

**Order No. 53/22**

**RURAL MUNICIPALITY OF ELTON  
FORREST WATER AND WASTEWATER UTILITY  
WATER AND WASTEWATER RATES**

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**May 13, 2022**

**BEFORE: Marilyn Kapitany, B.Sc. (Hon), M. Sc., Panel Chair  
Mike Watson, Panel Member**

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## 1.0 Executive Summary

By this Order, the Manitoba Public Utilities Board (Board) grants approval for the Rural Municipality of Elton (RM), Forrest Water and Wastewater Utility's (Utility) application for revised water and wastewater rates. The Board grants approval for pass through rate increases from the Whitehead Elton Regional Water Coop, following the process outlined in this Order.

The Board grants approval for the revised Cost Allocation Methodology.

The revised rates are below:

	July 1, 2022	January 1, 2023	January 1, 2024	January 1, 2025
Quarterly Service Charge	\$ 23.87	\$ 20.94	\$ 18.01	\$ 15.09
Water (per 1,000 gallons)	\$ 15.65	\$ 17.30	\$ 18.95	\$ 20.61
Wastewater (per 1,000 gallons)	\$ 5.19	\$ 6.28	\$ 7.37	\$ 8.45
Minimum Quarterly Charge*	\$ 86.39	\$ 91.68	\$ 96.97	\$ 102.27
Wastewater Only Customers **	\$ 70.58	\$ 77.46	\$ 84.34	\$ 91.14
Bulk Water Sales (per 1,000 gallons)***	\$ 16.75	\$ 18.50	\$ 20.25	\$ 21.75

\*based on 3,000 gallons

\*\*previously based on 6,000 gallons, revised to 9,000 gallons

\*\*\*based on a pro rated basis for all quantities of water greater than 500 gallons

Details of other rates can be found in Schedule A.

The reasons for the Board's decisions are under Board Findings.

## 2.0 Background

Forrest water and wastewater utility provides services to customers in the RM of Elton. Water and wastewater services are provided to customers within the Forrest urban area. Water only services are provided throughout the RM and to customers in Riverdale Municipality (Riverdale) and the Rural Municipality of Oakview (Oakview). There are nine customers in Riverdale and one in Oakview.

The Utility has experienced significant growth since 2015, when it consisted of 115 customers. The Utility now provides services to 64 water and wastewater customers, 355 water only customers and one wastewater only customer, for a total of 420.

### Water Supply/Distribution

The Utility purchases water from Whitehead Elton Regional Water Cooperative (WERC), operated by the Manitoba Water Services Board (MWSB). The WERC assets were installed in 2010, with extensions in Elton in 2011 and 2013. The original Forrest water distribution system was installed in 1979.

### Wastewater Collection and Treatment

Forrest Utility operates a low pressure collection system for wastewater customers. The low pressure wastewater system requires customers to have septic tanks and the Utility contracts a septage hauler to pump out customer septic tanks bi-annually. As a result, wastewater expenses increase/decrease in alternating years due to the costs of the pump outs. The RM has averaged these costs in the revenue requirements provided in the rate study. The RM advises the Utility is compliant with applicable environmental licenses and regulations.

## 3.0 Board Methodology

### Review Process

When reviewing an application, the Board has at its disposal two approaches, a paper review process or a public hearing. After the publication of the Notice of Application, the Board considers the application and responses, if any, and determines which method of review is most appropriate. Whenever reasonable, the Board can review the application using a paper review process, which saves the cost of a public hearing.

Where there is an urgent need for initial or revised rates and the Board determines it to be in the best interest of all parties, the Board may establish interim *ex parte* rates.

### Interim *ex parte* Approval

Interim *ex parte* rates are typically approved as applied for and are then subject to a standard Board review process, including a Public Notice of Application, before being confirmed as final by Board Order.

Since this process allows a municipality to charge ratepayers revised rates in advance of the Board's comprehensive review, it is reserved for instances where a municipality can show a compelling argument to allow it.

### Contingency Allowance and Utility Reserves

The Board's Water and Wastewater Rate Application Guidelines recommend an annual contingency allowance equal to 10% of the variable operating costs.

