

Order No. 120/16

**RURAL MUNICIPALITY OF PORTAGE LA PRAIRIE
OAKVILLE WATER AND WASTEWATER UTILITY
ACTUAL OPERATING DEFICIT FOR 2015**

September 21, 2016

BEFORE: The Hon. Anita Neville, P.C., B.A. (Hons.), Acting Chair
Carol Hainsworth, C.B.A., Member

The Public Utilities Board (Board) issued Order No. 151/08 on November 7, 2008 requiring all water and/or sewer utilities to report an actual year-end deficit to the Board if the utility:

1. had not received prior approval for the deficit from the Board and such deficit either exceeds \$10,000 or represents 5% of the utility's operating budget; or
2. had received prior approval for the deficit from the Board and the actual deficit:
 - a. exceeds the previously approved amount by either \$10,000 or 5% of the utility's operating budget; or
 - b. is caused as a result that differs from that upon which said approval was granted;

Application

On April 5, 2016 the Board received a deficit application for 2015 of \$59,665 for the Oakville Utility (Utility) from the Rural Municipality of Portage la Prairie (RM). The application was accompanied by Council Resolution No. 2016 087, requesting that the deficit be recovered through the Utility's Reserves. Rates were last set in 2013.

The application advised that the deficits were a result of additional costs of unplanned restoration and infiltration work performed and wages were over the budgeted amount.

The Municipality advised that the current rates are sufficient to cover the Utility's operating costs.

Board findings

By law, Manitoba utilities are not allowed to incur deficits. In the event that a deficit does occur, a Utility is required to obtain Board approval for a recovery methodology.

The Board is satisfied that the RM has adequate reserves at this time and will approve the 2015 deficit be recovered through the Utility's Reserve Fund.

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 actual operating deficit, when calculated for regulatory purposes, for 2015 of \$59,665 incurred in the Rural Municipality of Portage la Prairie - Oakville Water and Wastewater Utility is HEREBY APPROVED to be recovered from the Utility's Reserve Fund.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD

"The Hon. ANITA NEVILLE, P.C., B.A. (Hons.)"
Acting Chair

"JENNIFER DUBOIS, CPA, CMA"
Acting Secretary

Certified a true copy of Order No. 120/16
issued by The Public Utilities Board

Acting Secretary