

**Milwaukee  
Metropolitan  
Sewerage  
District**

# **User Charges**

## **Chapter 17, MMSD Rules**

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## Chapter 17

# User Charges

### Subchapter I - General

17.101 Purpose.....	1
17.102 Applicability .....	1
17.103 Definitions.....	1
17.104 User charge review .....	4
17.105 Collection of undercharges and late payment penalties.....	6

### Subchapter II - District Activities

17.201 Wholesale bills.....	7
17.202 Discharge factor and waste strength certification procedures .....	7
17.203 Discharge factor and waste strength verification.....	8
17.204 Unit process-parameter relationships.....	8
17.205 Unit costs of treatment.....	8
17.206 Pretreatment program administrative costs.....	9
17.207 Monitoring costs .....	9
17.208 Equivalent residential unit and residential occupancy factors.....	9
17.209 Typical process waste strengths and typical wastewater discharge rates .....	9
17.210 Fees for septic and holding tank wastes.....	9
17.211 Fees for other services provided by the District .....	10
17.212 Direct billing .....	10
17.213 Cost recovery procedures manual.....	10
17.214 Municipal audits.....	11

### Subchapter III - Municipal Activities

17.301 Municipal user charge ordinance .....	12
17.302 Municipal data transmissions.....	12
17.303 Determining water consumption and wastewater discharges .....	13
17.304 Housing unit survey .....	14
17.305 Winter quarter water consumption report .....	14
17.306 Employee hours at un-metered businesses report.....	14
17.307 Reporting changes in occupancy of use.....	14
17.308 Retail bills .....	14
17.309 Payment of wholesale bills .....	14
17.310 Notice to users of discharge factor and waste strength certification opportunities.....	15

**Subchapter IV - User Responsibilities**

17.401 Discharge factor certification..... 16  
17.402 Waste strength certification ..... 17  
17.403 Reports of changes in occupancy or use ..... 17  
17.404 Payment of bills ..... 18  
17.405 District inspection and sampling..... 18

**Subchapter V - Wholesale and Retail Billing**

17.501 General ..... 20  
17.502 Calculating bills ..... 20

**Appendix A - User Charge Formulas**

## **Subchapter I - General**

### **17.101 Purpose**

(1) The purpose of this chapter is to:

(a) establish cost recovery systems that:

1. generate sufficient revenue to cover operation, maintenance, and replacement costs;
2. charge sewerage system operation and maintenance costs to each municipality served by the District in proportion to each municipality's use of the District's conveyance and treatment services;
3. charge monitoring and other regulatory costs to each user in proportion to the amount of monitoring and regulatory activity associated with each user; and
4. in certain cases, charge fees for disposal services provided by the District directly to persons receiving the disposal services; and

(b) ensure that the municipalities served by the District have the procedures necessary to administer the cost recovery systems established by this chapter.

(2) The purpose of this chapter does not include the recovery of capital costs, as defined by sec. 200.21, Wis. Stats., and included in the District's capital budget.

### **17.102 Applicability**

This chapter applies to all municipalities, all users, and all other persons served by the District.

### **17.103 Definitions**

In addition to the definitions set forth in Chapter 1 and sec. 200.21, Wis. Stats, the following definitions apply to the terms used in this chapter:

- (1) "BOD" means 5-day biochemical oxygen demand, as determined by EPA Analytical Method 405.1 set forth in 40 CFR Part 136.
- (2) "Commercial user" means any user that is neither a residential nor an industrial user, as classified by the District for user charge purposes.

- (a) "Discharge factor certified commercial user" means a commercial user that has reported its discharge factors to the District.
  - (b) "Non-certified commercial user" means a commercial user that has not certified its discharge factors to the District.
  - (c) "Waste strength certified commercial user" means a commercial user that has reported its discharge factors and waste strengths to the District.
- (3) "Connection" means a sewer that either:
- (a) leads from a building to a private sewerage system or municipal collector system that eventually discharges to the District's sewerage system, or
  - (b) leads directly from a building to the District's sewerage system.
- (4) "*Cost Recovery Procedures Manual*" means a manual prepared by the District according to sec. 17.213.
- (5) "Discharge factor" means the ratio of wastewater discharged to total water consumed by the user from all sources.
- (a) "Domestic discharge factor" means the ratio of domestic wastewater discharged to total water consumed.
  - (b) "Non-contact cooling water to combined sewer discharge factor" means the ratio of non-contact cooling water discharged to a combined sewer to total water consumed.
  - (c) "Process wastewater discharge factor" means the ratio of process wastewater discharged to total water consumed.
- (6) "District" means the Milwaukee Metropolitan Sewerage District.
- (7) "Domestic waste" means human waste and other wastes related to personal or residential sanitation.
- (8) "Domestic wastewater" means wastewater that contains only domestic waste.
- (9) "Equivalent residential unit" and "ERU" mean the typical average daily discharge of BOD, TSS, or flow per person from a residential unit.
- (10) "Flow" means the amount of wastewater flowing through a sewer.
- (11) "Industrial user" means any user that discharges process wastewater.

