

**Order No. 12/24**

**RURAL MUNICIPALITY OF MACDONALD  
AMALGAMATION OF THE MACDONALD WATER UTILITY AND THE MACDONALD  
WASTEWATER UTILITY  
REVISED WATER AND WASTEWATER RATES  
EFFECTIVE JANUARY 1, 2024, 2025, 2026, AND 2027**

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**JANUARY 17, 2024**

**BEFORE: Shawn McCutcheon, Panel Chair  
Irene A. Hamilton, K.C., Panel Member**

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## 1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves the amalgamation of the Macdonald Water Utility and the Macdonald Wastewater Utility, to be known as the Macdonald Water and Wastewater Utility, effective January 1, 2024.

The Board approves the water and wastewater rates as applied for by the Rural Municipality of Macdonald (RM) for the amalgamated Macdonald Water and Wastewater Utility (Utility), effective January 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027.

The approved rates are as follows:

	January 1, 2024	January 1, 2025	January 1, 2026	January 1, 2027
Quarterly Service Charge	\$8.15	\$8.30	\$8.45	\$8.58
Water (per cubic meter)	\$3.00	\$3.25	\$3.5	\$3.76
Wastewater (per cubic meter)	\$1.21	\$1.12	\$1.03	\$0.94
Minimum Quarterly Charge*	\$67.09	\$69.48	\$71.87	\$74.38
Minimum Quarterly – Wastewater Only	\$58.97	\$55.34	\$51.71	\$48.06
Bulk Water Rate (per cubic meter)	\$3.25	\$3.50	\$3.75	\$4.00
Disconnection/Reconnection Fee	\$50.00	\$100.00	\$100.00	\$100.00
Meter Testing Fee	\$100.00	\$150.00	\$150.00	\$150.00
Meter Tampering Charge	\$500.00	\$1,000.00	\$1,000.00	\$1,000.00

\*Based on 14 cubic meters

\*\*Based on 42 cubic meters

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

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

## 2.0 Background

On January 1, 2016 the RM amalgamated the La Salle, Sanford, Oak Bluff, Brunkild, Domain, and Starbuck wastewater utilities to form the Rural Municipality of Macdonald Wastewater Utility (Wastewater Utility) in Board Order No. 38/16. Water and wastewater rates were also approved in that Order effective April 1, 2016 and the Board directed the RM to review the operations of the utilities and file a statement of rate adequacy, and rate application if necessary, on or before June 30, 2017.

Deficits were last approved for the Macdonald Water Utility in Board order No. 2/15 in the amount of \$38,942 for 2013.

The RM filed a Rate Adequacy Report for the Wastewater Utility on October 17, 2018. The Board noted at that time the Wastewater Utility was not in a deficit position for 2017, was not projected to be in a deficit position for 2018 or 2019, and met the Board's 20% Working Capital requirement. The Board also extended the submission date and directed the RM to file a statement of rate adequacy or a revised rate application with a rates study or Simplified Rate Application to the Board on or before April 1, 2020.

The proposed, amalgamated Utility will provide service to 2,914 customers, which includes 2,261 water and wastewater customers, 647 water only customers, and six wastewater only customers.

### Water Supply/Distribution

The Macdonald Water Utility began operations in 1988 and operates a water treatment plant located at Sandford and reservoirs located in the communities of La Salle, Oak Bluff, Starbuck, Brunkild, and Domain. The Utility operates and maintains distributions systems in the six Macdonald urban communities.

## Wastewater Collection/Treatment

The Macdonald Wastewater Utility operates lagoons and wastewater collection systems in the six Macdonald urban communities. The wastewater collection systems are a combination of low pressure and gravity wastewater lines. The Macdonald Wastewater Utility provides one septic tank pump out per year to Utility customers only.

## Unaccounted for Water

The acceptable percentage of unaccounted for water is 10%, based on industry standards. If the percentage is above this amount, the applicant is to explain why and provide a plan to remedy.

