

M A N I T O B A ) Order No. 82/14  
)  
THE PUBLIC UTILITIES BOARD ACT ) July 17, 2014

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

APPROVAL FOR  
DISSOLUTION OF CHATER WATER CO-OP and  
ESTABLISHMENT OF  
RURAL MUNICIPALITY OF CORNWALLIS WATER UTILITY

### **Summary**

The Public Utilities Board (Board) approves the dissolution of the Chater Water Co-op (Co-op). The Board also approves the transfer of the Utility operation to the Rural Municipality of Cornwallis (RM).

### **Background**

The Chater Water Co-op has supplied drinking water to its members since approximately 1990. The Co-op started with 17 members and now supplies potable water to 40 resident customers. There are currently an additional 28 residential lots for sale.

The Co-op was approached by a developer requesting another connection for Phase 2 of his subdivision. This connection is subject to an Engineering Review and requires approval from the Office of Manitoba Drinking Water.

The Director of Manitoba Drinking Water has indicated to the Co-op in the past that any future expansion to the existing system will require a water treatment plant upgrade.

The Co-op Board of Directors is of the opinion that the Co-op cannot undertake such an upgrade without funding from the developer and from other levels of government. With the potential growth of the Utility, the Board of Directors finds it necessary to have this water system operated by the RM of Cornwallis. The RM has access to grant monies and debenture borrowings that a water cooperative does not, which would make

the upgrades to the water treatment plant feasible.

On June 27, 2014, the Chater Water Co-op and the RM of Cornwallis made joint application to the Public Utilities Board with notification that the following motion was passed at the June 17, 2014 regular meeting of the Council.

1. *"Whereas on June 5, 2014 the members of the Chater Water Co-op held a special meeting to dissolve the Chater Water Co.-op and transfer the Utility operation to the Rural Municipality of Cornwallis;*
2. *And whereas the membership voted in favor of the dissolution of the Chater Water Co-op and the transfer of all Assets to the Rural Municipality of Cornwallis;*
3. *And whereas the Rural Municipality of Cornwallis deems it in the best interest of the Municipality to take over the Public Utility;*
4. *Now Therefore Be it Resolved that the Rural Municipality of Cornwallis proceed with the transfer of the Public Utility to the Municipality effective August 1, 2014 or such date as agreeable by both parties; and*
5. *Be it further resolved that Administration be hereby authorized to proceed with the necessary requirements for the transfer of the public utility."*

**Board Findings**

The Board will approve the dissolution of the Chater Water Co-op and the transfer of the Utility operation to the Rural Municipality of Cornwallis, including all assets and residual cash. These are to be effective on August 1, 2014.

The Public Utilities Board would like to thank the RM staff for their conscientiousness in advising the Board of the transfer of ownership of the water utility, and working with Board staff to resolve this issue quickly and efficiently. The Board also reminds the RM that any changes in rates need to be approved by the Board prior to being introduced. The Board encourages any municipal staff working in the administration of the Utility to review General Board Order Nos. 151/08 and 93/09 to have an understanding of the reporting requirements.

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.

**IT IS THEREFORE ORDERED THAT:**

1. The Chater Water Co-op be dissolved as of August 1, 2014 and the assets be transferred to the Rural Municipality of Cornwallis.

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. 82/14 issued by  
The Public Utilities Board

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Acting Secretary