

PSC 13.133, 134, 063

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CERTIFICATE

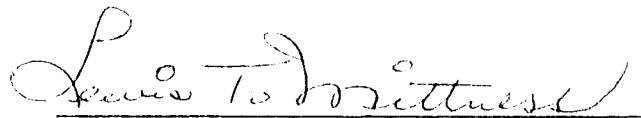
STATE OF WISCONSIN)
)
PUBLIC SERVICE COMMISSION) ss.

TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Lewis T. Mittness, Executive Secretary of the Public Service Commission of Wisconsin, and custodian of the official records of said Commission, do certify that the annexed rules relating to deposits, deferred payment agreements, budget billing, disconnection, and dispute procedures were duly approved and adopted by this Commission on November 21, 1978.

I further certify that this copy of the rules 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 rules.

IN TESTIMONY WHEREOF, I have hereunto set me hand and affixed the official seal of the Commission at the Hill Farms State Office Building in the City of Madison this 12th day of January, 1979.



Lewis T. Mittness
Executive Secretary
PUBLIC SERVICE COMMISSION OF WISCONSIN

DATE MAILED

NOV 30 1978

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Petition of Joanne Robertson, et. al.,)
for an Order Amending Rules With)
Respect to Deferred Payment Plans) 1-AC-13
and Dispute Procedures of Gas and)
Electric Utility Services)

ORDER GRANTING PETITION IN PART,
DISMISSING PETITION IN PART AND
PROMULGATING RULES

On June 17, 1977, the Public Service Commission received a petition from 27 Milwaukee-area utility consumers - all members of Utility Consumers United - requesting changes in commission rules regarding deferred payment agreements (ss. PSC 113.133 and 134.063, Wis. Adm. Code) and dispute procedures (ss. PSC 113.134 and 134.064, Wis. Adm. Code) for electric and gas public utilities and their customers. The specific rule changes requested are numerous and are in the commission file. The proposed changes concern the following:

1. Deferred payment agreements. The petition:
 - a) proposes that deferred payment agreements include the provision for payment of any outstanding balances in installments. This rule apparently eliminates any requirement for a "lump sum" initial payment of a portion of existing arrearages;
 - b) proposes that a customer's financial means, or ability to pay, be the primary factor in determining the reasonableness of a deferred payment agreement;
 - c) places the responsibility to offer a deferred payment agreement on the utility;
 - d) requests that if no deferred payment agreement can be reached, the utility shall provide a written statement to the customer including the utility's final offer, the factors considered in the offer, the weight given each factor, and the customers final offer;
 - e) requests that all deferred payment agreements include a written statement as to the customer's right to appeal a deferred payment agreement to the Public Service Commission;

- f) requests, upon customer request, when the customer and utility cannot agree, that the Public Service Commission shall order a deferred payment agreement, such agreement to be based on the customer's means if the failure to pay is caused by financial inability;
- g) would preclude disconnection for failure to comply with a deferred payment agreement when the customer experiences a "substantial decline in available income."

2. Dispute procedures. The petition:

- a) requests that the utility confirm a customer dispute in writing and record all contacts with the customer;
- b) requests that the utility send the customer written findings and conclusions on each dispute and information on the right of appeal to the Public Service Commission;
- c) specifies the information that a customer must provide when filing a dispute with the Public Service Commission;
- b) would allow an already-disconnected customer to use the dispute procedures and specifies conditions under which the customer must be reconnected during a dispute.

On December 1, 1977, with Commissioner John C. Oestreicher dissenting, the commission issued due notice of hearing on the petition. Hearing was held January 18 and 19, 1978 in Milwaukee and January 20, 1978 in Madison before Examiner James A. Spiegel. Appearances are contained in the appendix A.

Testimony in support of the proposed rule changes was presented by seventeen public witnesses. Testimony was also presented by witnesses for seven public utilities and by David J. Gilles, Assistant Attorney General, for the Department of Justice, Office of Consumer Protection.

On June 29, 1978, a letter was filed with the commission on behalf of twelve of the major gas and electric public utilities proposing various guidelines for disconnections of service and for deferred payment agreements.

On August 22, 1978 the commission incorporated the letter into the record of this proceeding.

Discussion

The changes to deferred payment agreements (DPA) and dispute procedure rules that are petitioned for in this proceeding are summarized above. The general tenor of the requested changes appears to be a formalization of various steps in the collection and payment dispute process and an attempt to make financial circumstance of the customer the major determinant of payment agreements and dispute resolution.

Guidelines submitted by the twelve utilities provide for some workable solutions to various collection problems in order to safeguard the interests of consumers, both individually and collectively and to avoid problems caused by utilities by uncontrolled extension of credit.

