16, Wis. Stats.; or if the customer proposes to use a device that is not so designed that interference with communication and signal services is reasonably minimized.

(5) A utility is not required to furnish service under conditions requiring operation in parallel with generating equipment connected to the customer's system if such operation is hazardous or may interfere with its own operations or service to other customers or with service furnished by others. The utility may specify requirements as to connection and operation as a condition of rendering service under such circumstances.

(6) Utility service may not be disconnected or refused for any of the following reasons:

(a) Nonpayment of a delinquent account over 6 months old unless the passage of additional time results from other provisions herein or from good faith negotiations or arrangements made with the customer.

(b) Delinquency in payment for service by a previous occupant of the premises to be served other than a member of the same household residing at the same premises.

(c) Failure to pay for merchandise or charges for non-utility service billed by the utility.

(d) Failure to pay for a different type or class of utility service.

(e) Failure to pay the account of another customer as guarantor thereof.

(f) Failure to pay charges arising from any underbilling occurring more than one year prior to the current billing and due to any misapplication of rates.

(g) Failure to pay charges arising from any underbilling occurring more than one year prior to the current billing and due to any faulty metering.

(h) Failure to pay an estimated bill other than a bill rendered pursuant to an approved bimonthly meter reading plan, unless the customer upon request refuses to permit the reading of the meter during normal business hours.

(7) A utility shall not disconnect any residential service without notifying the county department of Health and Social Services at least 5 calendar days prior to the scheduled disconnection, if the customer or responsible person has made a written request for this procedure to the utility. The customer shall be appraised of this right upon application for service.

(8) Notwithstanding any other provision of this section, a utility may not disconnect service to a residential customer if disconnection will aggravate an existing medical emergency of the customer, a member of his family or other permanent resident of the premises where service is rendered and if the customer conforms to the procedures described in paragraph (a), below.

(a) A utility shall postpone the disconnection of service for 21 days to enable the customer to arrange for payment, if the customer produces a licensed Wisconsin physician's statement or notice from a public health or social services official which identifies the medical emergency and specifies the period of time during which disconnection will aggravate the circumstances. The postponement may be extended once by renewal of the certificate or notice. No further extension of time shall be granted except upon a showing by the customer of the existence of extraordinary circumstances and further that he has exercised due diligence in meeting the emergency as evidenced in part by close and continuous communication with the utility.

(b) During the period service is continued under the provisions of this subsection, the customer shall be responsible for the cost of residential utility service. However, no action to disconnect that service will be undertaken until expiration of the period of continued service.

(c) If there is a dispute concerning an alleged existing medical emergency, either party shall have the right to an informal review by the Public Service Commission staff. Pending a decision after informal review, residential utility service shall be continued provided that the resident has submitted a statement or notice as set forth in paragraph (a) of this subsection.

(9) NOTICE OF DISCONNECTION OF SERVICE. (a) A utility shall not disconnect service unless written notice by first class mail is sent to the customer or personally served at least 8 calendar days prior to the first date of the proposed disconnection. Notice shall be sent to the account name and address, and to the address where service is provided, if different. If disconnection is not accomplished on or before the 15th day after the first notice date, a subsequent notice must be left on the premise not less than 24 hours nor more than 48 hours prior to disconnection.

(b) The utility shall make a reasonable effort to have a personal or telephone contact with the customer prior to disconnection.

(c) Disconnection notice shall be given upon a form approved by the Commission, and shall contain the following information:

1. The name and address of the customer and the address of the service, if different.

2. A statement of the reason(s) for the proposed disconnection of service and that disconnection will occur if the account is not paid, or if arrangement is not made to pay the account under deferred agreement, or if other suitable arrangements are not made, or if equipment changes are not made. If disconnection of service is to be made for default on a deferred payment agreement, the notice shall include an explanation of the acts of the customer which are considered to constitute default.

3. A statement that the customer should communicate immediately upon receipt of the notice with the utility's designated office, listing a telephone number, if he disputes the notice of delinquent account, if he wishes to negotiate a deferred payment agreement as an alternative to disconnection, if any resident is seriously ill, or if there are other extenuating circumstances.

4. A statement that residential utility service will be continued for up to 21 days during serious illness if the account holder submits a statement or notice pursuant to Wis. Adm. Code section PSC 113.132(8).

5. A statement that the customer may appeal to the Public Service Commission staff in the event that the grounds for the proposed disconnection or the amount of any disagreement remains in dispute after the customer has pursued the available remedies with the utility.

(10) DISCONNECTION PROCEDURES. (a) Service shall not be disconnected on a day, or on a day immediately preceding a day, when the business offices of the utility are not available to the public for the purpose of transacting all business matters unless the utility provides personnel which are readily available to the customer 24 hours per day to evaluate, negotiate or otherwise consider the customer's objection to the disconnection as provided under Wis. Adm. Code section PSC 113.134, and proper service personnel are readily available to restore service 24 hours per day.

(b) If a residential service which has been disconnected, has not been restored to service within 24 hours after the time of the disconnection, the utility shall inform the local law enforcement department of the billing name and the service address and that threat to health and life might exist to persons occupying the premises.

