



Water Works and Lighting Commission

221 16th Street South P.O. Box 399 Wisconsin Rapids, WI 54495-0399 715/423-6300 FAX: 715/423-2831

AGENDA

There will be a Regular Meeting of the Water Works and Lighting Commission in the conference room on Wednesday, March 8, 2023, at 2:00 PM.

Listed below is the agenda for this meeting.

1. Call to order
2. Approval, additions, or corrections to the minutes of the following meeting
 - 2.1. Regular Commission Meeting held February 8, 2023
3. Action items
 - 3.1. Request to hire summer help
4. Department updates
 - 4.1. Safety Committee
 - 4.2. Line Superintendent
 - 4.3. Water Department Operations
 - 4.4. Customer Support Supervisor
 - 4.5. Director of Finance
 - 4.6. Information Systems Administrator
 - 4.7. Conservation Manager
 - 4.8. Electrical Engineer
 - 4.9. Director of Engineering & Electric Operations
 - 4.10. General Manager
5. Review of accounts payable
6. Adjourn

If given 72 hours' notice, efforts will be made by the General Manager's office to accommodate the needs of disabled individuals through sign language interpreters and other auxiliary aids.

Regular Meeting of the Water Works and Lighting Commission Wednesday, February 8, 2023

There were present:

Commissioner Jay Bemke
Commissioner John Bergin
Commissioner John Harper
Commissioner Rick Merdan
Commissioner Jeff Penzkover

Also in attendance: Jem Brown, Roxanne Gronski, Jeff Kuhn, Josh Elliott, Lynn Schroer, Adam Breunig, Shawn Reimer, Tyler Sneen, Todd Weiler, Matt Stormoen, and Sean Wall.

1. Call to Order

Chairman John Bergin called the meeting to order at 2:00 PM.

2. Approval, additions or corrections to the minutes of the following meeting

2.1 Regular Commission Meeting held January 11, 2023

There was a motion made by Rick Merdan, seconded by Jay Bemke, and carried to approve the minutes of the Regular Commission Meeting held on January 11, 2023, and to place them on file. There were no nay votes recorded.

2.2 Special Commission Meeting held January 24, 2023

There is a motion made by John Harper, seconded by Jay Bemke, and carried to approve the minutes of the Special Commission Meeting held on January 24, 2023, and to place them on file. There were no nay votes recorded.

3. Action items

3.1 There were no action items.

4.0 Department updates

4.1 Safety Committee Report

The commissioners reviewed the January safety committee report and the

safety coordinator's monthly report. Sean Wall answered questions regarding the MEUW Electric Operations Conference that was recently held in Wisconsin Dells. Sean stated that for MEUW employees this is an all-hands-on deck conference put on by the MEUW and is always extremely well organized and well attended.

4.2 Line Superintendent's Report

This report was reviewed and discussed.

4.3 Water Department Operations Report

This report was reviewed and the January maintenance projects were discussed. Adam Breunig answered questions regarding the water allowed to run program/procedures which is done to help prevent residential freeze-ups.

4.4 Customer Support Supervisor's Report

This report was reviewed and discussed. Lynn Schroer answered questions regarding account receivables and water disconnection notices that were sent.

4.5 Director of Finance's Report

This report was reviewed and there was a lengthy discussion regarding the financial statements. Jeff Kuhn answered questions regarding cybersecurity liability insurance and also how workers compensation insurance mod factors are determined.

4.6 Information System's Administrator's Report

This report was reviewed and Matt Stormoen answered questions regarding January projects. Matt and our storeroom/utility system specialist Kyle Dewitt met with a representative from NISC who was able to show them the new capabilities of the system.

4.7 Conservation Manager's Report

This report was reviewed and discussed. Shawn Reimer answered questions regarding a meeting that he had with Ocean Spray Cranberry and the upcoming Lincoln High School annual Reality Check that will be held March 7th. This is a literacy simulation that helps to prepare graduating seniors with a realistic experience in budgeting, understanding financial responsibilities and making potential life choices while interacting with business and community members.

4.8 Electrical Engineer's Report

This report was reviewed and discussed. With the recent good weather, we were able to finish up the regulator maintenance for the High School Substation. This maintenance includes draining the old oil, replacing with new oil, and un-tanking the switching mechanism so it can be cleaned of any carbon buildup.

4.9 Director of Engineering & Electric Operations

This report was reviewed and discussed. Todd Weiler answered questions regarding the MEUW Electric Operations Conference he attended. Todd attended a breakout session on the comparison between designing substations for public versus investor-owned utilities and another on substation security which reviewed both physical and cyber security strategies.

4.10 General Manager's Report

This report was reviewed and discussed. Jem Brown answered questions regarding our upcoming audit, the MEUW Electric Operations Conference he recently attended and a conference call that was held with Great Lakes Utilities regarding the GLU 50-75MW solar project and the supply chain issues they are experiencing.

5. Review of accounts payables

A listing of all invoices and checks covering January was provided to the commission for review.

6. Adjourn

There was a motion made by Rick Merdan, seconded by Jeff Penzkover, and carried to adjourn at 2:29 PM. No nay votes were recorded.

Respectfully submitted,

Rick Merdan, Secretary



Water Works and Lighting Commission

221 16th Street South P.O. Box 399 Wisconsin Rapids, WI 54495-0399 715/423-6300 FAX: 715/423-2831

To: Water Works and Lighting Commission

From: Adam Breunig

Date: February 28, 2023

Subject: Summer Help Request

I would like to formally request one summer help employee to assist in the water department. Duties described will include but are not limited to:

- 1) Maintaining outlying properties (mowing and string trimming).
- 2) Assist in restoration of lawns from water maintenance projects.
- 3) Various maintenance projects in the filter plant and at the wells.
- 4) Assist crews with fire hydrant operation program.
- 5) Assist crews with valve exercising program.
- 6) Work with the city street department with valve preparation prior to seal coating.
- 7) Assist with the disconnect process, hang door tags.
- 8) Assist water meter technician with service calls.
- 9) Assist water engineering with various record verifications.

Sincerely

Adam Breunig



Water Works and Lighting Commission

221 16th Street S, P.O. Box 399 Wisconsin Rapids, WI 54495-0399 (715) 423-6300

2023 SUMMER HELP REQUEST

The office would like to formally request the authority to hire one summer employee. The summer employee will work 40 hours per week.

Office duties will include but are not limited to:

1. Assist at the front counter with customer payments and questions.
2. Assist with customer calls.
3. Assist with disconnection/reconnection as needed.
4. Assist with other office projects as needed.

The office experiences an increase in phone calls and traffic at the front counter due to the number of electric disconnections/reconnections and customers seeking payment arrangements. Having an additional person available to answer incoming phone calls is beneficial to help maintain the high standard of customer service we provide.

Thank you for your consideration.

SAFETY COMMITTEE MEETING MINUTES FOR MARCH 1ST, 2023

Discussion with: Adam Breunig, Josh Elliott, Justin Armagost, Bob Nash, Tyler Sneen, McKenna Schudy and Sean Wall

OLD BUSINESS

There was no old business.

NEW BUSINESS

There were no new safety concerns brought forward at this time.

SAFETY TRAINING/DISCUSSION

The members reviewed and discussed the Occupational Noise Exposure Hearing Conservation Program and found no changes required at this time.

There was a discussion regarding the importance of tree trimming safety performed by the lineman and the responsibilities of the groundman during those cutting operations.

UPCOMING TRAININGS

Respiratory Protection safety training is scheduled for March 21st, 2023.

Safety Committee meeting ended at 7:30 AM.



Municipal Electric Utilities of Wisconsin
Service. Advocacy. Safety.
725 Lois Drive
Sun Prairie, WI 53590
T: 608-837-2263
F: 608-837-0206
www.meuw.org

Wisconsin Rapids Water Works & Lighting Commission

February 2023

Prepared By: Sean T. Wall, MEUW Senior Regional Safety Coordinator

SAFETY REPORT

ACCOMPLISHMENTS

1. Training

- a. Hearing Conservation & PPE safety training (Electric & Water)

2. Audits/Inspections

- a. No audits conducted

3. Compliance/Risk Management

- a. Attended Safety Committee meeting
- b. Attended Commission meeting
- c. Hearing Conservation written safety program sent out for review at Safety Committee

GOALS AND OBJECTIVES

1. Training

- a. Respiratory Protection safety training (Water)

2. Audits/Inspections

- a. No inspections planned

3. Compliance/Risk Management

- a. Attend Safety Committee meeting
- b. Attend Commission meeting
- c. Work with Roxanne to ensure respiratory fit testing is scheduled for Water department
- d. Review Respiratory Protection written safety program for Safety Committee



Water Works and Lighting Commission

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LINE SUPERINTENDENT'S REPORT February, 2023

