

Order No. 55/16

**ORDER VARYING BOARD ORDER No. 120/15
FOR
RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER
WATER AND WASTEWATER RATES**

April 28, 2016

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

Summary

The Rural Municipality of St. Francois Xavier (RM) requested that the Public Utilities Board (Board) reconsider the bulk water rate established by Board Order No. 120/15.

After review, the Board hereby varies Board Order No. 120/15 and approves revised bulk water rates of \$2.96 per cubic meter, effective May 1, 2016.

Details of the rates can be found in Schedule “A” to this Order.

Background

On November 23, 2015, the Board issued Order No. 120/15 setting water and wastewater rates effective January 1, 2016. The Order set the bulk water rate at \$4.20 per cubic meter for 2016 and 2017. The calculation took into consideration that bulk water purchasers are not necessarily taxpayers of the RM and included a provision to remove the impact of taxation revenues for water related debt, as per Board guidelines.

The RM has since put forth new evidence that to be equitable the rate should be varied.

Request to Review and Vary

The RM submitted a request on February 19, 2016 to amend Board Order No. 120/15 to reflect the requested bulk water rate of \$2.96 per cubic meter. In its covering letter to the Board, the RM advised that only taxpayers and residents of the RM use the bulk fill station.

The request included the following calculation:

Administrative revenue requirement	A	\$ 10,857.00
Water revenue requirement	B	\$ 155,444.00
Taxation revenue re: water related debt	C	\$ -
All additional costs of servicing bulk water customers	D	\$ -
Subtotal	E	\$ 166,301.00
Bulk ratio	F	1.069845089
Domestic water rate	G	\$ 2.77
Bulk water rate	GXF	\$ 2.96

The previous bulk water rate was \$2.25 per cubic meter and was revised to \$4.20 per cubic meter in Board Order No. 120/15. The original application did not provide a description of the bulk water station users. This was reflected in the Order and the bulk water rate was calculated using the Board guidelines.

It is the request of the RM to calculate the bulk water with the taxation revenues for water related debt included, given that all bulk water customers are also taxpayers and contributed to this revenue.

Board Findings

After considering the information filed and Board Order 120/15, the Board concludes that the Order is to be varied. The RM's request included the bulk water calculation based on the 2017 revenue requirements and domestic water rate, as did the Board's original calculation in Order 120/15.

The Board will approve a bulk water rate of \$2.96 effective May 1, 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 HEREBY ORDERED THAT:

1. Schedule "A" of the Public Utilities Board Order No. 120/15 for St. Francois Xavier BE AND IS HEREBY VARIED as shown in Schedule "A" attached to this Order.
2. The Rural Municipality of St. Francois Xavier amend its water and wastewater rate By-law to reflect the decisions in this Order and submit a copy to the Board once it has received third and final reading.

Fees payable upon this Order – \$150.00

THE PUBLIC UTILITIES BOARD

"SUSAN PROVEN, P.H.Ec."

Acting Chair

"JENNIFER DUBOIS, CPA, CMA"

Acting Secretary

Certified a true copy of Order No. 55/16
issued by The Public Utilities Board

Acting Secretary

SCHEDULE "A"
RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER
WATER AND WASTEWATER RATES

SCHEDULE OF QUARTERLY RATES

May 1, 2016

1. Rates per Cubic Meter

Cubic Meter per Quarter

Water	Sewer	Total Water & Sewer
\$2.60	\$1.03	\$3.63

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges set out below, which includes the water allowance as listed.

a. Water & Sewer Customers

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption per M ³	Customer Service Charge	Water	Sewer	Quarterly Minimum Charge (Water & Sewer)	Quarterly Minimum Charge (Water Only)
5/8"	1	13.638	\$8.03	\$35.46	\$14.05	\$57.54	\$43.49
3/4"	2	27.277	\$8.03	\$70.92	\$28.10	\$107.05	\$78.95
1"	4	54.553	\$8.03	\$141.84	\$56.19	\$206.06	\$149.87
2"	25	340.957	\$8.03	\$886.49	\$351.19	\$1,245.70	\$894.52

b. Metered Water Only Customers

Quarterly minimum charge will be the same for each meter size as shown in table above.

c. Sewer Only Customers

Customers using sewer service only will pay a flat rate of \$64.22 per quarter, based on 54.553 cubic meters of flow per quarter plus the Customer Service Charge.