Sections PSC 113.133 and PSC 113.134 of the WISCONSIN ADMINISTRATIVE CODE are created to read:

PSC 113.133 DEFERRED PAYMENT AGREEMENT. The utility is required to offer deferred payment agreements only to residential accounts.

(1) Every deferred payment agreement entered into due to the customer's inability to pay the outstanding bill in full shall provide that service will not be discontinued if the customer pays a reasonable amount of the outstanding bill and agrees to pay a reasonable portion of the remaining outstanding balance in installments until the bill is paid.



(2) For purposes of determining reasonableness under these rules the parties shall consider the:

- (a) Size of the delinquent account.
- (b) Customer's ability to pay.
- (c) Customer's payment history.
- (d) Time that the debt has been outstanding.
- (e) Reasons why debt has been outstanding.

(f) Any other relevant factors concerning the circumstances of the customer.

(3) A deferred payment agreement offered by a utility shall state immediately preceding the space provided for the customer's signature and in bold face print at least 2 sizes larger than any other used thereon, that "IF YOU ARE NOT SATISFIED WITH THIS AGREEMENT, DO NOT SIGN. IF YOU DO SIGN THIS AGREEMENT YOU GIVE UP YOUR RIGHT TO DISPUTE THE AMOUNT DUE UNDER THE AGREEMENT EXCEPT FOR THE UTILITY'S FAILURE OR REFUSAL TO FOLLOW THE TERMS OF THIS AGREEMENT."

(4) A deferred payment agreement shall not include a finance charge.

(5) If an applicant for utility service has not fulfilled terms of a deferred payment agreement, the utility shall have the right to disconnect pursuant to disconnection of service rules (Wis. Adm. Code section PSC 113.132) and under such circumstances it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to disconnection.

(6) Any payments made by a customer in compliance with a deferred payment agreement or otherwise shall first be considered made in payment of the previous account balance with any remainder credited to the current bill.

PSC 113.134 DISPUTE PROCEDURES. (1) Whenever the customer advises the utility's designated office prior to the disconnection of service that all or any part of any billing as rendered is in dispute, or that any matter related to the disconnection is in dispute, the utility shall:

- (a) Investigate the dispute promptly and completely.
- (b) Advise the customer of the results of the investigation.
- (c) Attempt to resolve the dispute.

(d) Provide the opportunity for the customer to enter into a deferred payment agreement when applicable in order to settle the dispute.

(2) After the customer has pursued the available remedies with the utility, he may request that the Public Service Commission staff informally review the disputed issue and recommend terms of settlement.

(a) A request for informal review may be made in any reasonable manner such as by written notice or telephoned request directed to the Public Service Commission.

(b) There must be at least 5 days between the date the Commission staff mails written notice of terms of settlement after informal review, and any subsequent disconnection.

(3) Any party to the dispute after informal review may make a written request for a formal review by the Commission. Such request must be made within 5 days of the date the Commission staff mails written notice of terms of settlement after informal review.

(a) Within 10 days from the time such a request is made, the Commission shall decide on the basis of the information it has received from the staff whether to hold hearing on the matter and shall inform both parties of its decision.

(b) If the Commission decides to conduct formal hearing on the dispute, the customer shall be required to pay 50% of the bill in dispute to the utility or post bond for that amount on or before date of hearing. Failure to pay this amount or post bond before hearing will constitute waiver.

(c) Such a hearing shall conform to the procedures described in sections 196.26 to 196.34, Wis. Stats.

(d) Any such hearing shall be held not less than 10 days following a notice of hearing and a decision thereon shall be rendered following the conclusion of the hearing.

(4) Utility service shall not be disconnected because of any disputed matter while the disputed matter is being pursued in accordance with the provisions of this section. In no way does this relieve the customer from obligation of paying charges which are not disputed.

Section PSC 134.05(1) is amended, section PSC 134.05 (2) is renumbered to be PSC 134.05(3) and section PSC 134.05(2) and (4) are created so that section PSC 134.05 of the WISCONSIN ADMINISTRATIVE CODE reads as follows:

PSC 134.05 INFORMATION AVAILABLE TO CUSTOMERS. (1) There shall be kept on file in every station and office of the utility where customer payments are received copies of the rate schedules applicable in such locality. Copies of these rules and such rules of the utility as are applicable shall be kept on file in every general and local office of the utility. Reasonable notice shall be given customers as to where the foregoing information is available to them.

(2) Where a customer is eligible to take service under any one or more of two or more rates, the company shall advise the customer in the selection of the rate or rates which result in the lowest cost of service, based on 12 months' service and on the information at hand.

(3) Each gas utility, for every municipality in which it serves, shall provide in the respective telephone directories a telephone listing by which the utility can be notified during a 24-hour day of any utility service deficiency or emergency which may exist.

(4) Where a second language is common in a particular area served by the utility and so identified by the Commission, all rules pertaining to billing and credit shall be available upon customer request for distribution in English and that second language in every business office of the utility in that area accessible to the public and where customer payments are received.