The problems in customer-utility interaction in cases of non-payment are long lived before the commission. Many problems go deeper than the modification of rule language can address. The commission has become aware, through customer contact in this and other cases, that people are having legitimate problems because of high utility bills. The commission is sensitive to these problems and has taken steps to mitigate these problems, but is limited in its ability to resolve some of these basic difficulties caused by inflation, income distribution, and other economic and social realities. Certainly, the corrections of those matters lie beyond the scope of this case and the requested rule additions.

The commission's rules governing deferred payments and disputes were promulgated in major part in November 1974; some changes were made in 1975. In docket 2-U-7720, dated November 13, 1974, the commission recognized certain underlying objectives to the promulgation of new rules. These objectives include:

1. Ease of understanding and administration.
2. Prevention of undue discrimination between customers.

3. Provision of reasonable protection to the customer in dealing with the utility.
4. Avoidance of unreasonable cost burden through implementation of the rules.

Current rules on deferred payment agreements and dispute procedures were an attempt to meet these objectives. Certain petitioned-for changes and certain of the guidelines advanced by the utilities, in specific instances may aid specific customers, and additionally may serve to improve on the objectives noted above. Some proposed changes in this proceeding seem to lean most heavily in favor of the individual customer and expand the potential for abuse and delay by some customers to the detriment of others. Customer's rights are important and the commission will always be steadfast in protecting those rights. To further fair protection of due process and customer rights, certain of the requested changes will be approved with some modifications. Some utility proposals will also be incorporated as rules in order to promote uniformity.

The following is a discussion of proposed changes and the commission's actions to alter the current rules.

PSC 113.133(1)
PSC 134.063(1)

According to the petition, the proposal for these sections is that they be "modified to exclude the requirement that a customer must pay a reasonable lump-sum amount of the outstanding bill as well as agree to pay the balance in installments". The petition itself has identified that any initial payment shall be reasonable. In certain cases, this may be zero. The proposal to eliminate an initial payment is not warranted and will not be approved.

PSC 113.133(2)
PSC 134.063(2)

These current rule sections read as follows. The new rule proposal is underlined.

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

- (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.

The primary factor to be considered in determining the amount of a monthly deferred payment agreement is the customer's financial means so that no economic hardship will be imposed on that customer who enters into a deferred payment agreement.

As indicated above, subsection (2) of ss. 113.133 and 134.063 would contain an additional sentence to indicate the most important factor in determining a deferred payment agreement.

The commission strongly disagrees with this proposal and will not promulgate such a rule. All six criteria are pertinent to the determination of a deferred payment agreement and should be afforded due consideration. Adoption of this proposal would likely render sections (a)(c)(d)(e) and (f) as irrelevant and potentially reduce the chances for collection of any reasonable sum.

PSC 113.133(3)
PSC 134.063(3)

Subsection (3) as proposed would be a new subsection requiring a utility to make the offer for a deferred payment agreement. The current availability of a deferred payment agreement is noted on the disconnection notice. The June 27, 1978 utility proposal further proposes an annual mailing to customers on various service related matters, one of which is payment options. Such a mailing and a notice to new customers are responsible means of disseminating this information. The petitioner's proposal noted here will not be authorized, however the commission will promulgate a rule to require dissemination of information to all residential customers. Such rule is shown in appendix B, under PSC 113.12(4) and 134.05(4).

PSC 113.133(4)
PSC 134.063(4)

The petitioners' proposal for this new subsection is to require that when a deferred payment agreement cannot be reached, the utility must set forth in writing its final offer, the customer's final offer, and the factors considered in setting the utility offer. The weight given each factor is to be specified.

The June 27, 1978 utility proposal does not suggest providing written notice on each unresolved deferred payment agreement. This proposal does state however that if the utility and customer cannot agree "the customer shall be advised of the reasons why his offer was not acceptable." The utilities further indicated that they will document "all specific payment offers and other collection efforts with the customer". Documentation of actions and explanations to customers are desirable and expected by the commission. The specific language in the rule proposed by petitioners will not be adopted but the commission will adopt certain requirements on these issues including a requirement for written notice to customers. Such rules are shown in appendix B and identified as PSC 113.133(7), 113.21, 134.063(7) and 134.17.

PSC 113.133(5)
PSC 113.063(5)

This proposed subsection would add the following language to the deferred payment agreement form.

If you appeal this final offer of a deferred payment plan to the Public Service Commission Hill Farms State Office Building, 4802 Sheboygan Avenue, Madison, Wisconsin 53702, the company may not terminate your service during the appeal.

