

BEFORE THE PUBLIC SERVICE COMMISSION
OF
THE STATE OF MISSISSIPPI

2000-UN-725

CITY OF MADISON, MISSISSIPPI

IN RE: NOTICE OF CITY OF MADISON,
MISSISSIPPI OF ITS INTENT TO
ESTABLISH INITIAL RATES FOR ITS
SEWER SERVICES IN ITS
CERTIFICATED AREA IN MADISON
COUNTY, MISSISSIPPI

FINAL ORDER

NOW COMES on for hearing the Notice of Intent filed by the City of Madison, Mississippi to establish initial rates and charges for its sewer services in its certificated area which lies more than one mile outside of its municipal boundaries. The Commission, having conducted a full hearing of this matter and being duly advised in the premises, hereby finds as follows:

1. The Commission has jurisdiction of the parties and subject matter herein.
2. Heretofore, on or about September 11, 2000, the City of Madison, Mississippi ("Madison") filed its Notice of Intent to establish initial rates and charges for its sewer services in its certificated area lying in Madison County, Mississippi, but more than one mile outside the municipal corporate limits.
3. Thereafter, on or about September 29, 2000, Whisper Lake Homeowners Association, Ken Nyiri, Richard Davis, Steve Lesliue and Lisa Markham filed their Motion to Intervene, objecting to Madison's Notice of Intent, primarily on the basis that the rates and charges sought by Madison for the disposal and treatment of customers' sewage in the certificated area were excessive and unreasonable. The Commission entered its Order granting said Motion to Intervene on September 29, 2000.
4. After careful consideration of all issues raised by the parties herein, the Commission finds, based on the evidence presented at the hearing of this matter, that Interveners' objection is not well-taken, and that rates and charges for the subject area should be approved by the Commission as requested by the City.

IT IS, THEREFORE, ORDERED AND ADJUDGED, that the relief requested by the City of Madison, Mississippi in its Notice of Intent filed herein is granted, and that the City of Madison, Mississippi is hereby granted authority to assess and collect rates and charges for the area which is the subject of its Notice of Intent as follows:

1 st 2,000 gallons/month	\$8.00 minimum
2,000-17,000 gallons/month	\$2.30/1,000 gallons
Over 17,000 gallons/month (residential)	\$0.00
Over 17,000 gallons/month (other)	\$2.30/1,000 gallons

IT IS, FURTHER, ORDERED AND ADJUDGED, that the City is authorized to assess and collect a pass-through fee for regional sewer charges as follows:

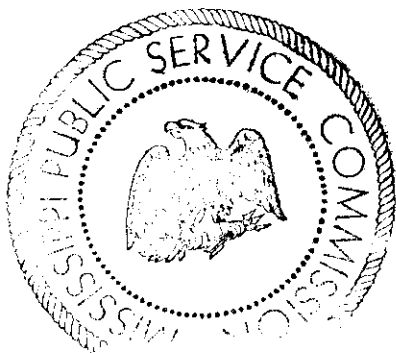
\$1.00/1,000 gallons/month up to 17,000 gallons (residential and other)
\$0.00 over 17,000 gallons/month (residential)
\$1.00/1,000 gallons/month over 17,000 gallons/month (other)

The Tariff attached hereto as Exhibit "A" is hereby approved.

The pass-through charge shall be separately noted on the bill. If the pass-through charges to the City change, the City shall immediately file for approval of such change.

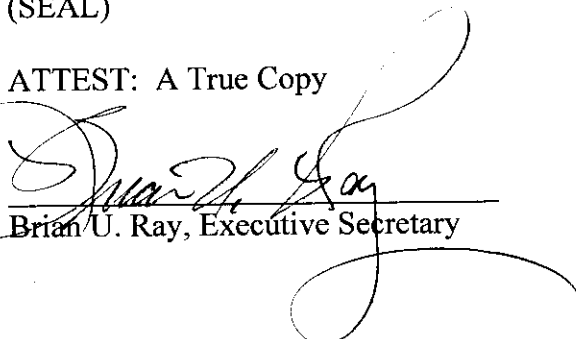
IT IS FURTHER ORDERED THAT this order shall be effective upon issuance.

SO ORDERED AND ADJUDGED on this the 22nd day of December, 2000.



