

MANITOBA) Order No. 8/14
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THE PUBLIC UTILITIES BOARD ACT) January 21, 2014

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

RURAL MUNICIPALITY OF FRANKLIN
and TOWN OF EMERSON
APPLICATION FOR DISSOLUTION OF
RIVER ROAD WATER CO-OP

Summary

By this Order, the Public Utilities Board (Board) approves the dissolution of the River Road Water Co-op (Co-op). The Co-op consisted of approximately 14.3 kilometers of 75 millimeter water pipeline along certain road allowances in the Rural Municipality of Franklin (RM) and the Town of Emerson (Town).

Background

In October 2013, the Board became aware through a rate application from the RM of Franklin that the River Road Water Co-op intended to sell all of its assets and dissolve. The RM 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 RM provided a letter outlining the plan and requesting permission to move forward with the dissolution of the River Road Water Co-op. Board Order No. 140/13 ordered:

The amalgamation with the River Road Water Co-op for the water pipeline and service to nine (9) customers within the boundaries of the Municipality of Franklin BE AND IS HEREBY APPROVED effective January 1, 2014 on the condition that copies of all legal documents concerning the amalgamation be filed with the Board upon signing and that the Town of Emerson and the River Road Water Co-op file the necessary documentation with the Board for approval of the amalgamation for those customers and the pipeline within the boundaries of the Town of Emerson.

On December 18, 2013, the Board was advised by legal council for the Co-op that they had signed agreements with both the Town and the RM. Copies of these agreements were subsequently provided to the Board for review.

Board Findings

The Board, by this Order, will approve the dissolution as proposed.

The RM of Franklin is acquiring the Co-op's entire water pipeline that is contained within Franklin's municipal boundaries, approximately 13 kms. . The Co-op will contribute \$20,000 of its reserve fund to the Town to assist with the acquisition, legal costs and future maintenance of the pipeline.

The Town of Emerson is acquiring the Co-op's entire water pipeline that is contained within Emerson's municipal boundaries, approximately 1.3 km. The Co-op will contribute \$5,000 of its reserve fund to the Town to assist with the acquisition, legal costs and future maintenance of the pipeline.

While *The Public Utilities Board Act* requires one (1) year of notice, the Board will waive this requirement, since all customers will be transferred.

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 application by the Rural Municipality of Franklin and the Town of Emerson for the dissolution of the River Road Water Co-op effective December 31, 2013, BE AND IS HEREBY APPROVED.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD

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

"Jennifer Dubois, CMA"
Acting Secretary