Information on the right of appeal to the PSC is contained on the disconnection notice; this information will further be available in the annual mailing to be required by these rules, as will information on dispute procedures. However, customers should be aware of their rights and the intent of this proposal is adopted in PSC 113.133(3) and 134.063(3), as indicated in appendix B.

PSC 113.133(6)
PSC 134.063(6)

The proposal of this subsection requires the PSC to set deferred payment agreement terms when the parties cannot agree. Present dispute procedures in the code permit the staff to recommend terms of settlement and allow for appeal to the commission. This proposed section does not appear required.

PSC 113.133(7)
PSC 134.063(7)

This subsection would require that the PSC set deferred payment agreements based upon a customer's means. As discussed under section (2) above several factors must be considered in determining a DPA. The ability to pay is but one factor. This rule will not be adopted.

PSC 113.133(8)
PSC 134.063(8)

This is currently subsection (4) and is unchanged.

PSC 113.133(9)
PSC 134.063(9)

This proposed subsection precludes disconnection for default on a DPA if the default is caused by a "substantial decline in available income" to the customer. This rule is ambiguous, fails to recognize other factors, and is unacceptable.

PSC 113.133(10)
PSC 134.063(10)

This is the current subsection (6) and is unchanged.

PSC 113.134
PSC 134.064

Proposed changes to these sections require written verification of disputes, written records of all customer contacts and written statements upon resolution of disputes including the right to appeal to the PSC. These rules also specify information that must be filed by a customer when making a dispute to the PSC and they permit, under certain conditions, use of the dispute procedures by a customer that is already disconnected and allows reconnection of that customer.

These specific rule sections proposed by petitioners appear

to be too formal and administratively burdensome. Comments by the utilities in their June 27, 1978 letter offers proposals that meet some of the intents of the petitioners but are better suited for practical use. The documentation of contacts has been discussed above as has the provision of information to customers on an annual basis. The utilities have not proposed to specifically allow use of the dispute mechanisms after disconnection although in practice the current rules are often used in those cases.

In order that certain customer rights are well announced and to aid in ensuring protection to consumers certain rule changes as shown in appendix B will be adopted.

Some allegations made in this proceeding require that the commission reiterate some observations on the use of the current rules. Specific problem areas noted by the customers who testified in this proceeding were that the customer's means were not adequately considered, that requests for payment are arbitrary, and that inadequate documentation of customer contacts was maintained. To these points, the commission refers to its December 11, 1975 letter to all electric, gas, water, sewer and telephone utilities which reads in part:

"The Public Service Commission of Wisconsin has received several complaints resulting from the failure of some utilities to comply fully with sections PSC 113.133(2), PSC 134.063(2), and PSC 185.38(2).

This rule requires the utility to consider six different criteria in determining the reasonableness of the proposed deferred payment agreement terms:

- (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.

Items (b), (e), and (f) can be properly determined only if the utility personnel communicate with the customer. Complaints have been made to the commission because utility personnel have failed to consider or even determine those criteria. Therefore this commission requests that all utilities review their deferred payment procedures for compliance with the Wisconsin Administrative Code. The commission expects the information obtained from the customer to be permanently recorded for future use in the event the proposed payment plan is refused by the customer and the customer requests commission action. Any counter proposal from the customer would also be pertinent information for a commission investigation.

The use by some utilities of a single broad formula for all deferred payment agreements is entirely inappropriate. (i.e., half of the payment immediately and the remainder in equal monthly installments.) Such a formula does not recognize the need for judgment based on the circumstances of each individual situation."

The commission has recognized the very problem areas brought to light again in this proceeding. The directives of this 1975 letter remain pertinent today and the commission expects that utilities will use these rules in the spirit intended by the commission. Used responsibly and responsibly, current rules serve a dual purpose of protecting consumer rights and offering a reasonable opportunity of bill collection to the utilities. The rule changes discussed below will assist in the fair conduct of actions involving utility billing.

In addition to changes resulting from the petition and proposed by the utilities, the commission has made various other changes to clarify some rules, to eliminate unnecessary rules, and to create new rules as required.

Specifically, the commission is promulgating rules on budget payment plans. As bills for utility services, particularly for heating, continue to take a critical share of consumer income the ability to plan for uniform payments over the year becomes more important for individuals. To meet the needs for budget billing in a uniform fashion rules are promulgated in this order to provide guidelines on the use of such a plan. Appendix B contains budget payment rules in sections 113.16(5) and 134.13(6). Other changes made to clarify existing rules concern information available to consumers, estimated meter readings, prepayment meters and various other editorial revisions.