Work Performed

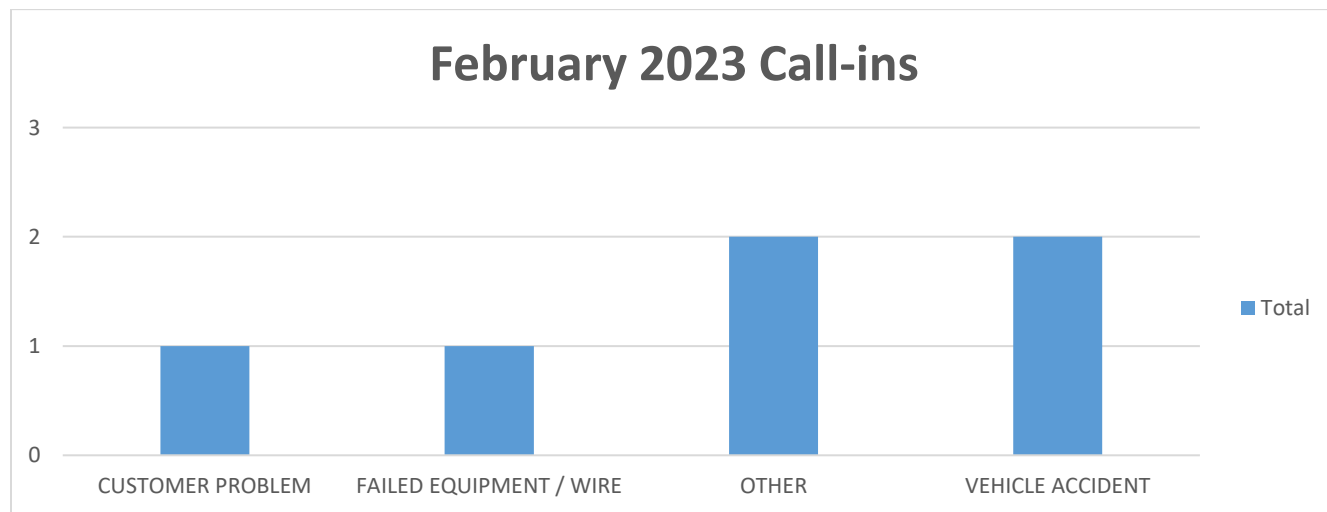
During February, the Electric Department processed 14 work orders, 6 electric service orders, and 59 trouble slips.

Other Projects

- Continued pole replacements.
- Continued tree trimming.
- Began retiring 69kv line to Foundry.
- Continued 2023 construction season planning.

After Hours Calls

In February there were 6 after hour call-ins.



In February there were 6 after hour call-ins. The call-in for "Failed Equipment" was for a URD fault. The calls for "Other" were for traffic signal issues.

Respectfully submitted,

Josh Elliott
Electric Line Superintendent



Water Works and Lighting Commission

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WATER DEPARTMENT OPERATIONS REPORT February 2023

WATER PROJECTS

During February, the water department worked on the following projects.

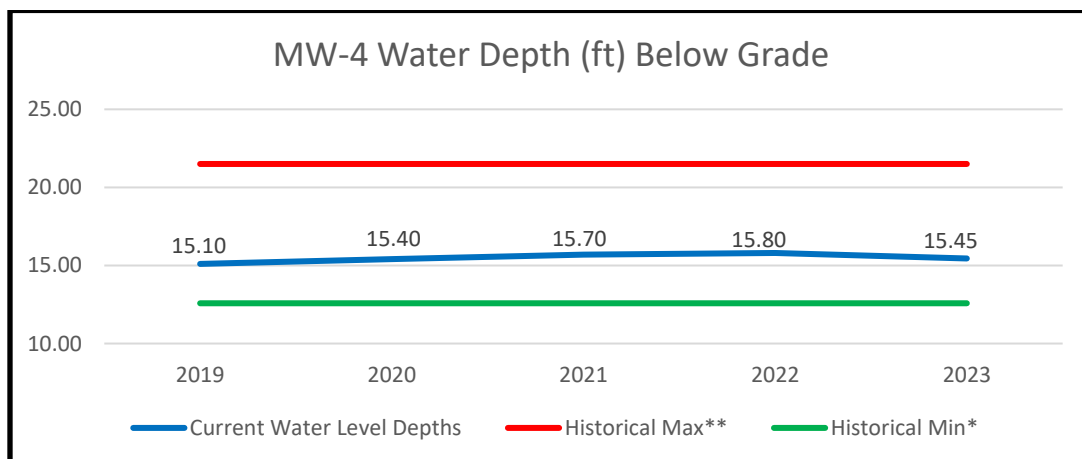
- Crews repaired a 12-Inch water main that was damaged by a contractor located at the intersection of Market St and Avon St.
- Crews repaired leaking gate valves located at the intersection of Market St and E Jackson St.
- Crews began annual exercising of valves and hydrants for maintenance assessments.
- Contractors have begun the filter plant bacteria lab relocation.

TROUBLE CALLS

The water meter crew responded to 24 trouble calls and completed meter inventory.

WATER DEPTHS AT MONITORING WELL (MW) 4 FOR THE LAST 5 YEARS

The readings given below were taken during the last week of February of the year.



* Historical minimum depth below grade for MW-4 was 12'-7" on July 2nd, 2004.

** Historical maximum depth below grade for MW-4 was 21'-6" on September 11th, 2009.

Sincerely,

Adam Breunig

Water Superintendent

**Water Works and Lighting Commission**

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**CUSTOMER SUPPORT SUPERVISOR'S REPORT
FEBRUARY 2023****COLLECTIONS**

Below is the comparison of active and inactive accounts receivable for February.

ALL PROVIDERS – Active and Inactive Accounts			
	<u>February, 2021</u>	<u>February, 2022</u>	<u>February, 2023</u>
30 day	254,421	202,148	246,860
60 day	133,094	82,073	92,451
90 day	471,411	79,161	95,553
Current	2,353,914	2,336,009	2,530,497
Total Active	3,212,840	2,699,391	2,965,361
Total Inactive	104,425	32,050	24,189
Total AR	3,317,265	2,731,441	2,989,550

In February, 390 water disconnection letters were mailed to customers with a past due water balance. We received 278 payments, and the remaining 95 locations were tagged for disconnection. 28 properties were disconnected with six properties remaining disconnected.

Thirty-three commercial accounts were notified of a past due balance and pending disconnection in February. Seven locations were tagged for disconnection with one disconnection.

Tax Refund Interception Program (TRIP) and State Debt Collection (SDC)

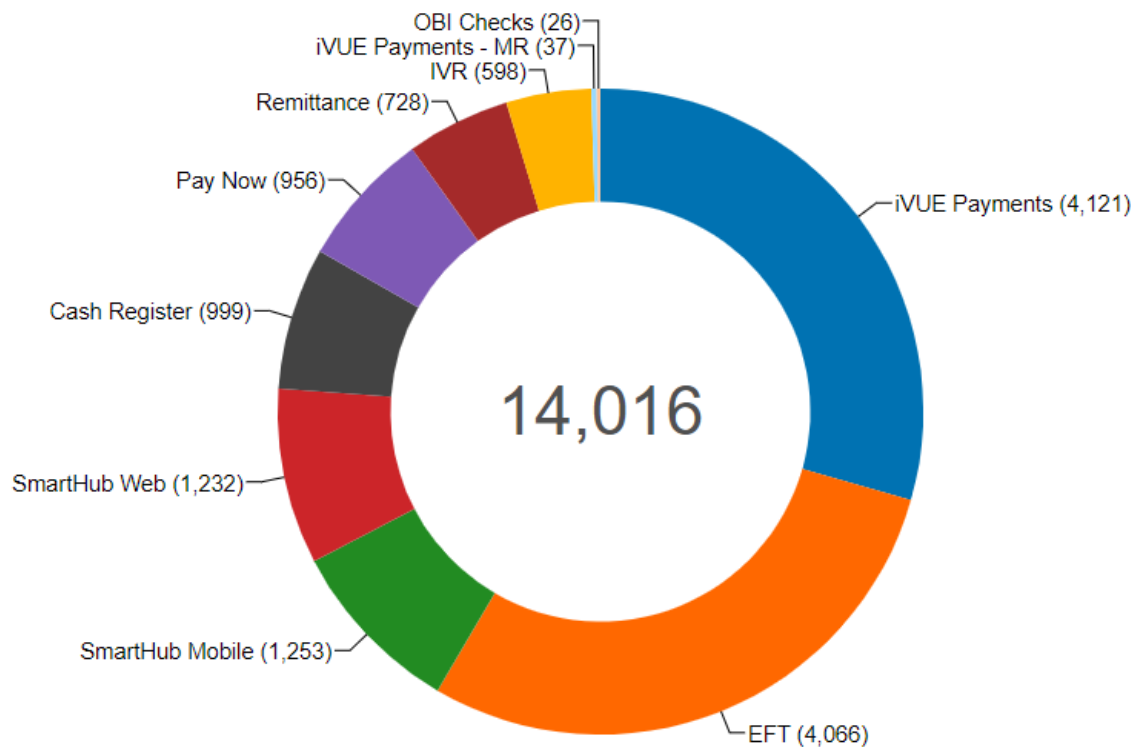
We received \$846 through SDC in February and \$5,501 through TRIP for a 2023 total of \$7,909. We also sent 46 letters to customers who have an inactive balance 90 days past due. Any unpaid balance that remains after 30 days will be sent to TRIP.

FEBRUARY OFFICE INFORMATION

- ✚ Office staff processed seven new electric services, 130 electric move orders, and 60 water move orders. Twenty of these orders were received electronically.
- ✚ Fifty welcome letters were sent to new customers.
- ✚ Office staff answered 1,378 customer calls and 856 customers entered the lobby to either pay in person or seek customer assistance.
- ✚ The upcoming Currents and Waves newsletter is attached.

