

Milwaukee Water Works

March 27, 2013

Official Notice #31-2013
Water Rate Consultant Services for the Milwaukee Water Works

QUESTIONS AND ANSWERS #25-30
FROM POTENTIAL PROPOSERS

- Q25: You are requesting the consultant to prepare a conventional rate application with supplemental information and to file by July 26, 2013, yet a recent newspaper article on March 22, 2013, indicated MWW has already filed for a rate increase. Please reconcile these events?
- A25: The Milwaukee Water Works (MWW) will apply for a 3% rate increase using the Simplified Rate Process within the next week. This rate case is administrative in nature and does not involve preparing the detailed schedules or hearings required for a full rate case. The other rate increases mentioned in the newspaper have not been presented to Milwaukee Common Council for their approval. The request for proposals being entertained is for the preparation of a full rate case which will involve every task outlined in the request for proposal document.
- Q26: MWW is requesting the consultant to review the revenue requirements proposed by the Public Service Commission (PSC). Does MWW not compute its own revenues requirements, or is the PSC recomputing MWW revenue requirements based on adjustments they made to MWW filing?
- A26: The PSC will recompute the revenue requirements submitted by the MWW based on the requested rate of return and adjustments they make to what the MWW has submitted.
- Q27: Will the consultant have the ability to meet with MWW's largest wholesale users?
- A27: No.
- Q28: Can the changes to the required insurance coverage's and bonds in the RFP be summarized on one page?
- A28: See Addendum No. 4. This addendum contains an up-to-date request for proposal document which includes the current insurance requirements.
- Q29: During the period June 7, 2013 to July 26, 2013, will MWW make available accounting staff to support the consultant in obtaining certain financial information or in the preparation of various financial schedules?
- A29: MWW will provide financial information upon request, however it will be incumbent upon the successful vendor to prepare the various financial schedules using their own staff with MWW oversight.
- Q30: Once a firm is chosen on May 15, 2013, can the time projected to the kick-off meeting on June 7, 2013 be shortened to give more time to the consultant before the first July 26, 2013 deadline?
- A30: Please refer to page 12 of the document contained in Addendum No. 4 - 3. Timeline, which states "Dates after May 15, 2013 are approximate".