

M A N I T O B A) Order No. 29/06
)
THE PUBLIC UTILITIES BOARD ACT) February 28, 2006

BEFORE: Graham F. J. Lane, C.A., Chairman
 M. Girouard, C.G.A., Member
 S. Proven, P.H.Ec., Member

THE RURAL MUNICIPALITY OF GREY
GREY REGIONAL WATER AND SEWER UTILITY RATES
BY-LAW NO. 3/06

Introduction

The Rural Municipality Grey (R.M.) applied to The Public Utilities Board (Board) for approval of revised water and sewer rates reflective of the increased cost of purchasing water from the Pembina Valley Water Cooperative Inc. and the Cartier Regional Water System.

Recognizing the cost increase incurred by the R.M. is beyond the control of the R. M. of Grey, the Board approves herein the application effective April 1, 2006. As the R. M. produces some of its own water supply, the overall increase in cost of water for ratepayers will be \$0.20/1,000 gallons and the commodity rates will rise from \$8.10 to \$8.30 per 1,000 gallons or approximately 2.5%. The minimum quarterly bills for the residential customers will be revised as follows:

	Existing	Proposed
Elm Creek	\$32.75	\$33.35
Haywood	\$31.70	\$32.30
All others	\$29.30	\$29.90

Application

On February 17, 2006, the R.M. applied to the Board for approval of revised water and sewer rates effective April 1, 2006, to reflect the increased cost of purchasing water.

Water purchase costs have risen by:

- a) \$0.50/1,000 gallons for water from the Pembina Valley Water Cooperative Inc.; and
- b) \$0.19/1,000 gallons for water purchases from the Cartier Regional Water System.

The overall annual cost increase to the R.M. is forecast to be \$6,142.30; sewer rates remain unchanged. The R.M. serves approximately 450 customers.

This application follows a previous Board hearing held in Elm Creek in the R.M. of Grey on July 12, 2005, which resulted in Order No. 113/05 approving a revision in rates related to non-commodity cost increases for operating the R.M.'s utility.

Board Findings

Recognizing the cost increases incurred by the R.M. are beyond its control, the Board will approve the application effective April 1, 2006. As the R. M. produces some of its own water supply, the overall increase in cost of water for ratepayers will be \$0.20/1,000 gallons.

Due to the urgency of the matter, given the increased commodity costs, the Board will approve this application on an Interim Ex Parte basis effective April 1, 2006.

The Board intends to given final approval to this Order following the R.M.'s next rate application, an application that will be decided upon following a public process. Dissatisfied ratepayers may apply to the Board for a variance of this Order, which would be considered by the Board upon the provision of new information supporting of a variance.

IT IS THEREFORE ORDERED THAT:

1. By-law No. 3/06 of The Rural Municipality of Grey serving the Grey Regional Water and Sewer Utility IS HEREBY APPROVED on an Interim Ex Parte basis.
2. The water and sewer rates set forth in Schedule "A" hereto shall apply to all customers of the utility effective on all water consumed and on all minimum bills effective on the next billing in the normal course after the date of this Order.
3. The Rural Municipality of Grey is to file financial statements for its Utility for the years 2005 and 2006, within six months of the respective year-ends.
4. The Rural Municipality of Grey is to file a rate study with the Board not later than June 30, 2007.

Fees payable upon this Order - \$50.00

THE PUBLIC UTILITIES BOARD

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

"G. O. BARRON"
Acting Secretary

Certified a true copy of
Order No. 29/06 issued by The
Public Utilities Board

Acting Secretary

SCHEDULE "A"

TO BOARD ORDER NO. 29/06

THE RURAL MUNICIPALITY OF GREY

GREY REGIONAL WATER AND SEWER UTILITY RATES

BY-LAW NO. 3/06

1. Commodity Rates per M.G.

	<u>Water</u>
All Water Consumption	\$8.30
Haywood Sewer Service	\$.80
Elm Creek Sewer Service	\$1.15