Section PSC 134.06 of the WISCONSIN ADMINISTRATIVE CODE is repealed.

Sections PSC 134.061, PSC 134.062, PSC 134.063, and PSC 134.064 of the WISCONSIN ADMINISTRATIVE CODE are created to read:

PSC 134.061 DEPOSITS. (1) NEW RESIDENTIAL SERVICE. A utility shall not require a cash deposit or other guarantee as a condition of new service unless a customer has an outstanding account balance with the utility which accrued within the last 6 years, and which at the time of the request for new service remains outstanding and not in dispute. (See Wis. Adm. Code section PSC 134.064.)

(2) EXISTING RESIDENTIAL SERVICE. A utility shall not require a cash deposit or other guarantee as a condition of continued service unless either or both of the following circumstances apply:

(a) The utility has shut off or discontinued the service of the customer within the last 12-month period for violation of the utility's filed rules or for nonpayment of a delinquent service account not currently in dispute.

(b) Subsequent credit information indicates that the initial application for service was falsified or incomplete to the extent that a deposit would be required under this section.

(3) COMMERCIAL SERVICE. (a) In the case of commercial service 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.

(b) In the case of commercial service, the deposit shall be refunded after 24 consecutive months of prompt payment, if the customer's credit standing is satisfactory to the utility.

(c) In the case of commercial accounts, payment shall be considered "prompt" if it is made prior to notice of disconnection for non-payment not in dispute.

(4) CONDITIONS OF DEPOSIT. The maximum deposit for a new account shall not exceed the highest estimated gross bill for any 2 consecutive months. Deposits for existing accounts shall not exceed the highest actual gross bill for any 2 consecutive months within the preceding 12-month review period as determined by the utility.

(5) Deposits shall bear interest of at least the legal rate payable from the date of deposit to the date of refund or discontinuance of service, whichever is earlier.

(6) The utility shall review the payment record of each residential utility customer with a deposit on file at 12-month intervals. The utility shall not require or continue to require a cash deposit unless a deposit is required under the provisions of section PSC 135.061(2).

(7) Any deposit or portion thereof refunded to a customer shall be refunded by check unless both the customer and the utility agree to a credit on the regular billing or unless subsection (8) applies.

(8) Upon termination of service, the deposit, with accrued interest shall be credited to the final bill and the balance shall be returned promptly to the customer.

(9) A utility shall not require any customer to pay a deposit or establish a guarantee in lieu of deposit without explaining, in writing if requested, why that deposit is being required.

(10) Service may be refused or disconnected for failure to pay a deposit request subject to the rules pertaining to disconnection and refusal of service. (Wis. Adm. Code section PSC 134.062)

(11) GUARANTEE TERMS AND CONDITIONS. (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 for no longer than 2 years, but shall automatically terminate after the customer has closed his account with the utility, 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 8 days' written notice.

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

(12) In lieu of a cash deposit or guarantee, an applicant for new service who has an outstanding account accrued within the last 6 years with the same utility shall have the right to receive service from that utility under a deferred payment agreement as defined in Wis. Adm. Code section PSC 134.063 for the outstanding account.

(13) The rules in subsections (11) and (12) of this section are not applicable to deposits or guarantees made in connection with the financing of extensions or other equipment.

PSC 134.062 DISCONNECTION AND REFUSAL OF SERVICE. (1) DELINQUENT ACCOUNT. (a) The due date of the bill for utility service shall not be less than 20 days after issuance. A bill for utility service is delinquent if unpaid after the due date.

NOTE: See December 17, 1974 order of the Public Service Commission in Docket No. 2-U-7720.

(b) At least 8 calendar days prior to disconnection, the utility shall give written disconnect notice upon a form which must be in the tariff of the utility filed with the Public Service Commission and which conforms to the requirements of Wis. Adm. Code section PSC 134.062(8) unless excepted elsewhere.

(c) When a customer, either directly or through the Public Service Commission, disputes a disconnection notice the utility shall investigate any disputed issue and shall attempt to resolve that issue by negotiation. During this investigation and negotiation, utility service shall not be disconnected over this matter.

(d) If a disputed issue cannot be resolved pursuant to Wis. Adm. Code section 134.064(1), the utility shall inform the customer of the right to contact the Public Service Commission.

(2) Utility service may be disconnected or refused for any of the following reasons:

(a) Failure to pay a delinquent account or failure to comply with the terms of a deferred payment agreement (See Wis. Adm. Code section PSC 134.063.).

(b) Violation of the utility's rules pertaining to the use of service in a manner which interferes with the service of others or to the operation of nonstandard equipment, if the customer has first been notified and provided with reasonable opportunity to remedy the situation.

(c) Failure to comply with deposit or guarantee arrangements as specified in Wis. Adm. Code section 134.061.

(d) Diversion of service around the meter.

(3) A public utility may disconnect utility service without notice where a dangerous condition exists for as long as the condition exists.

(4) Service may be denied to any customer for failure to comply with applicable requirements of this section, or of the utility's rules, or if a dangerous or unsafe condition exists on the customer's premises.