The unaccounted for water for the Macdonald Water Utility was 6% in 2021, which falls within acceptable industry standards.

## 3.0 Application

On March 30, 2023 the RM applied to amalgamate the Macdonald Water Utility and the Macdonald Wastewater Utility and for revised water and wastewater rates for the amalgamated Utility, to be effective January 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027 as set out in By-Law No. 4/23 having had first reading February 14, 2023. The application was supported by a rate study prepared by the RM's consultant.

The Municipality's request to amalgamate the Utilities consolidates budgeting requirements for both Utilities for the RM and better facilitates required upgrades.

A Public Notice of Application was issued on April 18, 2023 allowing for any questions or comments with respect to the proposed rate increases to the Board and/or the RM on or before June 2, 2023. The Board did not receive any responses to the Notice.

When reviewing an application the Board can either: hold a public hearing at which the applicant can present its case and customers can present their concerns; or where it is deemed to be in the best interests of a utility and its customers, the Board can review the application using a paper review process without holding a public hearing. The paper review process considers all written materials submitted by the Utility and the public, as well as any information requests and responses between the Board and the Utility. This process may reduce regulatory costs to the Utility.

A public hearing process allows the Utility and the public the opportunity to review the application and address any concerns with the Board present.

Whenever reasonable, the Board will 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 the RM's application.

The rates were calculated based on the following projections using an annual inflation rate of 2% in all calculations:

<b>Schedule of Utility Rate Requirements</b>				
<b>Rural Municipality of Macdonald - Macdonald Water and Wastewater Utility</b>				
<b>2024 to 2027 Budget Forecasts (\$)</b>				
	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
	<b>Forecast</b>			
<b>General Expenses</b>				
Administration	103,590	106,698	109,899	113,196
Total General Expenses	103,590	106,698	109,899	113,196
<b>Revenue</b>				
Penalties	13,150	13,150	13,150	13,150
Total General Revenues	13,150	13,150	13,150	13,150
<b>Net Costs General</b>	<b>90,440</b>	<b>93,548</b>	<b>96,749</b>	<b>100,046</b>
<b>Water Expenses</b>				
Purification and Treatment	1,427,440	1,470,263	1,514,371	1,559,802
Plant Membrane Replacement	175,100	180,353	185,764	-
Transmission and Distribution	363,518	374,423	385,656	397,226

	Amortization	807,944	805,656	1,180,323	1,173,294
	Contingency	184,315	184,315	184,315	184,315
	Total Water Expenses	2,958,317	3,015,010	3,450,429	3,314,637
<b>Revenue</b>					
	Bulk Water Fees	54,968	57,716	60,602	63,632
	Hydrant Rentals (335)	50,250	50,250	50,250	50,250
	Total Water Revenue	105,218	107,966	110,852	113,882
	<b>Net Water Costs</b>	<b>2,853,099</b>	<b>2,907,044</b>	<b>3,339,577</b>	<b>3,200,755</b>
<b>Wastewater Expenses</b>					
	Collection System	54,218	55,845	57,520	59,246
	Treatment and Disposal	51,750	53,303	54,902	56,549
	Lift Station	52,482	54,056	55,678	57,348
	Other Septage & Disposal	125,454	129,218	133,094	137,087
	Amortization	441,284	438,179	450,495	450,495
	Interest on Long-Term Debt	11,224	8,570	5,818	2,963
	Contingency	30,023	30,023	30,023	30,023
	Total Wastewater Expenses	766,435	769,194	787,530	793,711
<b>Revenue</b>					
	Lagoon Tipping Fees	10,000	10,000	10,000	10,000
	Total Wastewater Revenue	10,000	10,000	10,000	10,000
	<b>Net Wastewater Costs</b>	<b>756,436</b>	<b>759,194</b>	<b>777,530</b>	<b>783,711</b>
	<b>Net Operating Costs</b>	<b>3,699,975</b>	<b>3,759,786</b>	<b>4,213,856</b>	<b>4,084,512</b>

The RM is requesting revised rates to provide for an annual contingency, increased amortization expenses due to a water treatment plant upgrade, and increased purification and treatment expenses.