- (a) "Discharge factor certified industrial user" means an industrial user that has reported its discharge factors to the District.
  - (b) "Non-certified industrial user" means an industrial user that has not reported its discharge factors to the District.
  - (c) "Waste strength certified industrial user" means an industrial user that has reported its discharge factors and waste strengths to the District.
- (12) "Maintenance" means any preventive, correctional, or replacement activity that preserves the functional integrity and efficiency of the equipment and structures of the sewerage system.
- (13) "Non-contact cooling water" means water used for cooling that does not directly contact any raw material, intermediate product, waste product, or finished product.
- (14) "Operation" means the control of the unit processes and equipment that make up the sewerage system, including financial and personnel management, records, laboratory control, process control, safety, and emergency planning.
- (15) "Pretreatment program" means the activities of the District that:
- (a) implement sec. 200.45, Wis Stats., including, but not limited to, the implementation and enforcement of ch. 11, MMSD Rules, and any other applicable local, state, or federal pretreatment standards or requirements; and
  - (b) ensure the accuracy of the information used to calculate user charges for commercial and industrial users.
- (16) "Process wastewater" means any water that, during manufacturing or processing, comes into direct contact with or results from the production or use of any raw material, intermediate product, finished product, by-product, or waste product.
- (17) "Replacement" means obtaining and installing any equipment and appurtenances that are necessary during the useful life of the sewerage system to maintain the capacity and the performance for which the sewerage system was designed and constructed.
- (18) "Residential occupancy factor" means the average number of people residing in each residential unit in a particular municipality.
- (19) "Residential structure" means any building exclusively accommodating residential units.
- (20) "Residential unit" means an individual residence, such as a house, an apartment, or any group of rooms or a single room either occupied as living quarters or intended for occupancy.

- (21) "Residential user" means a user who is an owner or occupant of a residential unit.
- (22) "Retail bill" means a bill from a municipality to a user.
- (23) "TSS" means total suspended solids, as determined by EPA Analytical Method 160.2 set forth in 40 CFR Part 136.
- (24) "Unit cost of treatment" means the operation and maintenance cost per connection and per unit of flow, BOD, TSS, or other parameter.
- (25) "Unit process-parameter relationship" means the operation and maintenance cost of a sewerage system unit process attributable to connections, flow, BOD, TSS, or other parameter.
- (26) "User" means any owner or occupant of any building or lot that is located within the sewerage service area and is furnished with sewerage service.
- (27) "Volumetric rate" means the charge per 1,000 gallons of wastewater that has the characteristics of an equivalent residential unit.
- (28) "Wholesale bill" means a bill from the District to a municipality.

#### **17.104 User Charge Review**

- (1) (a) If the following circumstances have occurred and caused an overcharge, then the District may issue a credit.
  - 1. An employee of the District or the municipality made a clerical error, or
  - 2. A water meter was defective and the defect was not caused by an error or omission of either the municipality or the user.
- (b) The amount of the credit shall be the amount of the overcharge, extending back either to the date when the overcharge first occurred or to January 1 of the year before the request for the credit, whichever period is shorter.
- (2) The District shall issue a credit described in sub. (1) if:
  - (a) A commercial or industrial user or a municipality has requested a credit;
  - (b) The credit request:
    - 1. is in writing,
    - 2. sets forth the reasons for finding that an overcharge occurred, and

3. accurately establishes the amount of the overcharge; and
  - (c) The credit request shows at least one of the conditions described in sub. (1)(a) by clear and convincing evidence.
- (3) The Executive Director or a designee shall be the decision-maker for credit requests.
- (4) (a) In response to a credit request, the District shall provide a written decision that includes the District's reasoning.
- (b) After receiving all of the information necessary to review the credit request, the District shall either:
1. issue a decision within 45 days, or
  2. issue a written notice to the person requesting the credit that review will require 90 days and issue a decision within 90 days.
- (5) If the District finds that a credit is due, then the District shall credit the account of the appropriate municipality. The municipality may either credit the user's account or refund money directly to the user.
- (6) Users and municipalities shall pay any disputed charges before requesting a credit.
- (7) In the following cases, the District shall correct charges only for the current and future billing periods.
- (a) A user failed to report discharge factors or reported erroneous discharge factors.
  - (b) Water leakage occurred within the user's property.
  - (c) A user discharged water directly to the waters of the state without permission from the Department of Natural Resources.
  - (d) Any other circumstances other than the circumstances listed in sub. (1) caused an overcharge and these circumstances were caused by an error or omission of either the user or the municipality.
  - (e) The dispute involves an individual residential user.
- (8) Subsequent to a decision under this section, the exclusive means for additional review of a charge, rule, or practice of the District is a complaint by a user to the Public Service Commission, according to 200.59(5), Wis. Stats. The standard of review shall be whether the charge, rule, or practice of the District is unreasonable or unjustly discriminatory. Any



person aggrieved by a final decision of the Public Service Commission may seek judicial review according to ch. 227, Wis. Stats.

### **17.105 Collection of Undercharges and Late Payment Penalties**

- (1) If the District determines that it has undercharged a municipality, user, or other person receiving service from the District, then the District shall either issue a bill for the amount of the undercharge or add the amount of the undercharge to a future bill.
- (2)
  - (a) Except as provided in par. (b), the District shall collect undercharges going back either to when the undercharge first occurred or to six years from the date when the undercharge first became known to the District, whichever is shorter.
  - (b) In cases of continuing misrepresentation or fraud, the District shall recover all undercharges.
- (3)
  - (a) The District may charge a late payment penalty when the payment of a bill is late or when an undercharge was caused by an error or omission of a municipality, user, or other person receiving service from the District.
  - (b) The late payment penalty shall be no less than 12% of the amount due the District, compounded annually. The *Cost Recovery Procedures Manual* shall establish the late payment penalty interest rate.
  - (c) In cases of undercharges caused by fraud or other misrepresentation, the District may not waive the late payment penalty.

## **Subchapter II - District Activities**

### **17.201 Wholesale Bills**

- (1) The District shall bill municipalities within five business days after receipt of the municipal data transmission described in sec. 17.302 and any other information necessary for preparing the bill.
- (2) The wholesale bill shall include charges for all users served by the municipality. The wholesale bill shall show:
  - (a) the total amount due from each user class;
  - (b) the amount due from each discharge factor certified commercial user;
  - (c) the amount due from each waste strength certified commercial user; and
  - (d) the amount due from each industrial user.
- (3) If a municipality fails to pay a wholesale bill within 45 days, then the District may charge a late fee on the unpaid portion of the bill, according to sec. 17.105.
- (4) If a municipal data transmission occurs after the due date, then the District shall shorten the 45 day remittance period one day for each day the report is past due.