OFFICE PAYMENTS

We received 14,016 payments in February with approximately 63 percent received via one of our electronic payment options.



SOCIAL MEDIA AND WEBSITE ANALYTICS



- Five messages were posted on Facebook reaching 3,967 users.
- Five messages were posted on Twitter generating 158 impressions.
- We created an Instagram account to reach our younger customers, we have 18 followers to date.
- Our website had 2,926 users with 994 returning and 1,932 new users.

Respectfully submitted,

Lynn Schroer

Customer Support Supervisor



Reliability

By Todd Weiler, P.E.

Director of Engineering & Electric Operations

Reliability is a key factor for any utility. There is always a balance between sustaining reliable service to our customers while maintaining our capital budget to keep our rates competitive. The best way to measure reliability is by comparing ourselves to other utilities. Below are a few examples of how Water Works and Lighting Commission (WW&LC) stacked up.

APPA RP3 Award

WW&LC has received the “Diamond Award” as a Reliable Public Power Provider (RP3), scoring a perfect 100 out of 100 points on our application. The award is valid from April 2021 until March 2024. WW&LC has received this distinguished honor from the American Public Power Association since 2011. We are one of 8 municipalities in the state to hold the “Diamond” designation and 1 of 121 public utilities in the United States to be awarded this honor.

2022 Reliability Statistics

WW&LC continues to try and improve service reliability to its customers. One of the ways we do this is by collecting outage data throughout the year. These statistics report key information regarding the number of customers affected by an outage and how long customers were without power. Using these statistics allows us to implement and prioritize projects and programs to prevent outages in the future. Below is information collected in 2022 that you might find interesting:

- There were 70 reported outages in 2022. Outages caused by trees dropped 50 percent in 2022, this drop is attributed to all the additional tree trimming WW&LC has done since the major windstorm in 2019.
- The largest percentage of our outages (36 percent) were caused by squirrels. The number of outages from squirrels has steadily decreased since WW&LC started adding protective barriers on the pole mounted transformers to prevent any harm from coming to our furry friends.
- WW&LC continues to identify key areas in our system that benefit from being converted from overhead to underground. Because of supply chain shortages over the past couple of years, we have scaled back in this area. When these issues subside, WW&LC intends to resume converting more areas of our distribution system to underground.
- One key measurement calculated from the data is the Average Service Availability Index (ASAI). ASAI measures the efficiency of the distribution system to deliver electric energy to our customers and we scored 99.9955 percent in 2022. A measurement of 99.9000 is considered very good, and WW&LC far exceeded that statistic.
- Another key measurement is the Customer Average Interruption Duration Index (CAIDI) which measures the average amount of minutes a customer is without power when an outage occurs. 105 minutes is considered average. Our CAIDI measurement for 2022 was 43 minutes. This is another benefit of a small publicly owned power utility with a local team that can respond quickly to our customer’s needs.

\$\$ SCHOLARSHIP OPPORTUNITY \$\$

Water Works and Lighting Commission provides scholarship opportunities for those electing to attend an accredited Wisconsin or contiguous-state college or university for continued education in a related field that could prepare the individual for a career in any electric and/or water utility position. The scholarship award will be \$1000 per year, renewable each year the recipient meets the requirements (up to 4 years). The Water Works and Lighting Commission scholarship is available on our website at wrwwlc.com/news. You can also stop in our office to pick up an application. Deadline to submit the application is Monday, April 3rd at 12:00 noon.



Electric disconnection for non-payment will begin on Monday, April 17th. If you are unable to remit payment for your past due charges, we encourage you call our office at 715-423-6300 to set up a payment arrangement. To apply for Energy Assistance, call 715-421-8654 or submit your application online at: <https://energybenefit.wi.gov>.



OUR EASIEST PAYMENT OPTION Automatic Bill Payment

Have you ever forgot to pay your bill by the due date? Sign up for our easy and safe automatic bill payment option and you will never have to worry about remembering a due date again! By setting up a recurring payment from your checking or savings account, you can be certain your bill is always paid on time. Sign up online at <https://www.wrwwlc.com/form/ach.php>, stop in or office, or just call us at 715-423-6300 and we will mail you a form.



CONSERVATION INFORMATION Spring Tip:

With Daylight savings starting March 12th, take advantage of the longer days and utilize the natural light. Also, remember to turn off any winter electrical device such as heat tape on your roof, or a space heater.

For other conservation tips, contact Shawn Reimer at 715-451-1805.



With spring right around the corner, you may be planning a project that involves digging. State law requires you to notify Diggers Hotline at least three business days in advance. Call 811 or visit diggershotline.com to schedule your free appointment. For hearing impaired (TDD) call 800-542-2289.



Water Works & Lighting Commission

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715.423.6300 or
FAX 715.423.2831
wrwwlc.com

*Water Works and Lighting Commission**221 16th Street S, P.O. Box 399 Wisconsin Rapids, WI 54495-0399 (715) 423-6300***Director of Finance Report****February 2023****Financial Reports**

Included for your review are the interim income statements for January 2023. I did not include a balance sheet as we have not yet received all the information from the City to close out 2022. January 2023 is comparable with January 2022, with a net operating loss of \$29,279 for the electric utility and \$144,446 for the water utility. In January 2022, the electric utility had a net loss of \$31,292, and the water utility had a net loss of \$137,188.

For the electric utility, maintenance and distribution are higher because tree trimming expenses were charged in January 2023. In 2022, the utility and the contractor were negotiating pay rates and were not charged until February for the first two months of the year. This expense category should be back in line in February.

While 2022 financial information is not final, the following are the preliminary 2022 rates of return.

Average Rate Base (a)	Water (b)	Electric (c)
Add Average		
Utility Plant in Service (101.1)	43,270,912	65,510,690
Materials and Supplies	419,141	1,746,398
Less Average		
Reserve for Depreciation (111.1)	17,929,384	28,547,346
Customer Advances for Construction		
Regulatory Liability	61,354	146,292
Average Net Rate Base	25,699,315	38,563,450
Net Operating Income	452,439	1,209,630
Net Operating Income as a percent of Average Net Rate Base	1.76%	3.14%

Year End

Most of February was used for closing out 2022 and preparing for the auditors to complete their final fieldwork. Final fieldwork started on March 1. We should still have financial statements available prior to the May Commission meeting.

Electric Tax Roll

In February, Shawn Reimer, Lynn Schroer and I had a couple of conversations with Town of Grand Rapids representatives to discuss creating an ordinance so the utility can place past due electric balances for Town of Grand Rapids residents on the tax roll. Grand Rapids is the second largest municipality of electric customers for WWLC, with over 2,300 customers. The discussions were positive, and the next step is to place the item on an upcoming Legislative Committee meeting for further discussion with the town officials.

Respectively submitted,

A handwritten signature in black ink that reads "Jeff Kuhn". The script is cursive and fluid.

Jeff Kuhn
Director of Finance

Wisconsin Rapids Water Works and Lighting Commission
Cash Flow Summary
for Month Ending February 28, 2023

	<u>Current Month</u>	<u>Year to Date</u>	<u>Prior Year to Date</u>
Cash Receipts:			
Utility Receipts, Net of Returns	\$ 3,501,392	\$ 6,879,978	\$ 6,527,958
Interest and Dividends	\$ 544	\$ 785	\$ 681
Transfer from Investments	\$ 200,000	\$ 776,709	\$ 645,186
ATC Dividend Payment	\$ -	\$ 142,485	\$ 135,001
Total Cash Receipts	<u>\$ 3,701,936</u>	<u>\$ 7,799,957</u>	<u>\$ 7,308,826</u>
Disbursements			
AP Payments	\$ (1,106,224)	\$ (3,110,285)	\$ (2,762,934)
GLU Power Bill	\$ (1,794,547)	\$ (3,512,717)	\$ (3,048,214)
Transfer to Investments	\$ (200,000)	\$ (410,000)	\$ (700,000)
ATC - Voluntary Capital Call		\$ (38,101)	\$ (132,538)
Sales Tax Payment	\$ (33,716)	\$ (67,491)	\$ (63,597)
Payroll	\$ (307,144)	\$ (746,642)	\$ (737,645)
Service Fees	\$ (4,324)	\$ (8,016)	\$ (8,625)
Total Disbursements	<u>\$ (3,445,955)</u>	<u>\$ (7,893,252)</u>	<u>\$ (7,453,553)</u>
Net Cash Flow	<u><u>\$ 255,981</u></u>	<u><u>\$ (93,295)</u></u>	<u><u>\$ (144,727)</u></u>