Findings of Fact

THE COMMISSION FINDS:

Current administrative rules on deferred payment agreements (ss. PSC 113.133 and PSC 134.063, Wis. Adm. Code) and dispute procedures (ss. PSC 113.134 and PSC 134.064, Wis. Adm. Code) are reasonable and are in the public interest. All the changes to these rules petitioned for in this proceeding will not serve any constructive purposes and are unnecessary to provide reasonable customer

protection. Other changes will increase the usefulness and protection of the rules. Additional changes made by the commission are also necessary for improving the utility customer relationship. Problems in payment of utility bills in many respects go beyond the scope of the collection rules promulgated by this commission. The petition will be dismissed in part and approved in part. Certain rule changes to enhance existing conditions will be promulgated, as in appendix B.

Conclusion of Law

THE COMMISSION CONCLUDES:

That it has jurisdiction under chapters 196 and 227 Wis. Stats., to issue an order dismissing the petition for rule changes as discussed above and to promulgate rule changes concerning electric and gas service.

Order

THE COMMISSION THEREFORE ORDERS:

1. That the petition of Joanne Robertson et. al., for an order amending rules with respect to deferred payment plans and dispute procedures of gas and electric utility services be and is dismissed in part.

2. That pursuant to authority vested in the Public Service Commission of Wisconsin by ss. 196.02 and 196.37, and according to the procedure set forth in s. 227.014, Wis. Stats., the commission hereby amends rules in: sections PSC 113.12, 113.133, 113.16, 113.21, 134.05, 134.063, 134.13 and 134.17 of the Wis. Adm. Code as are shown in appendix B.

Dated at Madison, Wisconsin,
By the Commission.

NOV 21 1978


Executive Secretary

APPENDIX

Appearances

In support:

Utility Consumers United

by

Dan Kaemmerer
and
Pat Holland

Both of Milwaukee

In opposition:

Wisconsin Gas Company

by

Robert A. Nuernberg,
Assistant General Counsel
and
Douglas N. Bartley
Attorney

Both of Milwaukee

Wisconsin Electric Power Company

Wisconsin Natural Gas Company

by

Larry J. Martin, Attorney
and
Richard P. Anderson
Manager of Accounting Operations

Both of Milwaukee

Northern States Power Company

by

Donald P. Jolstad, Controller

Eau Claire

Wisconsin Power and Light Company

by

Curtis Swanson, Attorney
Madison

As interest may appear:

Wisconsin Department of Justice
Office of Consumer Protection

by

David J. Gilles
Assistant Attorney General
Madison

Wisconsin Public Service Corporation

by

Ron Grosse
Administrator - Division Accounting
and
Daniel P. Bittner

Both of Green Bay

Madison Gas and Electric Company

by

Roger D. Erickson
Manager - Customer Information
Madison

City Gas Company
Lake Superior District Power Company
Superior Water, Light and Power Company
Wisconsin Fuel and Light Company
Wisconsin Southern Gas Company

by

Hugh H. Bell, Attorney
Madison

Municipal Electric Utilities of Wisconsin

by

Rebecca A. Erherdt, Attorney
Madison

Wisconsin Rapids Municipal Utilities

by

Robert Stuhlmacher, Secretary-Treasurer
Wisconsin Rapids

Of the commission staff:

Steven Levine
Assistant Chief Counsel

Appendix B

PSC 113.12 Information available to customers. (1)
~~There shall be kept on file in every station and office of the utility where 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.~~

Each utility shall have available in its offices where payments are received, copies of its rates and rules applicable to the locality. The rates and rules shall be available for customer inspection, and reasonable notice as to their availability shall be provided to customers.

~~(2)(a) -- Where a customer is eligible to take service under any one or more of 2 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-month service and on the information at hand.~~

~~(b) -- The selection of a rate or rates shall be advised every 12 months, whenever there is a change in rates, and whenever a request to do so is received from the customer. The customer shall be notified if any combination of service, change in voltage of delivery, or the installation of any equipment will result in a lower cost of service.~~

(Note - Provisions of PSC 113.12(2)(a) and (b) have been revised and moved to PSC 113.16)

~~(3) (2) 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) (3) 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.~~

(4) Each utility shall provide written notice to its residential customers annually, and a written notice to all new residential customers, at a minimum, of the rules on deposits, payment options including deferred payment agreements and budget billing, disconnection and dispute procedures; of the availability of information on energy conservation practices and of the availability of agencies or programs which may provide financial aid assistance or counseling; and contain a reply procedure to allow customers an opportunity to advise the utility of any special circumstances, such as the presence of infants or elderly persons or the use of human life-sustaining equipment, and to advise the utility to contact a specific third party agency or individual prior to any disconnection action being taken.