### **17.202 Discharge Factor and Waste Strength Certification Procedures**

- (1) The District shall establish procedures for discharge factor and waste strength certification and shall publish these procedures in the *Cost Recovery Procedures Manual*.
- (2) Before January 31 of each year, the District shall request water consumption and discharge information from users that must annually re-certify their discharge factors, according to sec. 17.401(4). The District shall obtain all of the water consumption and discharge information necessary to determine discharge factors.
- (3) The District shall request water consumption and discharge information from users that must re-certify their discharge factors at least every three years, according to sec. 17.401(3), before the expiration of the three year period.
- (4) The District shall develop procedures and criteria for determining when a user must re-establish its waste strengths. The District shall include these procedures in the *Cost Recovery Procedures Manual*.
- (5) If a user fails to submit discharge factor or waste strength information, if the submitted information is inaccurate, or if a substantial change has occurred since the date of the user's last certification, then the District may establish new discharge factors or waste strengths for

the user. The District shall notify the user of the new discharge factors or waste strengths and provide the basis for them.

- (6) If information obtained by the District reveals that information provided by a user is inaccurate and that the inaccuracy has caused an underpayment of user charges, then the District shall determine the correct user charges retroactive to the first bill based upon the inaccurate statement and issue a bill for the deficiency. The District may add a late payment penalty to this bill according to sec. 17.105.

### **17.203 Discharge Factor and Waste Strength Verification**

- (1) The District may monitor wastewater discharges, conduct inspections, or undertake other activities necessary to verify discharge factors and waste strengths.
- (2) If District monitoring or inspections identify discharge factors or waste strengths significantly different from the certified discharge factors or waste strengths, then the District may calculate user charges using the discharge factors or waste strengths identified by the District.
- (3) When necessary to verify discharge factors or waste strengths, the District may order a user to construct monitoring facilities according to the specifications set forth in sec. 11.603, MMSD Rules.

### **17.204 Unit Process-Parameter Relationships**

The District shall annually distribute operation and maintenance costs of the various unit processes within the sewerage system to connections, flow, BOD, TSS, or other parameters selected by the District. The District shall publish these unit process-parameter relationships in the *Cost Recovery Procedures Manual*.

### **17.205 Unit Costs of Treatment**

- (1) The District shall annually establish unit costs of treatment for connections, flow, BOD, and TSS. The District may develop unit costs of treatment for other parameters.
- (2) To establish a unit cost of treatment, the District shall divide the operation and maintenance cost allocated to a parameter by either the estimated waste-load for that parameter or, for costs assigned to connections, the number of connections.
- (3) The District shall publish the unit costs of treatment in the *Cost Recovery Procedures Manual*, along with a discussion of how the District determined the unit costs of treatment.

### **17.206 Pretreatment Program Administrative Costs**

To recover the administrative costs of the pretreatment program, the District shall establish fees in the *Cost Recovery Procedures Manual*. The *Cost Recovery Procedures Manual* shall describe the basis for these fees.

### **17.207 Monitoring Costs**

- (1) The District may recover sample collection, preparation, and analysis costs when the District monitors discharges to either verify compliance with an applicable pretreatment standard or requirement or assure the accuracy of the facility's user charges.
- (2) The District shall establish fees for sample collection, preparation, and analysis and list these fees in the *Cost Recovery Procedures Manual*.
- (3) The District shall directly bill the monitored facility.
- (4) If a facility fails to pay a monitoring bill in full within 30 days, then the District may charge a late payment penalty according to sec. 17.105.

### **17.208 Equivalent Residential Unit and Residential Occupancy Factors**

- (1) The District shall estimate the amount of flow, BOD, and TSS discharged by the typical residential user of the sewerage system. The District shall publish these typical discharge rates in the *Cost Recovery Procedures Manual*.
- (2) The District shall annually establish residential occupancy factors for each municipality served by the District. The District shall publish these residential occupancy factors in the *Cost Recovery Procedures Manual*.

### **17.209 Typical Process Waste Strengths and Typical Wastewater Discharge Rates**

- (1) The District shall identify typical process waste strengths for process wastewater from various industries and publish these waste strengths in the *Cost Recovery Procedures Manual*.
- (2) For various commercial and industrial activities, the District shall identify typical wastewater discharge rates that estimate the amount of water discharged per the number of employee hours worked at a facility or other appropriate parameter. The District shall publish these typical wastewater discharge rates in the *Cost Recovery Procedures Manual*.

### **17.210 Fees for Septic and Holding Tank Wastes**

- (1) The District shall establish fees for the disposal of septic tank and holding tank waste hauled to the District for disposal. To establish these fees, the District shall consider waste strength, disposal site monitoring costs, administrative costs, hauled waste's share of capital

improvement costs, and any other relevant factors, according to sec. 144.08, Wis. Stats.

- (2) The District shall publish hauled waste fees in the *Cost Recovery Procedures Manual*, along with a discussion of how the District determined the fees.
- (3) The District may establish fees for facilities that collect and discharge domestic wastewater from the holding tanks of vehicles, boats, or airplanes. The District shall publish any fees established under this subsection in the *Cost Recovery Procedures Manual*, along with the basis for the fees.

### **17.211 Fees for Other Services Provided by the District**

- (1) If the District provides services for which costs are not adequately recovered by the wholesale bills of sec. 17.201, pretreatment program charges of 17.206, the monitoring bills of sec. 17.207, or the septic and holding tank fees of sec. 17.210, then the District may establish other appropriate fees. The services for which the District may establish these fees include, but are not limited to, the disposal of wastewater related to groundwater or soil remedial actions undertaken according to federal, state, or local requirements.
- (2) If the District finds that fees proportionate to sewerage system costs are not practicable, then the District may base the fees developed according to this section upon any combination of the following considerations or upon other appropriate consideration:
  - (a) Market rates for commercial centralized wastewater treatment or hazardous waste treatment, storage, or disposal;
  - (b) Avoided direct discharge costs or other avoided costs;
  - (c) Administrative costs;
  - (d) Promoting pollution prevention and waste minimization; and
  - (e) The risks to the sewerage system or the environment.
- (3) The District shall publish any fee established under this section in the *Cost Recovery Procedures Manual*, along with the basis for the fee.