(5) Utility service may not be disconnected or refused for any of the following reasons:

(a) Nonpayment of a delinquent account over 6 months old unless the passage of additional time results from other provisions herein or from good faith negotiations or arrangements made with the customer.

(b) Delinquency in payment for service by a previous occupant of the premises to be served other than a member of the same household residing at the same premises.

(c) Failure to pay for merchandise or charges for non-utility service billed by the utility.

(d) Failure to pay for a different type or class of utility service.

(e) Failure to pay the account of another customer as guarantor thereof.

(f) Failure to pay charges arising from any underbilling occurring more than one year prior to the current billing and due to any misapplication of rates.

(g) Failure to pay charges arising from any underbilling occurring more than one year prior to the current billing and due to any faulty metering.

(h) Failure to pay an estimated bill other than a bill rendered pursuant to an approved bimonthly meter reading plan unless the customer upon request refuses to permit the reading of the meter during normal business hours.

(6) A utility shall not disconnect any residential service without notifying the county department of Health and Social Services at least 5 calendar days prior to the scheduled disconnection, if the customer or responsible person has made a written request for this procedure to the utility. The customer shall be appraised of this right upon application for service.

(7) Notwithstanding any other provision of this section, a utility may not disconnect service to a residential customer if disconnection will aggravate an existent medical emergency of the customer, a member of his family or other permanent resident of the premises where service is rendered and if the customer conforms to the procedure described in paragraph (a), below.

(a) A utility shall postpone the disconnection of service for 21 days to enable the customer to arrange for payment, if the customer produces a licensed Wisconsin physician's statement or notice from a public health or social services official which identifies the medical emergency and specifies the period of time during which disconnection will aggravate the circumstances. The postponement may be extended once by renewal of the certificate or notice. No further extension of time shall be granted except upon a showing by the customer of the existence of extraordinary circumstances and further that he has exercised due diligence in meeting the emergency as evidenced in part by close and continuous communication with the utility.

(b) During the period service is continued under the provisions of this subsection, the customer shall be responsible for the cost of residential utility service. However, no action to disconnect that service will be undertaken until expiration of the period of continued service.

(c) If there is a dispute concerning an alleged existent medical emergency, either party shall have the right to an informal review by the Public Service Commission staff. Pending a decision after informal review, residential utility service shall be continued provided that the resident has submitted a statement or notice as set forth in paragraph (a) of this subsection.

(8) NOTICE OF DISCONNECTION OF SERVICE. (a) A utility shall not disconnect service unless written notice by first class mail is sent to the customer or personally served at least 8 calendar days prior to the first date of the proposed disconnection. Notice shall be sent to the account name and address, and to the address where service is provided, if different. If disconnection is not accomplished on or before the 15th day after the first notice date, a subsequent notice must be left on the premises not less than 24 hours nor more than 48 hours prior to disconnection.

(b) The utility shall make a reasonable effort to have a personal or telephone contact with the customer prior to disconnection.

(c) Disconnection notice shall be given upon a form approved by the Commission, and shall contain the following information:

1. The name and address of the customer and the address of service, if different.

2. A statement of the reason(s) for the proposed disconnection of service and that disconnection will occur if the account is not paid, or if arrangement is not made to pay the account under deferred payment agreement, or if other suitable arrangements are not made, or if equipment changes are not made. If disconnection of service is to be made for default on a deferred payment agreement, the notice shall include an explanation of the acts of the customer which are considered to constitute default.

3. A statement that the customer should communicate immediately upon receipt of the notice with the utility's designated office, listing a telephone number, if he disputes the notice of delinquent account, if he wishes to negotiate a deferred payment agreement as an alternative to disconnection, if any resident is seriously ill, or if there are other extenuating circumstances.

4. A statement that residential utility service will be continued for up to 21 days during serious illness if the account holder submits a statement or notice pursuant to Wis. Adm. Code section PSC 134.062(7).

5. A statement that the customer may appeal to the Public Service Commission staff in the event that the grounds for the proposed disconnection or the amount of any disagreement remains in dispute after the customer has pursued the available remedies with the utility.



(9) DISCONNECTION PROCEDURES. (a) Service shall not be disconnected on a day, or on a day immediately preceding a day, when the business offices of the utility are not available to the public for the purpose of transacting all business matters unless the utility provides personnel which are readily available to the customer 24 hours per day to evaluate, negotiate or otherwise consider the customer's objection to the disconnection as provided under Wis. Adm. Code section PSC 134.064 and proper service personnel are readily available to restore service 24 hours per day.

(b) If a residential service which has been disconnected, has not been restored to service within 24 hours after the time of the disconnection, the utility shall inform the local law enforcement department of the billing name and the service address and that a threat to health and life might exist to persons occupying the premises.

PSC 134.063 DEFERRED PAYMENT AGREEMENT. The utility is required to offer deferred payment agreements only to residential accounts.