**Wisconsin Rapids Water Works & Lighting Commission
Investment Report**

1/31/2023

INSTITUTION	FACE VALUE	FACE VALUE & ACCRUED INT	RATE/ YIELD	MATURITY DATE	DATE ACQUIRED	TYPE
Local Government Investment Pool (LGIP)	605,306.07	605,306.07	4.260%			
Prevail Bank	3,053,199.40	3,053,199.40	4.500%			
Ehlers Investments						
UNITED STATES TREASURY	197,000.00	199,199.92	1.080%	2/28/2023	3/3/2022	NOTE
WISCONSIN STATE FINANCE AUTHORITY	70,000.00	71,458.33	5.000% *	3/1/2023	12/29/2020	NOTE
AMERANT BANK	250,000.00	250,109.59	3.990%	3/28/2023	9/20/2022	CD
US TREASURY BOND	502,000.00	503,185.70	2.730%	5/1/2023	6/30/2022	NOTE
US TREASURY BOND	252,000.00	250,628.95	3.950%	4/15/2023	10/12/2022	NOTE
COLORADO HOUSING AND FINANCE AUTHORITY	150,000.00	150,412.50	1.100%	5/1/2023	1/31/2022	NOTE
WISCONSIN STATE GENERAL FUND REV BOND	210,000.00	211,075.72	2.049%	5/1/2023	1/30/2020	NOTE
MUKWONAGO WIS BOND	170,000.00	172,125.00	4.250%	6/1/2023	10/6/2022	NOTE
US TREASURY BOND	526,000.00	514,224.91	4.750%	6/29/2023	1/31/2023	NOTE
US TREASURY BOND	507,000.00	504,440.93	2.910%	6/30/2023	6/30/2022	NOTE
HOCKING TECHNICAL COLLEGE OHIO	300,000.00	300,254.50	0.788%	7/1/2023	11/23/2020	NOTE
OKLAHOMA STATE HIGHWAY CAPITAL IMPROVE	50,000.00	50,220.42	5.290% *	7/1/2023	12/29/2020	NOTE
ILLINOIS HOUSING AUTHORITY	50,000.00	50,475.00	1.900% *	8/1/2023	12/29/2020	NOTE
NEW YORK STATE DORMITORY AUTHORITY	100,000.00	101,666.67	5.000% *	10/1/2023	12/29/2020	NOTE
SYNCHRONY BANK	245,000.00	245,312.38	0.450%	10/23/2023	10/28/2021	CD
WEB BANK	205,000.00	205,143.22	0.750%	12/29/2023	12/29/2021	CD
FEDERAL HOME LOAN BANK	300,000.00	300,323.00	0.600%	2/23/2024	11/30/2021	NOTE
AMERICAN EXPRESS BANK	200,000.00	201,288.89	1.600%	3/11/2024	3/3/2022	CD
CITY OF WATERFORD GO BOND	200,000.00	201,266.67	1.900% *	4/1/2024	1/30/2020	NOTE
MUKWONAGO WIS BOND	100,000.00	101,250.00	4.340%	6/1/2024	10/6/2022	NOTE
BARCLAY'S BANK DELAWARE	248,000.00	249,178.00	2.000%	6/3/2024	5/31/2022	CD
FALLBROOK (CA) PUB UTILITY DIST REV BOND	200,000.00	200,605.83	0.725%	9/1/2024	1/27/2021	CD
UNITED STATES TREASURY	251,000.00	250,496.15	0.950%	11/15/2024	12/15/2021	NOTE
FEDERAL HOME LOAN BANK	250,000.00	250,456.25	0.900%	11/18/2024	10/28/2021	NOTE
CALIFORNIA STATE BOND	245,000.00	247,756.25	2.840%	4/28/2025	4/28/2022	NOTE
FEDERAL HOME LOAN BANK	145,000.00	145,889.64	2.360%	4/28/2025	4/28/2022	NOTE
COWETA COUNTY (GA) WATER SYSTEM REV BOND	300,000.00	301,000.00	2.000% *	6/1/2025	6/9/2021	NOTE
FEDERAL HOME LOAN BANK	265,000.00	266,220.84	5.340%	6/30/2025	12/7/2022	NOTE
CAPITAL ONE NATIONAL ASSOCIATION	175,000.00	175,081.51	3.430%	7/28/2025	7/21/2022	CD
AUSTIN TELCO FEDERAL CREDIT UNION	225,000.00	225,955.48	5.000%	11/28/2025	11/28/2022	CD
CLAYTON WIS WATER SYSTEM REV BOND	250,000.00	250,833.33	2.000% *	6/1/2026	6/1/2021	NOTE
FEDERAL HOME LOAN BANK	500,000.00	500,543.61	1.029% *	6/23/2026	6/2/2021	NOTE
FEDERAL HOME LOAN BANK	300,000.00	305,041.67	4.990%	9/30/2027	9/13/2022	NOTE
FDIC INSURED MONEY MARKET	255,337.71	255,337.71				MM
		8,208,458.56				
TOTAL INVESTMENTS	11,851,843.18	11,866,964.03				
ACCOUNT BALANCES POST-JOURNAL ENTRY						
ELECTRIC UTILITY DEPRECIATION FUND						
0-1261-00		4,851,733.98				
ELECTRIC REVENUE BOND REDEMPTION						
0-1252-00		500,880.21				
WATER UTILITY DEPRECIATION FUND						
2-1261-00		5,424,269.34				
TAX ESCROW FUND						
0-1361-00		442,822.34				
2-1361-00		430,051.43				
GENERAL FUND						
0-1365-00		184,441.25				
2-1365-00		32,765.47				
TOTAL INVESTMENTS		11,866,964.03				

Wisconsin Rapids Water Works and Lighting Commission
Combined Utility Income Statement
Year to Date for Months Ending January 2023 and 2022

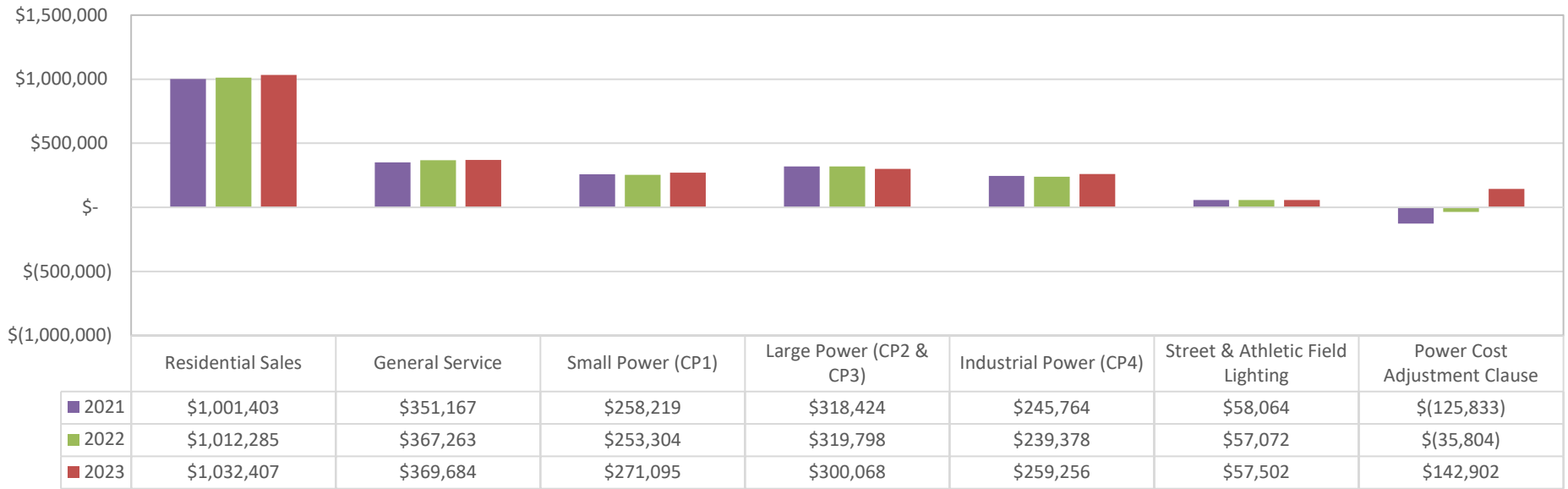
	Current Year to Date			Prior Year to Date			% Increase (Decrease)		
	Electric	Water	Total	Electric	Water	Total	Electric	Water	Total
Charges for Services	\$ 2,432,914	\$ 287,761	\$ 2,720,675	\$ 2,213,296	\$ 292,403	\$ 2,505,699	9.9%	(1.6%)	8.6%
Other Operating Revenues	\$ 143,202	\$ 156,951	\$ 300,153	\$ 145,703	\$ 148,530	\$ 294,233	(1.7%)	5.7%	2.0%
Total Operating Revenues	\$ 2,576,117	\$ 444,712	\$ 3,020,828	\$ 2,358,999	\$ 440,933	\$ 2,799,932	9.2%	0.9%	7.9%
Operating Expenses	2,277,780	426,969	2,704,749	2,059,693	417,043	2,476,737	10.6%	2.4%	9.2%
Depreciation Expense	192,416	78,438	270,855	192,772	76,677	269,450	(0.2%)	2.3%	0.5%
Taxes Expense	135,200	83,750	218,950	137,825	84,400	222,225	(1.9%)	(0.8%)	(1.5%)
Total Operating Expenses	2,605,396	589,157	3,194,553	2,390,291	578,121	2,968,412	9.0%	1.9%	7.6%
Operating Income (Loss)	\$ (29,279)	\$ (144,446)	\$ (173,725)	\$ (31,292)	\$ (137,188)	\$ (168,479)	6.4%	(5.3%)	(3.1%)
Non-Operating Income	19,897	13,578	33,476	(2,441)	6,000	3,559	(915.1%)	126.3%	840.5%
Interest Charges	13,912		13,912	13,902		13,902	0.1%		0.1%
Other Non-operating Exp	35,563	8,766	44,330	36,522	8,196	44,718	(2.6%)	7.0%	(0.9%)
Net Income (Loss)	\$ (58,857)	\$ (139,634)	\$ (198,491)	\$ (84,157)	\$ (139,383)	\$ (223,540)	30.1%	(0.2%)	11.2%