### **17.212 Direct Billing**

When the costs of services provided by the District would not be completely recovered by a wholesale bill according to sec. 17.201 or when collecting fees established according to secs. 17.210 or 17.211, the District may bill users directly.

### **17.213 Cost Recovery Procedures Manual**

- (1) The District shall adopt a *Cost Recovery Procedures Manual* and revise it as necessary.

(2) The *Cost Recovery Procedures Manual* shall include:

- (a) equivalent residential unit discharge rates;
- (b) residential occupancy factors;
- (c) unit process-parameter relationships;
- (d) typical process waste strengths;
- (e) a schedule and forms for municipal data transmissions;
- (f) instructions and information for estimating discharges, such as typical wastewater discharge rates;
- (g) discharge factor and waste strength certification procedures;
- (h) the techniques the District will use to verify certified waste strengths;
- (i) procedures for reporting changes in occupancy or use;
- (j) unit costs of treatment;
- (k) pretreatment program fees;
- (l) sample collection, preparation, and analysis fees;
- (m) the interest rates that the District will use to calculate late payment penalties;
- (n) septic and holding tank disposal fees;
- (o) any fees established according to sec. 17.211; and
- (p) any other information the District finds necessary to implement the user charge systems established by this chapter.

### **17.214 Municipal Audits**

The District may audit municipal user charge programs to ensure compliance with this chapter.

## **Subchapter III - Municipal Activities**

### **17.301 Municipal User Charge Ordinance**

- (1) Each municipality shall adopt an ordinance authorizing the municipality to collect from users the charges of the District as established by this chapter.
- (2) Before the creation or modification of a municipal user charge ordinance, a municipality shall give the District an opportunity to review the proposed ordinance or modifications.
- (3) (a) The municipal user charge ordinance shall include one of the following rules for classifying residential structures for user charge purposes, except as provided in par. (b):
  1. If a structure contains one or two residential units, then each unit is a residential user. If a structure contains more than two residential units, then the structure is a commercial user.
  2. If a structure contains one to four residential units, then each unit is a residential user. If a structure contains more than four residential units, then the structure is a commercial user.
- (b) The municipal user charge ordinance may allow the municipality to classify each unit in a multi-unit residential structure as a residential unit, regardless of the number of units in the structure, if each unit has the attributes of a single family home, such as more than 1,500 square feet of living space and one or more of the following characteristics: an exclusive entrance, individual laundry facilities, an individual water heater, or individual heating and cooling systems.

### **17.302 Municipal Data Transmissions**

- (1) Each municipality shall report the following information to the District:
  - (a) the number of residential units and residential connections;
  - (b) the water consumption of non-certified commercial users;
  - (c) the number of non-certified commercial connections;
  - (d) individual water consumption for each certified commercial user and each industrial user;
  - (e) the number of connections for each certified commercial user and each industrial user;
  - (f) the dates of the billing period covered by the municipal data transmission; and
  - (g) the name and location of any facilities that collect and discharge domestic wastewater

from the holding tanks of recreational vehicles, boats, airplanes, or any other mobile sources.

- (2) Municipalities shall use the forms provided in the *Cost Recovery Procedures Manual* for their municipal data transmissions.
- (3) Municipal data transmissions are due according to the schedule established in the *Cost Recovery Procedures Manual*. Municipalities may report according to an alternative schedule if the Municipality has provided the alternative schedule to the District and the District has approved it.
- (4) For the purposes of counting residential connections for the municipal data transmission, each structure served by a sanitary sewer shall have at least one connection.

**17.303 Determining Water Consumption And Wastewater Discharges**

- (1) The water consumption data reported to the District in municipal data transmissions shall be from a water meter for all commercial and industrial users who discharge more than 1,000 gallons per day to the sewerage system.
- (2) If a site contains multiple occupants, then the criterion set forth in sub. (1) applies to the sum of the discharges from each occupant.
- (3) A decision regarding whether a water meter is required may be based upon either:
  - (a) direct measurement of the discharge rate, or
  - (b) an estimate of the discharge rate using typical wastewater discharge rates established according to sec. 17.209 or other appropriate techniques.
- (4) Water meters required by this section shall meet the accuracy requirements of sec. PSC 185.65, Wis. Adm. Code.
- (5) (a) If a water meter is required and if the user is not served by a public water utility required to periodically test water meters according to sec. PSC 185.76, Wis. Adm. Code, then municipalities shall test water meters according to the following schedule:

<b>Meter Size</b>	<b>Minimum Test Interval</b>
(Inches)	(Years)
1 or less	8
1.5 and 2	4
3 and 4	2
6 and over	1

- (b) Water meter testing shall occur more frequently than required by par. (a) if more frequent testing is necessary to maintain accuracy.



(c) If a municipality demonstrates to the District that the water meter will maintain its accuracy for a period longer than the minimum test interval established by par. (a), then the District may allow a test interval longer than the interval set forth in par. (a).

(d) Municipalities may delegate meter testing requirements to users.

(6) To estimate the amount of water discharged by un-metered users, municipalities shall use the typical wastewater discharge rates published in the *Cost Recovery Procedures Manual*.

### **17.304 Housing Unit Survey**

Before July 31 of every year, each municipality shall report to the District the number of residential units within the municipality.

### **17.305 Winter Quarter Water Consumption Report**

Before July 31 of every year, each municipality shall report the winter quarter water consumption for all metered residential users.

