

Water Utility Board Policy			
Title:	Water Quality		
Policy Number:	O-2B	Adopted:	May 24, 2011
Category:	Outcomes	Revision #/Date:	34/ May 28 <u>September 24, 2019</u>

Madison Water Utility consumers will receive high quality water that meets or is better than all primary and secondary drinking water standards, including their public notification requirements, and complies with board-adopted water quality goals, incorporated by attachment.

The Madison Water Utility recognizes that drinking water standards are subject to revision and that new compounds-contaminants of concern will be determined. This dynamic is a result of health studies being conducted by health organizations and government agencies on the state, national and international level. The technology to quantify compounds-contaminants at increasingly minute levels is constantly improving.

The Madison Water Utility shall maintain and promulgate a Watch List of compounds-contaminants of concern by unit well of compounds that are increasing and may approach the primary and secondary drinking water standards. The Watch List shall identify which wells require action.

Please refer to the following Procedural Guidelines:

- [GUIDE 4: Board of Health for Madison and Dane County Fluoridation Policy](#)
- [GUIDE 8: Executive Summary of Water Quality Treatment Policies](#)

Water Utility Board Policy			
Title:	Affordability		
Policy Number:	O-2D	Adopted:	May 24, 2011
Category:	Outcomes	Revision #/Date:	34/May 28 September 24, 2019

Madison Water Utility customers will pay an ~~n affordable~~ reasonable rate for water, including the financing of necessary replacement of water distribution plant and improvements to water treatment.

With a goal of maintaining ~~affordable-reasonable~~ water rates and funding necessary improvements to the water supply system, Madison Water Utility shall:

1. Maintain its water rates ~~between the 25th and below the~~ 75th percentile for Class AB utilities (those serving 4,000 customers or more) in Wisconsin.
2. Apply for a necessary rate increase (subject to the adopted City of Madison Budget) that does not exceed an annualized rate of 9% per year. "Annualized rate increase" is defined as the increase beginning from the time when the last rate increase was fully effective to the estimated date the applied-for rate increase is anticipated to become fully effective, apportioned annually.
3. Generate its authorized return on rate base consumption (defined as per F-23 of the Utility's Annual Report to the PSCW). This sets a reasonable return on investment as determined by an outside party, the PSCW. The allowable return on investment is comparable to that of other publically and privately owned utilities in Wisconsin. By maximizing this return, the utility will have revenue necessary and reasonable for reinvestment in system improvements, and operations and maintenance expenses.
4. Prepare to file a rate case every two years.