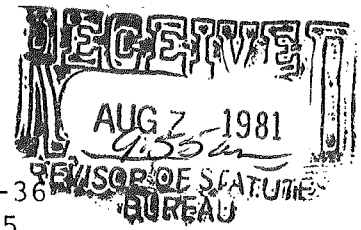


PSC 113, 134, 185

CERTIFICATE



STATE OF WISCONSIN)
) ss.
PUBLIC SERVICE COMMISSION)

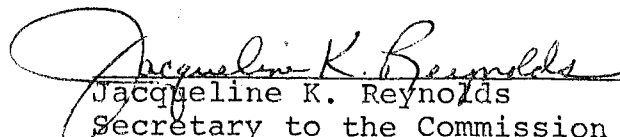
1-AC-36
81-45

TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Jacqueline K. Reynolds, Secretary of the Public Service Commission of Wisconsin, and custodian of the official records of said commission, do hereby certify that the annexed order amending Wis. Adm. Code chapters PSC 113, 134 and 185 to allow utilities to charge 1 1/2% on the unpaid balance of a customer's bill was duly approved and adopted by this commission on August 4, 1981.

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

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the commission at the Hill Farms State Office Building, in the City of Madison this 5th day of August, 1981.


Jacqueline K. Reynolds
Secretary to the Commission
PUBLIC SERVICE COMMISSION OF WISCONSIN

DATE MAILED
AUG 6 1981

COMPARED WITH AND CERTIFIED BY ME
TO BE A FULL, TRUE AND CORRECT COPY
OF THE ORIGINAL ON FILE IN MY OFFICE

AUG 4 1981

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Jacqueline K. Reynolds
Secretary to the Commission
Public Service Commission of Wisconsin

Investigation by the Commission into)
late payment charges on the Unpaid) 1-AC-36
Balance of a Customer's Bill)

ORDER OF THE PUBLIC SERVICE
COMMISSION OF WISCONSIN AMENDING AND
ADOPTING RULES



RECEIVED
AUG 7 1981
REVISOR OF STATUTES
BUREAU

Relating to rules allowing a gas, electric or water utility to charge no more than 1-1/2% per month late payment charge on the unpaid balance of a customer's bill in lieu of the presently allowed one-time 3% late payment charge.

Analysis prepared by the Public Service Commission of Wisconsin.

ANALYSIS

On February 16, 1981, the Public Service Commission issued a notice of proposed rulemaking to allow gas, electric and water utilities to charge 1% per month interest on the unpaid balance of a customer's bill as an alternative to present late payment rules which permit a one-time 3% late payment charge.

Hearings were held on October 14, 1980 and March 16, 1981 and written comments on proposed rules were received by a number of parties. In light of the oral and written comments, the Commission amended the rules as proposed to clarify the following points:

1. The rules as noticed used the term "interest charge"

to denote the proposed additional option of a 1% per month charge. This term has been replaced in the final rule by the term "monthly charge" as opposed to the current "one time" 3% charge. This is because both the "one time" and the "monthly" charge are different forms of late payment charges.

2. The rules provide a definite date from which a monthly late payment charge should be calculated: no sooner than 20 days after the date of issuance of the previous bill.

3. The rules provide that a utility may impose a monthly late payment charge not to exceed a rate of 1-1/2%. Each utility choosing to impose a monthly late payment charge must first file the rate it selects with the Commission.

4. As originally proposed the rules provided that a monthly late payment charge would not be compounded. The rules as adopted require compounding.

5. Also as originally proposed, the rules provided that "no interest charge may be applied to a utility service bill which is under dispute by the customer." The rules as adopted provide for a monthly late payment charge on that portion of a disputed bill which is ultimately resolved in the utility's favor.

6. The rules insure consistent treatment by the utility regardless of which late payment charge method is used. For example, bills are due at the same time (20 days after issuance) regardless of which late payment charge is used.

7. The rules clarify that the late payment provisions apply only to that portion of a bill for utility service.

Aside from these clarifications and amendments, the rules are substantially similar to those originally proposed.

STATUTORY AUTHORITY

Pursuant to authority vested in the Public Service Commission by Chapter 196 and sec. 227.014(2)(a), and by secs. 196.02(1), and 196.37, Stats., the Public Service Commission amends and adopts rules as follow:

A. Chapter PSC 113:

1. Sec. PSC 113.16(1)(d) is renumbered as sec. PSC 113.16(1)(f) and amended to read:

(d f) If the utility is authorized to make a one-time late payment charges, such charges shall comply with the following requirements.

2. Sec. PSC 113.16(1)(d) is created to read:

(d) The utility may include on the utility service bill charges to the customer resulting from other services, materials, or work provided by the utility as a result of commission-approved conservation and alternative energy programs. The charges shall be listed individually on the bill and the customer shall be permitted to include such payment in his or her payment for electric utility service. Any partial payments will be applied first to the amount due for utility service and the remainder to the other charges.

3. Sec. PSC 113.16(1)(e) is created to read:

(e) The commission may authorize the utility to make late payment charges to a customer's utility service bill that is not paid in full within 20 days following issuance of the bill. The late payment charge may be either a one-time charge as provided in par. (f) or a monthly charge as provided in par. (g). The utility shall receive approval from the commission of the method it desires to use and shall not change methods without commission approval.