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 purpose 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 type sizes larger than any other used thereon, that "IF YOU ARE NOT SATISFIED WITH THIS AGREEMENT, DO NOT SIGN. YOU HAVE THE RIGHT TO MAKE A COUNTER OFFER AND, IF IT IS REJECTED, YOU HAVE THE RIGHT TO APPEAL THIS PROPOSED AGREEMENT TO THE PUBLIC SERVICE COMMISSION OF WISCONSIN, DURING WHICH TIME THE UTILITY MAY NOT DISCONNECT YOUR SERVICE. THIS DOES NOT RELIEVE YOU FROM THE OBLIGATION TO PAY BILLS THAT ARE INCURRED AFTER COMMENCEMENT OF DISPUTE PROCEDURES. 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 ~~as otherwise~~ shall first be considered made in payment of the previous account balance with any remainder credited to the current bill.

(7) If a deferred payment agreement cannot be reached, and if the customer's proposed deferred payment agreement is unacceptable to the utility, the utility shall inform the customer in writing why the customer's offer was not acceptable.

PSC 113.16 Billing. (1)(a) Each bill including the customer's receipt, shall show the present and last preceding meter readings, the date of the present reading, the number of units consumed, the class of service if other than residential, and the rate schedule under which the bill is computed. In lieu of including the rate schedule on the bill the utility may, whenever a rate change becomes effective and at least twice a year, supply each customer with the schedule of rates at which the bills are computed and any other rates that might be applicable. Bills rendered at rates requiring the measurement of a number of different factors shall show all data necessary for the customer to check the computation of the bill. Minimum and estimated bills shall be distinctly marked as such.

(b) If the utility is authorized to make late payment charges, such charges shall comply with the following requirements.

1. The bill shall clearly indicate the amount of the late payment charge and the date after which the late payment charge shall be applied.

2. Late payment charges shall be applied no sooner than 20 days after the date of issuance of the bill.

3. The amount of the late payment charge shall be 3% of the bill, except a minimum charge of 30¢ shall apply.

4. Late payment charges shall be applied to all customer classes and rate classifications.

5. The utility shall not waive any properly applied late payment charges.

6. A late payment charge shall be applied only once to any given amount outstanding.

Note: The Public Service Commission in its order adopting the revision to PSC 113.16(1) states that "all public utilities operating in Wisconsin shall be in compliance with all of the rules adopted herein not later than 180 days after said rules become effective (9-1-76)."

(2)(a) If the billing period is longer or shorter than allowed in section PSC 113.15, the bill shall be prorated on a daily basis unless other provision is made in the utility's filed rules.

(b) ~~If the utility reads the meters at the end of each billing period, the utility may, or if requested by the customer shall, leave meter reading forms when access to meters cannot be gained. If the utility cannot read the meter at the end of each billing period, or if the customer requests it, the utility shall leave meter reading forms at the premises for completion by the customer. If no form is left or the form is not returned in time for the billing operation, a minimum or estimated bill may be rendered. In cases of emergency, the utility may render minimum or estimated (average) bills without reading meters or supplying meter reading forms to customers. Only in unusual cases or when approval is obtained from the customer shall more than 3 consecutive estimated bills be rendered.~~

(c) ~~If the utility schedules the reading of meters less frequently than once each billing period, the utility, unless otherwise requested by the customer, shall supply meter reading forms for the periods when the meter is not scheduled to be read. If the customer fails to return the meter reading form or has informed the utility he does not wish to supply a reading, a minimum or estimated bill may be rendered.~~

If meter reading is not scheduled on a monthly basis, the utility shall supply customers with meter-reading forms for the periods when the meter is not scheduled to be read by the utility. Customers shall not be required to provide these meter readings. If the customer informs the utility he or she does not desire to supply a reading or if the form is not returned in time for the billing operation, a minimum or estimated bill may be rendered.

~~(d) If an estimated bill appears to be abnormal when a subsequent reading is obtained, the bill for the entire period shall be computed at a rate which contemplates the use of service during the entire period and the estimated bill shall be deducted, if there is reasonable evidence that the use occurred during only one billing period, the bill shall be so computed.~~

When an actual meter reading indicates that a previous estimated bill was abnormally high or low the utility shall calculate the bill for the entire period as if use of service was normally distributed throughout the period. The previous estimated charge shall be deducted from the recomputed total. If there is evidence to indicate that actual use was not uniform throughout the period, the billing shall be adjusted according to available information.

(3)(a) Credits due a customer because of meter inaccuracies, errors in billing, or misapplication of rates shall be shown separately and identified.