### **17.306 Employee Hours at Un-metered Businesses Report**

For each un-metered commercial and industrial user served by a municipality, the municipality shall annually determine the number of employee hours worked in the preceding year. Each municipality shall report this information to the District before April 1 of every year.

### **17.307 Reporting Changes in Occupancy or Use**

If a municipality becomes aware of a change in the occupancy or use of a building with a discharge factor certified or waste strength certified user, then the municipality shall report this information to the District within 30 days.

### **17.308 Retail Bills**

(1) Each municipality shall bill each user served by the municipality.

(2) Municipalities shall bill the District's user charges according to the formulas set forth in Appendix A.

### **17.309 Payment of Wholesale Bills**

Each municipality shall pay the District in full within 45 days after the due date of the municipal data transmission.

**17.310 Notice to Users of Discharge Factor and Waste Strength Certification Opportunities**

Each municipality shall implement procedures for notifying appropriate users of the opportunities for discharge factor and waste strength certification.

## **Subchapter IV - Commercial and Industrial User Responsibilities**

### **17.401 Discharge Factor Certification**

- (1) Any commercial user that has a metered water supply may determine its discharge factors and report them to the District.
- (2) All industrial users that have a metered water supply shall determine their discharge factors and report them to the District.
- (3) Except as provided in sub. (4), discharge factor certified users shall update their discharge factors every three years or when requested by the District. Users shall provide water consumption and discharge information within 60 days after the District requests it.
- (4)
  - (a) A discharge factor certified user shall annually update its discharge factors if the user:
    1. is a significant industrial user according to sec. 11.103, or
    2. has an average daily non-domestic wastewater discharge of 10,000 gallons per day or more.
  - (b) If a user meets the requirements of par. (a), then the user shall submit updated water consumption and discharge information to the District before March 31 of each year.
- (5) Users shall include the following certification when reporting their water consumption and discharge information:

*I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.*
- (6) If a user fails to provide updated water consumption and discharge information on or before the due date, then the user shall pay bills based upon a discharge of all water consumed for all billing periods including and after the due date.
- (7) If an industrial user has never reported discharge factors to the District, then the user shall pay bills based upon a discharge of all water consumed and typical process waste strengths.

- (8) The information reported by users for discharge factor certification purposes shall represent, as accurately as possible, the user's circumstances in future billing periods. If a change in the user's circumstances makes previously submitted information inaccurate, then the user shall submit new information.

#### **17.402 Waste Strength Certification**

- (1) Any industrial or commercial user that has a metered water supply may certify its waste strengths.
- (2) The District may request any user to certify the average strength of the user's wastewater. If the District has requested a waste strength certification, then the user shall complete the certification within 60 days after receiving the request, unless additional time is approved by the District in advance.
- (3) A waste strength determination shall include analysis for all characteristics specified by the District over a time period specified by the District.
- (4) Users shall include the following certification when reporting their waste strengths:

*I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.*

- (5) If a user fails to provide requested waste strength information before the due date, then the District shall calculate bills based upon either typical waste strengths or the highest waste strength on record for the user, whichever is higher, for all billing periods including and after the due date.
- (6) The information reported by users for waste strength certification purposes shall represent, as accurately as possible, the user's circumstances in future billing periods. If a change in the user's circumstances makes previously submitted information inaccurate, then the user shall submit new information.

#### **17.403 Reports of Changes in Occupancy or Use**

- (1) Whenever a change occurs in the occupancy or use of a building containing a discharge factor or waste strength certified user, the building's owner or occupant shall report the following information to the District and to the municipality in which the building is located:
  - (a) the address;

- (b) the new use or the identity of the new occupant and the new occupant's business, whichever is appropriate;
  - (c) the location of connections to the sewerage system; and
  - (d) estimates for water consumption, wastewater discharges, and waste strengths under the new conditions.
- (2) Users shall submit the report required by sub. (1) according to the procedures set forth in the *Cost Recovery Procedures Manual*.
- (3) Users shall submit the report required by sub. (1) within 30 days of the change in occupancy or use.

#### **17.404 Payment of Bills**

If the District has issued a bill to a user according to sec. 17.207 or sec. 17.212, then the user shall pay the bill within thirty days after the issue date. If a user fails to pay a bill before the due date, then the user shall pay any penalty charged according to sec. 17.207(4).

#### **17.405 District Inspection and Sampling**

- (1) Users shall receive the benefits of discharge factor or waste strength certification only if the user consents to inspection and sampling by District personnel, District representatives, or officials from other governmental agencies assisting the District, according to the limitations set forth in subs. (4) to (6).
- (2) Discharge factor and waste strength certified users shall allow:
- (a) entry to the user's premises at any reasonable time for the purposes of inspection, sampling, or examining records;
  - (b) access to the user's monitoring facilities as necessary to obtain representative samples; and
  - (c) the use of any devices necessary for collecting samples or measuring flows.
- (3) Before sample collection or inspection begins, the user shall disclose whether production activities and discharges are representative of normal operations.
- (4) The District shall inspect and sample according to an annually established schedule. The frequency of inspections or sampling shall be established based upon the volume of flow, waste strength, and other appropriate factors. The District shall keep this schedule confidential. The custodian of records may not release the schedule, except to authorized representatives of superior governments when they are auditing the District's activities under this chapter.

- (5) Areas subject to inspection are limited to the processes, equipment, and operations that result in wastewater discharged to the sewerage system or result any reported water losses. The scope of the inspection or sampling shall be limited to determining whether the discharge factor or waste strength information certified by the user is accurate. For purposes of inspection and sampling, a reasonable time is any time when the user is operating any process, equipment, or operation that results in wastewater or when the facility is discharging wastewater to the sewerage system.
- (6) Users shall allow access to and copying of records supporting the derivation of any discharge factor or waste strength. For purposes of reviewing records, reasonable time means the user's regular business hours.

