

MANITOBA) Order No.146/14
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THE PUBLIC UTILITIES BOARD ACT) December 24, 2014

BEFORE: Susan Proven, P.H.Ec., Acting Chair
The Hon. Anita Neville, P.C., B.A. (Hons.), Member

CITY OF THOMPSON
WATER and SEWER UTILITY
INTERIM RATES

Summary

By this Order, the Public Utilities Board (Board) approves, on an interim *ex parte* basis, water rates applied for by the City of Thompson Water and Sewer Utility (Utility).

The new rates are to be effective January 1, 2015.

The approved rates are shown below.

	Current By-law 1855-2011	2015 By-law 1917-2014	Increase/ Decrease	2016	Increase/ Decrease	2017	Increase/ Decrease
Quarterly Service Charge	\$53.01	\$76.27	43.88%	\$77.80	2.01%	\$79.35	1.99%
Water \$/cubic metre	\$0.97	\$1.40	44.33%	\$1.45	3.57%	\$1.46	0.69%
Sewer \$/cubic metre	\$0.93	\$0.70	-24.73%	\$1.64	134.29%	\$1.66	1.22%
Minimum Quarterly-Water and Sewer*	\$81.51	\$105.67	29.64%	\$121.06	14.56%	\$123.03	1.63%
Bulk Water \$/cubic metre	\$6.00	\$6.00	0.00%	\$6.00	0.00%	\$6.00	0.00%
Reconnection Fee	\$320.00	\$320.00	0.00%	\$320.00	0.00%	\$320.00	0.00%
Hydrant Rental (Annual)	\$125.00	\$125.00	0.00%	\$125.00	0.00%	\$125.00	0.00%

* Based on 14 cubic meters (revised from 15 cubic meters)

Details of other rates may be found in the attached Schedule "A".

Application

The City of Thompson (City) applied on July 30, 2014 for revised water and sewer rates for the Utility. The application was accompanied by a rate study prepared by the City's consultant and By-law No. 1917-2014 having received 1st reading on June 23, 2014.

When reviewing an application, the Board has at its disposal several approaches. It can hold a public oral hearing at which the applicant can present its case and customers can present their concerns. In other cases, where it is deemed to be in the best interest of the Utility and its customers, the Board may review the application using a paper review process. In some cases, the Board can also establish interim *ex parte* rates, which are rates that are subject to review following a more complete process.

The Board received a letter from the City on December 15, 2014 requesting interim *ex parte* rates.

Board Findings

The Board will, on an interim *ex parte* basis, approve water and sewer rates as applied for by the City effective January 1, 2015. The Board makes this interim rate decision due to the urgent need for revised rates and the risk of a deficit. The City has experienced a 30% reduction in consumption since installing meters in 2010.

While the Board commends the ratepayer's conservation efforts,

this means rates were set using overestimated volume of water. The City also indicated to the Board that an interim rate increase would allow the City to issue tenders for capital projects early in the year. This results in more competitive bidding and potential cost savings for the City.

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.

SCHEDULE "A"
TO BOARD ORDER NO. 146/14
THE CITY OF THOMPSON
WATER AND WASTEWATER RATES
BY-LAW NO. 1917-2014

1. Water Rates

1.1 SCHEDULE OF QUARTERLY RATES - 2015

Service	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
a. Commodity Rates per cubic meter	\$1.40	\$0.70	\$2.10
b. Quarterly Service Charge per meter			\$76.27
c. Minimum Quarterly Charges			

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

Meter Size	Group Capacity Ratio	Water Included (cubic meters)	Customer Service Charge (\$)	Commodity Charge Water (\$)	Commodity Charge Wastewater (\$)	Total Quarterly Bill (\$)
15mm	1	14	76.27	19.60	9.80	105.67
20mm	2	27	76.27	37.80	18.90	132.97
25mm	4	55	76.27	77.00	38.50	191.77
37mm	10	140	76.27	196.00	98.00	370.27
50mm	25	341	76.27	477.40	238.70	792.37
75mm	45	614	76.27	859.60	429.80	1,365.67
100mm	90	1,227	76.27	1,717.80	858.90	2,652.97
150mm	170	2,319	76.27	3,246.60	1,623.30	4,946.17
200mm	320	4,364	76.27	6,109.60	3,054.80	9,240.67
250mm	610	8,319	76.27	11,646.60	5,823.30	17,546.17

1.2 SCHEDULE OF QUARTERLY RATES - 2016

Service	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
a. Commodity Rates per cubic meter	\$1.45	\$1.64	\$3.09
b. Quarterly Service Charge per meter			\$77.80
c. Minimum Quarterly Charges			