Wisconsin Rapids Water Works and Lighting Commission
Electric Income Statement
Year to Date for Months Ending January 2023, 2022, 2021

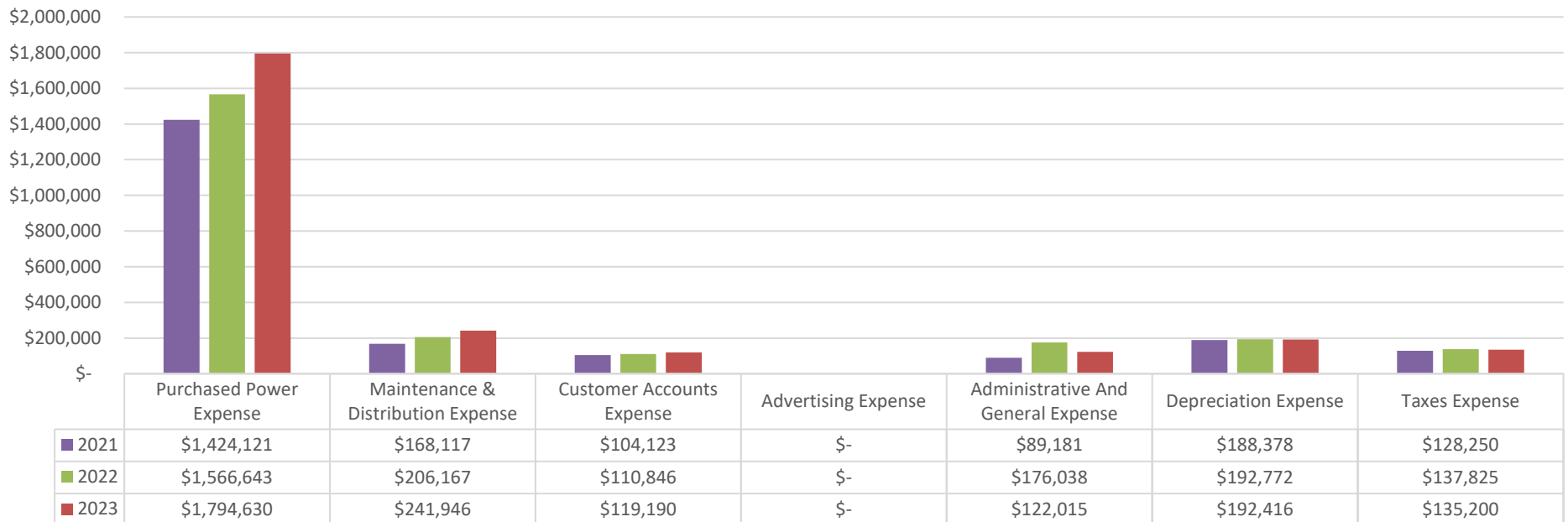
	Current Budget	2023 YTD	2022 YTD	2021 YTD	Remaining Budget
Sales of Electricity					
Residential Sales	\$ 11,743,000	\$ 1,032,407	\$ 1,012,285	\$ 1,001,403	\$ 10,710,593
General Service	\$ 4,338,000	\$ 369,684	\$ 367,263	\$ 351,167	\$ 3,968,316
Small Power (CP1)	\$ 3,155,000	\$ 271,095	\$ 253,304	\$ 258,219	\$ 2,883,905
Large Power (CP2 & CP3)	\$ 4,371,000	\$ 300,068	\$ 319,798	\$ 318,424	\$ 4,070,932
Industrial Power (CP4)	\$ 3,558,000	\$ 259,256	\$ 239,378	\$ 245,764	\$ 3,298,744
Street & Athletic Field Lighting	\$ 660,500	\$ 57,502	\$ 57,072	\$ 58,064	\$ 602,998
Power Cost Adjustment Clause	\$ 500,000	\$ 142,902	\$ (35,804)	\$ (125,833)	\$ 357,098
Total Sales of Electricity	\$ 28,325,500	\$ 2,432,914	\$ 2,213,296	\$ 2,107,207	\$ 25,892,586
Other Operating Revenues					
Misc Service Revenues - Reconnect Fees	\$ 35,000	\$ 35	\$ 105	\$ -	\$ 34,965
Rent From Electric Property	\$ 284,000	\$ 144,499	\$ 136,334	\$ 132,808	\$ 139,501
Forfeited Discounts	\$ 90,000	\$ (1,332)	\$ 9,100	\$ 5,431	\$ 91,332
Other Electric Revenues	\$ 3,500	\$ -	\$ 164	\$ 164	\$ 3,500
Total Operating Revenues	\$ 28,738,000	\$ 2,576,117	\$ 2,358,999	\$ 2,245,611	\$ 26,161,883
Operating Expenses					
Purchased Power Expense	\$ 20,154,700	\$ 1,794,630	\$ 1,566,643	\$ 1,424,121	\$ 18,360,070
Maintenance & Distribution Expense	\$ 1,627,800	\$ 241,946	\$ 206,167	\$ 168,117	\$ 1,385,854
Customer Accounts Expense	\$ 749,800	\$ 119,190	\$ 110,846	\$ 104,123	\$ 630,610
Advertising Expense	\$ 25,500	\$ -	\$ -	\$ -	\$ 25,500
Administrative And General Expense	\$ 1,259,500	\$ 122,015	\$ 176,038	\$ 89,181	\$ 1,137,485
Depreciation Expense	\$ 2,390,000	\$ 192,416	\$ 192,772	\$ 188,378	\$ 2,197,584
Taxes Expense	\$ 1,580,000	\$ 135,200	\$ 137,825	\$ 128,250	\$ 1,444,800
Total Operating Expenses	\$ 27,787,300	\$ 2,605,396	\$ 2,390,291	\$ 2,102,171	\$ 25,181,904
Operating Income	\$ 950,700	\$ (29,279)	\$ (31,292)	\$ 143,440	\$ 979,979
Merchandise and Jobbing	\$ 45,000	\$ (6,498)	\$ (7,787)	\$ (3,658)	\$ 51,498
Interest and Dividend Income	\$ 838,000	\$ 13,996	\$ 5,771	\$ 6,759	\$ 824,004
Miscellaneous Non-Operating Income	\$ 160,000	\$ 12,399	\$ (425)	\$ -	\$ 147,601
Total Other Income Additions	\$ 1,043,000	\$ 19,897	\$ (2,441)	\$ 3,101	\$ 1,023,103
Interest Charges	\$ 182,000	\$ 13,912	\$ 13,902	\$ 14,713	\$ 168,088
Other Income Deductions	\$ 148,300	\$ 35,563	\$ 36,522	\$ 34,440	\$ 112,737
Total Net Income	\$ 1,663,400	\$ (58,857)	\$ (84,157)	\$ 97,388	\$ 1,722,257

Wisconsin Rapids Water Works and Lighting Commission
Selected Electric Utility Financial Charts
Year to Date for Months Ending January 2023, 2022, 2021

Electric Utility Sales Revenue by Customer Type



YTD Electric Operating Expenses

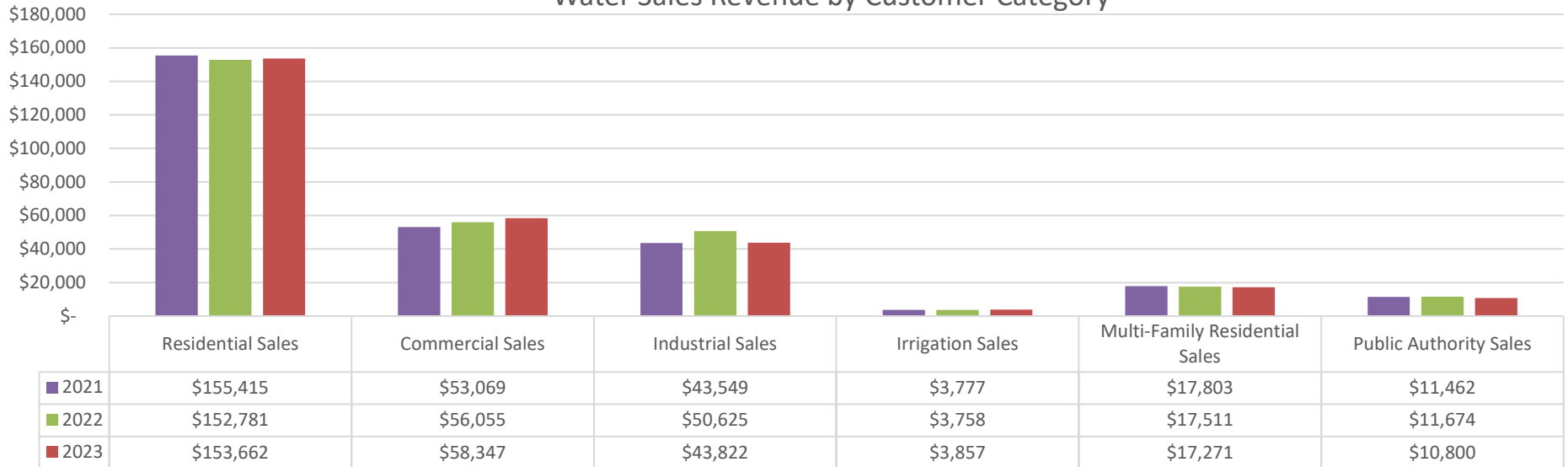


Wisconsin Rapids Water Works and Lighting Commission
Water Income Statement
Year to Date for Months Ending January 2023, 2022, 2021

