MANITOBA

Order No. 144/15

THE PUBLIC UTILITIES BOARD ACT

December 23, 2015

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

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# ORDER VARYING BOARD ORDER NO. 125/15 FOR THE RURAL MUNICIPALITY OF GIMLI INTERIM WATER and WASTEWATER RATES

# Summary:

The Rural Municipality of Gimli (RM) requested that the Public Utilities Board (Board) reconsider of the Interim Water and Wastewater Rates established by Board Order 125/15. The RM requested that the January 1, 2016 interim rates be as requested and set out in the RM's By-law No. 14-0011.

After review, the Public Utilities Board (Board) varies Board Order No.125/15 as follows:

### Wastewater Customers:

	Current	Order No. 125/15	Revised January 1, 2016
Quarterly Service Charge	\$27.07	\$21.97	\$21.33
Wastewater \$/cubic metre	\$2.31	\$1.31	\$1.29
Minimum Quarterly*	\$58.28	\$39.66	\$38.75
Quarterly Residential Equivalency Unit (REU)	\$125.32	\$86.34	\$85.04
Septic Haulers \$/cubic metre - within the RM	\$3.60	\$4.52	\$4.49
Septic Haulers \$/cubic metre - outside the RM	\$5.60	\$5.94	\$5.98
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\*Includes 13.5 cubic meters per quarter

### Water Customers:

Local Urban District						
Current Order No. 125/15 1, 201						
Quarterly Service Charge	\$23.19	\$24.33	23.47			
Water \$/cubic metre	\$1.17	\$1.26	1.22			
Minimum Quarterly*	\$38.99	\$41.34	39.94			
Bulk Water \$/cubic metre	\$1.54	\$2.09	2.02			

\*Includes 13.5 cubic meters per quarter

Pelican Beach					
	Current Order No. 125/15		Revised January 1, 2016		
Quarterly Service Charge	\$22.78	\$21.67	21.06		
Water \$/cubic metre	\$1.61	\$1.63	1.65		
Minimum Quarterly - metered*	\$44.52	\$43.68	43.34		
Bulk Water \$/cubic metre	\$4.25	\$2.63	2.62		
Pelican Beach Area Water System Flat Rate: (per REU)					
Quarterly Residential Equivalency Unit	\$87.35	\$88.18	89.41		
Minimum Quarterly	\$110.13	\$109.85	110.47		

\*Includes 13.5 cubic meters per quarter

Gimli Business Park						
	Current	Order No. 125/15	Revised January 1, 2016			
Quarterly Service Charge	\$25.48	\$15.60	15.16			
Water \$/cubic metre	\$1.80	\$1.80	1.75			
Minimum Quarterly - metered*	\$49.78	\$39.90	38.79			
Bulk Water \$/cubic metre	\$1.91	\$2.02	1.96			
Gimli Industrial Park Area Water System Flat Rate: (per REU)						
Quarterly Residential Equivalency Unit	\$97.65	\$97.65	115.14			
Minimum Quarterly)	\$123.13	\$113.25	130.10			

\*Includes 13.5 cubic meters per quarter

Full rate details are provided in Schedule "A" attached to this Order.

December 23, 2015 Order No. 144/15 Page 4 of 14

# Background:

On November 27, 2015, the Board issued Order 125/15 setting interim rates *exparte* for the four utilities operated by the RM of Gimli effective January 1, 2016. The four utilities are the Amalgamated Sewer Utility, the Urban Area Water System, the Pelican Beach Area Water System and the Gimli Industrial Park Area Water System.

# **Request to Review and Vary:**

The RM submitted a request on December 4, 2015 that the Board review and vary Board Order No. 125/15.

The RM sought to have the 2016 interim rates be as requested and set out in the RM's By-law No. 14-0011.

The RM stated that \$1.29 per cubic meter for wastewater was the 2016 rate that it had committed to in its agreement with the Diageo Distillery, its newest wastewater customer.

# **Board Findings:**

The Board is concerned that the RM would proceed to sign an agreement, committing to certain rates, ahead of receiving Board approved rates.

The Board determines the rate requirements based on projected financial information provided by the applicant, and in the case of Gimli, established the 2016 rates based on the 2016 projections provided by the RM. To approve a lower rate than indicated by those projections could put the utility at risk of incurring a deficit, something that is not allowed by Manitoba law.

However, in reviewing the request from the RM, the Board noted that the potential revenue shortfall for 2016 resulting from the lowered rates could easily be accommodated within the contingency allowances which formed part of the expense projections for the various utilities.

Furthermore, the Board has determined that it will hold a public hearing before finalizing the rates for the Gimli operated utilities. There will therefore be an opportunity to make further adjustments to these interim rates, should the Board see fit to do so after the hearing.

