

Order No. 76/17

**AN ORDER VARYING BOARD ORDER No. 91/16
FOR THE RURAL MUNICIPALITY OF DAUPHIN
WATER UTILITY
INITIAL WATER RATES**

July 20, 2017

BEFORE: Carol Hainsworth, C.B.A., Acting Chair

Allan Morin, B.A., ICD.D, Member

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1.0 Executive Summary

The Rural Municipality of Dauphin (RM) requested that the Public Utilities Board (Board) reconsider the total cubic meters used to calculate the minimum quarterly charges.

After review, the Public Utilities Board varies Board Order No. 91/16 to use the revised cubic meters as requested. The approved volumetric water rate remains the same.

The new minimum quarterly charges for each meter size are as follows:

Meter Size	Group Capacity Ratio	Minimum Quarterly Consumption	Customer Service Charge	Water	Quarterly Minimum Charge (Water Only)
5/8"	1	14	\$ 36.07	\$ 40.18	\$ 76.25
3/4"	2	28	\$ 36.07	\$ 80.36	\$ 116.43
1"	4	56	\$ 36.07	\$160.72	\$ 196.79
1½"	10	140	\$ 36.07	\$401.80	\$ 437.87

Details of the revised water rate by-law may be found in the attached Schedule "A".

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

2.0 Background

On July 20, 2016 the Board issued Order 91/16 setting initial interim rates effective July 1, 2016 for the Rural Municipality of Dauphin's new water utility.

3.0 Application

The RM requested on July 17, 2017 that the Board amend Board Order No. 91/16 to use volumes with no decimal places to calculate the minimum quarterly charge. The request was made after the RM met with its software developer and was advised that the Utility billing software did not have the ability to calculate quarterly minimums using numbers with decimals.

The RM requested that the Board review and vary the decision to include different minimum quarterly consumption values to eliminate the decimals used in the original application and utility rates by-law.

4.0 Board Findings on the Issues

After considering the information filed and Board Order 91-16, the Board concludes that the Order is to be varied to include different minimum quarterly consumption values to eliminate the decimals used in the original application and utility rates by-law.

The RM has submitted that it currently has no customers with a meter size greater than $\frac{3}{4}$ ", which means that the impact of the change on existing customers is no more than \$2.30 per quarter. For those customers using over the minimum volume, there is no impact whatsoever.

The RM also advised that it had previously agreed to waive the minimum charge for the first utility billing, therefore the revised quarterly minimum would not be in effect until the second utility billing, taking place September 1, 2017. The RM advised the Board that it included Notice of the proposed revisions in the first utility billing.

While minimum quarterly consumption values with decimal places are not unheard of, the revised volumes used are those commonly used by utilities in Manitoba. The Board finds the RM's requested revision to be reasonable.

5.0 IT IS THEREFORE ORDERED THAT:

- 1) Schedule "A" of the Public Utilities Board Order No. 91/16 BE AND IS HEREBY VARIED to eliminate the use of decimals in calculating the minimum quarterly consumption, in accordance with the attached Schedule "A", effective September 1, 2017.

Fees payable upon this Order – \$150.00

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. The Board's Rules may be viewed on the Board's website at www.pubmanitoba.ca.

THE PUBLIC UTILITIES BOARD

"Carol Hainsworth, C.B.A."

Acting Chair

"JENNIFER DUBOIS, CPA, CMA"

Acting Secretary

Certified a true copy of Order No. 76/17
issued by The Public Utilities Board

Acting Secretary

Schedule "A"
Rural Municipality of Dauphin Interim Water Rates
By-Law No. 2991

Schedule of Quarterly Rates

1. Commodity rates per Cubic Meter

All water consumption: \$2.87

2. Minimum Charges Quarterly

Notwithstanding the Commodity rates set forth in paragraph 1 hereof, all customers will pay the applicable minimum charges set out below, which will exclude water allowances indicated:

a. Water Customers

Meter Size	Group Capacity Ratio	Water Included Cubic Meters	Customer Service Charge	Commodity Charges Water	Total Quarterly Minimum
5/8"	1	14	36.07	40.18	76.25
3/4"	2	28	36.07	80.36	116.43
1"	4	56	36.07	160.72	196.79
1 1/2"	10	140	36.07	401.8	437.87

3. Service to Customers Outside Municipality

The Council of the Rural Municipality of Dauphin may sign agreements with customers for the provision of water services to properties located outside the legal boundaries of the Rural Municipality of Dauphin subject to the approval of the G3 Regional Water Cooperative Inc. 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 flat rate per parcel rate, general taxes and special taxes for 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 these 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

A late payment charge of 1¼% shall be charged on the dollar amount owing after the billing due date. The due date will be at least fourteen days after the mailing of the bills.

5. Disconnection

Service may be disconnected and discontinued immediately and without further notice in the event of non-payment of the account within 30 days after the due date. A \$50.00 disconnection fee will be charged.

6. Reconnection

Any service disconnected due to non-payment of account shall not be reconnected until all arrears, penalties and a reconnection fee of \$50.00 have been paid.

7. Outstanding Bills

Pursuant to Section 252 (2) of The Municipal Act, the amount of all outstanding charges for water 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. Turn on Charge (new customers or change of occupancy)

There shall be a turn-on service charge of \$30.00.

9. Disconnect/Reconnect Charges

Any disconnection or reconnection at the request of the customer, due to reasons other than non-payment of account, shall be charged a fee of \$50.00.

10. Future Connection Fee

Where a customer connects to the water system after the initial round of connections they shall pay \$17,000.00 plus all costs of materials and contractors fees charged to install the water line on their property. Contractors hired will be at the discretion of council.

11. Water Allowance Due to Line Freezing

That in any case where, at the request of Council, a customer allows water to run continuously for any period of time to prevent the water lines in the water system from freezing, the charge to that 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.