## **Pass through rate increases**

The Board has historically allowed for pass through rate increases for customer utilities purchasing water from a utility regulated by the Board. This allows customer utilities to recover additional costs arising out of a rate increase without requiring the customer utilities to file a full rate application, following Board approval of pass through increases, including a specific process outlined in the Order under Board Findings.

## **Working Capital**

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

## **Operating Deficits**

By law, Manitoba utilities are not allowed to incur deficits. In the event that a deficit does occur, the Utility is required by *The Municipal Act* to obtain Board approval for both the deficit and recovery methodology. The Board is therefore duty bound to approve reasonable rates based on reasonable expense projections.

## **Cost Allocation Methodology**

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

## Unaccounted for Water

Water losses may be caused by such events as distribution line losses, service leaks, water used for fire fighting or line flushing, and under-registration of water meters. The Board Guidelines require utilities to compare the volume of water produced or purchased against the volume of water sold, to determine the percentage of unaccounted for water. Unaccounted for water volumes of approximately 10% are considered industry standard.

The Board expects any utility experiencing a greater volume of unaccounted for water to provide an explanation and plan to address the water losses.

### 4.0 Application

On April 14, 2021, the Board received the RM's application for revised rates, a revised cost allocation methodology (CAM) and for the Board to grant approval for pass through rate increases in the case of future rate increases from WERC.

The Board issued a Public Notice of Application on June 4, 2021 affording customers the opportunity to comment to both the Board and the RM with respect to the proposed rate changes. The Board did not receive any responses to the Notice.

The RM's application proposed calculating the bulk water rate without taking into account debenture servicing costs. The RM expressed concern over the significant impact the debenture debt would have on the bulk water rate, and further advised the debenture debt relates entirely to rural waterlines to service customers recently hooked up to the water distribution system. The outstanding debt is not a result of any capital investment in the water treatment plant or main water lines. The rate study calculated the indicated rates using both the Board methodology, which would include the debenture debt servicing costs, as well as the proposed alternative methodology. The indicated rates for the Year 4 were \$31.50 and \$21.75 per 1,000 gallons, respectively.

The current wastewater only quarterly charge is calculated using an estimate of 6,000 gallons per quarter. The RM has proposed adjusting the volume from 6,000 gallons to



9,000 gallons per quarter. The RM calculated the average annual consumption per customer in 2020, excluding the four largest volume customers, to reach the estimated average consumption of 9,000 gallons per quarter. Wastewater only customers are unmetered and charged on a flat rate. The Utility has one wastewater only connection.

The rates were calculated using the following revenue requirement projections:

	Jul 1, 2022	Jan 1, 2023	Jan 1, 2024	Jan 1, 2025
<b>General</b>				
Administration (building, office, staff, etc)	\$ 30,062	\$ 30,663	\$ 31,276	\$ 31,902
<b>Total general expenses</b>	<b>\$ 30,062</b>	<b>\$ 30,663</b>	<b>\$ 31,276</b>	<b>\$ 31,902</b>
Penalties	\$ 2,544	\$ 2,544	\$ 2,544	\$ 2,544
Investment Income	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
<b>Total general revenue</b>	<b>\$ 6,544</b>	<b>\$ 6,544</b>	<b>\$ 6,544</b>	<b>\$ 6,544</b>
<b>Net revenue requirement - general</b>	<b>\$ 23,518</b>	<b>\$ 24,119</b>	<b>\$ 24,732</b>	<b>\$ 25,358</b>
<b>Water</b>				
Purification and treatment	\$ 1,160	\$ 1,183	\$ 1,207	\$ 1,231
Transmission and distribution	\$ 34,338	\$ 35,025	\$ 35,726	\$ 36,440
Water purchases	\$225,124	\$ 225,124	\$ 225,124	\$ 225,124
Other (re: Loans and Advances)	\$109,751	\$ 114,320	\$ 119,080	\$ 124,039
Amortization	\$258,383	\$ 258,383	\$ 258,383	\$ 258,383
Interest on long term debt	\$ 83,695	\$ 79,126	\$ 74,366	\$ 69,408
Contingency	\$ 37,131	\$ 37,131	\$ 37,131	\$ 37,131
<b>Total water expenses</b>	<b>\$749,582</b>	<b>\$ 750,292</b>	<b>\$ 751,017</b>	<b>\$ 751,756</b>
Bulk water fees	\$ 15,525	\$ 15,525	\$ 15,525	\$ 15,525
Amortization of capital grants	\$141,079	\$ 141,079	\$ 141,079	\$ 141,079
Taxation revenues	\$193,446	\$ 193,446	\$ 193,446	\$ 193,446
<b>Total water revenue</b>	<b>\$350,050</b>	<b>\$ 350,050</b>	<b>\$ 350,050</b>	<b>\$ 350,050</b>
<b>Net revenue requirement - water</b>	<b>\$399,532</b>	<b>\$ 400,242</b>	<b>\$ 400,967</b>	<b>\$ 401,706</b>
<b>Wastewater</b>				
Wastewater collection system costs	\$ 3,916	\$ 3,995	\$ 4,075	\$ 4,156
Wastewater treatment and disposal costs	\$ 7,097	\$ 7,238	\$ 7,383	\$ 7,531
Amortization	\$ 10,398	\$ 10,398	\$ 10,398	\$ 10,398
Contingency	\$ 1,169	\$ 1,169	\$ 1,169	\$ 1,169
<b>Net revenue requirement - wastewater</b>	<b>\$ 22,580</b>	<b>\$ 22,800</b>	<b>\$ 23,025</b>	<b>\$ 23,254</b>