(SEAL)

ATTEST: A True Copy


Brian U. Ray, Executive Secretary


Neilson Cochran, Chairman


Michael Callahan, Vice-Chairman


Bo Robinson, Commissioner

TARIFF

OF

CITY OF MADISON, MISSISSIPPI, A MUNICIPAL CORPORATION

(Name of Utility Organization or Other Servicing Agency)

CONSISTING

OF

SCHEDULE OF RATES,

TERMS AND CONDITIONS

FOR

Sanitary Sewer Service

(Electric, Gas, Telephone, Water, Sewer Service)

APPLYING TO

Certificated Area in Madison County

(Area to which Rates, Rules and Regulations, & Extension Policy Apply)

(Annandale Service Area)

**NO MODIFICATION OF THESE SCHEDULES SHALL BE
MADE EXCEPT FOR THE PURPOSE OF CANCELLING OR
SUPERSEDING PREVIOUSLY ISSUED SCHEDULES**

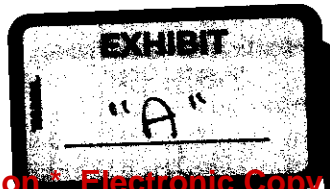
ISSUED BY MARY HAWKINS
(Name)

MAYOR
(Title)

ADDRESS Post Office Box 40
(Street or Box Number)

Madison
(City)

Mississippi 39110
(State)



STATE OF MISSISSIPPI
PUBLIC SERVICE COMMISSION

STATE OF MISSISSIPPI
PUBLIC SERVICE COMMISSION
INDEX TO TARIFF

City of Madison, Miss. a Municipal Corporation
(Name of Utility Organization or Other Servicing Agency)

(Area to which Rates, Rules and Regulations, & Extension Policy Apply)

DATE ISSUED _____
SHEET 1 OF 1 SHEETS

TYPE UTILITY SERVICE	CLASS OF SERVICE	SCHEDULE/SECTION NUMBER
Sewer	Residential & Commercial	S-1 I
Sewer	Wastewater Treatment Rider	II
Sewer	Service Rules & Regulations	III
Sewer	Service Extension Policy	IV

* These Rates, Rules and Regulations and Service Extension Policy apply to that portion of the City of Madison's Certificated Area lying more than one mile outside of the corporate limits of the City.

FINAL _____

ISSUED BY Mary Hawkins
(Name)

Mayor
(Title)

P. O. Box 40, Madison, MS 39110
(Address)

City of Madison, Miss., a Municipal Corporation
(Name of Utility Organization or Other Servicing Agency)

Certificated Service Area in Madison County
(Area to which Rates, Rules and Regulations, & Extension Policy Apply)

MISSISSIPPI
PUBLIC SERVICE COMMISSION
P. S. C. SCHEDULE NUMBER _____

ORIGINAL _____
REVISED NO. _____ DATE ISSUED _____
SUPERSEDES
SCHEDULE NO. _____ DATE ISSUED _____
SCHEDULE CONSISTS OF 1 SHEETS

TYPE UTILITY SERVICE Sewer
(Electric, Gas, Telephone, Water, Sewer)

CLASS OF SERVICE **
(Residential, Commercial, Industrial, Rural)

(This space for statement of availability, character of service, rate, minimum charge, terms of payment, special conditions, and minimum contract period pertinent to the application of this particular rate schedule.)

AVAILABILITY

Sewer service is available under this Rate Schedule subject to the Service Rules and Regulations, and the Service Extension Policy.

1 st 2,000 gallons/month	\$8.00 minimum
2,000 – 17,000 gallons/month	\$2.30/1,000 gallons
Over 17, 000 gallons/month (residential)	\$0.00
Over 17, gallons/month (other)	\$2.30/1,000 gallons

The above is based on volume measurement whereby the City sewer charge is based on 66.6% of the water use.

FINAL _____

ISSUED BY Mayor Hawkins Mayor P. O. Box 40, Madison, MS 39110
(Name) (Title) (Address)

City of Madison, Miss., a Municipal Corporation
(Name of Utility Organization or Other Servicing Agency)

Certificated Service Area in Madison County
(Area to which Rates, Rules and Regulations, & Extension Policy Apply)

MISSISSIPPI
PUBLIC SERVICE COMMISSION
P. S. C. SCHEDULE NUMBER _____

ORIGINAL _____
REVISED NO _____ DATE ISSUED _____
SUPERSEDES
SCHEDULE NO _____ DATE ISSUED _____
SCHEDULE CONSISTS OF 1 SHEETS

TYPE UTILITY SERVICE Sewer
(Electric, Gas, Telephone, Water, Sewer)

CLASS OF SERVICE Residential and Commercial
(Residential, Commercial, Industrial, Rural)

(This space for statement of availability, character of service, rate, minimum charge, terms of payment, special conditions, and minimum contract period pertinent to the application of this particular rate schedule.)

WASTEWATER TREATMENT RIDER

Monthly-Rate for Residential Customers shall be \$1.00/1,000 gallons on water used up to 17,000 gallons. No charge above 17,000 gallons.