(1) Every deferred payment agreement entered into due to the customer's inability to pay the outstanding bill in full shall provide that service will not be discontinued if the customer pays a reasonable amount of the outstanding bill and agrees to pay a reasonable portion of the remaining outstanding balance in installments until the bill is paid.

(2) For purposes of determining reasonableness under these rules the parties shall consider the:

- (a) Size of the delinquent account.
- (b) Customer's ability to pay.
- (c) Customer's payment history.
- (d) Time that the debt has been outstanding.
- (e) Reasons why debt has been outstanding.

(f) Any other relevant factors concerning the circumstances of the customer.

(3) A deferred payment agreement offered by a utility shall state immediately preceding the space provided for the customer's signature and in bold face print at least 2 sizes larger than any other used thereon, that "IF YOU ARE NOT SATISFIED WITH THIS AGREEMENT, DO NOT SIGN. IF YOU DO SIGN THIS AGREEMENT YOU GIVE UP YOUR RIGHT TO DISPUTE THE AMOUNT DUE UNDER THE AGREEMENT EXCEPT FOR THE UTILITY'S FAILURE OR REFUSAL TO FOLLOW THE TERMS OF THIS AGREEMENT."

(4) A deferred payment agreement shall not include a finance charge.

(5) If an applicant for utility service has not fulfilled terms of a deferred payment agreement, the utility shall have the right to disconnect pursuant to disconnection of service rules (Wis. Adm. Code section PSC 134.062) and under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to disconnection.

(6) Any payments made by a customer in compliance with a deferred payment agreement, or otherwise, shall be first considered made in payment of the previous account balance with any remainder credited to the current bill.

PSC 134.064 DISPUTE PROCEDURES. (1) Whenever the customer advises the utility's designated office prior to the disconnection of service that all or any part of any billing as rendered is in dispute, or that any matter related to the disconnection is in dispute, the utility shall:

(a) Investigate the dispute promptly and completely.

(b) Advise the customer of the results of the investigation.

(c) Attempt to resolve the dispute.

(d) Provide the opportunity for the customer to enter into a deferred payment agreement when applicable in order to settle the dispute.

(2) After the customer has pursued the available remedies with the utility, he may request that the Public Service Commission staff informally review the disputed issue and recommend terms of settlement.

(a) A request for informal review may be made in any reasonable manner such as by written notice or telephoned request directed to the Public Service Commission.

(b) There must be at least 5 days between the date the Commission staff mails written notice of terms of settlement after informal review, and any subsequent disconnection.

(3) Any party to the dispute after informal review may make a written request for a formal review by the Commission. Such request must be made within 5 days of the date the Commission staff mails written notice of terms of settlement after informal review.

(a) Within 10 days from the time such a request is made, the Commission shall decide on the basis of the information it has received from the staff whether to hold a hearing on the matter and shall inform both parties of its decision.

(b) If the Commission decides to conduct a formal hearing on the dispute, the customer shall be required to pay 50% of the bill in dispute to the utility or post bond for that amount on or before the date of hearing. Failure to pay this amount or post bond before hearing will constitute a waiver.

(c) Such a hearing shall conform to the procedures described in sections 196.26 to 196.34, Wis. Stats.

(d) Any such hearing shall be held not less than 10 days following a notice of hearing and a decision thereon shall be rendered following the conclusion of the hearing.

(4) Utility service shall not be disconnected because of any disputed matter while the disputed matter is being pursued in accordance with the provisions of this section. In no way does this relieve the customer from the obligation of paying charges which are not disputed.

Section PSC 134.09 of the WISCONSIN ADMINISTRATIVE CODE is repealed.

Section PSC 185.14 of the WISCONSIN ADMINISTRATIVE CODE is repealed.

Section PSC 185.22 of the WISCONSIN ADMINISTRATIVE CODE is repealed and recreated to read:

PSC 185.22 INFORMATION AVAILABLE TO CUSTOMERS. (1) There shall be kept on file in every station and office of the utility where customer payments are received copies of the rate schedules applicable in such locality. Copies of these rules and such rules of the utility as are applicable shall be kept on file in every general and local office of the utility. Reasonable notice shall be given customers as to where the foregoing information is available to them.

(2) Where a customer is eligible to take service under any one or more of two or more rates, the company shall advise the customer in the selection of the rate or rates which result in the lowest cost of service, based on 12 months' service and on the information at hand.

(3) Each water utility, for every municipality in which it serves, shall provide in the respective telephone directories a telephone listing by which the utility can be notified during a 24-hour day of any utility service deficiency or emergency which may exist.

(4) Where a second language is common in a particular area served by the utility and so identified by the Commission, all rules pertaining to billing and credit shall be available upon customer request for distribution in English and that second language in every business office of the utility in that area accessible to the public and where customer payments are received.

(5) Upon application for service, every customer shall be advised by the utility of the utility's collection powers contained in section 66.069(1)(b), Wis. Stats.

