

Order No. 24/16

**RURAL MUNICIPALITY OF WEST ST. PAUL
WATER AND WASTEWATER UTILITY
INITIAL INTERIM RATES and
DISSOLUTION OF WASTEWATER UTILITIES
known as RIVERCREST, RIVERDALE, LISTER RAPIDS and RIVER SPRINGS
(RIVERGATE)**

March 16, 2016

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

SUMMARY

By this Order, the Public Utilities Board (Board) approves the dissolution of the wastewater utilities known as Rivercrest, Riverdale, Lister Rapids and River Springs (Rivergate) as requested in Council Resolution No. 2016-059. This is to be effective as these wastewater utilities are metered and connected to the RM's wastewater utility, which is a customer of the City of Winnipeg wastewater utility. This means that once the old utilities are hooked into the new utility, the old utilities are dissolved. The Rivercrest water utility will not be affected by this dissolution and will continue to provide service for its 64 water users; in due course all 142 wastewater customers will become part of the RM's wastewater utility. There are also two properties that are being added, plus one subdivision and one piece of vacant land.

By this Order, the Public Utilities Board also approves, on an interim *ex parte* basis, initial wastewater rates as applied for by the Rural Municipality of West St. Paul wastewater utility (Utility). This request was made in Council Resolution No. 2016-033 dated January 5, 2016. The new rates are to be effective January 1, 2015, 2016 and 2017. The approved rates are shown below.

	Proposed By-law (2016-01) Jan 1, 2015	Proposed By-law (2016-01) Jan 1, 2016	Increase/ Decrease	Proposed By-law (2016-01) Jan 1, 2017	Increase/ Decrease
Wastewater per cubic meter 0-272m ³	\$2.28	\$2.35	3%	\$2.42	3%
Wastewater per cubic meter Over 272.1m ³	\$2.28	\$2.35	3%	\$2.42	3%
Reconnection Fee	\$50.00	\$50.00	0%	\$50.00	0%

Details of other rates may be found in the attached Schedule "A".

(These rates are dictated by the City of Winnipeg rates.)

Background

The Rural Municipality of West St. Paul (RM) applied on January 6, 2016 for initial wastewater rates for the Utility. The application was accompanied by a rate study prepared by the RM's consultant and By-law No. 2016-01 having received 1st reading on January 5, 2016. The RM has requested interim *ex parte* rates, effective January 1, 2015, 2016 and 2017.

When reviewing an application, the Board has at its disposal two approaches, either a paper or a public hearing review. After the publication of the Notice of Application, the Board will consider the application and stakeholder responses and determine which method of review is most appropriate.

A public hearing process allows the Utility and stakeholders the opportunity to present their application and any concerns to the Board in person.

The paper review process considers all written materials submitted by the Utility and stakeholders, as well as any information requests and responses between the Board and the Utility. This process can save on regulatory costs.

Where there is an urgent need for a rate increase and the Board determines it to be in the best interest of all parties, the Board may also establish interim *ex parte* rates. Interim rates are typically approved as applied for and are then subject to a Public Notice of Application and review using one of the processes outlined above before being confirmed as final by Board Order.

In addition to this rate application was a letter of request for the Board to consider dissolution of the wastewater utilities known as Rivercrest, Riverdale, Lister Rapids and River Springs (Rivergate).

The RM advises there are 28 homes on the system now. Two of the wastewater utilities are waiting for the completion of the meter installation project and they will then become part of the RM's wastewater utility. The infrastructure is also being completed at these two utilities.

Board Findings

The Board, by this Order, will approve the dissolution of the wastewater utilities as proposed and the formation of the new RM of West St. Paul wastewater utility. The RM is reminded that any funds held in reserves from these utilities must be used for the intended Local Improvement District from which it was collected.

The Board will, on an interim *ex parte* basis, approve initial wastewater rates as applied for by the RM effective January 1, 2015, 2016 and 2017. The Board makes this interim rate decision due to the new wastewater utility being formed. Though the Board is generally hesitant to set retroactive rates, the RM confirmed that ratepayers were made aware that the rates would be set at a future date and be retroactive to the date of their hook-up. The hook-up date is when the old system is converted to the new system and sewage flows on that date regardless of when the meter was installed. The Board will require that a Notice of the Application will be issued to inform the ratepayers of the rates and/or increases.

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 Rural Municipality of West St. Paul's application for initial wastewater rates as shown on Schedule "A" to this Board Order BE AND ARE HEREBY APPROVED on an interim *ex parte* basis, with the wastewater rates to be effective January 1, 2015, 2016 and 2017.
2. The Rural Municipality of West St. Paul file a copy of By-law No. 2016-01, once it has received third and final reading.
3. The application by the Rural Municipality of West St. Paul for the dissolution of the wastewater utilities known as Rivercrest, Riverdale, Lister Rapids and River Springs (Rivergate) as requested in Council Resolution No. 2016-059 BE AND IS HEREBY APPROVED. Note that each utility will be dissolved on the hook-up date of each utility as set by the Municipality and By-law 2016-01 will come into effect and the existing utility by-law will be pro-rated to the hook-up date.
4. The Rural Municipality of West St. Paul review its water and wastewater rates for adequacy and file a report with the Public Utilities Board, as well as an application for revised rates if required, by no later than June 30, 2018.

