

Order No. 142/16

**MUNICIPALITY OF HARRISON PARK
ONANOLE WATER AND WASTEWATER UTILITY
INITIAL INTERIM *ex parte* RATES**

November 9, 2016

BEFORE: Robert Gabor, Q.C., Chair
Karen Botting, B.A., B.Ed., M.Ed., Vice-Chair

Summary

By this Order, the Public Utilities Board (Board) approves, on an interim *ex parte* basis, initial water and wastewater rates applied for by the Municipality of Harrison Park for the Onanole water and wastewater utility (Utility).

The new rates are to be effective June 1, 2016, January 1, 2018 and 2019. The approved rates are shown below.

	Proposed By-law (No.42) June 1, 2016	Proposed By-law (No.42) January 1, 2018	Increase/ Decrease	Proposed By-law (No.42) January 1, 2019	Increase/ Decrease
Water \$/1,000 gallons	\$6.54	\$6.93	5.96%	\$7.05	1.73%
Sewer \$/1,000 gallons	\$6.64	\$6.92	4.22%	\$7.17	3.61%
Quarterly Service Charge	\$32.50	\$32.50	0.00%	\$32.50	0.00%
Minimum Quarterly*	\$72.04	\$74.05	2.79%	\$75.16	1.50%
Reconnection Fee	\$100.00	\$100.00	0.00%	\$100.00	0.00%
Hydrant Rental (Annual)	\$150.00	\$150.00	0.00%	\$150.00	0.00%
*Based on 3,000 gallons					

Sewer Only Customers -The sewer only charge will be the Sewer Commodity Rate based on quarterly consumption of 12,000 gallons plus the quarterly customer service charge.

Sewage Dumping Charge

Regular septic haulers are to remit to the Municipality of Harrison-Park an annual dumping **fee of \$350.00** for dumping of septic tanks into the Onanole lagoon.

Approved septic service haulers are to be provided a key to enter the lagoon and shall maintain a log of lagoon use, including the recording of septic service provided to residents located outside the boundaries of the Municipality of Harrison Park.

Septic service haulers shall remit **\$20.00 per load** for septage hauled from residents located outside the boundaries of the Municipality of Harrison Park.

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

Background

The Municipality of Harrison Park (Municipality) applied on October 17, 2016 for initial water and wastewater rates for the Utility. The application was accompanied by a rate study prepared by the Municipality's consultant and By-law No. 42 having received 1st reading on October 11, 2016. The Municipality has requested initial interim rates, effective June 1, 2016. As a rule, the Board is not a proponent of retroactive rate increases; however, it has determined that an exception is appropriate in this case. The Municipality informed the Board that the customers involved were provided notice that the rates would be effective from the date of connection and that billing would begin once the Municipality received approval from the Board.

When reviewing an application, the Board has at its disposal several approaches. It can hold a public oral hearing at which the applicant can present its case and customers can present their concerns. In other cases, where it is deemed to be in the best interest of the Utility and its customers, the Board may review the application using a paper review process.

In some cases, the Board can also establish interim rates, which are rates that are subject to review following a more complete process. When setting initial rates for a new utility, the Board will often approve interim rates. These are then confirmed as final once there is sufficient historical information about the utility to provide accurate projections for rate setting purposes. The Board has determined this is appropriate in the case of the Onanole Utility.

Board Findings

The Board will, on an interim *ex parte* basis, approve initial water and wastewater rates as applied for by Municipality of Harrison Park for the Onanole water and wastewater utility. The Board makes this interim rate decision to establish water and wastewater rates for this new utility. Though the Board is generally hesitant to set retroactive rates, the Municipality confirmed that ratepayers were made aware that the rates would be set at a future date and be retroactive to the date of their hook-up. The Board will require that a Notice of Application, informing stakeholders of the rates and/or increases approved on an interim *ex parte* basis, be published in accordance with the Board's Rules of Practice and Procedure.

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.