2. Minimum Quarterly Charges:

Notwithstanding the Commodity Rates set forth in paragraph 1 hereof, all customers will pay the applicable minimum quarterly charges set out below, which will include allowances as indicated:

Meter Size	Gallons Minimum	Customer Service Charge	Commodity Charges		Total Quarterly Minimum
			Water	Sewer	
a) Elm Creek Customers - water and sewer service					
5/8"	3,000	5.00	24.90	3.45	33.35
3/4"	6,000	5.00	49.80	6.90	61.70
1"	12,000	5.00	99.60	13.80	118.40
1 1/2"	30,000	5.00	249.00	34.50	288.50
2"	75,000	5.00	622.50	86.25	713.75
b) Haywood Customers - water and sewer service					
5/8"	3,000	5.00	24.90	2.40	32.30
3/4"	6,000	5.00	49.80	4.80	59.60
1"	12,000	5.00	99.60	9.60	114.20
1 1/2"	30,000	5.00	249.00	24.00	278.00
2"	75,000	5.00	622.50	60.00	687.50

c) All Customers - water only service

5/8"	3,000	5.00	24.90	-	29.90
¾"	6,000	5.00	49.80	-	54.80
1"	12,000	5.00	99.60	-	104.60
1½"	30,000	5.00	249.00	-	254.00
2"	75,000	5.00	622.50	-	627.50

3. Bulk Sales Rate:

All water sold in bulk by the municipality shall be billed quarterly and charged at the commodity rate set forth in paragraph 1 hereof, subject to minimum charge based on 1,000 gallons. In addition to the commodity charge bulk customers will be charged a \$5.00 service charge per quarter.

4. Deficit Levy:

In addition to the commodity rate set forth in paragraph 1 hereof, a levy of 0.10 cents per M.G. will be collected during a 3 year period (July 1, 2005 to June 30, 2008) from consumers outside the L.I.D. of Elm Creek, until the accumulated operating deficit of \$8,247.62 which was incurred by Grey Regional Water System prior to amalgamation with the Elm Creek Utility, has been recovered.

5. Billings and Penalties for Non-payment of Account:

A late payment charge of 1.25% per month shall be charged on the dollar amount owing after the billing due date. The due date will be at least fourteen (14) days after the mailing of the bills.

6. Non-Payment of Account:

Service may be disconnected and discontinued immediately and without further notice in the event of non-payment of the account within thirty (30) days after the due date. Any service disconnected due to non-payment of account shall not be reconnected until all arrears, penalties and a reconnection fee of fifty (\$50.00) dollars have been paid.

7. Outstanding Bills:

Where charges and penalties pursuant to this by-law remain unpaid for a period of 30 days or more after the due date, said charges and penalties shall be added to the taxes on the property and collected in the same manner as other taxes as per authority of Section 252(2) of The Municipal Act of Manitoba.

8. Hydrant Rentals:

The municipality shall pay the utility an annual rental fee of \$100.00 for each hydrant connected to the system which includes the cost of water for fire fighting.

9. Meter Accuracy:

Any customer requesting their water meter be tested for accuracy shall be required to make a deposit of \$100.00 with the municipality. If said meter is found to be accurate then the deposit will be retained by the municipality. If the meter is found to be inaccurate then the deposit will be returned to the customer.

10. Service to Customers outside the limits of Rural Municipality of Grey Regional Water And Sewer Utility:

The Council of the Rural Municipality of Grey may sign agreements with customers for the provision of water services to properties located outside the legal boundaries of the Municipality. Such agreements shall provide for payment of the appropriate rates set out in Sections 1 and 2 of this schedule, as well as a surcharge set by resolution of Council, which shall be equivalent to the frontage levy, general taxes and special taxes for utility purposes in effect at the time, or may be in effect from time to time and which would be levied on the property concerned if it were within these boundaries. In addition, all costs for connecting to the utility's mains and installing and maintaining service connections shall be paid for by the customer.