The Board has therefore agreed to the RM's request and has revised the interim rates effective January 1, 2016.

The Board reminds the RM that this is an interim approval for 2016 rates only, and is subject to change following the public hearing expected to be held in the spring of 2016.

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. Schedule "A" of the Public Utilities Board Order No.125/15 BE AND IS HEREBY VARIED as shown in Schedule "A" attached to this Order:
- 2. The Rural Municipality of Gimli BE AND IS HEREBY required to amend its Bylaw to be consistent with rates as amended in this Order and is to file a copy of its By-law with the Board following third and final reading.

Fees payable upon this Order – \$150.00

THE PUBLIC UTILITIES BOARD

<u>"SUSAN PROVEN, P.H.Ec."</u> Acting Chair

<u>"JENNIFER DUBOIS, CPA, CMA"</u> Acting Secretary

Certified a true copy of Order No. 144/15 issued by The Public Utilities Board

Acting Secretary

December 23, 2015 Order No. 144/15 Page 7 of 14

# RURAL MUNICIPALITY OF GIMLI SCHEDULE "A" BY-LAW No. 14-0011 WATER AND SEWER RATES

#### **SEWER CHARGES**

# 1.1. EFFECTIVE JANUARY 1, 2016

Commodity Charge - \$1.29 per cubic meter (m<sup>3</sup>)

#### 1.1.1 Sewer Customers-Metered

All customers with metered water and sewer service shall pay the applicable minimum sewer rate charge set out below based on the consumption of the metered water service, which will include the allowance indicated:

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	$13.5 \text{ m}^3$	\$21.33	\$17.42	\$38.75
3⁄4"	2	$27 \text{ m}^3$	\$21.33	\$34.83	\$56.16
1"	4	$54 \text{ m}^3$	\$21.33	\$69.66	\$90.99
1 1/2"	10	$135 \text{ m}^3$	\$21.33	\$174.15	\$195.48
2"	25	$337.5 \text{ m}^3$	\$21.33	\$435.38	\$456.71
3"	45	$607.5 \text{ m}^3$	\$21.33	\$783.68	\$805.01
4"	90	$1215 \text{ m}^3$	\$21.33	\$1,567.35	\$1,588.68
6"	170	$2295 \text{ m}^3$	\$21.33	\$2,960.55	\$2,981.88

December 23, 2015 Order No. 144/15 Page 8 of 14

# 1.1.2 <u>Sewer Customers-Flat Rates</u>

Customer	REU	Service	Commodity	Quarterly
		Charge	Charge	Bill
Single Family or Small Business	1	\$21.33	\$63.71	\$85.04
Building with n	nore tha	n 1 residence o	r business	
2 residences or businesses	2	\$21.33	\$127.42	\$148.75
3 residences or businesses	3	\$21.33	\$191.13	\$212.46
Trophy Cup	1	\$21.33	\$63.71	\$85.04
Design Canada	1	\$21.33	\$63.71	\$85.04
Gimli Small Engines	1	\$21.33	\$63.71	\$85.04
Lake Agassiz Marine Office	1	\$21.33	\$63.71	\$85.04
Lake Agassiz Marine Hanger # 2	2	\$21.33	\$127.42	\$148.75
Lake Agassiz Marine Hanger # 4	2	\$21.33	\$127.42	\$148.75
Misty Lake Lodge	5	\$21.33	\$318.54	\$339.87
Lake Winnipeg Boat Works	3	\$21.33	\$191.13	\$212.46
Lake Agassiz Marine Hanger # 1	5	\$21.33	\$318.54	\$339.87
GIDG Dunlop Building	5	\$21.33	\$318.54	\$339.87
Natural Resources Water Bombers	5	\$21.33	\$318.54	\$339.87
Lake Winnipeg Boat Works	5	\$21.33	\$318.54	\$339.87
Skyline Hanger #3	5	\$21.33	\$318.54	\$339.87
Faroex-Plant	15	\$21.33	\$955.61	\$976.94
Faroex-Warehouse	1	\$21.33	\$63.71	\$85.04
Faroex-Research Bldg	1	\$21.33	\$63.71	\$85.04

# 1.1.3 <u>Sewer Customers - Bulk Rates and Septic Haulers</u>

Haulers within the RM	Volumetric Charge (m <sup>3</sup> ) - \$4.49 (\$20.43 per 1,000 gallons)
Haulers outside the RM	Volumetric Charge (m <sup>3</sup> ) - \$5.98 (\$27.21 per 1,000 gallons)

December 23, 2015 Order No. 144/15 Page 9 of 14

# 2. <u>WATER CHARGES</u>

### 2.1 <u>Water Customers</u>

Notwithstanding the commodity rates set forth in Section 1 hereof, all customers with water and sewer service shall pay the applicable flat rate set out below or minimum charge set out below based on the consumption of the metered water service, which will include the allowance indicated.