Section PSC 135.36 is repealed and recreated and sections PSC 185.37, PSC 185.38 and PSC 185.39 of the WISCONSIN ADMINISTRATIVE CODE are created to read:

PSC 185.36 DEPOSITS. (1) NEW RESIDENTIAL SERVICE. A utility shall not require a cash deposit or other guarantee as a condition of new service unless a customer has an outstanding account balance with the utility which accrued within the last 6 years, and which at the time of the request for new service remains outstanding and not in dispute. (See Wis. Adm. Code section PSC 185.39.)

(2) EXISTING RESIDENTIAL SERVICE. A utility shall not require a cash deposit or other guarantee as a condition of continued service unless either or both of the following circumstances apply:

(a) The utility has shut off or discontinued the service of the customer within the last 12-month period for violation of the utility's filed rules or for nonpayment of a delinquent service account not currently in dispute.

(b) Subsequent credit information indicates that the initial application for service was falsified or incomplete to the extent that a deposit would be required under this section.

(3) NON-RESIDENTIAL SERVICE. (a) In the case of non-residential service if the credit of an applicant for water service has not been established satisfactorily to the utility, he may be

required to deposit a sum not exceeding the estimated gross bills for all water service, both billed and unbilled, which can be supplied before the utility's filed disconnect rule becomes applicable. The amount to be deposited may be a minimum of \$1 per month for each class of water service furnished.

(b) The deposit shall be refunded after 24 consecutive months of prompt payment. In no case, however, will a deposit be refunded if the customer's credit standing is not satisfactory to the utility.

(c) Payment shall be considered "prompt" if it is made prior to notice of disconnection for nonpayment not in dispute.

(4) CONDITIONS OF DEPOSIT. The maximum deposit for a new or existing residential account shall not exceed the estimated gross bills for all water service, both billed and unbilled, which can be supplied before the utility's filed disconnect rule becomes applicable. The amount to be deposited may be a minimum of \$1 per month for each class of water service furnished.

(5) Deposits shall bear interest of at least the legal rate, payable from the date of deposit to the date of refund or discontinuance of service, whichever is earlier.

(6) The utility shall review the payment record of each residential utility customer with a deposit on file at 12-month intervals. The utility shall not require or continue to require a cash deposit unless a deposit is required under the provisions of section PSC 185.36(2).

(7) Any deposit or portion thereof refunded to a customer shall be refunded by check unless both the customer and the utility agree to a credit on the regular billing or unless subsection (8) applies.

(8) Upon termination of service, the deposit, with accrued interest shall be credited to the final bill and the balance shall be returned promptly to the customer.

(9) A utility shall not require any customer to pay a deposit or establish a guarantee in lieu of deposit without explaining, in writing if requested, why that deposit is being required.

(10) Service may be refused or disconnected for failure to pay a deposit request subject to the rules pertaining to disconnection and refusal of service. (Wis. Adm. Code section PSC 185.37)

(11) GUARANTEE TERMS AND CONDITIONS. (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 no longer than 2 years, but shall automatically terminate after the customer has closed his account with the utility, 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 8 days' written notice.

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

(12) In lieu of cash deposit or guarantee, an applicant for new service who has an outstanding account accrued within the last 6 years with the same utility shall have the right to receive service from the utility under a deferred payment agreement as defined in Wis. Adm. Code section PSC 185.38 for the outstanding account.

(13) The rules in subsections (11) and (12) of this section are not applicable to deposits or guarantees made in connection with the financing of extensions or other equipment.

PSC 185.37 DISCONNECTION AND REFUSAL OF SERVICE. (1) DELINQUENT ACCOUNT. (a) The due date of the bill for utility service shall not be less than 20 days after issuance. A bill for utility service is delinquent if unpaid after the due date.

NOTE: See December 17, 1974 order of the Public Service Commission in Docket No. 2-U-7720.

(b) At least 8 calendar days prior to disconnection, the utility shall give written disconnect notice upon a form which must be in the tariff of the utility filed with the Public Service Commission and which conforms to the requirements of Wis. Adm. Code section PSC 185.37(9) unless excepted elsewhere.

(c) When a customer, either directly or through the Public Service Commission, disputes a disconnection notice, the utility shall investigate any disputed issue and shall attempt to resolve that issue by negotiation. During this investigation and negotiation, utility service shall not be disconnected over this matter.

(d) If a disputed issue cannot be resolved pursuant to Wis. Adm. Code section PSC 185.39(1), the utility shall inform the customer of the right to contact the Public Service Commission.

(2) Utility service may be disconnected or refused for any of the following reasons:

(a) Failure to pay a delinquent account or failure to comply with the terms of a deferred payment agreement (See Wis. Adm. Code section PSC 185.38.).

(b) Failure to comply with deposit or guarantee arrangements as specified in Wis. Adm. Code section PSC 185.36.

(c) Diversion of service around the meter.

(3) A utility may disconnect utility service without notice where a dangerous condition exists for as long as the condition exists.

(4) Service may be discontinued with a written 24-hour notice for nonpayment of a bill covering surreptitious use of water if so provided in the filed tariff of the utility.

(5) Utility service may not be disconnected or refused for any of the following reasons:

(a) Nonpayment of a delinquent account over 6 months old unless the passage of additional time results from other provisions herein or from good faith negotiations or arrangements made with the customer.