### Contingency Allowance and Utility Reserves

As per the Board's Water and Wastewater Rate Application Guidelines, a yearly allowance equal to 10% of the variable operating costs is recommended for a contingency allowance.

The RM has included a contingency allowance of \$184,315 per year for water and \$30,023 for wastewater or a total contingency allowance of \$214,338 per year.

The RM has not included a reserve allowance in its forecasts. The Rate Study notes the RM is forecasting to provide \$10.3 million in funding for the municipal share of the McGillvray reservoir and pumphouse and water treatment plant expansion. The forecasted annual increase in Working Capital, as a result of forecasted net amortization expenses and operating surpluses is forecasted to be sufficient to fund the noted capital projects.

### Working Capital Surplus/Deficit

Board Order No. 93/09 established that utilities should maintain a minimum working capital surplus, in an amount equal to 20% of annual expenses. The working capital surplus/deficit is defined as the Utility fund balance, excluding any capital related items plus Utility reserves.

As per the 2022 Audited Financial Statements, the most recent information available, the working capital surplus/deficit for the Utilities at December 31, 2022 was:

2022	Water Utility	Wastewater Utility	Total
Utility Fund Surplus/Deficit	\$18,053,629	\$12,668,450	\$30,722,079
Deduct: Tangible Capital Assets	(18,367,475)	(12,731,763)	(31,099,238)
Add: Long-Term Debt	-	366,459	366,459
Add: Utility Reserves	7,636,051	5,571,698	13,207,749
<b>Equals Working Capital Surplus/(Deficit)</b>	<b>\$7,322,205</b>	<b>\$5,874,844</b>	<b>\$13,197,049</b>
Operating Expenses	2,858,726	861,606	3,720,332
<b>20% of Operating Expenses (Target)</b>	<b>\$571,745</b>	<b>\$172,321</b>	<b>\$744,064</b>

The working capital meets the Board requirement.

### Cost Allocation Methodology

The Board requires all municipal governments to review the costs shared between its general operations and the Utility, and to allocate appropriate and reasonable costs to the Utility, based on a policy known as a Cost Allocation Methodology. This allocation must be submitted to the Board for approval and cannot be changed without receiving approval from the Board. The Board's requirements regarding cost allocation methodologies can be found in Board Order No. 93/09.



The RM's allocation plan for shared costs is as follows:

<b>Rural Municipality of Macdonald                      Macdonald Water and Wastewater Utility                      Allocation Plan for Non-Direct Shared Services (see Note 1)                      as at December, 2022</b>			
Category	Sub-category	Options	
1.0 Administrative Staff			8.0% of general legislative expenses excluding assessment and grant expenses
	1.1 Billing services – meter reading to receipting and collection.		Meter reading – N/A; receipting and collection part of admin. staff allocation
	1.2 Accounting/ auditing/ including bylaw making and enforcement.		8.0% of audit costs
	1.3 Common office space		8.0% of office costs, utilities
	1.4 Office overheads (telephone, photocopier, computer, etc.)		8.0% of printing, postage, and stationary
2.0 Operating, construction and maintenance costs			
	2.1 Vehicle – fuel, maintenance, lease costs, capital costs		The Utility purchases vehicles as required for Utility staff and pays directly for fuel and maintenance.
	2.2 Labor – full time, part time, on call, sick time, vacation (see Note 2)		The Utility has staff that are working for the Utility full time and salary and benefits are charged directly to the Utility.
	2.3 Public works building and property.		N/A
	2.4 Road repairs and alike (see Note 3)	Based on actual costs	-
3.0 Major projects			
	Interest/ financing		N/A
	Labor	Based on actual costs	-
	External costs	Direct charge (dedicated consulting)	-

Note 1 – Allocation must be updated periodically to reflect impacts of inflation.

Note 2 – Including salaries and benefits.