## **Subchapter V - Wholesale and Retail Billing**

### **17.501 General**

- (1) The District shall prepare a wholesale bill for each municipality served by the District, according to sec. 17.201. Municipalities shall prepare a retail bill for the individual users served by the municipality, according to sec. 17.303.
- (2) The charges included in wholesale and retail bills shall be based upon the following factors:
  - (a) the volume of water discharged by a user to the sewerage system;
  - (b) the mass of BOD and TSS discharged by a user to the sewerage system;
  - (c) the user's number of connections to the sewerage system;
  - (d) other parameters for which the District has established unit costs of treatment according to sec. 17.205;
  - (e) the activities necessary to ensure the accuracy of the information used to calculate user charges;
  - (f) the Pretreatment Program activities necessary to evaluate compliance with ch. 11, MMSD Rules, and any other applicable local, state, or federal pretreatment standards or requirements; and
  - (g) any other factors necessary to ensure that the user charge system complies with sec. NR 128.13, Wis. Adm. Code or other applicable local, state, or federal requirements.

### **17.502 Calculating Bills**

- (1) The District and municipalities shall calculate wholesale and retail bills according to the formulas set forth in Appendix A.
- (2) For retail residential bills, municipalities may use any one of the four methods provided in Appendix A.
- (3) For retail bills for non-certified commercial users, municipalities may use either one of the two methods provided in Appendix A.
- (4) For discharge factor and waste strength certified commercial users and all industrial users, the retail user charge shall be equal to each individual wholesale user charge.

**APPENDIX A**

**I. WHOLESALE BILLING FORMULAS:**

**A. Wholesale Residential Users**

**The District shall use the following formula:**

$$\text{Volumetric Charge} + \text{Connection Charge}$$

**The Volumetric Charge Is:**

$$\begin{array}{ccccccccccc} \text{Residential} & & \text{Number of} & & \text{ERU} & & \text{Days in} & & & & \text{Volumetric} \\ \text{Occupancy} & \times & \text{Residential} & \times & \text{Flow} & \times & \text{Billing} & / & 1000 & \times & \text{Rate per} \\ \text{Factor} & & \text{Units} & & \text{Rate} & & \text{Period} & & \text{Gals.} & & \text{1000 Gals.} \end{array}$$

**The Connection Charge Is:**

$$\begin{array}{ccc} \text{Number of} & & \text{Prorated} \\ \text{Residential} & \times & \text{Annual} \\ \text{Connections} & & \text{Connection Charge} \end{array}$$

**B. Wholesale Non-Certified Commercial Users**

**The District shall use the following formula:**

$$\text{Volumetric Charge} + \text{Connection Charge}$$

**The Volumetric Charge Is:**

$$\begin{array}{ccc} \text{Total Non-Certified} & & \text{Volumetric} \\ \text{Commercial} & \times & \text{Rate Per} \\ \text{Water Consumption} & & \text{1000 Gals.} \end{array}$$

**The Connection Charge Is:**

$$\begin{array}{ccc} \text{Number of} & & \text{Prorated} \\ \text{Non-Certified} & \times & \text{Annual} \\ \text{Commercial Connections} & & \text{Connection Charge} \end{array}$$

**C. Wholesale Certified Commercial Users**

**1. Discharge Factor Certified Users**

- a) The wholesale bill shall be the sum of the individual charges for each discharge factor certified commercial user.
- b) The District shall use the following formula for calculating individual charges.

$$\text{Volumetric Charge} + \text{Connection Charge}$$

**The Volumetric Charge Is:**

$$\begin{array}{ccccc} \text{Flow} & & + & & \text{BOD} & & + & & \text{TSS} \\ \text{Charge} & & & & \text{Charge} & & & & \text{Charge} \end{array}$$



**WHOLESALE BILLING FORMULAS:**

**C. Wholesale Certified Commercial Users (continued)**

• **The Flow Charge is:**

$$\begin{array}{rcccl} \text{Total Water} & & \text{Domestic} & & \text{Non-Contact} & & \text{Unit} \\ \text{Consumption per} & \times & \text{Wastewater} & + & \text{Cooling Water} & \times & \text{Cost} \\ \text{1000 Gals.} & & \text{Discharge} & & \text{Discharge} & & \text{of Flow} \\ & & \text{Factor} & & \text{Factor} & & \end{array}$$

• **The BOD Charge is:**

$$\begin{array}{rcccl} \text{Total Water} & & \text{Domestic} & & \text{Domestic} & & \text{Unit} \\ \text{Consumption per} & \times & \text{Wastewater} & \times & \text{BOD} & \times & \text{Cost} \\ \text{1000 Gals.} & & \text{Discharge} & & \text{Wastestrength} & & \text{of BOD} \\ & & \text{Factor} & & & & \end{array}$$

• **The TSS Charge is:**

$$\begin{array}{rcccl} \text{Total Water} & & \text{Domestic} & & \text{Domestic} & & \text{Unit} \\ \text{Consumption per} & \times & \text{Wastewater} & \times & \text{TSS} & \times & \text{Cost} \\ \text{1000 Gals.} & & \text{Discharge Factor} & & \text{Wastestrength} & & \text{of TSS} \\ & & & & & & \end{array}$$

**The Connection Charge Is:**

$$\begin{array}{rcc} \text{Number of} & & \text{Prorated} \\ \text{Connections} & \times & \text{Annual} \\ & & \text{Connection Charge} \end{array}$$

**2. Wastestrength Factor Certified Users**

a) The wholesale bill shall be the sum of the individual charges for each wastestrength factor certified commercial user.

b) The District shall use the following formula for calculating individual charges:

$$\text{Volumetric Charge} + \text{Connection Charge} + \text{Pretreatment Surcharge}$$

**The Volumetric Charge Is:**

$$\begin{array}{r} \text{Flow} + \text{BOD} + \text{TSS} \\ \text{Charge} + \text{Charge} + \text{Charge} \end{array}$$

