News Release



July 31, 2008

By Order 118/08, which followed a public hearing of the Town of Neepawa's (Town) water and sewer rate application, the Public Utilities Board (Board) directs the Town to re-file its application with the following changes:

- i. The Town's proposed increases to the volume of water allowed for quarterly minimum bills for customers with ½" and 5/8" meter sizes are not to occur;
- ii. The existing quarterly consumption allowance for the minimum quarterly bills of customers with the ¾" meter size should not change from the existing allowance; and
- iii. The Town's proposal for a meter rental fee is denied.

The Board notes that the amendments will reduce the additional annual revenue the Town projected to realize from its proposal, and given that the Board concludes the overall revenue addition proposed by the Town is required, the Board directs the Town to recalculate its proposed commodity rates such as to make up for the lost revenue and file revised rates with the Board for approval, before implementation.

The Board accepts the Town's *Rate Equalization Plan*, which will collapse the present four-step rate schedule to one step by 2020, and notes that significant movement towards that objective will occur with approval of the rate changes expected to result with the Town's re-filed proposal. Large volume consumers can expect to incur the most sizeable increases, with projected increases accumulating to in excess of 120% over the next three years. Increases for residential and other smaller volume customers will be considerably more modest. The Board has also required the Town to file its timetable and plan for full implementation of the Town's Rate Equalization Plan with the Board by December 31, 2009.

As well, the Board approves increases to the lagoon tipping fees for 2008, 2009 and 2010, amended sewer surcharges, hydrant rentals fees, rates for the sale of water beyond the Town's boundaries, late payment penalties, and fees for the activation and termination of service and oversized meters. Finally, the Board also approves the Town's practice of charging \$75.00 for every call out concerning blocked sewer lines.

A copy of the Order may be viewed on the Board's website www.pub.gov.mb.ca, or at the Board's Office. The Board will issue another Order confirming 2008, 2009 and 2010 rates following the Town refiling its recalculated commodity rate proposal, for likely implementation with quarterly minimum billings as of September 1 and for water consumed from that date on.

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