(b) The original billing rendered because of meter inaccuracy, or errors in billing, shall be separated from the regular bill and the charges explained in detail. ~~Subsequent to the first billing the amount can be shown as a separate item on the regular bill.~~

~~(4) As the end of each billing period the utility shall read all prepayment meters, calculate the customer's bill at the regular net rates applicable, report the amount of money in the meter, and bill, refund, or credit the account with the difference between the bill at the regular rates and the amount collected, provided the same customer has received service during the entire billing period. Credits shall be liquidated at least once a year and upon termination of service.~~

~~(5)~~ (4) Each bill for service shall be computed at the proper filed rate and the rate used shall be the cheapest applicable rate based on 12 months' use of service. If the customer's use is such that it is difficult to be certain what rate should be applied until there has been 12 months' use, the billing shall be adjusted on the first 12th bill following the end of the 12 month use period.

(a) This rule does not prohibit contracts having terms longer than 1 year but does require that the rates paid under such contracts be the utility's lowest applicable rates on file with the commission.

(b) This rule applies to service as it is being supplied. If the customer could reduce his or her bills by installing equipment, combining or separating services, he or she should be notified as required by section PSC 113.12(2) 113.16(4)(d), but no change in rates shall be made until the customer makes the necessary changes.

(c) Where a customer is eligible to take service under more than one rate schedule, the utility shall inform the customer how to select the rate that results in the lowest cost of service, based on 12 months service and on the information at hand.

(d) The customer shall be informed of the selection of a rate every 12 months, whenever there is a change in rates that would affect the customer, and at any other time the customer so requests. The customer shall be notified if any combination of service, change in voltage of delivery, or the installation of any equipment will result in a lower cost of service.

(5) Each utility shall offer a budget payment plan to all prospective and existing residential customers and to all commercial accounts for which the primary purpose of the service is to provide for residential living, subject to the following minimum requirements.

(a) A budget payment plan tariff shall be on file with the Public Service Commission, applicable only to charges for utility services under PSC jurisdiction.

(b) A budget payment plan may be established at any time of the year. Budget payments shall be calculated on the basis of the estimated consumption and estimated applicable rates for the 12 months subsequent to establishing the plan.

(c) A prospective budget plan customer shall be informed at the time of application and an existing budget plan customer at each renewal that budget payments are subject to change at 6-month intervals in order to reflect current circumstances.

(d) Customers who have arrearages shall be allowed to establish a budget payment plan by signing a deferred payment agreement for the arrears, according to the provisions of s. PSC 113.133.

(e) Each budget plan account shall be monitored at 6-month intervals and the budget payment amount shall be appropriately adjusted if the total underbilled or overbilled balance in the account exceeds the equivalent of one budget payment amount over the full 12-month budget plan period.

When an adjustment is made to a budget payment amount, the customer shall be adequately informed of the adjustment at the same time the bill containing the adjustment is rendered.

(f) Budget payment plans shall be subject to the late payment charge provisions of section PSC 113.16(1)(b). In addition, if a budget payment is not paid, the customer shall be appropriately notified with the next billing. If proper payment is not received subsequent to this notification, the next regular billing may effectuate the removal of the customer from the budget plan and reflect the appropriate amount due.

(g) A customer removed from the budget payment plan either at the customer's request or by the utility for nonpayment may not resubscribe to the budget plan for a period of 6 months.

(h) At the end of a customer's full 12-month budget plan period, if an underbilled or overbilled balance exists in the account, the account adjustments shall be as follows at the customer's option.

1. An underbilled balance may be charged to the account, or subject to a deferred payment agreement, or carried over to the next budget plan period.

2. An overbilled balance may be applied to the account, refunded, or carried over to the next budget plan period.

PSC 113.21 Customer's complaints. Each utility shall investigate and keep a record of complaints received by it from its customers in regard to safety, service, or rates, and the operation of its system. The record shall show the name and address of the complainant, the date and nature of the complaint, and its disposition and the date thereof.

Each utility also shall document all contacts and actions relative to deferred payment agreements and disputes.

~~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 these rules and such rules of the utility as are applicable shall be kept on file in every general and legal office of the utility. Reasonable notice shall be given customers as to where the foregoing information is available to them.~~

Each utility shall have available in its offices where payments are received, copies of its rates and rules applicable to the locality. The rates and rules shall be available for customer inspection and reasonable notice as to their availability shall be provided to customers.

~~(2) Where a customer is eligible to take service under any one or more of 2 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)(2)~~ 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)(3)~~ 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.

(4) Each utility shall provide written notice to its residential customers annually, and a written notice to all new residential customers, at a minimum, of the rules on deposits, payment options including deferred payment agreements and budget billing, disconnection and dispute procedures; of the availability of agencies or programs which may provide financial aid assistance or counseling; and contain a reply procedure to allow customers an opportunity to advise the utility of any special circumstances, such as the presence of infants or elderly persons or the use of human life sustaining equipment, and to advise the utility to contact a specific third party agency or individual prior to any disconnection action being taken.