(b) Delinquency in payment for service by a previous occupant of the premises to be served other than a member of the same household residing at the same premises.

(c) Failure to pay for merchandise or charges for non-utility service billed by the utility.

(d) Failure to pay for a different type or class of utility service.

(e) Failure to pay the account of another customer as guarantor thereof.

(f) Failure to pay charges arising from any underbilling occurring more than one year prior to the current billing and due to any misapplication of rates.

(g) Failure to pay charges arising from any underbilling occurring more than one year prior to the current billing and due to faulty metering.

(h) Failure to pay an estimated bill other than a bill rendered pursuant to an approved bimonthly meter reading plan unless the customer upon request refuses to permit the reading of the meter during normal business hours.

(6) A utility shall not disconnect any residential service without notifying the county department of Health and Social Services at least 5 calendar days prior to the scheduled disconnection, if the customer or responsible person has made a written request for this procedure to the utility. The customer shall be appraised of this right upon application for service.

(7) Notwithstanding any other provision of this section, a utility may not disconnect service to a residential customer if disconnection will aggravate an existent medical emergency of the customer, a member of his family or other permanent resident of the premises where service is rendered and if the customer conforms to the procedures described in paragraph (a) below.

(a) A utility shall postpone the disconnection of service for 21 days to enable the customer to arrange for payment, if the customer produces a licensed Wisconsin physician's statement or notice from a public health or social service official which identifies the medical emergency and specifies the period of time during which disconnection will aggravate the circumstances. The postponement may be extended once by renewal of the certificate or notice. No further extension of time shall be granted except upon a showing by the customer of the existence of extraordinary circumstances and further that he has exercised due diligence in meeting the emergency as evidenced in part by close and continuous communication with the utility.

(b) During the period service is continued under the provisions of this subsection, the customer shall be responsible for the cost of residential utility service. However, no action to disconnect that service will be undertaken until expiration of the period of continued service.

(c) If there is a dispute concerning an alleged existent medical emergency, either party shall have the right to an informal review by the Public Service Commission staff. Pending a decision after informal review, residential utility service shall be continued, provided that the resident has submitted a statement or notice as set forth in paragraph (a) of this subsection.

(8) NOTICE OF DISCONNECTION OF SERVICE. (a) A utility shall not disconnect service unless written notice by first class mail is sent to the customer or personally served at least 8 calendar days prior to the first date of the proposed disconnection.



Notice shall be sent to the account name and address, and to the address where service is provided, if different. If disconnection is not accomplished on or before the 15th day after the first notice date, a subsequent notice must be left on the premises not less than 24 hours nor more than 48 hours prior to the disconnection.

(b) The utility shall make a reasonable effort to have a personal or telephone contact with the customer prior to disconnection.

(c) Disconnection notice shall be given upon a form approved by the Commission, and shall contain the following information.

1. The name and address of the customer and the address of the service, if different.

2. A statement of the reason(s) for the proposed disconnection of service and that disconnection will occur if the account is not paid, or if arrangement is not made to pay the account under deferred payment agreement, or if other suitable arrangements are not made, or if equipment changes are not made. If disconnection of service is to be made for default on a deferred payment agreement, the notice shall include an explanation of the acts of the customer which are considered to constitute default.

3. A statement that the customer should communicate immediately upon receipt of the notice with the utility's designated office, listing a telephone number, if he disputes the notice of delinquent account, if he wishes to negotiate a deferred payment agreement as an alternative to disconnection, if any resident is seriously ill, or if there are other extenuating circumstances.

4. A statement that residential utility service will be continued for up to 21 days during serious illness if the account holder submits a statement or notice pursuant to Wis. Adm. Code section PSC 185.37(7).

5. A statement that the customer may appeal to the Public Service Commission staff in the event that the grounds for the proposed disconnection or the amount of any disagreement remains in dispute after the customer has pursued the available remedies with the utility.

(9) DISCONNECTION PROCEDURES. (a) Service shall not be disconnected on a day, or on a day immediately preceding a day, when the business offices of the utility are not available to the public for the purpose of transacting all business matters unless the utility provides personnel which are readily available to the customer 24 hours per day to evaluate, negotiate or otherwise consider the customer's objection to the disconnection as provided under Wis. Adm. Code section PSC 185.39, and proper service personnel are readily available to restore service 24 hours per day.

(b) If a residential service which has been disconnected, has not been restored to service within 24 hours after the time of the disconnection, the utility shall inform the local law enforcement department of the billing name and the service address and that a threat to health and life might exist to persons occupying the premises.

PSC 185.38 DEFERRED PAYMENT AGREEMENT. The utility is required to offer deferred payment agreements only to residential accounts.

(1) Every deferred payment agreement entered into due to the customer's inability to pay the outstanding bill in full shall provide that service will not be discontinued if the customer pays a reasonable amount of the outstanding bill and agrees to pay a reasonable portion of the remaining outstanding balance in installments until the bill is paid.