The Municipality's consultant calculated the indicated rates for the final rate year requested (2025) and requested rates be implemented in a stable and predictable rate change year over year.

## Contingency Allowance and Utility Reserves

The RM has included in the 2025 projections a contingency allowance of 10% of net rate requirements, less amortization expenses. This equates to \$37,131 for water and \$1,169 for wastewater. There is no provision for transfer to Utility Reserve proposed.

## Working Capital

As per the 2020 audited financial statements, the working capital surplus at December 31, 2020 was:

	2020
Accumulated Fund Surplus/Deficit	\$11,592,659
Deduct tangible capital assets	(\$11,210,290)
Add long term debt	\$2,143,318
Deduct Loans and Advances	(\$2,143,318)
Add utility reserves	\$1,913,516
<b>Equals Working Capital Surplus/Deficit</b>	<b>\$2,295,885</b>
Utility Costs	\$705,555
20% of utility costs (target)	\$141,111

With regards to the tangible capital assets (TCA) and debenture debt, the RM stated in its rate study *“Water Connection expense in 2017 and Water Other expense in 2018 to 2025 are the principal portion of debt. The municipal auditors indicated that ‘These are the rate payers’ connection costs on the set up of the water line funded by debenture vs the usual where rate payers paying these costs directly or in full at the time of the connection. In that situation, of a new connection paid by a rate payer, you’d see connection revenue (as paid by the rate payer) and a connection expense (recognition of the costs paid by the RM to do that connection). That same presentation is happening here.’ As a result, instead of being recorded as an asset in TCA on Schedule 8 of the audited financial statements, there is Loans and advances amount recorded each year that is equal to the outstanding debt balance. With the asset balance being recorded as a receivable, rather than TCA, the Working Capital balance appears to be overstated and the Loans and advances balance has to be deducted each year.”*

## Operating Deficits

The RM recovered an operating deficit of \$31,919 in 2019 from accumulated surplus, approved by the Board in Board Order No. 28/21. The RM has budgeted for a 2021 deficit of \$1,022,385. This includes \$954,000 of expenses that are a result of the Utility's share of the costs of an expansion to the WERC water treatment plant and main waterline servicing the water plant. The capital assets are owned by WERC, not the RM, and the RM's portion is expensed. The RM advises the Utility's working capital surplus is sufficient to fund this expenditure.

## Cost Allocation Methodology

The Board approved the Utility's current Cost Allocation Methodology (CAM) in Board Order No. 112/15. The RM proposed to change the CAM to 7.5% of general government services less assessment and grants expenses.

## Unaccounted for Water

The Utility indicated the 2020 unaccounted for water was 18% of water produced. The Utility also advised that in the last quarter of 2020 a new computer billing system was put into use and there were issues with it requiring a variety of adjustments. As a result, the Utility used the volumes from the same quarter in 2019 to bill customers.