IT IS THEREFORE ORDERED THAT:

1. The Municipality of Harrison Park request for water and wastewater rates to be set on an interim *ex parte* basis for the Onanole water and wastewater utility effective on June 1, 2016, January 1, 2018 and January 1, 2019 BE AND IS HEREBY APPROVED.
2. The Municipality of Harrison Park file a copy of its water and wastewater By-law for the Onanole Utility once it has received third and final reading.
3. The Municipality of Harrison Park provide notice to its stakeholders of the rates and/or increases approved on an interim *ex parte* basis.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD

"ROBERT GABOR, Q.C."
Chair

"JENNIFER DUBOIS, CPA, CMA"
Acting Secretary

Certified a true copy of Order No. 142/16
issued by The Public Utilities Board

Acting Secretary

**MUNICIPALITY OF HARRISON PARK
ONANOLE WATER & WASTEWATER UTILITY
RATES BY-LAW NO. 42
SCHEDULE "A"
SCHEDULE OF QUARTERLY RATES**

1. Schedule of Commodity Rates & Quarterly Service Charge

June 1, 2016

Rates per 1,000 Gallons

1,000 Gallons per quarter

Water	Sewer	Water & Sewer
\$6.54	\$6.64	\$13.18

Quarterly Service Charge \$32.50

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 & Sewer Customers

<u>Meter Size</u>	<u>Group Capacity Ratio</u>	<u>Water Included Gallons</u>	<u>Customer Service Charge</u>	<u>Water Commodity Charge</u>	<u>Sewer Commodity Charge</u>	<u>Water & Sewer Total Quarterly Minimum</u>
5/8 inch	1	3,000	\$32.50	\$19.62	\$19.92	\$72.04
¾ inch	2	6,000	\$32.50	\$39.24	\$39.84	\$111.58
1 inch	4	12,000	\$32.50	\$78.48	\$79.68	\$190.66
1 ½ inch	10	30,000	\$32.50	\$196.20	\$199.20	\$427.90
2 inch	25	75,000	\$32.50	\$490.50	\$498.00	\$1,021.00
3 inch	45	135,000	\$32.50	\$882.90	\$896.40	\$1,811.80
4 inch	90	270,000	\$32.50	\$1,765.80	\$1,792.80	\$3,591.10

b. Water Only Customers

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

c. Sewer Only Customers

The sewer only charge will be the Sewer Commodity Rate based on quarterly consumption of 12,000 gallons plus the quarterly customer service charge.

1. Schedule of Commodity Rates & Quarterly Service Charge

January 1, 2018

Rates per 1,000 Gallons

1,000 Gallons per quarter

Water	Sewer	Water & Sewer
\$6.93	\$6.92	\$13.85

Quarterly Service Charge \$32.50

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 & Sewer Customers

Meter Size	Group Capacity Ratio	Water Included Gallons	Customer Service Charge	Water Commodity Charge	Sewer Commodity Charge	Water & Sewer Total Quarterly Minimum
5/8 inch	1	3,000	\$32.50	\$20.79	\$20.76	\$74.05
¾ inch	2	6,000	\$32.50	\$41.58	\$41.52	\$115.60
1 inch	4	12,000	\$32.50	\$83.16	\$83.04	\$198.70
1 ½ inch	10	30,000	\$32.50	\$207.90	\$207.60	\$448.00
2 inch	25	75,000	\$32.50	\$519.75	\$519.00	\$1,071.25
3 inch	45	135,000	\$32.50	\$935.55	\$934.20	\$1,902.25
4 inch	90	270,000	\$32.50	\$1,871.10	\$1,868.40	\$3,772.00

b. Water Only Customers

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

c. Sewer Only For Residential Customers

The sewer only charge will be the Sewer Commodity Rate based on quarterly consumption of 12,000 gallons plus the quarterly customer service charge.

