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FOR INFORMATION CALL

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August 29, 2011

Ald. Robert Bauman  
(414) 286-2221

## Streetcar Utility Cost Inquiry Spurs Response

*Alderman Bauman's letter to PSC chair counters Racine lawmaker's stand on how project's utility costs should be divvied up*

Milwaukee **Alderman Robert J. Bauman** has sent a letter (**attached**) to Public Service Commission (PSC) Chair Phil Montgomery noting the potentially far reaching and unforeseen consequences that could come if the PSC decides to start weighing in on specific local public works projects – something Racine state Sen. Van Wanggaard suggests regarding costs associated with the Milwaukee downtown streetcar project.

In his letter, Alderman Bauman points out that Wanggaard is questioning “long standing custom and practice as well as legal precedent” governing how utility companies and municipalities relate to one another when a public works project requires utility work. “It appears that Senator Wanggaard seeks to question these long standing arrangements and precedents and perhaps alter these arrangements and precedents through legislation, regulation or PSC decision or rule making,” Alderman Bauman states in his letter.

In a letter Sen. Wanggaard sent August 23 to Mr. Montgomery, the Racine lawmaker questioned the PSC’s jurisdiction over the Common Council-approved 2.1 mile streetcar project, asked for cost figures for moving utility lines, and asked who would pay those costs. At one point in the letter, Wanggaard states: “Taxpayers of Racine (who are customers of the affected utility companies) should not be required to pay for the local transportation desires of the City of Milwaukee” via costs that may be passed along in utility bills.

If the PSC decides to go in Wanggaard’s suggested direction, Milwaukee rate payers may want to object to Racine projects and rate payers in every community may start objecting to projects in every other community, Alderman Bauman said. “What’s good for the goose is good for the gander, and my 40,000 constituents in the City of Milwaukee would also want to be heard on future public works projects in Racine County which may impact their utility rates.”

**-More-**

## **PSC Letter/ADD ONE**

Alderman Bauman said another option the PSC could pursue is having all public works projects that could affect a utility's costs put to a referendum of all rate payers.

"Perhaps the PSC should hold hearings and approve all public works projects in the State of Wisconsin that could conceivably affect a utility rate," the alderman stated.

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