## 5.0 Board Findings

The Board considered the RM's filing and reviewed the responses to the Notice of Application, and the Board has chosen a paper review process.

The Board has reviewed the application and revenue projections presented by the RM and finds the projections to be acceptable. The Board finds the RM's request to phase in

the rate increases over multiple years to be acceptable, due to the Utility's ability to absorb the expected deficits by way of the current Working Capital Surplus.

The Board grants approval of the rates as requested by the RM for July 1, 2022 and January 1, 2023, 2024 and 2025, as set out in Schedule A of this Order. The Board grants approval of the Shared Cost Allocation Methodology and reminds the RM this methodology must be used consistently and requires Board approval should any changes be considered.

The Board finds the RM's proposal to exclude the debenture debt servicing costs from the calculation of bulk water to be reasonable, and grants approval for the requested bulk water rates found in Schedule A to this Order. The Board will require the RM to apply to the Board for a revised rate should the RM take on future Utility debentures which should be included in the bulk water rate.

The Board finds the RM's request to increase the volume used to calculate the quarterly charge for its wastewater only customer from 6,000 gallons to 9,000 gallons per quarter to be reasonable, and grants approval for the minimum charge found in Schedule A to this Order.

By law, Manitoba utilities are not allowed to incur deficits. In the event that a deficit does occur, the Utility is required by *The Municipal Act* to obtain Board approval for both the deficit and recovery methodology. If the audited results for 2021 indicate an operating deficit that exceeds the lesser of \$10,000 or 5% of the Utility's operating budget, the Board will require the RM to file a deficit application.

The Utility is currently experiencing 18% unaccounted for water, which is in excess of the Board's acceptable limit of 10%. The RM has advised this may be caused by the need to estimate the last quarter of 2020 due to some challenges with a new billing system. The Board expects the RM to monitor water losses and make further plans to address this issue, if it persists.

## Pass through rate approval request

The Board grants approval of the RM's request to allow for pass through rate increases resulting from any increases in the wholesale rate set by the MWSB. Pass through rate increases are used when a Board regulated utility purchases water from another Board regulated utility.

The Board typically does not allow for pass through rate increases from unregulated utilities because it would not provide ratepayers with the protections afforded by Board oversight and notice requirements. In the case of MWSB wholesale rates, under section 8(2) of The Manitoba Water Services Board Act, the purchasing utility (in this case, Forrest), has the opportunity to appeal to the Board any rate it believes to be excessive, and MWSB uses methodology that aligns with that of the Board. In addition, the Board will require the Utility to follow the requirements for pass through rate increases as established in section 3.10 of Board Order No. 124/09, with the addition of a 90 day notice period for ratepayers.

The process to be followed is as follows:

Step 1. The RM of Elton shall consider the implication of any increase in wholesale water rates approved by the MWSB for the Forrest Utility, and determine whether or not the increase needs to be passed on to its ratepayers to maintain the adequacy of rates.

Step 2. If the cost increase is to be reflected in the rates of the Forrest Utility, and with the one exception that changes in the rate of water losses in the system may also be included, the RM need only inform its ratepayers/customers and the Board of the pass through rate change, with a minimum of 90 days notice. This Notice must include information for ratepayers on their ability to respond to the Board regarding the increase.

Step 3. If rates are to change for any other reason or in any amount other than the exact wholesale increase, the RM must make application to the Board, which may decide to

proceed to hear the application by way of a paper-based process or by way of an oral public hearing.

Step 4. For such pass through rate changes, the RM shall file an amended rate By-law with Board, along with a copy of the Notice provided to ratepayers.

The Board reminds the RM regular reviews are important for a financially sound utility and encourages the RM to review Board Order No. 86/17 for future rate applications. The Order outlines the Simplified Rate Application Process for municipally owned public utilities. If, after its rate review, the RM finds it meets the designated criteria for a simplified rate application, it should apply for future rates using the Simplified Rate Application Process.

