

M A N I T O B A) Order No. 39/06
)
THE PUBLIC UTILITIES BOARD ACT) March 20, 2006

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

THE TOWN OF ALTONA
INTERIM WATER RATES
BY-LAW NO. 1640/2006

Executive Summary

By this Order, The Public Utilities Board (Board) approves an application by The Town of Altona (Altona) for increases aggregating \$1.10 per thousand gallons over two years.

The increases of 0.50¢ per thousand gallons effective on each of April 1, 2005 and April 1, 2006 (in aggregate \$1.00) would reflect increases in the cost of water purchased from the Pembina Valley Water Cooperative (Pembina). To take into account water losses, the overall increase applied for would be \$1.10 over the two years, rather than \$1.00.

The increased water costs resulting from increased Pembina rates are beyond the control of the Town, and need to be recovered to retain the financial health of the utility.

Introduction

The Town of Altona (Altona) applied to The Public Utilities Board (Board) for an increase in water rates. The increases of 0.50¢ per thousand gallons effective on each of April 1, 2005 and April 1, 2006 (in aggregate \$1.00) would reflect increases in the cost of water purchased from the Pembina Valley Water Cooperative (Pembina). To take into account water losses, the overall increase would be \$1.10 over the two years, rather than \$1.00.

The Town set out its rate application in By-law No. 1640/2006, which was given first reading on March 14, 2006.

Board Order No. 3/05 approved revised water and sewer rates for the Town, as of January 1, 2005, 2006 and 2007. The effective rate increase of \$1.10 per thousand gallons which is the subject of this Order would be added to the commodity rates for water only for April 1, 2006 and January 1, 2007, and the minimum quarterly bills amended as required. Order No. 3/05 also established sewer rates effective January 1, 2006 and 2007.

The Town absorbed the increase from Pembina from its effective date of April 1, 2005, and, by its application, sought to recover both increases through increased rates to Town customers from April 1, 2006 and 2007.

Increased water costs resulted from increased Pembina rates are beyond the control of the Town, and need to be recovered to retain the financial health of the utility.

April 1, 2006 and 2007 commodity rates, follow:

	Existing		April 1, 2006		January 1, 2007	
	Water	Sewer	Water	Sewer	Water	Sewer
First 500,000 gallons	8.48	2.33	9.75	2.37	9.92	2.42
Over 500,000 gallons	7.18	1.67	8.58	1.77	8.87	1.88

Minimum quarterly bills would be adjusted accordingly, thus the minimum quarterly residential bill would rise from \$45.09 to \$49.28 in 2006, and to \$50.20 in 2007.

Board Findings

The Board accepts that increases in the cost of water purchased from Pembina are beyond the Town's control, and will approve the

SCHEDULE "A"

TO BOARD ORDER NO. 39/06

THE TOWN OF ALTONA

INTERIM WATER RATES

BY-LAW NO. 1640/2006

SCHEDULE OF QUARTERLY RATES:

1. Commodity Rates per 1000 gallons - (Effective April 1, 2006)

	<u>Water</u>	<u>Sewer</u>	<u>Water & Sewer</u>
First 500,000 gallons per quarter	9.75	2.37	12.12
Over 500,000 gallons per quarter	8.58	1.77	10.35

2. Minimum Quarterly Rates

Notwithstanding the commodity rates set forth in paragraph 1 hereof, all customers will pay the applicable minimum charges set out below, which will include the water allowances indicated:

a) Water and Sewer Customers

Meter Size (Inches)	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Rates		Minimum Quarterly Charges
				Water	Sewer	
5/8	1	3,000	\$12.92	\$ 29.25	\$ 7.11	\$ 49.28
¾	2	6,000	12.92	58.50	14.22	85.64
1	4	12,000	12.92	117.00	28.44	158.36
1 ¼	10	30,000	12.92	292.50	71.10	376.52
1 ½	10	30,000	12.92	292.50	71.10	376.52
2	25	75,000	12.92	731.25	177.75	921.92
4	90	270,000	12.92	2,632.50	639.90	3,285.32

b) Sewer Only Customers

Customers with sewer only shall be charged \$41.88 per quarter.

c) Water Only Customers

Customers with water only services shall be charged the minimum quarterly rate applicable to the customers meter size less the sewer charge.

