

MANITOBA ) Order No. 100/13  
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THE PUBLIC UTILITIES BOARD ACT ) August 28, 2013

BEFORE: Susan Proven, P.H.Ec., Acting Chair  
Marilyn Kapitany, B.Sc. (Hons.), M.Sc., Member

TOWN OF NIVERVILLE  
APPLICATION FOR DISSOLUTION OF  
CROW WING DEVELOPMENT WATER UTILITY

**Summary**

By this Order, the Public Utilities Board (Board) approves the dissolution of the Crow Wing Development Water Utility (CWD), located in the development now known as The Highlands subdivision, in the Town of Niverville (Town).

**Background**

On August 19, 2013 the Town emailed the Board advising of the plan to disconnect all CWD customers from the CWD water utility and immediately reconnect all customers to the Fifth Avenue Estates water utility (FAE). The Town was subsequently advised that *The Public Utilities Board Act* requires Board approval for a utility to sell, dispose of or merge with that of another utility.

The Town provided a letter outlining the plan and requesting permission to move forward with connecting CWD customers to the FAE water utility. *The Public Utilities Board Act* requires a Utility to provide the Board and customers with one (1) year of notice prior to disconnection. The Town explained that further delays would result in CWD customers being supplied with poor quality water unnecessarily.

**Additional Information**

The Town has provided that the following actions will be taken regarding the amalgamation of the customers of the two utilities

and the dissolution of the CWD water utility:

- A water meter reading is expected to be completed on or before Monday, August 26, 2013 and interim billing will be provided to CWD customers.
- Once connected to the FAE utility, all customers will be charged FAE rates approved by Order No. 166/07.
- All costs for connecting the CWD customers to the FAE utility, other than any oversizing of water lines, will be borne by Sunset Estates. The Town will cover the cost of any oversizing of water lines, with future developers to reimburse those costs to the Town.
- The Town must determine the CWD accumulated deficit, and apply to the Board for approval of the method of recovery.
- There is a Local Improvement WTP debenture (LID) which will mature in 2027, registered against all properties within the Highlands subdivision, both existing and proposed to be connected to the CWD utility. This LID, unless advised otherwise, will continue to be paid by the designated properties.
- The Town will prepare a water rate study and application for the "new Town water utility" in 2014.

### **Board Findings**

The Board, by this Order, will approve the dissolution as proposed and allow the Town to sell any equipment from CWD utility for salvage.

While *The Public Utilities Board Act* requires one (1) year of

notice, the Board will waive this requirement, since all customers of CWD will immediately be connected to FAE, and it is expected that none of the customers shall experience an interruption of water supply.

The Town must work diligently with its accountants and advisors to properly assimilate the water utilities, particularly given the accumulated deficit of the CWD utility. It is imperative that the transactions are just and reasonable, and above all, transparent to stakeholders in the community. The appropriate planning and recording of these types of transactions are why the merging of utilities and approval of the Board can take several months. However, in the case of the Town's two water utilities, the Board has determined it is in the best interest of the stakeholders in the Town to expedite approval so that all water utility customers in Town can enjoy high quality water.

The Board will require the Town to submit their rate application no later than February 28, 2014. Since the last rate application submitted by the Town, there have been significant changes in accounting practice, significant upgrades to the Fifth Avenue water treatment plant and, with this Order, an expansion of the customer base.

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 (Rules). 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. The application by the Town of Niverville for the dissolution of the Crow Wing Development Water System Utility BE AND IS HEREBY APPROVED.
2. The Town of Niverville forward to the Public Utilities Board audited financial statements, once they are available, for 2011, 2012 and 2013.
3. The Town of Niverville will apply to the Public Utilities Board for recovery of the accumulated deficit for the customers of Crow Wing Development water utility, on or before February 28, 2014.
4. The Town of Niverville prepare and submit an application for revised water rates on or before February 28, 2014.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD

"Susan Proven, P.H.Ec"  
Acting Chair

"Jennifer Dubois, CMA"  
Acting Secretary

Certified a true copy of Order No.  
100/13 issued by The Public  
Utilities Board

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Acting Secretary