## **6.0 IT IS THEREFORE ORDERED THAT:**

1. The water and wastewater rates for the Rural Municipality of Elton – Forrest Water and Wastewater Utility, BE AND ARE HEREBY APPROVED in accordance with the attached Schedule A, effective July 1, 2022, January 1, 2023, 2024 and 2025.
2. The request to pass through wholesale water price increases from the Manitoba Water Services Board, using the steps outlined in this Board Order, for the Forrest Water and Wastewater Utility, BE AND IS HEREBY APPROVED.
3. The Cost Allocation Methodology for shared services as submitted by the Rural Municipality of Elton BE AND IS HEREBY APPROVED.
4. The Rural Municipality of Elton – Forrest Water and Wastewater Utility amend its Utility rate By-law to reflect the decisions in this Order, and submit a copy to the Public Utilities Board once it has received third and final reading.

5. The Rural Municipality of Elton – Forrest Water and Wastewater Utility review its 2021 audited financial statements and, if necessary, file an application for approval of a utility operating deficit with the Public Utilities Board.
6. The Rural Municipality of Elton review the Forrest Water and Wastewater Utility rates for adequacy and file a report with the Public Utilities Board, as well as an application for revised rates (if applicable), on or before June 30, 2026.

Fees payable upon this Order - \$500.00

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

THE PUBLIC UTILITIES BOARD

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

"Jennifer Dubois, CPA, CMA"  
Assistant Associate Secretary

Certified a true copy of Order No. 53/22  
issued by The Public Utilities Board



Assistant Associate Secretary

**RURAL MUNICIPALITY OF ELTON  
SCHEDULE "A" - BY-LAW NO.  
SCHEDULE OF QUARTERLY RATES**

**1. Schedule of Commodity Rates & Quarterly Service Charge**

**July 1, 2022**

Rates per 1,000 Gallons

1,000 Gallons per quarter

	Water	Wastewater	Water & Wastewater
	\$15.65	\$5.19	\$20.84

Quarterly Service Charge \$23.87

**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**

	Group	Water	Customer	Water	Wastewater	Water & Wastewater
Meter	Capacity	Included	Service	Commodity	Commodity	Total Quarterly
<u>Size</u>	<u>Ratio</u>	<u>Gallons</u>	<u>Charge</u>	<u>Charge</u>	<u>Charge</u>	<u>Minimum</u>
5/8 inch	1	3,000	\$23.87	\$46.95	\$15.57	\$86.39
3/4 inch	2	6,000	\$23.87	\$93.90	\$31.14	\$148.91
1 inch	4	12,000	\$23.87	\$187.80	\$62.28	\$273.95
1 ½ inch	10	30,000	\$23.87	\$469.50	\$155.70	\$649.07
2 inch	25	75,000	\$23.87	\$1,173.75	\$389.25	\$1,586.87

**b) Water Only 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 9,000 gallons plus the quarterly customer service charge. The quarterly charge for wastewater only customers is  $(9 \times \$5.19) + \$23.87 = \$70.58$ .



**d) Bulk Water**

All water sold in bulk shall be charged for at a rate of \$16.75 per 1,000 gallons on a pro rated basis for all quantities of water greater than 500 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

**January 1, 2023**

Rates per 1,000 Gallons

1,000 Gallons per quarter

Water	Wastewater	Water & Wastewater
\$17.30	\$6.28	\$23.58

Quarterly Service Charge \$20.94

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 Gallons	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum
5/8 inch	1	3,000	\$20.94	\$51.90	\$18.84	\$91.68
3/4 inch	2	6,000	\$20.94	\$103.80	\$37.68	\$162.42
1 inch	4	12,000	\$20.94	\$207.60	\$75.36	\$303.90
1 ½ inch	10	30,000	\$20.94	\$519.00	\$188.40	\$728.34
2 inch	25	75,000	\$20.94	\$1,297.50	\$471.00	\$1,789.44

**b) Water Only 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 9,000 gallons plus the quarterly customer service charge. The quarterly charge for wastewater only customers is  $(9 \times \$6.28) + \$20.94 = \$77.46$ .