3. Commodity Rates per 1000 gallons - (Effective January 1, 2007)

	<u>Water</u>	<u>Sewer</u>	<u>Water & Sewer</u>
First 500,000 gallons per quarter	9.92	2.42	12.34
Over 500,000 gallons per quarter	8.87	1.88	10.75

4. Minimum Quarterly Rates

Notwithstanding the commodity rates set forth in paragraph 3 hereof, all customers will pay the applicable minimum charges set out below, which will include the water allowances indicated:

a) Water and Sewer Customers

Meter Size (Inches)	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Rates		Minimum Quarterly Charges
				Water	Sewer	
5/8	1	3,000	\$13.18	\$ 29.76	\$ 7.26	\$ 50.20
¾	2	6,000	13.18	59.52	14.52	87.22
1	4	12,000	13.18	119.04	29.04	161.26
1 ¼	10	30,000	13.18	297.60	72.60	383.38
1 ½	10	30,000	13.18	297.60	72.60	383.39
2	25	75,000	13.18	744.00	181.50	938.68
4	90	270,000	13.18	2,678.40	653.40	3,344.98

b) Sewer Only Customers

Customers with sewer only shall be charged \$42.72 per quarter.

c) Water Only Customers

Customers with water only services shall be charged the minimum quarterly rate applicable to the customers meter size less the sewer charged.

5. **Customers with a Significant Volume of Water not returned to the Sewers**

Can Amera Foods Ltd., shall be billed quarterly for each meter for water and sewer at the rates set forth in this Schedule. However, sixty-five (65) percent of the water metered in any quarter through the two (2) inch meter supplying the boiler room shall be exempt from sewer charges at the applicable sewer rate charged on consumption over 500,000 gallons per quarter.

6. **Bulk Sales**

All water sold in bulk by the Town of Altona shall be charged as follows:

January 1st to December 31st, 2006 - \$10.01 per 1,000 gallons or \$0.25 per 25.0 gallons

January 1st to December 31, 2007 - \$10.19 per 1,000 gallons or \$0.25 per 24.5 gallons

7. **Quarterly Meter Reading**

All customers shall complete and submit a quarterly meter reading by the end of the month in which it is mailed. Failure by any customer to complete and submit the card by the due date will result in an estimate of the water consumption for that customer for the specified quarter. The estimates shall be based on the average consumption per quarter in the previous year, or in the case of a new customer the estimate shall be based on the average quarterly residential consumption. All estimated readings shall be subject to a \$10.00 administration fee. The fee may be waived in the case of a physical disability and/or extended leave from the community.

8. **Billings and Penalties**

Accounts shall be billed quarterly, and shall be due and payable on or before the fifteenth day of the month following the month of billing. A late payment charge of 1¼% per month 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.

9. **Disconnection and Reconnection**

Service may be disconnected and discontinued immediately and without further notice in the event of non-payment of the account within thirty (30) days of 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 \$30.00 have been paid.

Service may be interrupted or disconnected as follows:

Curb Stop Turn On or Turn Off	\$10.00 per incident
Curb Stop Turn Off & Removal of Meter	\$15.00 per incident
Re-installation of Meter & Curb Stop Turn On	\$20.00 per incident

10. Outstanding Bills

Pursuant to Section 252(2) of the Municipal Act, the amount of all outstanding charges for water and sewer service are a lien and charge upon the land serviced, and shall be collected in the same manner in which ordinary taxes upon the land are collectible, and with like remedies.

11. Hydrant Rentals

The Town of Altona will pay to the utility an annual rental for each hydrant connected to the system that includes the cost of water for fire fighting as follows:

2006	-	\$82.80 per hydrant
2007	-	\$84.50 per hydrant

12. Sewer Surcharges

- a) There may be levied annually, in addition to the rates set forth above, a special surcharge on sewage having a Biochemical Oxygen Demand in excess of 300 parts per million, to be set by Resolution of Council.
- b) A special surcharge for substances requiring special treatment shall be charged based on the actual costs of treatment required for the particular sewage or industrial waste.