Note 3 – If a project involves work benefitting both the Utility and general operations the costs may be shared (i.e. If reconstructing a road and replacing services at the same time, a portion of the roadwork costs may be allocated to the Utility.)

## 4.0 Board Findings

The Board has reviewed the RM's application to amalgamate the Macdonald Water Utility and the Macdonald Wastewater Utility and notes there were no reported stakeholder concerns regarding the amalgamation. The Board approves the amalgamation of the Utilities effective January 1, 2024, to be known as the Macdonald Water and Wastewater Utility.

The Board has reviewed the RM's application for revised rates and the projections presented by the RM in its rate application and notes the calculations used to formulate the Utility's rates are not consistent with Public Utilities Board Guidelines, but instead have been designed to phase-in rates to mitigate rate-shock and high year-over-year rate increases.

The Board approves the rates as applied for, effective January 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027.

The Board approves the revised cost allocation methodology and reminds the RM the methodology must be used consistently, and that changes to the new, revised cost allocation methodology require Board approval. The Board notes one septic tank pump out is provided per year to Utility customers only and directs the RM to ensure this is reflected accordingly in the cost allocation methodology and the Audited Financial Statements accordingly.

The Board requires the RM to review the water and wastewater rates for the new, Macdonald Water and Wastewater Utility for adequacy and file a report with the Board or submit an application for revised rates on or before July 1, 2027.

The Board notes the Utility has significant amounts of capital grant amortization that will be expiring in varying years and directs the RM to ensure it factors all expiring capital grant amortization amounts into its future years rate requirements and rate applications.

## 5.0 IT IS HEREBY ORDERED THAT:

1. The amalgamation of the Macdonald Water Utility and the Macdonald Wastewater Utility, now known as the Macdonald Water and Wastewater Utility, is HEREBY APPROVED effective January 1, 2024.
2. The revised water and wastewater rates for the Rural Municipality of Macdonald, Macdonald Water and Wastewater Utility, BE AND ARE HEREBY APPROVED in accordance with the attached Schedule A, effective January 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027.
3. The Shared Cost Allocation Methodology for the Rural Municipality of Macdonald BE AND IS HEREBY APPROVED.
4. The Rural Municipality of Macdonald is to provide a notice of the decisions found in this Order to its customers as soon as possible, with a copy provided to the Public Utilities Board.
5. The Rural Municipality of Macdonald 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.
6. The Rural Municipality of Macdonald review its water and wastewater rates for the Macdonald Water and Wastewater Utility 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 July 1, 2027.

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](http://www.pubmanitoba.ca).

Fees payable upon this Order - \$500.00

THE PUBLIC UTILITIES BOARD

"Shawn McCutcheon"

Panel Chair

"Frederick Mykytyshyn"

Assistant Associate Secretary

Certified a true copy of Order No. 12/24  
issued by The Public Utilities Board



Assistant Associate Secretary

## SCHEDULE A

### RURAL MUNICIPALITY OF MACDONALD MACDONALD WATER AND WASTEWATER UTILITY WATER AND WASTEWATER UTILITY RATES BY-LAW NO. 4/23

**1. Schedule of Commodity Rates & Quarterly Service Charge January 1, 2024**

Quarterly Service Charge				\$8.15
Quarterly Rates	Water	Wastewater	Water & Wastewater	
Per Cubic Meter	\$3.00	\$1.21	\$4.21	

**2. Minimum Charges per Quarter**

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

**a. Water & Wastewater Customers**

Meter Size	Group Capacity Ratio	Water Included C.M.	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum
16mm - 5/8"	1	14	\$8.15	\$42.00	\$16.94	\$67.09
19mm - 3/4"	2	28	\$8.15	\$84.00	\$33.88	\$126.03
25mm - 1"	4	56	\$8.15	\$168.00	\$67.76	\$243.91
38mm - 1 1/2"	10	112	\$8.15	\$336.00	\$135.52	\$479.67
50mm - 2"	25	224	\$8.15	\$672.00	\$271.04	\$951.19
75mm - 3"	45	448	\$8.15	\$1,344.00	\$542.08	\$1,894.23
100mm - 4"	90	896	\$8.15	\$2,688.00	\$1,084.16	\$3,780.31
150mm - 6"	170	1,792	\$8.15	\$5,376.00	\$2,168.32	\$7,552.47
200mm - 8"	300	3,584	\$8.15	\$10,752.00	\$4,336.64	\$15,096.79