### 2.2 <u>Urban Area Water System</u>

### 2.2.1 EFFECTIVE JANUARY 1, 2016

#### 2.2.1.1 Water System - Metered

Commodity Charge - \$1.22 per cubic meter (m<sup>3</sup>)

#### **Minimum Quarterly Charges – Water Connection Only**

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	$13.5 \text{ m}^3$	\$23.47	\$16.47	\$39.94
3⁄4"	2	$27 \text{ m}^3$	\$23.47	\$32.94	\$56.41
1"	4	$54 \text{ m}^3$	\$23.47	\$65.88	\$89.35
1 1⁄2"	10	135 m <sup>3</sup>	\$23.47	\$164.70	\$188.17
2"	25	$337.5 \text{ m}^3$	\$23.47	\$411.75	\$435.22
3"	45	$607.5 \text{ m}^3$	\$23.47	\$741.15	\$764.62
4"	90	$1215 \text{ m}^3$	\$23.47	\$1,482.30	\$1,505.77
6"	170	$2295 \text{ m}^3$	\$23.47	\$2,799.90	\$2,823.37

### 2.2.1.2 Urban Area Bulk Water Rate

Volumetric Charge - \$2.02 per cubic meter (m<sup>3</sup>) (\$9.20 per 1,000 gallons)

# 2.3 <u>Pelican Beach Area</u>

# 2.3.1 EFFECTIVE JANUARY 1, 2016

# 2.3.1.1 Water System - Metered

Commodity Charge - \$1.65 per cubic meter (m<sup>3</sup>)

# Minimum Quarterly Charges – Water Connection Only

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	$13.5 \text{ m}^3$	\$21.06	\$22.28	\$43.34
3⁄4"	2	$27 \text{ m}^3$	\$21.06	\$44.55	\$65.61
1"	4	$54 \text{ m}^3$	\$21.06	\$89.10	\$110.16
1 1⁄2"	10	$135 \text{ m}^3$	\$21.06	\$222.75	\$243.81
2"	25	$337.5 \text{ m}^3$	\$21.06	\$556.88	\$577.94
3"	45	$607.5 \text{ m}^3$	\$21.06	\$1,002.38	\$1,023.44
4"	90	$1215 \text{ m}^3$	\$21.06	\$2,004.75	\$2,025.81
6"	170	$2295 \text{ m}^3$	\$21.06	\$3,786.75	\$3,807.81

## 2.3.1.2 Pelican Beach Area Water System-Flat Rate

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill		
Single Family or small Business	1	\$21.06	\$89.41	\$110.47		
Building with more than 1 residence or business						
2 residences or businesses	2	\$21.06	\$178.82	\$199.88		
3 residences or businesses	3	\$21.06	\$268.23	\$289.29		

# 2.3.1.3 Pelican Beach Bulk Water Rate

Volumetric Charge - \$2.62 per cubic meter (m<sup>3</sup>) (\$11.93 per 1,000 gallons)

# 2.4 Gimli Industrial Park Area

## 2.4.1 EFFECTIVE JANUARY 1, 2016

Commodity Charge - \$1.75 per cubic meter (m<sup>3</sup>)

### 2.4.1.1 Water System- Metered

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Commodity Charge	Minimum Quarterly Charges
5/8"	1	13.5 m <sup>3</sup>	\$15.16	\$23.63	\$38.79
3⁄4"	2	27 m³	\$15.16	\$47.25	\$62.41
1"	4	54 m³	\$15.16	\$94.50	\$109.66
1 1⁄2"	10	135 m³	\$15.16	\$236.25	\$251.41
2"	25	337.5 m <sup>3</sup>	\$15.16	\$590.63	\$605.79
3"	45	607.5 m <sup>3</sup>	\$15.16	\$1,063.13	\$1,078.29
4"	90	1215 m³	\$15.16	\$2,126.25	\$2,141.41
6"	170	2295 m <sup>3</sup>	\$15.16	\$4,016.25	\$4,031.41

# Minimum Quarterly Charges – Water Connection Only

### 2.4.1.2 Gimli Industrial Park Area Water System-Flat Rates

Customer	REU	Service Charge	Commodity Charge	Quarterly Bill
Single Family or small Business	1	\$ 15.16	\$115.14	\$130.10
Building with more than 1 residence or	business	5		
2 residences or businesses	2	\$ 15.16	\$230.29	\$245.45
3 residences or businesses	3	\$ 15.16	\$345.43	\$360.59
Trophy Cup	1	\$ 15.16	\$115.14	\$130.10
Design Canada	1	\$ 15.16	\$115.14	\$130.10
Gimli Small Engines	1	\$ 15.16	\$115.14	\$130.10
Lake Agassiz Marine Office	1	\$ 15.16	\$115.14	\$130.10