Monthly-Rate for Commercial Customers shall be \$1.00/1,000 gallons on all water used.

The Above-Rate is a Pass-through cost that is paid to the City of Ridgeland for sewer treatment cost per the Metro Sewer Agreement.

FINAL _____

ISSUED BY Mayor Hawkins Mayor P. O. Box 40, Madison, MS 39110
(Name) (Title) (Address)

City of Madison, Miss. a Municipal Corporation
(Name of Utility Organization or Other Servicing Agency)

STATE OF MISSISSIPPI
PUBLIC SERVICE COMMISSION
SERVICE RULES AND REGULATIONS

Certificated Service Area in Madison County
(Area to which Rules and Regulations Are Applicable)

APPLYING TO Sewer SERVICE

SHEET 1 OF 7 SHEETS

III. Service Rules and Regulations

A. Application for Service

1. The prospective customer shall make a written application, on a form provided by City of Madison, for sewer service which shall clearly define the point at which service is desired, the class of service and the sewer capacity requirement. City of Madison shall immediately, but not later than fifteen(15) working days, advise the prospective customer in writing of all requirements for service, including an itemized detail of all fees, charges, deposits or other moneys demanded of the prospective customer, and whether or not a service extension is necessary for providing service.
2. Payment of all fees, charges, deposits or other moneys will be in advance of provision of service.

B. Cash Deposit

1. Residential

A Cash Deposit equivalent to one month's estimated average bill will be collected from each prospective residential customer to provide a guarantee for payment of indebtedness for sewer service.

Deposits made by customers, which are held for (1) year or more, shall earn eight percent (8%) interest per annum. All accrued interest held by City of Madison shall be paid in cash or credited to the customer's

Continued on Sheet 2

ISSUED BY Mary Hawkins Mayor P. O. Box 40, Madison, MS 39110
(Name) (Title) (Address)

City of Madison, Miss., a Municipal Corporation
(Name of Utility Organization or Other Servicing Agency)

PUBLIC SERVICE COMMISSION

CONTINUATION SHEET

Certificated Service Area in Madison County
(Area to which Applicable)

SERVICE RULES AND REGULATIONS

SHEET 2 OF 7 SHEETS

account on or before July 1 of each successive third year during which service is connected. The principal sum of the Cash Deposit and unpaid interest shall be applied to the customer's final bill and any excess amount shall be paid to the customer in cash.

Cash held less than one (1) year shall earn no interest.

2. **Other Commercial, Small Commercial Businesses.**

A Cash Deposit equivalent to two (2) month's estimated average bill will be collected from each prospective other commercial businesses (small and other), customer to provide a guarantee for payment of indebtedness for sewer service.

Deposits made by customers, which are held for one (1) year or more, shall earn eight percent (8%) interest per annum. All accrued interest held by City of Madison shall be paid in cash or credited to the customer's account on or before July 1 of each successive third year during which service is connected. The principal sum of the Cash Deposit and unpaid interest shall be applied to the customer's final bill and any excess amount shall be paid to the customer in cash.

Cash held less than one (1) year shall earn no interest.

C. **Service Connection Fee**

Connection fees are as follows:

Continued on Page 3

ISSUED BY Mary Hawkins Mayor P. O. Box 40, Madison, MS 39110
(Name) (Title) (Address)

City of Madison, Miss., a Municipal Corporation
(Name of Utility Organization or Other Servicing Agency)

Certificated Service Area in Madison County
(Area to which Applicable)

PUBLIC SERVICE COMMISSION

CONTINUATION SHEET

SERVICE RULES AND REGULATIONS

SHEET 3 OF 7 SHEETS

(A) Sewer System Tapping Fee*

Tap not available – to be made by City

4" service	\$400.00	Down to 6' deep. Anything over
6" service	500.00	6' deep will cost an additional
8" service	600.00	\$50 per foot of depth.

*PLUS ANY COST FOR EXTENDING EXISTING FACILITIES TO SERVICE AREA.