1. Schedule of Commodity Rates & Quarterly Service Charge

January 1, 2019

Rates per 1,000 Gallons

1,000 Gallons per quarter

Water	Sewer	Water & Sewer
\$7.05	\$7.17	\$14.22

Quarterly Service Charge \$32.50

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 & Sewer Customers

Meter Size	Group Capacity Ratio	Water Included Gallons	Customer Service Charge	Water Commodity Charge	Sewer Commodity Charge	Water & Sewer Total Quarterly Minimum
5/8 inch	1	3,000	\$32.50	\$21.15	\$21.51	\$75.16
¾ inch	2	6,000	\$32.50	\$42.30	\$43.02	\$117.82
1 inch	4	12,000	\$32.50	\$84.60	\$86.04	\$203.14
1 ½ inch	10	30,000	\$32.50	\$211.50	\$215.10	\$459.10
2 inch	25	75,000	\$32.50	\$528.75	\$537.75	\$1,099.00
3 inch	45	135,000	\$32.50	\$951.75	\$967.95	\$1,952.20
4 inch	90	270,000	\$32.50	\$1,903.50	\$1,935.90	\$3,871.90

b. Water Only Customers

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

c. Sewer Only For Residential Customers:

The sewer only charge will be the Sewer Commodity Rate based on quarterly consumption of 12,000 gallons plus the quarterly customer service charge.

The following clauses take effect June 1, 2016:

3. Service To Customers Outside Municipality of Harrison-Park Limits

The Council of the Municipality of Harrison-Park may sign Agreements with customers for the provision of water and/or sewer services to properties located outside the boundaries of 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 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 the Municipality's boundaries. In addition, all costs of connecting to the Utility's mains, and installing and maintaining service connections, will be paid by the customer.

4. Billings And Penalties

Accounts shall be billed quarterly and the due date shall be at least 14 days after the mailing of the bills.

A late payment charge of 1.25% per month shall be charged on the dollar amount owing after the billing due date.

5. Termination of Service

When service to a customer commenced or terminated during a quarter, the minimum charge payable for part of the quarter during which service was received shall be calculated on a monthly basis to the nearest whole month of the rates set forth in paragraph 2 hereof.

6. Reconnection

A customer who has had their service disconnected for any reason shall not be reconnected until all arrears, penalties and a reconnection fee of **\$100.00** has been paid.

7. Outstanding Bills

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

8. Disconnection for Non-Payment

The Public Utilities Board has approved the Conditions Precedent to be followed by the 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 Municipality's office.

9. Hydrant Charges

The Municipality of Harrison-Park_or any other hydrant owner will pay to the Utility an annual fee of **\$150.00** for each hydrant connected to the system which shall include the cost of water used for firefighting.

10. Sewage Dumping Charge

- a. Regular septic haulers are to remit to the Municipality of Harrison-Park an annual dumping fee of **\$350.00** for dumping of septic tanks into the Onanole lagoon.
- b. Approved septic service haulers are to be provided a key to enter the lagoon and shall maintain a log of lagoon use, including the recording of septic service provided to residents located outside the boundaries of the Municipality of Harrison-Park.
- c. Septic service haulers shall remit **\$20.00** per load for septage hauled from residents located outside the boundaries of the Municipality of Harrison-Park.

11. Sewage Surcharges

- a) There may be levied annually, in addition to the 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 waste.

12. Meter Testing

That in any case where a utility customer requests that a meter be tested for accuracy, the customer will provide the Municipality with a deposit of **\$200.00**. The Municipality will then remove the subject meter and send it to an independent lab for testing.

If the meter is found to be faulty, all costs associated with the testing process will be borne by the Municipality and the deposit will be refunded to the customer. If the meter is found to be in proper working order, all costs associated with the testing process will be borne by the customer and the customer will be billed or refunded any balance owing.

13. 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 Municipality's water system.

If a condition is found to exist which, in the opinion of the Municipality, is contrary to the aforesaid, the 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.

14. Conditions of Disrepair

In the event that there are conditions of disrepair in the sewer 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 Municipality, or its agents, may enter the property, effect repairs and charge the cost thereof against the subject property as ordinary taxes.

15. Authorization For Officer To Enter Upon Premises

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