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 type sizes larger than any other used thereon, that "IF YOU ARE NOT SATISFIED WITH THIS AGREEMENT, DO NOT SIGN. YOU HAVE THE RIGHT TO MAKE A COUNTER OFFER AND, IF IT IS REJECTED, YOU HAVE THE RIGHT TO APPEAL THIS PROPOSED AGREEMENT TO THE PUBLIC SERVICE COMMISSION OF WISCONSIN, DURING WHICH TIME THE UTILITY MAY NOT DISCONNECT YOUR SERVICE. THIS DOES NOT RELIEVE YOU FROM THE OBLIGATION TO PAY BILLS THAT ARE INCURRED AFTER COMMENCEMENT OF DISPUTE PROCEDURES. 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.

(7) If a deferred payment agreement cannot be reached, and if the customer's proposed deferred payment agreement is unacceptable to the utility, the utility shall inform the customer in writing why the customer's offer was not acceptable.

PSC 134.13 Billing (1)(a) Each bill, including the customer's receipt, shall show the present and last preceding meter readings, the date of the present reading, the number of units consumed, the class of service if other than residential, and the rate schedule under which the bill is computed. In lieu of including the rate schedule on the bill the utility may, whenever a rate change becomes effective and at least twice a year, supply each customer with the schedule of rates at which the bills are computed and any other rates that might be applicable. Bills rendered at rates requiring the measurement of a number of different factors shall show all data necessary for the customer to check the computation of the bill. Minimum and estimated bills shall be distinctly marked as such.

(b) If the utility is authorized to make late payment charges, such charges shall comply with the following requirements.

1. The bill shall clearly indicate the amount of the late payment charge and the date after which the late payment charge shall be applied.

2. Late payment charges shall be applied no sooner than 20 days after the date of issuance of the bill.

3. The amount of the late payment charge shall be 3% of the bill, except a minimum charge of 30¢ shall apply.

4. Late payment charges shall be applied to all customer classes and rate classifications.

5. The utility shall not waive any properly applied late payment charges.

6. A late payment charge shall be applied only once to any given amount outstanding.

Note: The Public Service Commission in its order adopting the revision to PSC 134.13(1) states that "all public utilities operating in Wisconsin shall be in compliance with all of the rules adopted herein not later than 180 days after said rules become effective (9-1-76)."

(2)(a) If the billing period is longer or shorter than allowed in Wis. Adm. Code section PSC 134.12, the bill shall be prorated on a daily basis unless other provision is made in the utility's filed rules.

~~(b) -- If the utility reads the meters at the end of each billing period, the utility may, or if requested by the customer, shall leave meter reading forms when access to meters cannot be gained. If the utility cannot read the meter at the end of each billing period, or if the customer requests it, the utility shall leave meter reading forms at the premises for completion by the customer. If no form is left or the form is not returned in time for the billing operation, a minimum or estimated bill may be rendered. In cases of emergency, the utility may render minimum or estimated (average) bills without reading meters or supplying meter reading forms to customers. Only in unusual cases or when approval is obtained from the customer shall more than 3 consecutive estimated bills be rendered.~~

~~(c) -- If the utility schedules the reading of meters less frequently than once each billing period, the utility unless otherwise requested by the customer, shall supply meter reading forms for the periods when the meter is not scheduled to be read. -- If the customer fails to return the meter reading form or has informed the utility he does not wish to supply a reading, a minimum or estimated bill may be rendered.~~

If meter reading is not scheduled on a monthly basis, the utility shall supply customers with meter-reading forms for the periods when the meter is not scheduled to be read by the utility. Customers shall not be required to provide these meter readings. If the customer informs the utility he or she does not desire to supply a reading or if the form is not returned in time for the billing operation, a minimum or estimated bill may be rendered.

~~(d) -- If an estimated bill appears to be abnormal when a subsequent reading is obtained, the bill for the entire period shall be computed at a rate which contemplates the use of service during the entire period and the estimated bill shall be deducted. -- If there is reasonable evidence that the use occurred during only one billing period, the bill shall be so computed.~~

When an actual meter reading indicates that a previous estimated bill was abnormally high or low the utility shall calculate the bill for the entire period as if use of service was normally distributed throughout the period. The previous estimated charge shall be deducted from the recomputed total. If there is evidence to indicate that actual use was not uniform throughout the period, the billing shall be adjusted according to available information.

(3)(a) Credits due a customer because of meter inaccuracies, errors in billing, or misapplication of rates shall be shown separately and identified.

