

August 2, 2013

The Town of Neepawa (Town) has applied to the Public Utilities Board (Board) for revised rates for the water and sewer utility for 2014, 2015 and 2016 as set out in By-law No. 3120, read the first time on July 16, 2013.

The current rates and proposed rates are provided:

| | Current | 2014 | Increase/ Decrease | 2015 | Increase/ Decrease | 2016 | Increase/ Decrease |
|--|----------|----------|-----------------------|----------|-----------------------|----------|-----------------------|
| Quarterly Service Charge | \$15.00 | \$17.25 | 15% | \$17.75 | 2.90% | \$18.25 | 2.82% |
| Water \$/per cubic meter 1st 1500 | \$1.80 | \$1.37 | -23.72% | \$1.44 | 5.11% | \$1.51 | 4.86% |
| Water \$/per cubic meter next 1350 | \$1.68 | \$1.37 | -18.33% | \$1.44 | 5.11% | \$1.51 | 4.86% |
| Water \$/per cubic meter next 1500 | \$1.62 | \$1.37 | -15.29% | \$1.44 | 5.11% | \$1.51 | 4.86% |
| Water \$/per cubic meter over 3000 | \$0.60 | \$1.37 | 128.33% | \$1.44 | 5.11% | \$1.51 | 4.86% |
| Sewer \$/per cubic meter 1st 150 | \$0.45 | \$0.83 | 84% | \$1.15 | 38.55% | \$1.40 | 21.74% |
| Sewer \$/per cubic meter next 1350 | \$0.45 | \$0.83 | 84% | \$1.15 | 38.55% | \$1.40 | 21.74% |
| Sewer \$/per cubic meter next 1500 | \$0.23 | \$0.83 | 264% | \$1.15 | 38.55% | \$1.40 | 21.74% |
| Sewer \$/per cubic meter over 3000 | \$0.21 | \$0.83 | 293% | \$1.15 | 38.55% | \$1.40 | 21.74% |
| Minimum Quarterly- Water and Sewer* | \$48.22 | \$48.05 | 0% | \$54.01 | 12.40% | \$58.99 | 9.22% |
| Bulk Water \$/per cubic meter | \$2.90 | \$1.75 | -39.66% | \$1.82 | 4.00% | \$1.89 | 3.85% |
| Reconnection Fee | \$30.00 | \$30.00 | 0.00% | \$30.00 | 0.00% | \$30.00 | 0.00% |
| Hydrant Rental (Annual) | \$250.00 | \$250.00 | 0.00% | \$250.00 | 0.00% | \$250.00 | 0.00% |

^{*}Based on 14 cubic meters

Minimum quarterly charges for meter sizes are proposed to be as follows: Year -2014

| Meter Size | Minimum Quarterly Consumption | Customer Service Charge | Water | Sewer | Quarterly Minimum Charge (Water & Sewer) |
|---------------|-------------------------------------|-------------------------------|------------|------------|---|
| 5/8" | 14 | \$17.25 | \$19.18 | \$11.62 | \$48.05 |
| 3/4" | 28 | \$17.25 | \$38.36 | \$23.24 | \$78.85 |
| 1" | 54 | \$17.25 | \$73.98 | \$44.82 | \$136.05 |
| 1 1/2" | 135 | \$17.25 | \$184.95 | \$112.05 | \$314.25 |
| 2" | 350 | \$17.25 | \$479.50 | \$290.50 | \$787.25 |
| 3" | 630 | \$17.25 | \$863.10 | \$522.90 | \$1,403.25 |
| 4" | 1,260 | \$17.25 | \$1,726.20 | \$1,045.80 | \$2,789.25 |
| 6" | 2,600 | \$17.25 | \$3,562.00 | \$2,158.00 | \$5,737.25 |

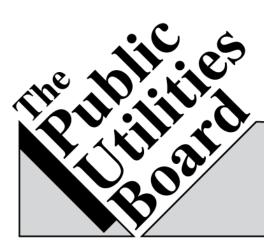
Year -2015

| Meter Size | Minimum Quarterly Consumption | Customer Service Charge | Water | Sewer | Quarterly Minimum Charge (Water & Sewer) |
|---------------|-------------------------------------|-------------------------------|------------|------------|---|
| 5/8" | 14 | \$17.75 | \$20.16 | \$16.10 | \$54.01 |
| 3/4" | 28 | \$17.75 | \$40.32 | \$32.20 | \$90.27 |
| 1" | 54 | \$17.75 | \$77.76 | \$62.10 | \$157.61 |
| 1 1/2" | 135 | \$17.75 | \$194.40 | \$155.25 | \$367.40 |
| 2" | 350 | \$17.75 | \$504.00 | \$402.50 | \$924.25 |
| 3" | 630 | \$17.75 | \$907.20 | \$724.50 | \$1,649.45 |
| 4" | 1,260 | \$17.75 | \$1,814.40 | \$1,449.00 | \$3,281.15 |
| 6" | 2,600 | \$17.75 | \$3,744.00 | \$2,990.00 | \$6,751.75 |

Year -2016

| Meter Size | Minimum Quarterly Consumption | Customer Service Charge | Water | Sewer | Quarterly Minimum Charge (Water & Sewer) |
|---------------|-------------------------------------|-------------------------------|------------|------------|---|
| 5/8" | 14 | \$18.25 | \$21.14 | \$19.60 | \$58.99 |
| 3/4" | 28 | \$18.25 | \$42.28 | \$39.20 | \$99.73 |
| 1" | 54 | \$18.25 | \$81.54 | \$75.60 | \$175.39 |
| 1 1/2" | 135 | \$18.25 | \$203.85 | \$189.00 | \$411.10 |
| 2" | 350 | \$18.25 | \$528.50 | \$490.00 | \$1,036.75 |
| 3" | 630 | \$18.25 | \$951.30 | \$882.00 | \$1,851.55 |
| 4" | 1,260 | \$18.25 | \$1,902.60 | \$1,764.00 | \$3,684.85 |
| 6" | 2,600 | \$18.25 | \$3,926.00 | \$3,640.00 | \$7,584.25 |





Details of the Town's application are available for review at the Town's office or The Public Utilities Board's office. Questions concerning the application for revised rates, or the operation of the Utility, should be addressed to the Town of Neepawa.

The Public Utilities Board is the provincial regulatory agency that reviews and approves rates for municipal water and sewer utilities. The Board's review process involves:

- the Utility filing a rate application to the Board,
- the public notification of proposed rate changes,
- the Board's review of the application through a public hearing or paper review process, and
- the issuance of a Board Order which outlines the Board's decision on the rate application and the rates to be charged.

Any person who has concerns regarding the Town of Neepawa's application for revised rates should either write to:

The Public Utilities Board 400-330 Portage Avenue Winnipeg, Manitoba R3C 0C4

or, send an email to: publicutilities@gov.mb.ca on or before August 30, 2013.

The Board will then decide whether any further notice is required and whether to proceed with a public hearing or paper review process. All concerns received by the Board will be considered in the Board's decision on rates to be charged.

PLEASE BE ADVISED THAT IN CONSIDERING THIS APPLICATION, THE PUBLIC UTILITIES BOARD MAY OR MAY NOT FIND IT NECESSARY TO DETERMINE RATES DIFFERENT FROM THOSE APPLIED FOR BY THE APPLICANT.

Note: All proceedings will be conducted in accord with the Board's *Rules of Practice and Procedure* which the Board may vary in order to constrain regulatory costs. The Rules are available at www.pub.gov.mb.ca

Jennifer Dubois, CMA Assistant Associate Secretary Manitoba Public Utilities Board