**b. Water Only for Customers**

The minimum charge will be the same for each meter size as shown above but the Wastewater Commodity Charge will be excluded.

**c. Wastewater Only Customers**

The Wastewater only charge is the Wastewater Commodity Rate based on quarterly consumption of 42 cubic meters plus the quarterly customer service charge. The quarterly charge for wastewater only customers is  $(42 \times \$1.21) + \$8.15 = \$58.97$ .

**3. Bulk Water Sales**

All treated water sold in bulk by the Macdonald Utility will be charged at the rate of \$3.25 per cubic meter.

**1. Schedule of Commodity Rates & Quarterly Service Charge January 1, 2025**

Quarterly Service Charge				\$8.30
Quarterly Rates	Water	Wastewater	Water & Wastewater	
Per Cubic Meter	\$3.25	\$1.12	\$4.37	

**2. Minimum Charges per Quarter**

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

**a. Water & Wastewater Customers**

Meter Size	Group Capacity Ratio	Water Included C.M.	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum
16mm - 5/8"	1	14	\$8.30	\$45.50	\$15.68	\$69.48
19mm - 3/4"	2	28	\$8.30	\$91.00	\$31.36	\$130.66
25mm - 1"	4	56	\$8.30	\$182.00	\$62.72	\$253.02
38mm - 1 1/2"	10	112	\$8.30	\$364.00	\$125.44	\$497.74
50mm - 2"	25	224	\$8.30	\$728.00	\$250.88	\$987.18
75mm - 3"	45	448	\$8.30	\$1,456.00	\$501.76	\$1,966.06
100mm - 4"	90	896	\$8.30	\$2,912.00	\$1,003.52	\$3,923.82
150mm - 6"	170	1,792	\$8.30	\$5,824.00	\$2,007.04	\$7,839.34
200mm - 8"	300	3,584	\$8.30	\$11,648.00	\$4,014.28	\$15,670.38

**b. Water Only for Customers**

The minimum charge will be the same for each meter size as shown above but the Wastewater Commodity Charge will be excluded.

**c. Wastewater Only Customers**

The Wastewater only charge is the Wastewater Commodity Rate based on quarterly consumption of 42 cubic meters plus the quarterly customer service charge. The quarterly charge for wastewater only customers is  $(42 \times \$1.12) + \$8.30 = \$55.34$ .

**3. Bulk Water Sales**

All treated water sold in bulk by the Macdonald Utility will be charged at the rate of \$3.50 per cubic meter.

**1. Schedule of Commodity Rates & Quarterly Service Charge January 1, 2026**

Quarterly Service Charge				\$8.45
Quarterly Rates	Water	Wastewater	Water & Wastewater	
Per Cubic Meter	\$3.50	\$1.03	\$4.53	

**2. Minimum Charges per Quarter**

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

**a. Water & Wastewater Customers**

Meter Size	Group Capacity Ratio	Water Included C.M.	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum
16mm - 5/8"	1	14	\$8.45	\$49.00	\$14.42	\$71.87
19mm - 3/4"	2	28	\$8.45	\$98.00	\$28.84	\$135.29
25mm - 1"	4	56	\$8.45	\$196.00	\$57.68	\$262.13
38mm - 1 1/2"	10	112	\$8.45	\$392.00	\$115.36	\$515.81
50mm - 2"	25	224	\$8.45	\$784.00	\$230.72	\$1,023.17
75mm - 3"	45	448	\$8.45	\$1,568.00	\$461.44	\$2,037.89
100mm - 4"	90	896	\$8.45	\$3,136.00	\$922.88	\$4,067.33
150mm - 6"	170	1,792	\$8.45	\$6,272.00	\$1,845.76	\$8,126.21
200mm - 8"	300	3,584	\$8.45	\$12,544.00	\$3,691.52	\$16,243.97

**b. Water Only for Customers**

The minimum charge will be the same for each meter size as shown above but the Wastewater Commodity Charge will be excluded.