(2) For purposes of determining reasonableness under these rules the parties shall consider the:

- (a) Size of the delinquent account.
- (b) Customer's ability to pay.
- (c) Customer's payment history.
- (d) Time that the debt has been outstanding.
- (e) Reasons why debt has been outstanding.

(f) Any other relevant factors concerning the circumstances of the customer.

(3) A deferred payment agreement offered by a utility shall state immediately preceding the space provided for the customer's signature and in bold face print at least 2 sizes larger than any other used thereon, that "IF YOU ARE NOT SATISFIED WITH THIS AGREEMENT, DO NOT SIGN. IF YOU DO SIGN THIS AGREEMENT YOU GIVE UP YOUR RIGHT TO DISPUTE THE AMOUNT DUE UNDER THE AGREEMENT EXCEPT FOR THE UTILITY'S FAILURE OR REFUSAL TO FOLLOW THE TERMS OF THIS AGREEMENT."

(4) A deferred payment agreement shall not include a finance charge.

(5) If an applicant for utility service has not fulfilled terms of a deferred payment agreement, the utility shall have the right to disconnect pursuant to disconnection of service rules (Wis. Adm. Code section PSC 185.37) and under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to disconnection.

(6) Any payments made by a customer in compliance with a deferred payment agreement or otherwise shall first be considered made in payment of the previous account balance with any remainder credited to the current bill.

PSC 185.39 DISPUTE PROCEDURES. (1) Whenever the customer advises the utility's designated office prior to the disconnection of service that all or any part of any billing as rendered is in dispute, or that any matter related to the disconnection is in dispute, the utility shall:

- (a) Investigate the dispute promptly and completely.
- (b) Advise the customer of the results of the investigation.
- (c) Attempt to resolve the dispute.

(d) Provide the opportunity for the customer to enter into a deferred payment agreement when applicable in order to settle the dispute.

(2) After the customer has pursued the available remedies with the utility, he may request that the Public Service Commission staff informally review the disputed issue and recommend terms of settlement.

(a) A request for informal review may be made in any reasonable manner such as by written notice or telephoned request directed to the Public Service Commission.

(b) There must be at least 5 days between the date the Commission staff mails written notice of terms of settlement after informal review, and any subsequent disconnection.

(3) Any party to the dispute after informal review may make a written request for a formal review by the Commission. Such request must be made within 5 days of the date the Commission staff mails written notice of terms of settlement after informal review.

(a) Within 10 days from the time such a request is made, the Commission shall decide on the basis of the information it has received from the staff whether to hold a hearing on the matter and shall inform both parties of its decision.

(b) If the Commission decides to conduct a formal hearing on the matter, the customer shall be required to pay 50% of the amount in dispute to the utility or post bond for that amount on or before the date of hearing. Failure to pay this amount or post bond before hearing constitutes a waiver.

(c) Such a hearing shall conform to the procedures described in sections 196.27 to 196.34, Wis. Stats.

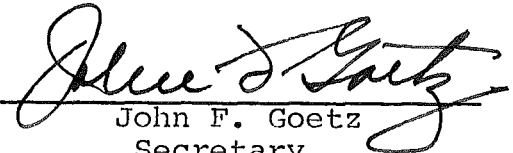
(d) Any such hearing shall be held not less than 10 days following a notice of hearing and a decision thereon shall be rendered following the conclusion of the hearing.

(4) Utility service shall not be disconnected because of any disputed matter while the disputed matter is being pursued in accordance with the provisions of this section. In no way does this relieve the customer from the obligation of paying charges which are not disputed.

The rules, amendments, and repeals contained herein shall take effect on February 1, 1975 as provided in section 227.026(1) (intro. par.), Wis. Stats

dated: December 17, 1974

PUBLIC SERVICE COMMISSION

  
John F. Goetz  
Secretary



113, 134, 185  
State of Wisconsin \ PUBLIC SERVICE COMMISSION

WILLIAM F. EICH, CHAIRMAN  
ARTHUR L. PADRUTT, COMMISSIONER  
RICHARD D. CUDAHY, COMMISSIONER  
JOHN F. GOETZ, SECRETARY  
HILL FARMS STATE OFFICE BUILDING  
MADISON, WISCONSIN 53702

December 17, 1974

2-U-7720

FILE NO.

Investigation on Motion of the Commission  
Relative to Whether the Present Deposit,  
Guarantee and Disconnect Rules are Approp-  
riate and Reasonable and as to Whether a  
Rule Should be Promulgated Respecting Net  
and Gross Billing Practices of Public  
Utilities

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

Dear Mr. Burke:

Pursuant to section 227.023, Wisconsin Statutes, we are enclosing a certified copy of amended, created, and recreated sections in Wis. Adm. Code Chapters PSC 113, PSC 134, and PSC 185, adopted following procedures set forth in section 227.021 and 227.022, Wisconsin Statutes.

Also enclosed is a copy of a letter sent to members of appropriate standing committees of the legislature as required by section 227.018(2), Wisconsin Statutes, together with a list of legislators so notified.

Very truly yours,

John F. Goetz  
Secretary

NJ:sle  
enc.