MANITOBA

Order No. 105/04

THE PUBLIC UTILITIES BOARD ACT)

August 5, 2004

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BEFORE: Graham F.J. Lane, C.A, Chairman

S. Proven, Member M. Girouard, Member

THE PUBLIC UTILITIES BOARD ACT - WATER AND SEWER UTILITIES - GENERAL ORDER - LATE PAYMENT CHARGES

Pursuant to the Public Utilities Board Act (the Act), the Public Utilities Board (the Board) approves charges made by municipalities for all water utilities in Manitoba and those sewer utilities declared as public utilities under the Act. Municipalities file with the Board by-laws setting out these charges, which include late payment charges.

Many of these by-laws include a late payment charge of 10% of the bill, to apply for bills not paid by the due date.

As a result of a recent court ruling, flat rate late payment charges are no longer sustainable. Through the office of the Association of Manitoba Municipalities, municipalities were advised of the Board's opinion, and that a change may be forthcoming.

The Board canvassed a number of municipalities regarding implementation of a change as well as utilities providing other services, and has determined that all by-laws providing late fees referred to above should be amended to delete the clause, the provision to be replaced with the following:

"A late payment charge of $1\frac{1}{4}$ % shall be charged on the dollar amount owing after the billing due date. The due date will be at least fourteen days after the mailing of the bills"

The Board recognizes that the late payment charge may compound monthly, and will appear on the customer's next quarterly bill if unpaid. If such charges are collected annually with taxes then the provisions related to the collection of taxes shall apply.

The Board has decided to issue this General Order applicable to all municipalities with water and/or sewer utilities with rates regulated by the Board. By-laws will need to be amended as soon as possible to conform to the revised provision; these by-laws need not be filed with the Board.

If municipalities have other provisions in their by-laws which, in their opinion are consistent with the court ruling, then such municipalities will be required to notify the Board.

IT IS THEREFORE ORDERED THAT:

- 1. All by-laws of municipalities with water and/or sewer utilities regulated by the Board be amended to replace the clause dealing with the collection of the late payment charges with the following clause;
 - "A late payment charge of 14% shall be charged on the dollar amount owing after the billing due date. The due date will be at least fourteen days after the mailing of the bills"
- 2. Where municipalities have determined that their late payment charges are consistent with statutory requirements and amendment is not required, such municipalities are required to notify the Board immediately.

THE PUBLIC UTILITIES BOARD

"Graham F.J. LANE, C.A."
Chairman

"G. O. BARRON"

Secretary

Certified a true copy of Order No. 105/04 issued by The Public Utilities Board

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