• **The Flow Charge is:**

$$\begin{array}{rcccl} \text{Total Water} & & \text{Domestic} & & \text{Non-Contact} & & \text{Unit} \\ \text{Consumption per} & \times & \text{Wastewater} & + & \text{Cooling Water} & \times & \text{Cost} \\ \text{1000 Gals.} & & \text{Discharge Factor} & & \text{Discharge Factor} & & \text{of Flow} \\ & & & & & & \end{array}$$

• **The BOD Charge is:**

$$\begin{array}{rcccl} \text{Total Water} & & \text{Domestic} & & \text{Certified} & & \text{Unit} \\ \text{Consumption per} & \times & \text{Wastewater} & \times & \text{BOD} & \times & \text{Cost} \\ \text{1000 Gals.} & & \text{Discharge} & & \text{Wastestrength} & & \text{of BOD} \\ & & \text{Factor} & & & & \end{array}$$

**WHOLESALE BILLING FORMULAS:**

**C. Wholesale Certified Commercial Users (continued)**

• **The TSS Charge Is:**

$$\begin{array}{rcccl} \text{Total Water} & & \text{Domestic} & & \text{Certified} & & \text{Unit} \\ \text{Consumption per} & & \text{Wastewater} & & \text{TSS} & & \text{Cost} \\ 1000 \text{ Gals.} & \times & \text{Discharge} & \times & \text{Wastestrength} & \times & \text{of TSS} \\ & & \text{Factor} & & & & \end{array}$$

**The Connection Charge Is:**

$$\begin{array}{rcc} \text{Number} & & \text{Prorated} \\ \text{of} & & \text{Annual} \\ \text{Connections} & \times & \text{Connection Charge} \end{array}$$

**D. Wholesale Non-Certified Industrial Users**

- 1) The wholesale bill shall be the sum of the individual charges for each non-certified industrial user.
- 2) The District shall use the following formula for calculating individual charges:

$$\text{Volumetric Charge} + \text{Connection Charge} + \text{Pretreatment Surcharge}$$

**The Volumetric Charge Is:**

$$\begin{array}{rcccl} \text{Flow} & & \text{BOD} & & \text{TSS} \\ \text{Charge} & + & \text{Charge} & + & \text{Charge} \end{array}$$

• **The Flow Charge is:**

$$\begin{array}{rcc} \text{Total Water} & & \text{Unit} \\ \text{Consumption per} & \times & \text{Cost} \\ 1000 \text{ Gals.} & & \text{of Flow} \end{array}$$

• **The BOD Charge is:**

$$\begin{array}{rcccl} \text{Total Water} & & \text{Typical} & & \text{Unit} \\ \text{Consumption per} & \times & \text{Industrial BOD} & \times & \text{Cost} \\ 1000 \text{ Gals.} & & \text{Wastestrength} & & \text{of BOD} \end{array}$$

• **The TSS Charge is:**

$$\begin{array}{rcccl} \text{Total Water} & & \text{Typical} & & \text{Unit} \\ \text{Consumption per} & \times & \text{Industrial TSS} & \times & \text{Cost} \\ 1000 \text{ Gals.} & & \text{Wastestrength} & & \text{of TSS} \end{array}$$

**The Connection Charge Is:**

$$\begin{array}{rcc} \text{Number} & & \text{Prorated} \\ \text{of} & & \text{Annual} \\ \text{Connections} & \times & \text{Connection Charge} \end{array}$$

**WHOLESALE BILLING FORMULAS:**

**E. Wholesale Certified Industrial Users**

**1. Discharge Factor Certified Users**

- a) The wholesale bill shall be the sum of the individual charges for each discharge factor certified industrial user.
- b) The District shall use the following formula for calculating individual charges:

Volumetric Charge + Connection Charge + Pretreatment Surcharge

**The Volumetric Charge Is:**

Flow Charge + BOD Charge + TSS Charge

• **The Flow Charge is:**

Total Water Consumption per 1000 Gals. x Domestic Wastewater Discharge Factor + Process Wastewater Discharge Factor + Non-Contact Cooling Water Discharge Factor x Unit Cost of Flow

• **The BOD Charge is:**

**Domestic Wastewater:**

Total Water Consumption per 1000 Gals. x Domestic Wastewater Discharge Factor x Domestic BOD Wastestrength x Unit Cost of BOD

**Plus Process Wastewater:**

Total Water Consumption per 1000 Gals. x Process Wastewater Discharge Factor x Typical Industrial BOD Wastestrength x Unit Cost of BOD

• **The TSS Charge is:**

**Domestic Wastewater:**

Total Water Consumption per 1000 Gals. x Domestic Wastewater Discharge Factor x Domestic TSS Wastestrength x Unit Cost of TSS

**Plus Process Wastewater:**

Total Water Consumption per 1000 Gals. x Process Wastewater Discharge Factor x Typical Industrial TSS Wastestrength x Unit Cost of TSS

**WHOLESALE BILLING FORMULAS:**

**E. Wholesale Certified Industrial Users (continued)**

**The Connection Charge Is:**

$$\begin{array}{r} \text{Number} \\ \text{of} \\ \text{Connections} \end{array} \times \begin{array}{r} \text{Prorated} \\ \text{Annual} \\ \text{Connection Charge} \end{array}$$

**2. Wastestrength Factor Certified Users:**

- a) The wholesale bill shall be the sum of the individual charges for each wastestrength factor certified industrial user.
- b) The District shall use the following formula for calculating individual charges.

$$\text{Volumetric Charge} + \text{Connection Charge} + \text{Pretreatment Surcharge}$$

**The Volumetric Charge Is:**

$$\begin{array}{r} \text{Flow} \\ \text{Charge} \end{array} + \begin{array}{r} \text{BOD} \\ \text{Charge} \end{array} + \begin{array}{r} \text{TSS} \\ \text{Charge} \end{array}$$