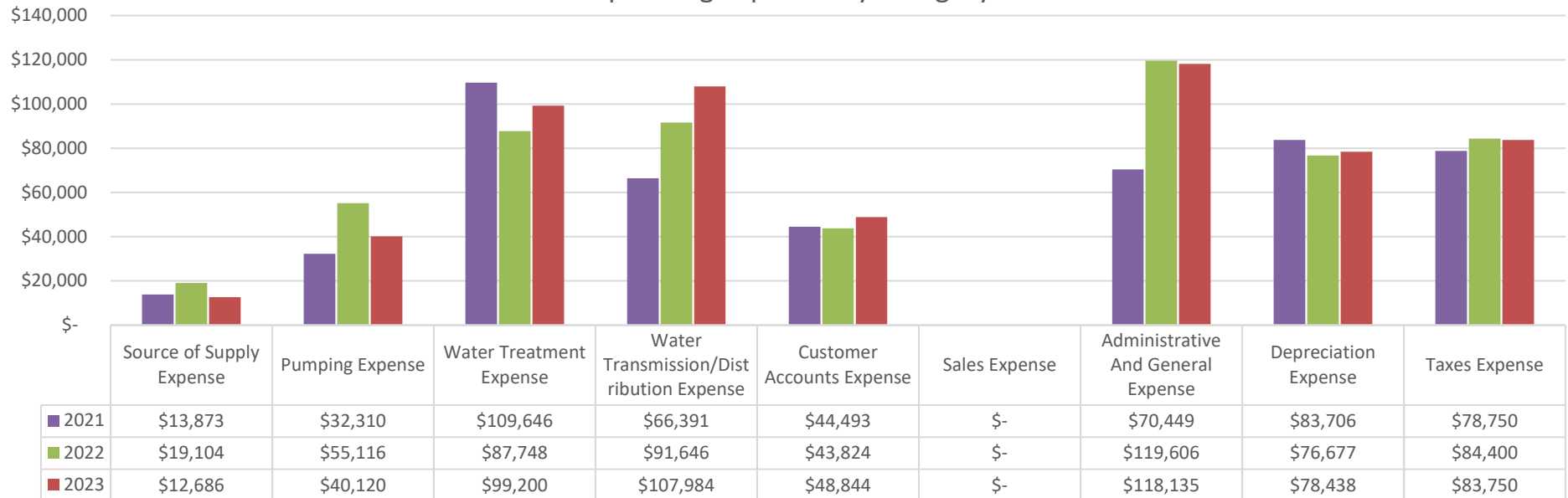
	Current Budget	2023 YTD	2022 YTD	2021 YTD	Remaining Budget
Metered Sales of Water					
Residential Sales	\$ 1,915,000	\$ 153,662	\$ 152,781	\$ 155,415	\$ 1,761,338
Commercial Sales	\$ 798,000	\$ 58,347	\$ 56,055	\$ 53,069	\$ 739,653
Industrial Sales	\$ 620,000	\$ 43,822	\$ 50,625	\$ 43,549	\$ 576,178
Irrigation Sales	\$ 411,000	\$ 3,857	\$ 3,758	\$ 3,777	\$ 407,143
Multi-Family Residential Sales	\$ 221,000	\$ 17,271	\$ 17,511	\$ 17,803	\$ 203,729
Public Authority Sales	\$ 192,000	\$ 10,800	\$ 11,674	\$ 11,462	\$ 181,200
Total Sales of Water	\$ 4,157,000	\$ 287,761	\$ 292,403	\$ 285,076	\$ 3,869,239
Other Operating Revenues					
Private Fire Protection	\$ 58,000	\$ 4,770	\$ 4,770	\$ 4,768	\$ 53,230
Public Fire Protection	\$ 1,339,000	\$ 107,031	\$ 106,239	\$ 105,786	\$ 1,231,969
Forfeited Discounts	\$ 25,000	\$ 3,177	\$ 3,647	\$ 2,671	\$ 21,823
Miscellaneous Service Revenues	\$ 2,000	\$ 665	\$ 105	\$ -	\$ 1,335
Rent From Water Property	\$ 90,900	\$ 12,076	\$ 7,405	\$ 6,932	\$ 78,824
Other Water Revenues	\$ 76,000	\$ 29,231	\$ 26,364	\$ 26,215	\$ 46,769
Total Operating Revenues	\$ 5,747,900	\$ 444,712	\$ 440,933	\$ 431,448	\$ 5,303,188
Operating Expenses					
Source of Supply Expense	\$ 119,500	\$ 12,686	\$ 19,104	\$ 13,873	\$ 106,814
Pumping Expense	\$ 302,600	\$ 40,120	\$ 55,116	\$ 32,310	\$ 262,480
Water Treatment Expense	\$ 639,900	\$ 99,200	\$ 87,748	\$ 109,646	\$ 540,700
Water Transmission/Distribution Expense	\$ 803,000	\$ 107,984	\$ 91,646	\$ 66,391	\$ 695,016
Customer Accounts Expense	\$ 174,700	\$ 48,844	\$ 43,824	\$ 44,493	\$ 125,856
Sales Expense	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
Administrative And General Expense	\$ 1,023,500	\$ 118,135	\$ 119,606	\$ 70,449	\$ 905,365
Depreciation Expense	\$ 934,000	\$ 78,438	\$ 76,677	\$ 83,706	\$ 855,562
Taxes Expense	\$ 1,005,000	\$ 83,750	\$ 84,400	\$ 78,750	\$ 921,250
Total Operating Expenses	\$ 5,003,200	\$ 589,157	\$ 578,121	\$ 499,619	\$ 4,414,043
Operating Income	\$ 744,700	\$ (144,446)	\$ (137,188)	\$ (68,171)	\$ 889,146
Merchandise and Jobbing	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
Interest and Dividend Income	\$ 85,000	\$ 13,578	\$ 6,000	\$ 5,754	\$ 71,422
Miscellaneous Non-operating Income	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
Total Other Income Additions	\$ 161,500	\$ 13,578	\$ 6,000	\$ 5,754	\$ 147,922
Other Income Deductions	\$ 133,000	\$ 8,766	\$ 8,196	\$ 8,770	\$ 124,234
Total Net Income	\$ 773,200	\$ (139,634)	\$ (139,383)	\$ (71,187)	\$ 912,834

Wisconsin Rapids Water Works and Lighting Commission
Selected Water Utility Financial Charts
Year to Date for Months Ending January 2023, 2022, 2021

Water Sales Revenue by Customer Category



Water Operating Expense by Category





Water Works and Lighting Commission

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715/423-6300 FAX: 715/423-2831

INFORMATION SYSTEMS ADMINISTRATOR'S REPORT
February 2023

Work Management Review

The week of February 13th we had a week-long learning session with a representative from NISC. During these sessions we discussed how we use NISC's software as well as the way NISC designed it to help with service order and work order processing. As a result, NISC will provide us with a list of recommendations to help improve how we use their software.

Server Hardware Replacement

We have received all of the hardware for this project. The main setup for the virtual environment will happen on March 6th and 7th. With a follow up date of March 13th to verify everything is working properly. There will be more work to complete as some of the virtual servers need to be updated. That work will happen at a later date once the new virtual environment has been tested.

Network Hardware Replacement

The vendor has informed me that the remaining parts for this project are scheduled to be delivered in June.

Projects

1. Cyber Security
2. SCADA Server Replacement
3. Network Hardware Replacement
4. Server Hardware Replacement

Sincerely,

Matt Stormoen
Information Systems Administrator



Water Works and Lighting Commission

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**Conservation Manager Report
February 2023**

2023 Focus on Energy Forum

This month I met in Wausau for the annual program update forum with the FOE Trade Allies and Energy Advisors. Our meeting discussed new 2023 Focus Program offers and best marketing techniques for the utility to implement for our customers. The programs/incentives will remain similar as in 2022. I shared with the group, to highly consider bringing back the appliance recycling program that was very valuable and popular with our customers. Furthermore, a consideration in incentivizing capacitor banks to industrial customers to eliminate inductive loads and power factor penalty charges.

Key Account Engagement Meeting with FOE

This past month, I had a meeting with the Stakeholder Manager and Energy Advisors with the statewide energy efficiency FOE Program that we partner with in our service territory. We discussed the Commercial and Industrial customers visited in 2022 and the benefits/savings their organization received from our on-site visits. During the meeting I elaborated the importance of continuing these energy assessments for our customers. We were all in agreement to continue these on-site visits in 2023. I shared the top fifteen customers that may benefit from these visits. I will be reaching out to the targeted customers and attempting to schedule visits over the remaining ten months.

