

Order No. 105/19

**THE RURAL MUNICIPALITY OF DUFFERIN
THE TOWN OF CARMAN
CARMAN VEGETABLE STORAGE LTD.
DISCONTINUATION OF SERVICE**

July 23, 2019

**BEFORE: Marilyn Kapitany, B.Sc. (Hons), M.Sc., Panel Chair
Carol Hainsworth C.B.A, Member**

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1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves the discontinuation of water supply to seven residences and three commercial properties, located in the NE ¼ of 19-6-4 WPM in the jurisdiction of the RM of Dufferin, supplied by the Town of Carman Utility, through the Carman Vegetable Storage Ltd private water line.

The agreement to provide ongoing water service to these customers by the RM of Dufferin Utility is also approved.

Rationale for the Board's decisions may be found under "Board Findings".

2.0 Background

Carman Vegetable Storage (CVS) was built in 1968 in the RM of Dufferin (RM), which did not have a water utility at that time. A 4" water line was connected to the Town of Carman Utility (Town), with the agreement that all costs associated with this line would be the responsibility of CVS. Since 1968, there have been seven residential customers and three commercial customers ("affected customers") who have connected to the private line running from the Town to CVS. The Town had knowledge of these customers, the Town supplied them with water meters and billed them for their consumption, as it did for CVS.

3.0 Application

In March 2016, Mr. John Goff, an owner of CVS, contacted the Board to advise that the company was now for sale and the company wanted to divest itself of responsibility for the private water line running from the Utility to CVS. Mr. Goff had previously approached both the RM and the Town to assume responsibility for the water line. The RM indicated it was not interested in taking on the liability for the aged line. The Town did not provide any information directly to the Board regarding taking over the water line; however, Mr. Goff advised the Board the Town had stipulated it would take over the water line if the customers agreed to annex to the Town of Carman. These customers are all located within the RM of Dufferin.

At the suggestion of the Board a public meeting was held on August 25, 2016 to discuss the options available to resolve this issue. In attendance were representatives from the Town, the RM, CVS and several of the affected customers. Members of the Board did not attend this meeting. Minutes of the meeting were taken and provided to the Board.

On June 7, 2019 the Board received a letter from the RM requesting the Board's approval to dissolve the private utility (CVS private water line) and approve the agreement between the affected customers and the RM. The RM advised the Board that in the interest of expediting and transitioning the affected customers as quickly and easily as possible, it has already connected them to the RM's Utility. Each connected was treated as a new individual service line connected directly to the RM's mainline an distribution system, with all new water lines,

fittings, curb stop and meters going directly into each property. Each connection incurred a slight disruption of water service, maximum of half an hour, as the old line was disconnected and the new line turned on. The full cost of the connection to the RM of Dufferin was paid half by the RM of Dufferin utility reserve and half by the affected customers.

When reviewing an application, the Board has at its disposal two approaches, either a paper or a public hearing review. The Board typically requires the publication of a Notice of Application; however in this case, the Board considers the consultation and involvement of the affected customers to be adequate, as well as the public consultation requirements in approving By-law No. 1975, which approved Local Improvement Plan No. 2-2018 connecting the affected customers to the RM's Utility.

Whenever reasonable, the Board can review the application using a paper review process, which saves the cost of a public hearing process. The Board has chosen a paper review process for this application.

4.0 Board Findings

The Board has reviewed the application to discontinue service, the By-laws and the agreement between CVS and the RM finds them to be reasonable and in the best interests of the affected customers, CVS and the RM.

The Board grants approval to discontinue water service to the affected customers, conditional to the provision of water service from the RM of Dufferin. The Board also grants approval of the agreement between CVS and the RM of Dufferin.

5.0 IT IS HEREBY ORDERED THAT:

1. The discontinuation of water supply to seven residences and three commercial properties, located in the NE ¼ of 19-6-4 WPM in the jurisdiction of the RM of Dufferin (RM), supplied by the Town of Carman (Town) water, through the Carman Vegetable Storage Ltd (CVS) private water line BE AND IS HEREBY APPROVED effective the date of this Order.
2. The agreement between the Rural Municipality of Dufferin and Carman Vegetable Storage Ltd. BE AND IS HEREBY APPROVED effective the date of this Order.

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.pubmanitoba.ca.

Fees payable upon this Order – waived at the discretion of the Board

THE PUBLIC UTILITIES BOARD

"Marilyn Kapitany, BSc.(Hon), M.Sc."
Panel Chair

"Jennifer Dubois, CPA, CMA"
Assistant Associate Secretary

Certified a true copy of Order No. 105/19 issued
by The Public Utilities Board


Assistant Associate Secretary