(b) The original billing rendered because of meter inaccuracy, or errors in billing, shall be separated from the regular bill and the charges explained in detail. ~~Subsequent to the first billing the amount can be shown as a separate item on the regular bill.~~

~~(4) -- At the end of each billing period the utility shall read all prepayment meters, calculate the customer's bill at the regular rate applicable, report the amount of money in the meter, and bill, refund, or credit the account with the difference between the bill at the regular rates and the amount collected, provided the same customer has received service during the entire billing period. -- Credits shall be liquidated at least once a year and upon termination of service.~~

(5)(4) Each bill for service shall be computed at the proper filed rate and the rate used shall be the cheapest applicable rate based on 12 months' use of service. If the customer's use is such that it is difficult to be certain what rate should be applied until there has been 12 months' use, the billing shall be adjusted on the first 12th bill following the end of the 12 month use period.

(a) This rule subsection does not prohibit contracts having terms longer than 1 year but does require that the rates paid under such contracts be the utility's lowest cheapest applicable rates on file with the commission.

(b) Where a customer is eligible to take service under any one or more of 2 or more than one rates schedule the company utility shall advise inform the customer how to in the selection of the rate or rates which will that results in the lowest cost of service, based on 12 months' service and on the information at hand.

~~(c) The selection of a rate or rates shall be reviewed every 12 months, whenever there is a change in rates, and whenever a request to do so is received from the customer.~~

The customer shall be informed of the selection of a rate every 12 months, whenever there is a change in rates that would affect the customer and at any other time the customer so requests.

~~(d) Section PSC 134.13(5)(4)(a)(b) and (c) applies to service as it is being supplied. If the customer could reduce his or her bills by installing equipment, combining or separating services, he or she should be notified, but no change in rates shall be made until the customer makes the necessary changes. The utility is not required to advise the customer concerning the efficiency of his utilization equipment or process.~~

~~(6)(5) A utility may base its rates on either a volumetric basis or a "therm" basis but permission must be obtained from this commission to change any rate from one method to another. The unit of service on a volumetric basis shall be the cubic foot. If the volume billed is at a different pressure and/or temperature base than the registered volume, the rate shall specify the billing pressure and temperature. The "therm" billing unit shall be 100,000 British thermal units of total dry heating value. Where therm billing is used, the heating value shall be the average for the billing period or a filed lesser amount. Adjustment of volumes or therms billed shall not be made because of the delivery of standby or peak shaving gas without commission approval.~~

(6) Each utility shall offer a budget payment plan to all prospective and existing residential customers and to all commercial accounts for which the primary purpose of the service is to provide for residential living, subject to the following minimum requirements.

(a) A budget payment plan tariff shall be on file with the Public Service Commission, applicable only to charges for utility services under PSC jurisdiction.

(b) A budget payment plan may be established at any time of the year. Budget payments shall be calculated on the basis of the estimated consumption and estimated applicable rates for the 12 months subsequent to establishing the plan.

(c) A prospective budget plan customer shall be informed at the time of application and an existing budget plan customer at each renewal that budget payments are subject to change at 6-month intervals in order to reflect current circumstances.

(d) Customers who have arrearages shall be allowed to establish a budget payment plan by signing a deferred payment agreement for the arrears, according to the provisions of s. PSC 134.063.

(e) Each budget plan account shall be monitored at 6-month intervals and the budget payment amount shall be appropriately adjusted if the total underbilled or overbilled balance in the account exceeds the equivalent of one budget payment amount over the full 12-month budget plan period.

When an adjustment is made to a budget payment amount, the customer shall be adequately informed of the adjustment at the same time the bill containing the adjustment is rendered.

(f) Budget payment plans shall be subject to the late payment charge provisions of section PSC 134.13(1)(b). In addition, if a budget payment is not paid the customer shall be appropriately notified with the next billing. If proper payment is not received subsequent to this notification, the next regular billing may effectuate the removal of the customer from the budget payment plan and reflect the appropriate amount due.

(g) A customer removed from the budget payment plan either at the customer's request or by the utility for nonpayment may not resubscribe to the budget plan for a period of 6 months.

(h) At the end of a customer's full 12-month budget plan period, if an underbilled or overbilled balance exists in the account, the account adjustments shall be as follows at the customer's option.

1. An underbilled balance may be charged to the account, subject to a deferred payment agreement, or carried over to the next budget plan period.

2. An overbilled balance may be applied to the account, refunded, or carried over to the next budget plan period.

PSC 134.17 Complaints. Each utility shall investigate and keep a record of complaints received by it from its customers in regard to safety, service, or rates, and the operation of its system. The record shall show the name and address of the complainant, the date and nature of the complaint, and its disposition and the date thereof. A summary of this record for the previous calendar year shall be sent to the commission by April 1 of each year.

Each utility also shall document all contacts and actions relative to deferred payment arrangements and disputes.