4. Sec. PSC 113.16(1)(g) is created to read:

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

1. The amount of the charge shall be no more than 1-1/2% per month and shall be filed with and approved by the commission before it can be applied.

2. The late payment charge shall be applied to the total unpaid balance for utility service, including unpaid late payment charges.

3. The late payment charge shall be applied no sooner than 20 days after the date of issuance of the bill.

4. The late payment charge shall be applied to all customer classes and rate classifications.

5. If a customer disputes a bill for utility service or portion thereof and does not pay the disputed bill in full within 20 days following issuance of the bill, the late payment charge shall be applied only to that portion of the disputed bill later found to be correct and payable to the utility.

6. The utility may not waive any properly applied late payment charge.

7. No additional late payment charge may be applied to a delinquent account for utility service after the date on which the delinquent account was written off by the utility as uncollectable.

8. If a utility changes the type of late payment charge or initiates a late payment charge, the new charge shall apply only to utility service provided after the effective date of the change or initiation.

5. Sec. PSC 113.16(5) (f) is amended to read:

(f) Budget payment plans shall be subject to the late payment charge provisions of ~~section PSE-113.16(1)(d)~~ subs. (1) (f) and (1) (g). 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.

B. Chapter PSC 134

1. Sec. PSC 134.13(1) (d) is renumbered as sec. 134.13(1) (f) and amended to read:

(d f) If the utility is authorized to make a one-time late payment charges, such charges shall comply with the following requirements.

2. Sec. 134.13(1) (d) is created to read:

(d) The utility may include on the utility service bill charges to the customer resulting from other services, materials or work provided by the utility as a result of commission-approved conservation and alternative energy programs. The charges shall be listed individually on the bill and the customer shall be permitted to include such payment in his or her payment for gas utility service. Any partial payments will be applied first to the amount due for utility service and the remainder to the other charges.

3. Sec. PSC 134.13(1) (e) is created to read:

(e) The commission may authorize the utility to make late payment charges to a customer's utility service bill that is not paid in full within 20 days following issuance of the bill. The late payment charge may be either a one-time charge as provided in par. (f) or a monthly charge as provided in par. (g). The utility shall receive approval from the commission of the method it desires to use and shall not change methods without commission approval.

4. Sec. PSC 134.13(1)(g) is created to read:

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

1. The amount of the charge shall be no more than 1-1/2% per month and shall be filed with and approved by the commission before it can be applied.
2. The late payment charge shall be applied to the total unpaid balance for utility service, including unpaid late payment charges.
3. The late payment charge shall be applied no sooner than 20 days after the date of issuance of the bill.
4. The late payment charge shall be applied to all customer classes and rate classifications.
5. If a customer disputes a bill for utility service or portion thereof and does not pay the disputed bill in full within 20 days following issuance of the bill, the late payment charge shall be applied only to that portion of the disputed bill later found to be correct and payable to the utility.
6. The utility may not waive any properly applied late payment charge.
7. No additional late payment charge may be applied to a delinquent account for utility service after the date on which the delinquent account was written off by the utility as uncollectable.
8. If a utility changes the type of late payment charge or initiates a late payment charge, the new charge shall apply only to utility service provided after the effective date of the change or initiation.

5. Sec. PSC 134.13(6)(f) is amended to read:

(f) Budget payment plans shall be subject to the late payment charge provisions of ~~section-PSE 134.13(1)(d)~~ subs. (1)(f) and (1)(g). 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.

C. Chapter PSC 185

1. Sec. PSC 185.33(1)(b) is renumbered as sec. PSC 185.33(1)(c) and amended to read:

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

2. Sec. PSC 185.33(1)(b) is created to read:

(c)
(d)
(b) The commission may authorize the utility to make late payment charges to a customer's utility service bill that is not paid in full within 20 days following issuance of the bill. The late payment charge may be either a one-time charge as provided in par. (f) or a monthly charge as provided in par. (g). The utility shall receive approval from the commission of the method it desires to use and shall not change methods without commission approval.

3. Sec. PSC 185.33(1)(d) is created to read:

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

1. The amount of the charge shall be no more than 1-1/2% per month and shall be filed with and approved by the commission before it can be applied.

2. The late payment charge shall be applied to the total unpaid balance for utility service, including unpaid late payment charges.

3. The late payment charge shall be applied no sooner than 20 days after the date of issuance of the bill.

4. The late payment charge shall be applied to all customer classes and rate classifications.

5. If a customer disputes a bill for utility service or portion thereof and does not pay the disputed bill in full within 20 days following issuance of the bill, the late payment charge shall be applied only to that portion of the disputed bill later found to be correct and payable to the utility.

6. The utility may not waive any properly applied late payment charge.

7. No additional late payment charge may be applied to a delinquent account for utility service after the date on which the delinquent account was written off by the utility as uncollectable.

8. If a utility changes the type of late payment charge or initiates a late payment charge, the new charge shall apply only to utility service provided after the effective date of the change or initiation.

The rules and amendments contained in this docket will take effect on the first day of the month following publication in the Wisconsin Administrative Register, as provided in sec. 227.026, Stats.

Dated at Madison, Wisconsin,

August 4, 1981

By the Commission.

Jacqueline K. Reynolds
Jacqueline K. Reynolds
Secretary to the Commission