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

Meter Size	Group Capacity Ratio	Water Included (cubic meters)	Customer Service Charge (\$)	Commodity Charge Water (\$)	Commodity Charge Wastewater (\$)	Total Quarterly Bill (\$)
15mm	1	14	77.80	20.30	22.96	121.06
20mm	2	27	77.80	39.15	44.28	161.23
25mm	4	55	77.80	79.75	90.20	247.75
37mm	10	140	77.80	203.00	229.60	510.40
50mm	25	341	77.80	494.45	559.24	1,131.49
75mm	45	614	77.80	890.30	1,006.96	1,975.06
100mm	90	1,227	77.80	1,779.15	2,012.28	3,869.23
150mm	170	2,319	77.80	3,362.55	3,803.16	7,243.51
200mm	320	4,364	77.80	6,327.80	7,156.96	13,562.56
250mm	610	8,319	77.80	12,062.55	13,643.16	25,783.51

1.3 SCHEDULE OF QUARTERLY RATES - 2017

Service	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
a. Commodity Rates per cubic meter	\$1.46	\$1.66	\$3.12
b. Quarterly Service Charge per meter			\$79.35
c. Minimum Quarterly Charges			

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

Meter Size	Group Capacity Ratio	Water Included (cubic meters)	Customer Service Charge (\$)	Commodity Charge Water (\$)	Commodity Charge Wastewater (\$)	Total Quarterly Bill (\$)
15mm	1	14	79.35	20.44	23.24	123.03
20mm	2	27	79.35	39.42	44.82	163.59
25mm	4	55	79.35	80.30	91.30	250.95
37mm	10	140	79.35	204.40	232.40	516.15
50mm	25	341	79.35	497.86	566.06	1,143.27
75mm	45	614	79.35	896.44	1,019.24	1,995.03
100mm	90	1,227	79.35	1,791.42	2,036.82	3,907.59
150mm	170	2,319	79.35	3,385.74	3,849.54	7,314.63
200mm	320	4,364	79.35	6,371.44	7,244.24	13,695.03
250mm	610	8,319	79.35	12,145.74	13,809.54	26,034.63

2. Bulk Water Sales

Water sold in bulk shall be charged for at the rate of \$6.00 per cubic meter.

3. Unmetered Fire Lines

Unmetered Fire Lines shall be charged at a flat rate of \$75.00 per quarter.

4. Application Fee

An application fee of \$50.00 will be charged for new water utility customers.

5. Water Meter Installation

Water meters will be provided free of charge for new construction within the City of Thompson, with an installation fee of \$500.00 for a standard installation of a meter not greater than one inch (25mm), or an inspection fee at the rates for Service Calls if the installation is not performed by the City.

6. Service Calls and Additional Services

A fee for service of \$250.00 for the first hour and \$125.00 thereafter shall apply for testing of water meters at the request of the Customer, repair of damage to water meters attributable to the Customer, inspection of installations, or any other minor service requested by the Customer.

7. Service to Outside Customers

The Council of the City of Thompson may sign agreements with customers for the provision of water and wastewater services to properties located outside the legal boundaries of the City of Thompson. Such agreements shall provide for payment of the appropriate rates set out in the 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 of connecting to the utility's mains and installing and maintaining service connections will be paid by the customer.

8. Billings and Penalties

A late payment charge of 1¼% 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 Shut-Off

A scheduled shut-off charge of \$320.00 shall apply.

An unscheduled shut-off charge of \$480.00 shall apply.

The Public Utilities Board has approved the Conditions Precedent to be followed by the municipality with respect to the disconnection of service for non-payment including such matters as notice and the right to appeal such action to the Public Utilities Board. A copy of the Conditions Precedent is available for inspection at the Municipality's office.

10. Reconnection

A reconnection fee of \$320.00 shall apply.

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

11. Outstanding Bills

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

12. Hydrant Rentals

The City of Thompson will pay to the utility an annual rental of \$125.00 for each hydrant connected to the system. In addition, the City of Thompson will pay for water used for fire-fighting at the current rates applied to a volume identified by the Water Utility.

13. Allowance For Prevention of Freezing

Where advanced approval has been granted by the Utility, a customer allows water to run continuously for any period of time to prevent water service lines from freezing, the charge to that customer for the current quarter shall be the average of the billings for the two previous quarters to the same customer, or to the same premises if the occupant has changed.

14. Thawing of Frozen Lines

A fee for service of \$250.00 for the first hour and \$125.00 thereafter shall apply for thawing of Private Water Service lines by the Water Utility.

15. Sewage Surcharges

There may be levied annually, in addition to rates set forth above:

- (a) 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 based on the actual costs of treatment required for the particular sewage or industrial wastes.

16. Hauled Sewage Dumping Fee (Septage)

All hauled sewage fee shall be charged for at the rate of \$4.00 per cubic meter.