Lake Agassiz Marine Hanger # 2	2	\$ 15.16	\$230.29	\$245.45
Lake Agassiz Marine Hanger # 4	2	\$ 15.16	\$230.29	\$245.45
Misty Lake Lodge	5	\$ 15.16	\$575.71	\$590.87
Lake Winnipeg Boat Works	3	\$ 15.16	\$345.43	\$360.59
Lake Agassiz Marine Hanger # 1	5	\$ 15.16	\$575.71	\$590.87
GIDG Dunlop Building	5	\$ 15.16	\$575.71	\$590.87
Natural Resources Water Bombers	5	\$ 15.16	\$575.71	\$590.87
Lake Winnipeg Boat Works	5	\$ 15.16	\$575.71	\$590.87
Skyline Hanger #3	5	\$ 15.16	\$575.71	\$590.87
Faroex-Warehouse	1	\$ 15.16	\$115.14	\$130.10
Faroex-Research Bldg	1	\$ 15.16	\$115.14	\$130.10
Faroex-Plant	15	\$ 15.16	\$1,727.14	\$1,742.30

# 2.4.1.3 Gimli Industrial Park Bulk Water Rate

Volumetric Charge - \$1.96 per cubic meter (m<sup>3</sup>) (\$8.92 per 1,000 gallons)

# 3.0 SERVICE TO CUSTOMERS OUTSIDE MUNICIPAL LIMITS

The Council of the Municipality may sign agreements with customers for the provision of water and sewer services to properties located outside the legal boundaries of the Municipality. Such agreements shall provide for payment of the appropriate rates set out in Commodity Rates of this 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.

### 4.0 <u>PENALTY FOR LATE PAYMENT</u>

A late payment of 11/4% per month compounded 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.

### 5.0 **DISCONNECTION OF SERVICES**

### 5.1 <u>Disconnection for Non Payment / Delinquent Accounts</u>

All utilities subject to The Public Utilities Board Act shall comply with the Conditions

Precedent for water and/or sewer service disconnection, as attached hereto and marked as Schedule "B".

### 5.2 Disconnection at Owners Request

A \$30.00 fee shall be charged for disconnecting the water service at the property owner's request.

# 6.0 <u>RECONNECTION OF SERVICES</u>

# 6.1 <u>Reconnection for Non Payment / Delinquent Accounts</u>

Where any service is disconnected under the provisions of this By-Law, it shall not be reconnected until all arrears, penalties and a reconnection fee of \$100.00 have been paid.

### 6.2 <u>Reconnection for Non Delinquent Accounts</u>

A fee of \$30.00 shall be charged for reconnecting the water service at the property owner's request.

# 7.0 <u>OUTSTANDING ACCOUNTS</u>

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.

# 8.0 <u>STANDPIPE SURCHARGE</u>

A quarterly flat rate fee of \$168.75 shall be charged to all commercial or multi-family customers with internal sprinkler systems for the purpose of fire protection.

# 9.0 <u>HYDRANT RENTALS</u>

The Rural Municipality of Gimli shall pay to the utility an annual rental of \$125.00 for each hydrant connected to the system.

# 10.0 METER ACCURACY TESTING

That any customer may request that his/her water meter be tested for accuracy and before having the same tested by the Municipality, he/she shall deposit with the Director of Finance & Administration the sum of One Hundred (\$100.00) Dollars, which shall be retained and if the meter shall be found to be accurate, the said sum of One Hundred (\$100.00) Dollars shall be retained by the Municipality and if the meter is found to be

inaccurate, the said sum of One Hundred (\$100.00) Dollars will be returned to the customer

# 11.0 SEWAGE SURCHARGES

That 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.

That 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.

# 12.0 <u>COMMERCIAL SEASONAL CUSTOMERS</u>

That all commercial customers that have their water service disconnected in the fall and reconnected in the spring and that have a service size larger than the minimum size of 5/8" will pay the minimum metered amount, according to service size per quarter, while the water service is disconnected.

## 13.0 <u>RESIDENTIAL SEASONAL CUSTOMERS</u>

Residential customers may declare a property seasonal use whereby their residence will not be in use from January 1 to March 31 of each year and their utility bill will be discontinued for that quarter. Billing will automatically start on April 1 of each year. Once the residential customer makes the declaration and if the residence uses the utility service for any part of the quarter, the whole quarter will be charged regardless of the number of days use in the quarter.

# 14.0 <u>RESIDENTIAL CUSTOMERS CONNECTED TO THE NORTH FORCEMAIN</u>

Residents connected to the North Forcemain and have a low pressure sewer system will be entitled to be reimbursed for one pump out per year by the municipality.