

M A N I T O B A                    )     Order No. 73/06  
  )  
THE PUBLIC UTILITIES BOARD ACT    )     May 15, 2006

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

**THE RURAL MUNICIPALITY OF RHINELAND  
RHINELAND WATER UTILITY  
REVISED WATER RATES  
EFFECTIVE DATE: APRIL 1, 2006**

**Executive Summary**

By this Order, the Public Utilities Board (Board) approves revised water rates effective April 1, 2006, for the R.M. of Rhineland (R.M.), reflecting the R.M.'s higher cost of purchasing water from the Pembina Valley Water Co-op (PVWC).

Existing and revised commodity rates are as follows:

	Rhineland	Rosenfeld Unity	
		Existing	Proposed
\$/1,000 gallons	\$7.25	-	\$7.75
\$/cubic meter	-	\$1.86	\$1.71

**Application**

The R.M. applied to the Board for revised water rates reflecting its higher costs of purchasing from PVWC. The R.M. supported its application with a February 20, 2006 letter from PVWC advising the R.M. that the cost of water would increase 50¢/1,000 gallons effective April 1, 2006.

The application reflects By-law No. 2006-5, filed with the Board after first reading by the R.M. on February 22, 2006.

The R.M. also sought Board approval to combine utility operations previously known as Rhineland Rural Water Utility (Rhineland) and the Local Urban District of Rosenfeld Water Utility (Rosenfeld), to be known as the Rhineland Water Utility. Rosenfeld expressed rates and volumes in metric terms, and the R.M.'s proposal is consistent with this approach but discloses the rates in both metric and imperial units.

Existing and proposed commodity rates were:

	Rhineland	Rosenfeld Unity	
		Existing	Proposed
\$/1,000 gallons	\$7.25	-	\$7.75
\$/cubic meter	-	\$1.86	\$1.71

The last increase occurred in 2005.

Pursuant to Board direction, the R.M. mailed a Public Notice to its customers advising of its application and inviting comments and concerns to be sent to the Board; the deadline for comments was April 28, 2006. No comments were received.

**Board Findings**

Having considered the R.M.'s application and noting:

- a) the proposal of the R.M. was to pass-through an increase implemented by the PVWC; and
- b) no ratepayer expressed a concern with the R.M.'s application,

the Board will approve both the proposed revised rates and the amalgamation of the two previous utilities.

The amalgamation should enhance efficiencies and result in lower operating costs in the long term. The revision will preserve the financial integrity of the now-combined utility, and this is in the best long-term interests of ratepayers.

**IT IS THEREFORE ORDERED THAT:**

- 1. By-law No. 2006-5 of The Rural Municipality of Rhineland serving the Rhineland Water Utility BE AND THE SAME IS HEREBY APPROVED
- 2. The water rates set forth in Schedule "A" hereto shall apply to all customers of the utility effective on all water consumed effective April 1, 2006 and on all minimum bills effective on the next billing in the normal course after the date of this Order.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD

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

"G. O. BARRON"  
Acting Secretary

Certified a true copy of  
Order No. 73/06 issued by The  
Public Utilities Board

\_\_\_\_\_  
Acting Secretary

SCHEDULE "A"

TO BOARD ORDER NO. 73/06

THE RURAL MUNICIPALITY OF RHINELAND

WATER RATES

BY-LAW NO. 2006-5

SCHEDULE OF QUARTERLY RATES:

1. Commodity Rates per 1000 gallons

All Water Consumption - Rhineland Water Utility	<u>Water</u> 7.75
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2. Minimum Charges, Quarterly

Notwithstanding the commodity rates set forth in paragraph 5 hereof, all customers will pay the applicable minimum charges set out below, which will include water allowances indicated:

Rhineland Water Utility Customers

Meter Size	Group Capacity Ratio	Water Included Gallons	Customer Service Charge	Commodity Charges Water	Total Quarterly Minimum
5/8"	1	3,000	\$6.50	\$ 23.25	\$ 29.75
3/4"	2	6,000	\$6.50	\$ 46.50	\$ 53.00
1"	4	12,000	\$6.50	\$ 93.00	\$ 99.50
1 1/2"	10	30,000	\$6.50	\$232.50	\$239.00
2"	25	75,000	\$6.50	\$581.25	\$587.75

3. Commodity Rates per cubic meter

All Water Consumption - Rhineland Water Utility	<u>Water</u> 1.71
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2. Minimum Charges, Quarterly

Notwithstanding the commodity rates set forth in paragraph 5 hereof, all customers will pay the applicable minimum charges set out below, which will include water allowances indicated:

Rhineland Water Utility Customers

Meter Size	Group Capacity Ratio	Water Included Cubic Meters	Customer Service Charge	Commodity Charges Water	Total Quarterly Minimum
5/8"	1	15	\$6.50	\$ 25.65	\$ 32.15
3/4"	2	30	\$6.50	\$ 51.30	\$ 57.80
1"	4	60	\$6.50	\$102.60	\$109.10
1 1/2"	10	150	\$6.50	\$256.50	\$263.00
2"	25	375	\$6.50	\$641.25	\$647.75

5. Bulk Water Sales

All water sold in bulk at the Rhineland Water Utility Bulk Loading stations shall be charged at a rate of \$8.30 per 1,000 gallons or \$1.83 per cubic meter effective April 1<sup>st</sup>, 2006.

6. Billings & Penalties

Accounts shall be billed quarterly and shall be due and payable 30 days after date of billing. A penalty of 1¼% per month of the amount of the bill shall be added if not paid by the due date.

7. Disconnection

Service may be disconnected and discontinued immediately and without further notice in the event of non-payment of the account within 30 days after due date.

8. Reconnection

Any service disconnected due to non-payment of account shall not be reconnected until all arrears, penalties and a reconnection fee of \$50.00 have been paid.

9. Outstanding Bills

Pursuant to Section 252(2) of The Municipal Act, the amount of all outstanding charges for water 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.

10. Hydrant Rentals

The Rural Municipality of Rhineland will pay to the utility from funds of the Local Urban District of Rosenfeld an annual rental of \$100.00 for each hydrant connected to the system.

11. **Water Allowances Due to Line Freezing**

That in any case where, at the request of the Council, a customer allows water to run continuously for any period of time to prevent the water lines in the water system from freezing, the charge to that customer for the current quarter shall be the average of the billings for the last two previous quarters to the same customer, or to the same premises if the occupant has changed.