

MANITOBA) Order No. 66/14
)
THE PUBLIC UTILITIES BOARD ACT) June 11, 2014

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

ORDER VARYING BOARD ORDER No. 150/13
RURAL MUNICIPALITY OF PORTAGE LA PRAIRIE
REVISED RATE FOR PROPERTIES ON PINE CRESCENT

Summary:

The Public Utilities Board varies Board Order No. 150/13 as follows:

The water rate for the properties located on Pine Crescent will be revised to \$12.59 per 1,000 gallons from \$17.37 per 1,000 gallons.

Background:

On December 9, 2013 the Board issued Order No. 150/13 setting revised water and sewer rates for the RM of Portage la Prairie (RM). The RM is supplied water from the Cartier Water Co-op (Cartier) and the City of Portage la Prairie (City). The initial application identified customers located on Highway 1A west as having tri-partite agreements signed between the customers, the RM and the City. These agreements established the water rates at the same rate as City domestic rates and allowed for the RM to purchase the water supplied at the City's wholesale rate.

The properties located on Pine Crescent are also supplied water from the City, and the RM is billed at the wholesale rate of \$3.93 per 1,000 gallons, though no agreement is in place for those properties. It came to the attention of the RM that these properties were being charged as though they were supplied water from Cartier, which charges a rate of \$8.71 per 1,000 gallons.

On May 29, 2014, the RM requested that the Board Review and Vary Board Order No. 150/13, and consider a revised water rate of

\$12.59 per 1,000 gallons for properties located on Pine Crescent.

The rates were calculated as follows:

<u>Customers supplied by Cartier:</u>	
Water purchase price	8.71
Margin charged for operations by the RM	8.66
Water rate per 1,000 gallons (Board Order No. 150/13)	17.37
<u>Pine Crescent (current):</u>	
Water purchase price	3.93
Margin charged for operations by the RM	13.44
Water rate per 1,000 gallons (Board Order No. 150/13)	17.37
<u>Pine Crescent (proposed):</u>	
Water purchase price	3.93
Margin charged for operations by the RM	8.66
Water rate per 1,000 gallons	12.59

The RM's rationale for this revision is to correct the imbalance in the additional costs over water purchase price that the Pine Crescent ratepayers are currently paying.

Board Findings:

After considering the information filed and Board Order No. 150/13, the Board concludes that, in keeping with the user-pay principle, the Order is to be varied as follows:

The revised rate of \$12.59/1,000 gallons for the properties located on Pine Crescent is effective as of January 1, 2014.

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.

IT IS HEREBY ORDERED THAT:

1. The water and sewer rates for the Rural Municipality of Portage la Prairie, as set out in Schedule "A" to this Order, BE AND ARE HEREBY APPROVED with revised rates for the properties located on Pine Crescent, which are effective as of January 1, 2014.
2. The Rural Municipality of Portage la Prairie file with the Board a revised water and sewer By-law to reflect the decision in this Order, once it has received third and final reading.

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. 66/14 issued by
The Public Utilities Board

Acting Secretary

**RURAL MUNICIPALITY OF PORTAGE LA PRAIRIE
WATER & SEWER RATES BY-LAW NO.
SCHEDULE "A"**

SCHEDULE OF QUARTERLY RATES

January 1, 2014

1. <u>Rates per 1,000 gallons</u>	Water per
Regional Water System - including	<u>1,000 gallons</u>
Pine Crescent	\$12.59
Peony Farm	\$17.37
	Sewer per
Peony Farm Sewer	<u>1,000 gallons</u>
	\$7.07

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges set out below, which includes the water allowance as listed.

a. Regional Water Customers

	Group	Water Included	Customer	Water	
	Capacity	Thousands of	Service	Commodity	Total Quarterly
<u>Meter Size</u>	<u>Ratio</u>	<u>Gallons</u>	<u>Charge</u>	<u>Charge</u>	<u>Minimum Water</u>
5/8 inch	1	3,000	\$11.73	\$52.11	\$63.84
3/4 inch	2	6,000	\$11.73	\$104.22	\$115.95
1 inch	4	12,000	\$11.73	\$208.44	\$220.17
1 ½ inch	10	30,000	\$11.73	\$521.10	\$532.83
2 inch	25	75,000	\$11.73	\$1,302.75	\$1,314.48

b. Peony Farm Regional Water and Sewer Customers

	Group	Water Included	Customer	Water	Sewer	Water &
	Capacity	Thousands of	Service	Commodity	Commodity	Sewer Total
<u>Meter Size</u>	<u>Ratio</u>	<u>Gallons</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Quarterly Minimum</u>
5/8 inch	1	3,000	\$11.73	\$52.11	\$21.21	\$85.05
3/4 inch	2	6,000	\$11.73	\$104.22	\$42.42	\$158.37
1 inch	4	12,000	\$11.73	\$208.44	\$84.84	\$305.01
1 ½ inch	10	30,000	\$11.73	\$521.10	\$212.10	\$744.93
2 inch	25	75,000	\$11.73	\$1,302.75	\$530.25	\$1,844.73

c. Sewer Only Residential Customers

Peony Farm Customers using sewer service only will pay the relevant minimum charge shown in “b” above except that the water commodity charge will be omitted and the minimum charge for a 5/8 inch meter will be based on quarterly consumption of 6,000 gallons. .

3. <u>Bulk Water sales</u>	Rates per <u>Thousand Gallons</u>
January 1, 2014	\$21.28

Clauses 4 to 12 are Effective January 1, 2013

4. Service to Customers outside RM of Portage la Prairie limits

The Council of the Rural Municipality of Portage la Prairie may sign agreements with customers for the provision of water and sewer services to properties located outside the legal boundaries of the RM. 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 connection to the Utility’s mains and installing and maintaining service connections will be paid by the customer.

5. Billings and Penalties

Accounts shall be billed quarterly based on water used. A late payment penalty charge of 1 ¼% compounded monthly shall be charged on the dollar amount owing after the billing due date. The due date will be at least fourteen (14) days after the mailing of the bills.

6. Disconnections

The Public Utilities Board has approved the Conditions Precedent to be followed by the RM 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 RM office.

7. 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.

8. Outstanding Bills

Pursuant to Section 252(2) of the Municipal Act, the amount of all outstanding charges for water and sewer services, including fines and penalties, 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.

9. Water Allowance 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 or sewer lines in the water or sewer 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.

10. Sewage Surcharges

- (a) There may be levied annually, in addition to 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 wastes.

11. Meter Testing

Any customer wishing to have a meter tested for accuracy will pay in advance a fee of \$100, plus any applicable meter testing costs. In the event the meter tests prove that the meter is recording water flows in excess of actual flows, the meter testing fee and associated costs will be refunded to the customer and the customer's account will be reviewed and adjusted accordingly.

12. Meter Tampering

Where there is evidence of meter tampering a minimum charge of \$500 will be applied to the customer's account in addition to an amount calculated to adjust for the tampering based on historical usage.

13. Change of Water or Water & Sewer

That a charge for change of water or water and sewer to recover the cost of completing the change of user or service, for a service that has changed users or service shall be:

- a. during normal working hours - \$35.00
- b. outside of normal working hours - \$80.00

14. Cross Connections

No person shall make any connection or communication of an independent water supply with a pipe or main which is part of or connected to the waterworks system.