3. Bulk Water sales

Bulk water sales shall be charged at the rate of \$2.96 per cubic meter.

SCHEDULE OF QUARTERLY RATES

January 1, 2017

1. Rates per Cubic Meter

Cubic Meter per Quarter

Water	Sewer	Total Water & Sewer
\$2.77	\$1.15	\$3.92

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges set out below, which includes the water allowance as listed.

a. Water & Sewer Customers

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption per M ³	Customer Service Charge	Water	Sewer	Quarterly Minimum Charge (Water & Sewer)	Quarterly Minimum Charge (Water Only)
5/8"	1	13.638	\$7.80	\$37.78	\$15.68	\$61.26	\$45.58
3/4"	2	27.277	\$7.80	\$75.56	\$31.37	\$114.73	\$83.36
1"	4	54.553	\$7.80	\$151.11	\$62.74	\$221.65	\$158.91
2"	25	340.957	\$7.80	\$944.45	\$392.10	\$1,344.35	\$952.25

b. Metered Water Only Customers

Quarterly minimum charge will be the same for each meter size as shown in table above.

c. Sewer Only Customers

Customers using sewer service only will pay a flat rate of \$70.54 per quarter, based on 54.553 cubic meters of flow per quarter plus the Customer Service Charge.

3. Bulk Water sales

Bulk water sales shall be charged at the rate of \$2.96 per cubic meter.

Clauses 4 to 15 are Effective January 1, 2016

4. Service to Customers outside RM of St. Francois Xavier limits

The Council of the Rural Municipality of St. Francois Xavier may sign agreements with customers for the provision of water and sewer services to properties located outside the legal boundaries of Rural Municipality. Such agreements shall provide for payment of the appropriate rates set out in the 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 connection to the Utility's mains and installing and maintaining service connections will be paid by the customer.

5. Billings and Penalties

Accounts shall be billed quarterly based on water used. A late payment penalty charge of 1 ¼% compounded monthly shall be charged on the dollar amount owing after the billing due date. The due date will be at least thirty (30) days after the mailing of the bills.

6. Disconnections

The Public Utilities Board has approved the Conditions Precedent to be followed by the Rural Municipality 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 Rural Municipal 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 \$40.00 have been paid.

8. Outstanding Bills

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. Where charges and penalties pursuant to this by-law are not paid within sixty (60) days from the date when they were incurred, said charges and penalties shall be added to the taxes on the property and collected in the same manner as other taxes.

9. 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.

10. Meter Inspections

On an annual basis or on a schedule determined by the Rural Municipality, the customer will provide access to the Municipal meter reader to record the water meter reading and to inspect the meter. In the event that the customer is not home or does not grant access, the customer will be notified that they must arrange a time and date for an appointment with the Water Utility to have the meter reading recorded and inspected within 30 days of the Water Utility notice. Failure to arrange and provide access to the Water Utility within 30 days of the notice will result in a \$50.00 fine.

After a period of 60 days from the Water Utility notice and a failure to arrange and provide access to the Water Utility, the water service may be shut off. Any service that has been disconnected shall not be reconnected until all fines, penalties and the reconnection fee set out in section 7 have been paid.

11. Rural Municipality to be Notified of Failure of Meter

In the case of breakage, stoppage or irregularity in a water meter, the customer shall notify the Designated Officer immediately upon such condition being discovered. All installation, repair and disconnection of any water meter shall be performed only by those authorized to do such work by the municipality.

12. Meter Testing

Any customer wishing to have a meter tested for accuracy will pay in advance a fee of \$100, plus any applicable meter testing costs. In the event the meter tests prove that the meter is recording water flows 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.

13. Meter Tampering

Where there is evidence of meter tampering a minimum charge of \$500 will be applied to the customer's account in addition to an amount calculated to adjust for the tampering based on historical usage.

14. 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 Rural Municipality's water system.

If a condition is found to exist which, in the opinion of the Rural Municipality, is contrary to the aforesaid, the Rural Municipality 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 Rural Municipality shall proceed in accordance with clause 1 of this section.

15. Authorization for Officer to Enter Upon Premises

The Public Works Foreman, or other employee authorized by the Rural Municipality in the absence of the Public Works Foreman, 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 Rural Municipality.

16. Actual Turn Off/On of Water Service

That the charge for physically turning off, or on, a water service shall be \$40.00