Fees payable upon this Order – \$150.00

"DARREN CHRISTLE"
Secretary

THE PUBLIC UTILITIES BOARD

"SUSAN PROVEN, P.H.Ec."
Acting Chair

Certified a true copy of Order No. 24/16
issued by The Public Utilities Board

Secretary

**RURAL MUNICIPALITY OF WEST ST. PAUL
BY-LAW NO. 2016-01
SCHEDULE "A"**

Schedule of Quarterly Rates - January 1, 2015

1. Wastewater Rates per Cubic Meter

0-272 m ³	\$2.28
Over 272.1 m ³	\$2.28

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges set out below in paragraph 2a.

a. Wastewater Customers

Pipe Diameter	Wastewater Included	Basic Customer Service		Administration Charge	Participation Fee	Reserve Charge	Wastewater Commodity Charge	Quarterly Total
<u>Meter Size</u>	<u>Cubic Meter</u>	<u>Daily Rate</u>	<u>Wastewater</u>	<u>\$60.00 annually</u>	<u>\$200.00 annually</u>	<u>5% of Wastewater Charge</u>	<u>\$2.28</u>	<u>Minimum</u>
5/8 inch	14	\$0.14	\$12.60	\$15.00	\$50.00	\$1.60	\$31.92	\$111.12
3/4 inch	28	\$0.144	\$12.96	\$15.00	\$50.00	\$3.19	\$63.84	\$144.99
1 inch	56	\$0.16	\$14.40	\$15.00	\$50.00	\$6.38	\$127.68	\$213.46
1 1/2 inch	140	\$0.192	\$17.28	\$15.00	\$50.00	\$15.96	\$319.20	\$417.44
2 inch	350	\$0.256	\$23.04	\$15.00	\$50.00	\$39.90	\$798.00	\$925.94
3 inch	630	\$0.744	\$66.96	\$15.00	\$50.00	\$71.82	\$1,436.40	\$1640.18
4 inch	1,260	\$0.924	\$83.16	\$15.00	\$50.00	\$143.64	\$2,872.80	\$3164.60
6 inch	2,380	\$1.344	\$120.96	\$15.00	\$50.00	\$271.32	\$5,426.40	\$5883.68

Note: Basic charge based on an estimated daily rate (based on City Of Winnipeg rates). Numbers shown based on a span of 90 days.

b. Quarterly minimum charge will be different for each meter size as shown in the table above. The water from the customers private service shall be metered at the customer's cost. The charge will be based upon consumption as shown above with the water charge excluded.

**RURAL MUNICIPALITY OF WEST ST. PAUL
BY-LAW NO. 2016-01
SCHEDULE "A"**

Schedule of Quarterly Rates - January 1, 2016

1. Wastewater Rates per Cubic Meter

0-272 m ³	\$2.35
Over 272.1 m ³	\$2.35

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges set out below in paragraph 2a.

a. Wastewater Customers

Pipe Diameter	Wastewater Included	Basic Customer Service		Administration Charge	Participation Fee	Reserve Charge	Wastewater Commodity Charge	Quarterly Total
<u>Meter Size</u>	<u>Cubic Meter</u>	<u>Daily Rate</u>	<u>Wastewater</u>	<u>\$60.00 annually</u>	<u>\$200.00 annually</u>	<u>5% of Wastewater Charge</u>	<u>Charge \$2.35</u>	<u>Minimum</u>
5/8 inch	14	\$0.16	\$14.40	\$15.00	\$50.00	\$1.65	\$32.90	\$113.95
3/4 inch	28	\$0.164	\$14.76	\$15.00	\$50.00	\$3.29	\$65.80	\$148.85
1 inch	56	\$0.18	\$16.20	\$15.00	\$50.00	\$6.58	\$131.60	\$219.38
1 1/2 inch	140	\$0.212	\$19.08	\$15.00	\$50.00	\$16.45	\$329.00	\$429.53
2 inch	350	\$0.288	\$25.92	\$15.00	\$50.00	\$41.13	\$822.50	\$954.58
3 inch	630	\$0.82	\$73.80	\$15.00	\$50.00	\$74.03	\$1,480.50	\$1693.33
4 inch	1,260	\$1.016	\$91.44	\$15.00	\$50.00	\$148.05	\$2,961.00	\$3265.49
6 inch	2,380	\$1.476	\$132.84	\$15.00	\$50.00	\$279.65	\$5,593.00	\$6070.49

Note: Basic charge based on an estimated daily rate (based on City of Winnipeg average yearly increases). Numbers shown based on a span of 90 days.

b. Quarterly minimum charge will be different for each meter size as shown in the table above. The water from the customers private service shall be metered at the customer's cost. The charge will be based upon consumption as shown above with the water charge excluded.