**c. Wastewater Only Customers**

The Wastewater only charge is the Wastewater Commodity Rate based on quarterly consumption of 42 cubic meters plus the quarterly customer service charge. The quarterly charge for wastewater only customers is  $(42 \times \$1.03) + \$8.45 = \$51.71$ .

**3. Bulk Water Sales**

All treated water sold in bulk by the Macdonald Utility will be charged at the rate of \$3.75 per cubic meter.

**1. Schedule of Commodity Rates & Quarterly Service Charge January 1, 2027**

Quarterly Service Charge				\$8.58
Quarterly Rates	Water	Wastewater	Water & Wastewater	
Per Cubic Meter	\$3.76	\$0.94	\$4.70	

**2. Minimum Charges per Quarter**

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

**a. Water & Wastewater Customers**

Meter Size	Group Capacity Ratio	Water Included C.M.	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum
16mm - 5/8"	1	14	\$8.58	\$52.64	\$13.16	\$74.38
19mm - 3/4"	2	28	\$8.58	\$105.28	\$26.32	\$140.18
25mm - 1"	4	56	\$8.58	\$210.56	\$52.64	\$271.78
38mm - 1 1/2"	10	112	\$8.58	\$421.12	\$105.28	\$534.98
50mm - 2"	25	224	\$8.58	\$842.24	\$210.56	\$1,061.38
75mm - 3"	45	448	\$8.58	\$1,684.48	\$421.12	\$2,114.18
100mm - 4"	90	896	\$8.58	\$3,368.96	\$842.24	\$4,219.78
150mm - 6"	170	1,792	\$8.58	\$6,737.92	\$1,684.48	\$8,430.98
200mm - 8"	300	3,584	\$8.58	\$13,475.84	\$3,368.96	\$16,853.38

**b. Water Only for Customers**

The minimum charge will be the same for each meter size as shown above but the Wastewater Commodity Charge will be excluded.

**c. Wastewater Only Customers**

The Wastewater only charge is the Wastewater Commodity Rate based on quarterly consumption of 42 cubic meters plus the quarterly customer service charge. The quarterly charge for wastewater only customers is  $(42 \times \$0.94) + \$8.58 = \$48.06$ .

**3. Bulk Water Sales**

All treated water sold in bulk by the Macdonald Utility will be charged at the rate of \$4.00 per cubic meter.



**The following clauses take effect January 1, 2024:**

**4. Service To Customers Outside Utility's Limits**

The Council of the Rural Municipality of Macdonald may sign Agreements with customers for the provision of water and wastewater services to properties located outside the boundaries of Macdonald. 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 the 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 Macdonald boundaries. In addition, all costs of connecting 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 charge of 1.25% per month, compounded monthly, shall be charged on the dollar amount owing after the billing due date. The due date shall be at least 14 days after the mailing of the bills.

**6. Disconnection**

The Public Utilities Board has approved the Conditions Precedent, PUB Order 39/09, to be followed by the Rural Municipality with respect to 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 Municipality's office. In accordance with PUB Order 39/09, the disconnection procedure shall be:

- a. Customers shall receive a billing statement each billing cycle for services. The due date which appears on the bill shall be no less than 14 days after the billing date.
- b. If payment is not received within 31 days from the last billing date, notice will be provided.
- c. If payment is not received within 45 days of the last billing date, a second and final reminder shall be provided indicating the disconnection date. A disconnection fee of \$100.00 will be assessed.