- **The Flow Charge is:**

$$\begin{array}{r} \text{Total Water} \\ \text{Consumption per} \\ \text{1000 Gals.} \end{array} \times \begin{array}{r} \text{Domestic} \\ \text{Wastewater} \\ \text{Discharge} \\ \text{Factor} \end{array} + \begin{array}{r} \text{Process} \\ \text{Wastewater} \\ \text{Discharge} \\ \text{Factor} \end{array} + \begin{array}{r} \text{Non-Contact} \\ \text{Cooling Water} \\ \text{Discharge} \\ \text{Factor} \end{array} \times \begin{array}{r} \text{Unit} \\ \text{Cost} \\ \text{of Flow} \end{array}$$

- **The BOD Charge is:**

**Domestic Wastewater:**

$$\begin{array}{r} \text{Total Water} \\ \text{Consumption per} \\ \text{1000 Gals.} \end{array} \times \begin{array}{r} \text{Domestic} \\ \text{Wastewater} \\ \text{Discharge} \\ \text{Factor} \end{array} \times \begin{array}{r} \text{Certified} \\ \text{or} \\ \text{Domestic BOD} \\ \text{Wastestrength} \end{array} \times \begin{array}{r} \text{Unit} \\ \text{Cost} \\ \text{of BOD} \end{array}$$

**Plus Process Wastewater:**

$$\begin{array}{r} \text{Total Water} \\ \text{Consumption per} \\ \text{1000 Gals.} \end{array} \times \begin{array}{r} \text{Process} \\ \text{Wastewater} \\ \text{Discharge} \\ \text{Factor} \end{array} \times \begin{array}{r} \text{Certified} \\ \text{Industrial} \\ \text{BOD} \\ \text{Wastestrength} \end{array} \times \begin{array}{r} \text{Unit} \\ \text{Cost} \\ \text{of BOD} \end{array}$$

- **The TSS Charge is:**

**Domestic Wastewater:**

$$\begin{array}{r} \text{Total Water} \\ \text{Consumption per} \\ \text{1000 Gals.} \end{array} \times \begin{array}{r} \text{Domestic} \\ \text{Wastewater} \\ \text{Discharge} \\ \text{Factor} \end{array} \times \begin{array}{r} \text{Certified} \\ \text{or} \\ \text{Domestic TSS} \\ \text{Wastestrength} \end{array} \times \begin{array}{r} \text{Unit} \\ \text{Cost} \\ \text{of TSS} \end{array}$$

**WHOLESALE BILLING FORMULAS:**

**E. Wholesale Certified Industrial Users (continued)**

**Plus Process Wastewater:**

$$\begin{array}{ccccccc} \text{Total Water} & & & \text{Process} & & & \text{Certified} & & & \text{Unit} \\ \text{Consumption per} & & & \text{Wastewater} & & & \text{Industrial} & & & \text{Cost} \\ 1000 \text{ Gals.} & & \times & \text{Discharge} & & \times & \text{TSS} & & \times & \text{of TSS} \\ & & & \text{Factor} & & & \text{Wastestrength} & & & \end{array}$$

**The Connection Charge Is:**

$$\begin{array}{ccc} \text{Number} & & \text{Prorated} \\ \text{of} & & \text{Annual} \\ \text{Connections} & \times & \text{Connection Charge} \end{array}$$

**F. VOLUMETRIC RATE FORMULA:**

$$\begin{array}{ccccccc} \text{Unit} & + & \text{Domestic} & \times & \text{Unit} & + & \text{Domestic} & \times & \text{Unit} \\ \text{Cost} & & \text{BOD per} & & \text{Cost} & & \text{TSS per} & & \text{Cost} \\ \text{of Flow} & & 1000 \text{ Gals.} & & \text{of BOD} & & 1000 \text{ Gals.} & & \text{of TSS} \end{array}$$

**II. RETAIL BILLING FORMULAS**

**A. Retail Residential Users**

**Option 1: Uniform Charge - Method 1**

$$\frac{\text{Total Wholesale Residential Charges}}{\text{Residential Charges}} \times \frac{\text{User's Number of Residential Units}}{\text{Total Residential Units in the Municipality}}$$

**Option 2: Uniform Charge - Method 2**

$$\frac{\text{Total Wholesale Residential Charges} - \text{Total Residential Connection Charges}}{\text{Residential Charges}} \times \frac{\text{User's Number of Residential Units}}{\text{Total Residential Units in the Municipality}}$$

**Plus:**

$$\text{User's Number of Connections} \times \text{Connection Charge}$$

**Option 3: Volumetric Charge - Method 1**

$$\frac{\text{Total Wholesale Residential Charges}}{\text{Residential Charges}} \times \frac{\text{User's Water Consumption}}{\text{Total Residential Water Consumption in the Municipality}}$$

**Option 4: Volumetric Charge - Method 2**

$$\frac{\text{Total Wholesale Residential Charges} - \text{Total Residential Connection Charges}}{\text{Residential Charges}} \times \frac{\text{User's Water Consumption}}{\text{Total Residential Water Consumption in the Municipality}}$$

**Plus:**

$$\text{User's Number of Connections} \times \text{Connection Charge}$$

**B. Retail Non-Certified Commercial Users**

**Option 1: Volumetric Charge - Method 1**

$$\frac{\text{Total Wholesale Non-Certified Commercial Charges}}{\text{Charges}} \times \frac{\text{User's Water Consumption}}{\text{Total Non-Certified Commercial Water Consumption in the Municipality}}$$

**Option 2: Volumetric Charge - Method 2**

$$\frac{\text{Total Wholesale Non-Certified Commercial Charges} - \text{Total Residential Connection Charges}}{\text{Charges}} \times \frac{\text{User's Water Consumption}}{\text{Total Non-Certified Commercial Water Consumption in the Municipality}}$$

**Plus:**

$$\text{User's Number of Connections} \times \text{Connection Charge}$$