Rate Analysis and Recommendations

Two commercial customers have been notified upon recent review of their organization's electric bill displaying a decrease in electric usage. Analysis have been performed and recommendations are waiting on confirmation by the customer to discuss the best rate options and practices available to benefit their organization.

Respectfully,

Shawn Reimer

Key Accounts/Conservation Manager



Water Works and Lighting Commission

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ELECTRICAL ENGINEER'S REPORT
February, 2023

Fault Current Studies

Every once in a while, we will get a request from an electrical contractor for a fault current study. A fault current study is a calculation of the available fault current at a certain point in our system. These are typically requested by electrical contractors so they know the arc flash rating of the equipment they are working on, and so that they can determine safe protection boundaries and the required PPE. We do these calculations in-house with a computer program that takes into account all the protection devices and specifications of each transformer in the system to come up with an accurate result. In the last month, I performed two fault current studies: one for Mariani Cold Storage Facility, and one for Lincoln High School.

PLC Upgrade Project Update

I have assembled all of the compact PLCs with their correct input/output cards. I have also updated the firmware on all seven of them which brings them up to date on the most recent security and software patches that Rockwell offers. The next thing to do is modify the old programs so that they can conform to the logic structure of the new PLCs.

Tyler Sneen
Electrical Engineer

*Water Works and Lighting Commission**221 16th St. So. P.O. Box 399 Wisconsin Rapids, WI 54495-0399 715/423-6300 FAX: 715/423-2831***DIRECTOR OF ENGINEERING AND ELECTRIC OPERATIONS REPORT
February 2023****SCADA Programming**

I spent the majority of the month re-programming the SCADA (Supervisory Control and Data Acquisition) System. When I initially developed the computer screens for the WW&LC Control System that monitors our water and electrical equipment in 2008, the standard aspect ratio of the computer monitors was 4:3. Since then, widescreen displays with a 16:9 aspect ratio have become the standard. In order to switch to this ratio and fill the entire screen, all 53 of the existing pages for the SCADA system had to be re-programmed and the graphics converted to the new wider layout. I also took advantage of the larger aspect ratio and developed a new page that combines an overview of both the electrical and water system.

Coyne Substation DC Ground

I worked with Randy and John in the meter department for a few days in order to find and eliminate the DC ground at the Coyne Substation. It took a lot of troubleshooting but it was finally found in the pressure switch located in the load tap changer on the transformer. For now, we isolated that wiring and cleared the ground, this spring I'll plan a day to take the substation out of service and try to determine if a wire is shorted in the conduit from the pressure switch to the control box, or if the pressure switch itself is bad.

Todd Weiler, P.E.

Director of Engineering & Electric Operations



Water Works and Lighting Commission

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GENERAL MANAGER'S REPORT
February 2023

Municipal Electric Utilities of Wisconsin: February 1st, I attended an MEUW Legislative and Regulatory Committee meeting via conference call. Chairman of the Assembly, Energy and Utilities Committee, David Steffen was on the call to be introduced to the MEUW Committee. He indicated that there has been a slow start to energy legislation in Wisconsin. The Committee approved a LIHEA APPA letter that will be sent to the Federal Legislature. Discussions ensued regarding the PSC's parallel generation docket and third party financed solar systems.

Great Lakes Utilities: The GLU Board met February 21st via conference call. A presentation on in front of the wholesale meter solar was provided by Pivot Energy. Several months ago, Pivot Energy was the successful bidder for a 50 mW solar project. Pivot Energy indicated the mid \$40's per mWh price originally bid has risen to the low \$50's per mWh. They have selected a site in southern Wisconsin. The GLU cash reserve policy was updated to reflect 2022. We discussed how the on-boarding process with ACES was proceeding.

Public Service Commission of Wisconsin: Two conference calls were conducted with the PSC in February. The first was held to discuss the PSC's data requests in our recently filed electric rate case. To date the data requests have been minimal. The second call was to discuss the potential process of removing all transmission charges from the utilities buyback rate per kWh from solar customers. Shawn has discovered through customer intelligence that because of all the federal monies available in the Inflation Reduction Act this year, customers can install solar for very little investment than what was necessary in the past. This will drastically and artificially reduce the payback period on solar projects. This will provide the incentive for customers to install much more than they need for their use, so they can sell it back to the utility and reduce the payback period even more. This is the wrong signals to be sending to customers because our customers who don't have solar installed will be paying for the customers that do have solar systems.

Manitowoc Lakefront 9 Boiler: When we thought the GLU East power pool was done worrying about MPU's boiler 9, there is now a FERC proceeding regarding it. MPU approached ATC and the MISO inquiring about temporarily suspending the operation of boiler 9 because pet coke fuel increased to the point the plant is no longer competitive with the market. The MISO conducted a system analysis of the area and determined for voltage support reasons the plant cannot be shut down yet. So MPU has filed with FERC to get System Support Resource payments from all the affected parties to make MPU cost free for running the unit. GLU has intervened in the proceeding along with WPPI and WPS. This proceeding will take a while for FERC to rule on it.

Jem Brown
General Manager

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Manitowoc Public Utilities

| Docket No. ER23-977-000

**MOTION TO INTERVENE
AND PROTEST OF WPPI ENERGY**

Pursuant to Rules 211, 212, and 214 of the Commission’s Rules of Practice and Procedure,¹ and the Commission’s January 31, 2023 Combined Notice of Filings #1,² WPPI Energy (“WPPI”) moves to intervene in this proceeding and protests the January 30, 2023 filing³ by Manitowoc Public Utilities (“MPU”). The MPU Filing seeks approval of MPU Rate Schedule No. 3, which sets forth a Monthly System Support Resource (“SSR”) Payment to recover MPU’s fixed costs for the operation of Lakefront Unit No. 9 (“Lakefront 9”), which is subject to an SSR Agreement with the Midcontinent Independent System Operator., Inc. (“MISO”) under the MISO Open Access Transmission, Energy, and Operating Reserve Markets Tariff (“Tariff”).⁴

Because the MPU Filing does not contain sufficient information to demonstrate that the proposed Monthly SSR Payments are just, reasonable, and not unduly discriminatory, the Commission should (1) suspend the MPU Filing and establish a

¹ 18 C.F.R. §§ 385.211, 385.212, and 385.214.

² Combined Notice of Filings #1 (Jan. 31, 2023), eLibrary No. 20220131-3071

³ MPU, Monthly System Support Resource Payments for Lakefront No. 9 (Jan. 30, 2023), eLibrary No. 20230130-5137 (“MPU Filing”).

⁴ Unless otherwise specified, capitalized terms in this filing shall have the same meaning as defined in the MISO Tariff.

refund effective date and (2) set the MPU Filing for hearing to be held in abeyance pending the outcome of settlement judge procedures.

I. MOTION TO INTERVENE

WPPI is a municipal electric company formed pursuant to Wis. Stat. § 66.0825. WPPI provides bulk power and other services to its 51 members (50 municipalities and one cooperative), each of which operates a distribution utility and sells electricity at retail to the residences, businesses, and industries in and around its municipality. These members are located within the Wisconsin, Michigan, and/or Iowa service territories of four large investor-owned utilities: Northern States Power-Wisconsin (Xcel Energy (“Xcel”)), WEC Energy Group (Wisconsin Electric Power Company (“WEPCO”) and Wisconsin Public Service Corp. (“WPS”)), Upper Peninsula Power Co., and Alliant Energy (Wisconsin Power & Light Co. (“WP&L”) and Interstate Power and Light Co.). The bulk of WPPI’s load is on the American Transmission Company LLC (“ATCLLC”), Xcel, or ITC Midwest transmission systems, although some of WPPI’s resources are located in other transmission zones in MISO, as well as in PJM Interconnection, L.L.C. WPPI supplies the bulk power and energy requirements of its members from generation resources owned by WPPI and through purchased power contracts.

WPPI is a longstanding member of MISO, with both generation and load within the MISO footprint, and owns portions of transmission projects. WPPI also is a participating owner of ATCLLC, a MISO Transmission Owner which was formed pursuant to 1999 Wisconsin Act 9 with WPPI’s support.

Based on the Lakefront Cost Allocation Map filed in Docket No. ER23-917-000 (the proceeding in which MISO has filed Schedule 43L, which allocates costs of the SSR

Agreement for Lakefront 9),⁵ it appears that one or more WPPI members may be assessed costs associated with the Lakefront 9 SSR Agreement. As a result, the outcome of this proceeding regarding the Monthly SSR Payments may affect the transmission service rates and charges incurred by WPPI to serve its members. WPPI therefore will be directly affected by this proceeding. It has clear and substantial interests in this proceeding that cannot be represented by any other party, and its participation would be in the public interest. WPPI should be granted intervention and made a full party to this proceeding.