## **7. Disconnection Exceptions**

The following exceptions to the above notice requirements prior to disconnection

- a. Where the customer's account was past due and where a payment arrangement was made and subsequently broken, the Rural Municipality may disconnect the customer's service with 7 calendar days notice.
- b. Where the customer's account was past due for services billed at a previous premise, the Rural Municipality may, with 10 days notice, disconnect the customer's service at the new premise if the customer fails to make a payment arrangement.

## **8. Reconnection**

Any service disconnected, whether due to non-payment of account or for any other reason(s) mutually agreed to by the customer and the Rural Municipality (i.e. repairs necessitated by negligence of the customer, changes in tenant, vacancy for an extended period of time, etc.) shall not be reconnected until a reconnection fee of \$100.00 and all arrears and penalties, if any, have been paid.

## **9. Reconnection of Requested Disconnection**

Any customer wishing to have billings discontinued due to vacancy of premises shall be required to pay two times the minimum quarterly utility billing to have services resume. This reconnection fee is to be based upon the customers connected service(s).

## **10. Outstanding Bills**

Pursuant to Section 252(2) of *The Municipal Act*, the amount of all outstanding charges for water and wastewater services 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.

## **11. Hydrant Charges**

The Rural Municipality of Macdonald will pay to the utility an annual rental of \$150.00 for each hydrant connected to the system which includes the cost of water for firefighting.

## **12. Water Meters**

- a. The Rural Municipality shall supply an appropriate sized water meter.
- b. The meter shall be installed by the Rural Municipality and the costs shall be the responsibility of the property owner.
- c. The meter shall be installed above the floor as approved by the Rural Municipality.
- d. The meter shall be located as close as practical to the point of entry of the water line. Ample room must be provided for access to the meter and main valve at all times.
- e. The meter shall be in a horizontal position with the main shut off valve immediately before the meter. Another valve shall be installed downstream of the meter before any distribution piping or ports.
- f. No distribution piping or ports shall be allowed before the meter.
- g. The meter shall be protected from any type of damage including freezing.
- h. Costs for any damage and labour for repairs to the water meter and associated equipment shall be the responsibility of the property owner.
- i. Any customer wishing to have a meter tested for accuracy will pay in advance a fee of \$150.00, 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.
- j. Where there is evidence of meter tampering a minimum charge of \$1,000 will be applied to the customer's account in addition to an amount calculated to adjust for the tampering based on historical usage.

## **13. Estimating Consumptions**

Where a meter is found not in use or out of proper working order or the scheduled reading is not obtained, or where no meter is installed, the Chief Administrative Officer shall estimate the consumption of water used for any quarter or other period based on the amount of water consumed during the time the meter was working or from any other information or source available, and such estimate shall be the basis for billing the customer or water used.

## **14. Water Allowance Due to Line Freezing**

At the request of Council, a customer may be requested to run water continuously for a period of time to prevent the water distribution lines from freezing. The charge incurred to the customer for the current quarter shall be the average of the billings for the last two previous quarters to the same customer, or to the same premises if the occupant has changed.

**15. Cross Connections**

No person shall make any connection or communication of an independent water supply with a pipe or main which is part of or connected to the waterworks system.

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.

**16. Conditions of Disrepair**

In the event that there are conditions of disrepair in the wastewater and water works on a property that detrimentally affects the system as a whole and, upon the failure of the owner of the property to correct the condition within a reasonable time, the Rural Municipality, or its agents, may enter the property, effect repairs and charge the cost thereof against the subject property as ordinary taxes.

**17. Authorization For Officer To Enter Upon Premises**

The Public Works Manager, or other employee authorized by the Rural Municipality 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 Rural Municipality.

**18. Wastewater Surcharges**

a) There may be levied annually, in addition to the rates set forth above, a special surcharge on wastewater 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 wastewater or industrial waste.

**19. Septic Truck Tipping Fees**

The charge for septic truck tipping will be \$25.85 per truck load for loads up to and including 1,500 gallons, and \$51.70 per truck load for loads over 1,500 gallons.