**d) Bulk Water**

All water sold in bulk shall be charged for at a rate of \$18.50 per 1,000 gallons on a pro rated basis for all quantities of water greater than 500 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

**January 1, 2024**

Rates per 1,000 Gallons

1,000 Gallons per quarter

	Water	Wastewater	Water & Wastewater
	\$18.95	\$7.37	\$26.32

Quarterly Service Charge                      \$18.01

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 Gallons	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum
5/8 inch	1	3,000	\$18.01	\$56.85	\$22.11	\$96.97
3/4 inch	2	6,000	\$18.01	\$113.70	\$44.22	\$175.93
1 inch	4	12,000	\$18.01	\$227.40	\$88.44	\$333.85
1 ½ inch	10	30,000	\$18.01	\$568.50	\$221.10	\$807.61
2 inch	25	75,000	\$18.01	\$1,421.25	\$552.75	\$1,992.01

**b) Water Only 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 9,000 gallons plus the quarterly customer service charge. The quarterly charge for wastewater only customers is  $(9 \times \$7.37) + \$18.01 = \$84.34$ .

**d) Bulk Water**

All water sold in bulk shall be charged for at a rate of \$20.25 per 1,000 gallons on a pro rated basis for all quantities of water greater than 500 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

**January 1, 2025**

Rates per 1,000 Gallons

1,000 Gallons per quarter

Water	Wastewater	Water & Wastewater
\$20.61	\$8.45	\$29.06

Quarterly Service Charge \$15.09

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 Gallons	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum
5/8 inch	1	3,000	\$15.09	\$61.83	\$25.35	\$102.27
3/4 inch	2	6,000	\$15.09	\$123.66	\$50.70	\$189.45

1 inch	4	12,000	\$15.09	\$247.32	\$101.40	\$363.81
1 ½ inch	10	30,000	\$15.09	\$618.30	\$253.50	\$886.89
2 inch	25	75,000	\$15.09	\$1,545.75	\$633.75	\$2,194.59

**b) Water Only 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 9,000 gallons plus the quarterly customer service charge. The quarterly charge for wastewater only customers is  $(9 \times \$8.45) + \$15.09 = \$91.14$ .

**d) Bulk Water**

All water sold in bulk shall be charged for at a rate of \$21.75 per 1,000 gallons on a pro rated basis for all quantities of water greater than 500 gallons.

**The following clauses take effect July 1, 2022:**1. Billings and Penalties

Accounts shall be billed quarterly based on water used. A late payment penalty charge of 1 ¼% compounded monthly shall be charged on the dollar amount owing after the billing due date. The due date will be at least twenty one (21) days after the mailing of the bills.

2. Disconnection and Reconnection

a. 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.

b. Any service disconnected due to non-payment of account shall not be reconnected until all arrears, penalties and a reconnection fee of \$25.00 have been paid.

3. Liability for Charges**Customers in the Rural Municipality of Elton**

Pursuant to Section 252 (2) of the Municipal Act, the amount of all outstanding charges for water and Wastewater services, including fines and penalties, are a lien and charge upon the land serviced, and may be collected in the same manner in which ordinary taxes upon the land are collectible, and with like remedies

The fee to add outstanding water and Wastewater charges to the property tax roll shall be \$20.00 per account.

**Customers Outside the Rural Municipality of Elton**

Pursuant to agreements entered into between the Rural Municipality of Elton and the Rural Municipality of Riverdale and the Rural Municipality of Oakview, the amount of all outstanding charges for water service in arrears for customers residing outside the Rural Municipality of Elton shall be billed to the Rural Municipality in which they reside under the provisions of the agreement.

4. Service to Customers Outside Utility's Limits

The Council of the Rural Municipality of Elton may sign Agreements with customers for the provision of water and Wastewater services to properties located outside the boundaries of Forrest Utility. Such Agreements shall provide for payment of the appropriate rates set out in this 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 Forrest Utility 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. 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.

6. Wastewater 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.

7. Water Meters

Water meters are owned by the Municipality but are the responsibility of the utility customer to maintain. If the water meter is broken, frozen, etc., the utility customer will be billed for a new meter at the current cost of replacement.

8. 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 \$150. 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 and the customer's account will be adjusted for the preceding four (4) months. 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.

9. 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.

10. 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 Municipality, or its agents, may enter the property, effect repairs and charge the cost thereof against the subject property as ordinary taxes.

11. Authorization for Officer to Enter Upon Premises

Whitehead Regional Water Cooperative Employees, or other employee authorized by the Municipality in the absence of the be Whitehead Regional Water Cooperative Employees, 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.