

MANITOBA ) Order No. 25/10  
 )  
THE PUBLIC UTILITIES BOARD ACT ) March 11, 2010

BEFORE: Graham Lane, CA, Chairman  
Monica Girouard, CGA, Member  
Susan Proven, P.H.Ec., Member

THE VILLAGE OF WINNIPEGOSIS  
CONFIRMATION OF  
REVISED WATER AND SEWER RATES

**Summary**

By this Order, the Public Utilities Board (Board) varies an application of The Village of Winnipegosis (Village) and confirms the directions of interim *ex parte* Board Order 175/09, establishing increased water and sewer rates for the Village. The revised rates took effect January 1, 2010.

Previous and new rates are as follows:

<b>Commodity Rates (\$/1000 gallons)</b>	<b>Previous</b>	<b>Approved</b>
<b>Water</b>	\$13.55	\$12.80
<b>Sewer</b>	\$ 3.65	\$ 5.25
<b>Service charge</b>	\$12.07	\$16.50
<b>Bulk Water</b>	\$16.12	\$16.70
<b>Sewer only (flat charge)/quarterly</b>	\$23.02	\$32.25
<b>Minimum Quarterly Bill (5/8" meter)<sup>1</sup></b>	\$63.67	\$70.65

<sup>1</sup> Includes 3000 gallons

The rates approved are final, and follow the Village having provided notice of the new rates and providing customers an opportunity to express comments directly to the Board by February 15, 2010 - no comments were received.

**Background**

Board Order 175/09, issued on December 23, 2009 approved interim rates for the Village's water and sewer utility. Order 175/09 should be read in conjunction with this Order; both are available on the Board's website.

The Village's application included information with respect to utility revenue requirements, this based on estimates of projected expenses following the transfer of ownership of the Water Treatment Plant (WTP) from Manitoba Water Services Board (MWSB) to the Village in April 2009.

The cost estimates included amortization expense for the Utility's capital assets, a new requirement of the accounting standards set by the Public Sector Accounting Board (PSAB), which were implemented by all municipalities in 2009.

After consultation with Board staff with respect to the allocation of expenses and costs shared between the water and sewer services, such as wages and vehicle expenses, the Village provided the following annual expense projections:

	2010	2011	2012
<b>Administration</b>	\$ 18,000	\$ 18,800	\$ 19,100
<b>Net Water Expenses</b>	\$112,194	\$116,271	\$117,901
<b>Net Sewer Expenses</b>	\$ 47,870	\$ 48,341	\$ 48,821

Included in estimated water and sewer expenses is a \$10,000 allocation to the reserve fund, as required by the Board in Order 131/08. The Village advised that as at December 31, 2009 the utility reserve fund had a balance of \$63,653.

### **Board Findings**

The Board will confirm as final the interim water and sewer rates set by Order 175/09.

The Village gave notice to its customers with respect to Order 175/09, with an invitation to submit written representation to the Board by February 15, 2010; no submissions were filed with the Board.

While the additional increase comes only one year following a significant and prior increase (69% for minimum quarterly billings), the rate increase is warranted, and the Board commends the Village on reviewing the rates for adequacy in a timely manner following its acquiring ownership of the water treatment plant.

By Order 131/08, the Board also provided the Village authority to implement up to two 5% discretionary increases, the first to be effective January 1, 2010, the second, January 1, 2011.

While the interim rates, now finalized, replaced the first discretionary increase and involved an increase considerably greater than the 5% provided on a discretionary basis, the Board will still require the Village to review its rates for adequacy after a complete year of owning and operating the water treatment plant.

The Board will continue to provide the Village authority to implement the second 5% discretionary increase, that as of January 1, 2011, if needed.

Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act*, or reviewed in accordance with section 36 of the Board's Rules of Practice and Procedure. The Board's Rules may be viewed on the Board's website at [www.pub.gov.mb.ca](http://www.pub.gov.mb.ca).

**IT IS THEREFORE ORDERED THAT**

1. Rates approved by Interim *ex parte* Order 175/09 BE AND ARE HEREBY APPROVED as final.
2. The Village of Winnipegosis file a new report on rate adequacy with the Public Utilities Board no later than November 30, 2010.
3. The Village of Winnipegosis be authorized to apply a 5% discretionary rate increase effective January 1, 2011, subject to demonstration of the financial need (in a report to be prepared and filed as per item 2 above), and following prior notice to the Public Utilities Board.

Fees payable upon this Order - \$350.00

THE PUBLIC UTILITIES BOARD

"GRAHAM LANE, CA"

Chairman

"KRISTINE SHIELDS"

Acting Secretary

Certified a true copy of Order No.  
25/10 issued by The Public  
Utilities Board

Acting Secretary