The names, addresses, and telephone numbers of the persons to whom communications concerning this matter should be addressed are as follows:⁶

Tom Hanrahan, General Counsel
WPPI ENERGY
1425 Corporate Center Drive
Sun Prairie, WI 53590-9109
Phone: (608) 834-4556
Email: thanrahan@wppienergy.org

Cynthia S. Bogorad
Stephen C. Pearson
Jeffrey M. Bayne
SPIEGEL & MCDIARMID LLP
1875 Eye Street, NW
Suite 700
Washington, DC 20006
Phone: (202) 879-4000
Fax: (202) 393-2866
Email: cynthia.bogorad@spiegelmc.com
steve.pearson@spiegelmc.com
jeffrey.bayne@spiegelmc.com

⁵ MISO, Allocation of SSR Costs Associated with Lakefront 9 MISO Schedule No. 43L, Ex. D, Docket No. ER23-917-000 (Jan. 20, 2023), eLibrary No. 20230120-5185. WPPI has moved to intervene in Docket No. ER23-917-000, as well as Docket No. ER23-914-000 (MISO's filing of the SSR Agreement for Lakefront 9).

⁶ WPPI requests that the Commission waive Rule 203(b)(3) of its Rules of Practice and Procedure, 18 C.F.R. § 385.203(b)(3), to allow each of the individuals listed below to be placed on the official FERC service list in order to avoid delays in receipt of notices and responses to pleadings.

II. PROTEST

The Commission has explained that where there are “issues of material fact that cannot be resolved based on the existing record” regarding a Monthly SSR Payment filing, those issues are “appropriately addressed in hearing procedures.”⁷ That is the case here. The MPU Filing does not provide adequate information and cost support for the Commission and public to evaluate—let alone for the Commission to conclude—that the proposed Monthly SSR Payments are just, reasonable, and not unduly discriminatory.

MPU proposes Monthly SSR Payments for Lakefront 9 of \$1,030,269.⁸ Yet its Filing contains minimal support for this figure. According to the Affidavit of Michele Slater (Attachment B to the MPU Filing), this amount is largely “derived using MPU’s most recent forecast for 2023,” which “considers historical averages, known maintenance and repairs for on-going operations, capital expenditures, changes in FTEs and wage adjustments, as well as other known cost increases/decreases.”⁹ This 2023 forecast is used for determining each of the nine cost categories used to determine the Monthly SSR Payment.¹⁰ The MPU Filing, however, does not include this 2023 forecast. Thus, the record does not provide the Commission with any of the underlying information or assumptions that underlie the numbers in the forecasts. When the record only includes unsubstantiated forecast inputs into MPU’s Cost-of-Service Model, the Commission and

⁷ *Cleco Power LLC*, 163 FERC ¶ 61,151, P 19 (2018).

⁸ MPU Filing at 3.

⁹ MPU Filing, Att. B ¶ 15.

¹⁰ Schedules 1.1 through 1.9 of the cost-of-service model each reference the “2023 MPU Forecast.” MPU Filing, MPU Lakefront 9 SSR Filing COS (“Cost-of-Service Model”). Although the Capitalized Project Costs is zero, “[a]s these improvements are already included in the plant balances in the 2023 budget year data,” Schedule 1.7 provides an “illustrative list of 2022 and 2023 projects allocable to Lakefront 9 that references to the 2023 forecast. MPU Filing, Att. B ¶ 23; MPU Filing, Cost-of-Service Model, Sch. 1.7.

consumers cannot undertake a proper evaluation of the proposed charges. The record certainly does not provide a basis to conclude that the forecasts will yield just and reasonable rates.

Interested parties should be permitted an opportunity to request information and an opportunity to examine the forecast amounts to determine whether the estimates are reasonable. While a proper examination of potential concerns is not possible without access to more information, several inputs appear to warrant closer scrutiny:

- MPU's total Administrative and General Labor expense of in excess of \$1 million (Schedule 1.2, Line 1) requires additional explanation;
- When MPU's facilities include seven distribution substations and 220 miles of distribution lines,¹¹ a plant allocator that allocates over 70% of property-related taxes and insurance expenses to the generation function requires investigation;
- The use of a "Capacity Allocator" to allocate labor costs at the Lakefront 9 facility (Schedule 1.1) is unexplained or supported, and it is unclear why labor could not be more precisely tracked;
- The use of a "Capacity Allocator" to allocate non-labor maintenance costs at the Lakefront 9 facility (Schedule 1.3) is unexplained or supported, and it is unclear why such maintenance expenses could not be more precisely tracked;

¹¹ Manitowoc Public Utilities, *Electric Facilities*, <https://www.mpu.org/electric-utility/electric-facilities> (last visited Feb. 21, 2023).

- The use of a “Capacity Allocator” to allocate taxes, insurance, and related costs at the Lakefront 9 facility (Schedule 1.4) is unexplained or supported, and it is unclear why such expenses should not be allocated on the basis of net plant value;
- The use of a “Capacity Allocator” to allocate fuel carrying costs at the Lakefront 9 facility (Schedule 1.5) is unexplained or supported, and it is unclear why such costs should not be allocated on the basis of plant operations;
- The use of a “Capacity Allocator” to allocate Net Corporate Expenses at the Lakefront 9 facility (Schedule 1.6) is unexplained or supported, and, consistent with Commission practice which uses a labor allocator to assign costs, it is unclear why a labor allocator could not be developed and implemented;
- The use of a “Capacity Allocator” to allocate depreciation expense at the Lakefront 9 facility (Schedules 1.8 and 1.9) is unexplained or supported, and it is unclear why depreciation expense cannot be more precisely tracked;
- On Schedule 1.5, it is unclear why MPU must use an estimate for fuel stock as of December 31, 2022 when the instant filing was made in 2023;
- The reasonableness of a \$3.8 million balance of fuel as of December 31, 2023 (Schedule 1.5, Line 2) is unsubstantiated and has not been demonstrated to be reasonable given that the SSR Agreement is for twelve

months and MPU intends to switch to a new fuel no later than January 31, 2026;¹²

- MPU's depreciation rates are not on file with the Commission, are not included in the instant filing at Schedule 1.8, and therefore the depreciation expense has not been shown to be just and reasonable. In addition, it is unclear whether the depreciation rates reflect MPU's fuel conversion plan and its intent to operate the plant for its full life which MPU describes as an additional 25-30 years;¹³ and
- The impact of MPU's inclusion of zero Capitalized Project Costs (Schedule 1, line 7) for 2023 plant additions and instead inclusion of those costs in plant balances¹⁴ should be investigated. It is unclear if MPU is expensing all of the costs of those 2023 plant additions in 2023 or is depreciating the additions in the ordinary course. To the extent MPU is fully expensing 2023 plant additions, it must be clear that customers may "claw back," pursuant to MISO Tariff section 38.2.7.e, a portion of those expenses because MPU acknowledges that it will use Lakefront 9 after the SSR period expires.¹⁵ The MPU Filing does not make clear that customers will be able to claw back any portion of 2023 capital additions that are fully expensed in 2023.

¹² MPU Filing, Transmittal Letter at 2.

¹³ *Id.*

¹⁴ MPU Filing, Att. B ¶ 23.

¹⁵ MPU Filing, Transmittal Letter at 2.

Finally, the Affidavit of Ms. Slater explains that “If MPU does receive resource adequacy payments for Lakefront 9 [beyond May 31, 2023], it is my understanding that MISO will deduct these amounts from the SSR compensation.”¹⁶ Although “Other Revenues” for February 1, 2023 through May 31, 2023 are stated in Schedule 1.11 in the Cost-of-Service Model, Schedule 1.11 does not appear to factor into the “Calculation of Lakefront 9 SSR Payment” (Schedule 1). In addition, the MPU Filing is silent as to any anticipated revenues past May 31, 2023. More information is needed to understand what revenues, if any, MPU may receive that would be deducted from “SSR compensation” and the extent to which that would affect the Monthly SSR Payment. Moreover, if MPU were to refuse to avail itself of a potential source of revenue such as revenues from participation in the MISO capacity auction, such a refusal may be imprudent.¹⁷ Accordingly, without specific information about how known revenue will offset SSR costs and without information about MPU’s intentions with respect to the MISO capacity auction, the Commission lacks critical information necessary to evaluate whether MPU’s SSR revenue requirement is just and reasonable.

III. REQUEST FOR SUSPENSION AND HEARING

For the reasons discussed in Part II above, MPU’s filing fails to meet its burden to demonstrate that the requested revenue requirement is just and reasonable. Thus, the Commission should find that MPU’s Monthly SSR Payment may not be just and

¹⁶ MPU Filing, Att. B ¶ 26.

¹⁷ The Commission has held that it is imprudent for utilities to forego certain actions, resulting in increased rates. *See, e.g., ITC Midwest LLC*, 154 FERC ¶ 61,188 (2016) (finding that a utility’s decision to forego zero-cost capital to increase its rate base and revenue requirement was imprudent and results in unjust and unreasonable transmission rates).

reasonable, and suspend it at least nominally, with all collections subject to refund with interest in accordance with Section 35.19a of the Commission's regulations.¹⁸

As further discussed in Part II, in view of the material issues of fact raised by the limited information included in MPU's Filing, the Commission should set the proceeding for hearing, but hold that hearing in abeyance to allow for discussions before a settlement judge.

CONCLUSION

The Commission should (1) grant WPPI intervention in this proceeding; (2) suspend the MPU filing for at least a nominal period, with all collections subject to refund with interest; and (3) set the MPU Filing for hearing to be held in abeyance pending the outcome of settlement judge procedures.

Respectfully submitted,

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February 21, 2023

¹⁸ 18 C.F.R. § 35.19a.

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused the foregoing document to be served upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated on this 21st day of February, 2023.

/s/ Jeffrey M. Bayne

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