(B) Sewer System Tie-on Fee (size of line from building)

Up to 4" service	\$300.00
6" service	400.00
8" service	500.00

(C) Road Bore Fees (casing not included)

1"	\$10.00 per foot
2"	15.00 per foot
3"	17.00 per foot
4"	20.00 per foot
6"	25.00 per foot

(D) Labor Rates for the City of Madison

i.	One (1) man and one (1) vehicle	\$30.00/hour
ii.	Additional laborer	15.00/hour

Continued on Page 4

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PUBLIC SERVICE COMMISSION

CONTINUATION SHEET

Certificated Service Area in Madison County
(Area to which Applicable)

SERVICE RULES AND REGULATIONS

SHEET 4 OF 7 SHEETS

iii.	After house reconnect due to lack of payment (plus amount of bill paid in full)	30.00/hour
iv.	Tractor and Operator	30.00/hour
v.	Backhoe and Operator	40.00/hour
vi.	Trencher and Operator	40.00/hour

D. Customer's Responsibility

It is the responsibility of the customer of City of Madison to notify City of Madison of the need for service or of any change of service. City of Madison likewise, has the responsibility to its customers to regularly monitor the service in order to advise potential customers of City of Madison existence and service provided.

It is the responsibility of the customer of City of Madison to take every precaution to ensure against the disruption of sewer service being furnished. Particular care must be taken to safeguard the service pipe from fracture or other physical damage.

E. Definitions

1. **Service Connection Fees:** Payment to City of Madison for installation of service lines connected to existing sewer lines. This cost includes the cost of materials and labor expended to install the service connection plus applicable taxes, fees, and other expenses to City of Madison. Service connections shall include the service line to the edge of right-of-way occupied by the transmission lines. Service connection fees contribution-in-aid-of-construction or extraordinary circumstances such as road or highway bores.

Continued on Page 5

ISSUED BY Mary Hawkins Mayor P. O. Box 40, Madison, MS 39110
(Name) (Title) (Address)

2. Contribution-In-Aid-of-Construction: Payment made to fund new construction to serve a new or existing customer. This new construction includes lines and necessary related appurtenances and relocation and repair of existing facilities including pavements and other utilities. Such payment includes actual construction costs, plus applicable taxes, fees, and other expensed to City of Madison. The amount of contribution-in-aid-construction shall be excluded from rate base
3. Service Extension: Extending service within the existing service area.

IV. Service Extension Policy:

A. Application of Policy

The Service Extension Policy of City of Madison shall apply in those instances where the service requirements are not readily available from a point on the existing system.

B. Application for Service Extension

1. When a service extension is required for sewer services, at the time the prospective customer applies for service, the application shall include the following:
 - a. clearly define the point at which service is desired, the class of service, and the sewer capacity requirement
 - b. include a concept plan showing the proposed expansion or extension drawn to scale and showing roads, rights-of-way and property ownership, if applicable.

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ISSUED BY Mary Hawkins Mayor P. O. Box 40, Madison, MS 39110
(Name) (Title) (Address)

City of Madison, Miss., a Municipal Corporation

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PUBLIC SERVICE COMMISSION

CONTINUATION SHEET

Certificated Service Area in Madison County

(Area to which Applicable)

SERVICE RULES AND REGULATIONS

SHEET 6 OF 7 SHEETS

2. City of Madison shall approve, approve with conditions or deny with reason the prospective customer's application for service extension within thirty (30) days of receipt of the application. City of Madison shall not unreasonably withhold or deny approval. City of Madison shall itemize all extension requirements not clearly anticipated by the prospective customer's application for expansion or extension.

C. Design

The prospective customer shall submit plans and specifications to City of Madison for review and approval. City of Madison shall approve, approve with conditions or deny with reasons. City of Madison shall not unreasonably withhold or deny approval.

D. Construction

The prospective customer shall cause the construction of the facilities described in the approved plans and specifications at his sole expense. City of Madison shall have the right to accept or reject with reason the facilities so constructed. City of Madison shall not unreasonably withhold or deny acceptance.

In the event the prospective customer contracts with City of Madison for the construction of the service extension facilities, the payments shall be considered as contribution-in-aid-of-construction payments.

E. Easements, Rights-of-Way, Property and Permits

The prospective customer shall be solely responsible for obtaining any and all easements, rights-of-way, property and permits or other legal instruments necessary to locate and/or construct the facilities described in the approval plans and specifications.

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PUBLIC SERVICE COMMISSION

CONTINUATION SHEET

Certificated Service Area in Madison County
(Area to which Applicable)

SERVICE RULES AND REGULATIONS

SHEET 7 OF 7 SHEETS

F. **Ownership of Facilities**

All service extension facilities shall be dedicated to City of Madison upon completion of construction and acceptance by City of Madison and shall become the sole property of City of Madison. All costs related to the operation and maintenance of all facilities dedicated to and accepted by City of Madison shall be the responsibility of City of Madison commencing on the date of acceptance by City of Madison. Prior to acceptance by City of Madison all costs related to operation and maintenance shall be the responsibility of the prospective customer.

ISSUED BY Mary Hawkins Mayor P. O. Box 40, Madison, MS 39110
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