

MANITOBA) Order No. 70/14
)
THE PUBLIC UTILITIES BOARD ACT) June 20, 2014

BEFORE: Marilyn Kapitany, B.Sc. (Hons.), M.Sc., Acting Chair
The Hon. Anita Neville, P.C., B.A. (Hons.), Member

TOWN OF MINNEDOSA
REQUEST TO REVIEW AND VARY
BOARD ORDER No.30/13

Summary

By this Order, the Public Utilities Board (Board) varies the initial tipping fees for the Town of Minnedosa (Town) lagoon set on Board Order No. 30/13. The new rates are retroactive to the effective date set in Order 30/13, June 1, 2013.

Rates are noted below:

	Rates set on Board Order No. 30/13		Effective June 1, 2013	
	Minimum (4.54m ³)	Per kilolitre (m ³)	Minimum (4.54m ³)	Per kilolitre (m ³)
Tipping charges				
Residents within Town limits	\$ 31.78	\$ 7.00	\$ 5.00	\$ 0.84
Non-Residents outside Town limits	\$ 31.78	\$ 7.00	\$ 8.75	\$ 1.65

These rates can also be found in Schedule "A".

Application

On Board Order 31/11, issued March 2, 2011, the Board ordered the Town to limit access to the lagoon, and apply to the Board for approval of lagoon tipping fees, with a requested submission date of October 31, 2011.

The Board approved the tipping fees as applied for by the Town on Board Order No. 30/13, issued March 21, 2013.

On June 26, 2013 the Town notified the Board of their intention to file an application to request that the Board review the decision in the Order. This application was received October 15, 2013.

The Board reviewed the submission and responded, requesting additional information, as well as a By-law having received first reading.

The additional information requested related to the Town's methodology in calculating the tipping fees. Board Order No. 30/13 goes into great detail describing how the Town calculated sewage rates based on the contributing organic loading from the septage haulers. At that time, the Town indicated to the Board that this methodology was chosen by the Town because the lagoon performance and operating costs were greatly impacted by the strength of the sewage entering the facility. It was determined, at that time, by the Town that the haulers contributed 6.1% of the annual organic loading.

In the Town's October 2013 submission, they revised their estimates and requested that the Board review Order No. 30/13 and vary the rates approved to align with their new methodology.

	<u>Submitted June 2012</u>		<u>Submitted October 2013</u>	
Total volume of waste	438,000 m ³		438,000 m ³	
Volume of waste contributed by haulers	3,620 m ³		13,471 m ³	
	<u>Town</u>	<u>Out of Town</u>	<u>Town</u>	<u>Out of Town</u>
Purportionate share of waste contributed by haulers	20%	80%	70%	30%
Volume of waste contributed by haulers	724 m ³	2,896 m ³	9,408 m ³	4,063 m ³

In an email to the Board on February 21, 2014, the Town's consultant responded to questions regarding the significant variance in the information provided to calculate the rates approved by the Board on Order No. 30/13 and the revised rates being requested. The consultant advised the Board that the original submission was calculated in error due to a miscommunication between the consultant and the Town with regards to the use of septic tanks and holding tanks.

It was the consultant's understanding that Town residents were on septic tanks (emptied approximately once per year) and non-residents outside of Town were on septic holding tanks (emptied approximately 17 times per year). Once the tipping fees approved on Board Order No. 30/13 were implemented, discussion arose and it came to light that this was incorrect.

Based on a review of the septic systems of both the Town and non-resident customers, the Town determined that septage haulers contribute less than 3% of the annual flow to the lagoon and less

than 6% of the organic load. It was proposed by the Town that the tipping fee therefore be recalculated as a simple calculation based on the wholesale sewer rate with some consideration for administration costs and out of Town debt recovery.

On April 9, 2014 the Town submitted By-law No. 2534, having received first reading March 25, 2014.

Board Findings

The Board, after reviewing the Town's application, will vary the tipping fees set on Board Order No. 30/13, effective June 1, 2013. The Board is generally averse to retroactive rates, however in the case of the Town of Minnedosa enforcing the rates set by Board Order No. 30/13 would be a financial hardship on the septage hauler in the community.

The Town indicated to the Board that there is only one septic hauler using their lagoon, and they have contacted the hauler and he is supportive of the rate changes.

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 THEREFORE ORDERED THAT:

1. The tipping fees for the Town of Minnedosa lagoon, as set out in Schedule "A" to this Order, BE AND ARE HEREBY APPROVED with rates to be effective June 1, 2013.
2. The Town of Minnedosa submit By-law 2534 to the Public Utilities Board once it has received third and final reading.
3. The Town of Minnedosa file a rate study with the Public Utilities Board no later than June 30, 2014 as directed in Board Order No. 30/13.

Fees payable upon this Order - \$500.00

THE PUBLIC UTILITIES BOARD

"MARILYN KAPITANY, B.Sc.(Hons.), M.Sc"
Acting Chair

"JENNIFER DUBOIS, CMA"
Acting Secretary

SCHEDULE "A"

June 1, 2013

1.0--SCHEDULE OF INITIAL TIPPING FEES

A schedule of rates per Kilotitre (cubic metre):

	Minimum (4.54m ³)	Per kilolitre (m ³)
Tipping charges		
Residents within Town limits	\$ 5.00	\$ 0.84
Non-Residents outside Town limits	\$ 8.75	\$ 1.65