**RURAL MUNICIPALITY OF WEST ST. PAUL
BY-LAW NO. 2016-01
SCHEDULE "A"**

Schedule of Quarterly Rates - January 1, 2017

1. Wastewater Rates per Cubic Meter

0-272 m ³	\$2.42
Over 272.1 m ³	\$2.42

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges set out below in paragraph 2a.

a. Wastewater Customers

Pipe Diameter	Wastewater Included	Basic Customer Service		Administration Charge	Participation Fee	Reserve Charge	Wastewater Commodity Charge	Quarterly Total
		Daily Rate	Wastewater					
<u>Meter Size</u>	<u>Cubic Meter</u>	<u>Daily Rate</u>	<u>Wastewater</u>	<u>\$60.00 annually</u>	<u>\$200.00 annually</u>	<u>5% of Wastewater Charge</u>	<u>Charge \$2.42</u>	<u>Minimum</u>
5/8 inch	14	\$0.18	\$16.20	\$15.00	\$50.00	\$1.69	\$33.88	\$116.77
3/4 inch	28	\$0.184	\$16.56	\$15.00	\$50.00	\$3.39	\$67.76	\$152.71
1 inch	56	\$0.20	\$18.00	\$15.00	\$50.00	\$6.78	\$135.52	\$225.30
1 1/2 inch	140	\$0.232	\$20.88	\$15.00	\$50.00	\$16.94	\$338.80	\$441.62
2 inch	350	\$0.308	\$27.72	\$15.00	\$50.00	\$42.35	\$847.00	\$982.07
3 inch	630	\$0.84	\$75.60	\$15.00	\$50.00	\$76.23	\$1524.60	\$1741.43
4 inch	1,260	\$1.036	\$93.24	\$15.00	\$50.00	\$152.46	\$3049.20	\$3359.90
6 inch	2,380	\$1.496	\$134.64	\$15.00	\$50.00	\$287.98	\$5759.60	\$6247.22

Note: Basic charge based on an estimated daily rate (based on City Of Winnipeg average yearly increases). Numbers shown based on a span of 90 days.

b. Quarterly minimum charge will be different for each meter size as shown in the table above. The water from the customers private service shall be metered at the customer's cost. The charge will be based upon consumption as shown above with the water charge excluded.

Clauses 3 to 12 are Effective January 1, 2015**3. Billings and Penalties**

Accounts shall be billed quarterly based on meter readings. A late payment penalty charge of 1.25% monthly shall be charged on the dollar amount owing after the billing due date. The due date will be no less than fourteen (14) days and no more than thirty (30) days after the mailing of the bills. Late payment charges will be compounded monthly and will appear on the penalized customer's next quarterly bill if unpaid.

4. Outstanding Bills

Pursuant to Section 252(2) of the Municipal Act, the amount of all outstanding charges for wastewater 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. Where charges and penalties pursuant to this by-law are not paid within sixty (60) days from the date when they were incurred, the Chief Administrative Officer may add said charges and penalties to the taxes on the property and collect them in the same manner as other taxes.

5. New Connections

The Rural Municipality of West St. Paul shall charge the amount of fifty (\$50.00) dollars to connect a new service.

6. Disconnections

The Public Utilities Board has approved the Conditions Precedent (Order No. 39/09) to be followed by the RM with respect to the disconnection of service for non-payment including such matters as notice and the right to appeal such action to the Public Utilities Board. A copy of the Conditions Precedent is available for inspection at the RM office.

7. Reconnection

Any service disconnected due to non-payment of account shall not be reconnected until all arrears, penalties and a reconnection fee of fifty (\$50.00) dollars have been paid.

8. Meter Testing

Any customer wishing to have a meter tested for accuracy will pay in advance a fee of

- \$82.00+GST (5/8 and 3/4 inch)
- \$203.00+GST (one inch and larger)

plus any applicable meter testing costs. In the event the meter tests prove that the meter is recording water flows more than 3% in excess of actual flows, the meter testing fee and associated costs will be refunded to the customer and the customer's account will be reviewed and adjusted accordingly.

9. Meter Tampering

Where there is evidence of meter tampering a minimum charge of five hundred (\$500.00) dollars will be applied to the customer's account in addition to an amount calculated to adjust for the tampering based on historical usage.

10. Sewage Surcharges

(a) 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.

(b) 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.

11. Cross Connections

No customer or person shall connect, cause to be connected or allow to remain connected any piping, fixture, fitting, container or appliance in a manner which under any circumstances may allow water, wastewater or any harmful liquid or substance to enter the RM's water system. If a condition is found to exist and, in the opinion of the RM, is contrary to the aforesaid, the RM may either:

- Shut off the service or services; or
- Give notice to the customer to correct the fault at his or her own expense within a specified time period. If the customer fails to comply with such notice the RM shall proceed in accordance with clause 6 of this by-law.

12. Authorization for Officer to Enter Upon Premises

The Public Works Manager, or other employee authorized by the RM in the absence of the Public Works Manager, shall be authorized to enter upon any premise for the purpose of:

- affixing to any pipe, wire or apparatus connected with any such utility, a meter or any other measuring or testing device; or
- taking readings from, repairing, inspecting or removing any meter or apparatus belonging to the RM.