

Order No. 29/20

**RURAL MUNICIPALITY OF GREY
ST. CLAUDE WATER AND WASTEWATER UTILITY
REVISED RATES FOR APRIL 1, 2020, JANUARY 1, 2021, AND JANUARY 1, 2022
ACTUAL OPERATING DEFICITS FOR 2012, 2015, AND 2016
BUDGETED DEFICITS FOR 2019, 2020, AND 2021**

February 19, 2020

BEFORE: Shawn McCutcheon, Panel Chair
Irene Hamilton, Q.C., Panel Member

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1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves the revised water and wastewater rates for the Rural Municipality of Grey (RM), St. Claude Water and Wastewater (Utility) and varies the effective dates to April 1, 2020, January 1, 2021, and January 1, 2022.

The approved rates are as follows:

	April 1, 2020	January 1, 2021	January 1, 2022
Quarterly Service Charge	\$34.15	\$33.34	\$32.52
Water Rate (per 1,000 gallons)	\$15.00	\$15.67	\$16.34
Wastewater Rate (per 1,000 gallons)	\$5.15	\$5.78	\$6.40
Minimum Quarterly Charge*	\$94.60	\$97.69	\$100.74
Minimum Quarterly Charge - Water Only Customers*	\$79.15	\$80.35	\$81.54
Minimum Quarterly Charge - Wastewater Only Customers**	\$80.50	\$85.36	\$90.12
Bulk Water (per 1,000 gallons)	\$17.00	\$18.00	\$19.00
Reconnection Fee	\$50.00	\$50.00	\$50.00
Hydrant Rental (annual)	\$125.00	\$125.00	\$125.00
Meter reading (f required)	\$10.00	\$10.00	\$10.00
Lagoon Tipping Fee (per load)	\$20.00	\$20.00	\$20.00

*Based on 3,000 gallons

**Based on 9,000 gallons

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

The RM purchases water from the Pembina Valley Water Coop (PVWC), stores the purchased water in a reservoir, re-chlorinates the water, and pumps the water through the distribution system. Water and wastewater services are provided to 295 customers and water only services are provided to three customers. Rates were last approved for the Utility in 2012 in Board Order No. 100/12, effective September 1, 2012.

Water Supply/Distribution

The water reservoir was constructed in 1969 and upgraded in 1975. The plant/chlorination process was upgraded in 2017.

Wastewater Collection/Treatment

Wastewater collection and treatment consists of gravity mains with two lift stations. The lagoon was constructed in 1969 and consists of two aerated cells and one storage cell.

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 RM's rate study notes unaccounted for water of 13% in 2018. The RM did not provide a plan to address the unaccounted for water level.

3.0 Application

On July 12, 2019, the RM applied for revised water and wastewater rates, to be effective January 1, 2021, January 1, 2022, and January 1, 2023 as set out in By-Law No. 08-2019 having had first reading June 19, 2019. The application was supported by a rate study prepared by the RM's consultant.

A Public Notice of Application was issued on July 18, 2019 allowing for any questions or comments with respect to the proposed rate increases to the Board and/or the RM on or before August 18, 2019. No comments were received from ratepayers.

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:

Schedule of Utility Rate Requirements – St. Claude Water and Wastewater Utility 2021 to 2023 Budget Forecasts (\$)			
	2021	2022 Forecast	2023
General Expenses			
Administration	39,227	40,012	40,812
Total General Expenses	39,227	40,012	40,812
Revenue			
Penalties	2,000	2,000	2,000
Other Income	50	50	50
Total General Revenues	2,050	2,050	2,050
Net Costs General	37,177	37,962	38,762
Water Expenses			
Service of Supply	44,506	45,396	46,304
Water Purchases	245,651	250,564	255,575
Transmission and Distribution	34,333	35,020	35,720
Amortization	20,404	20,404	20,404
Total Water Expenses	344,894	351,384	358,003
Revenue			
Bulk Water Fees	97,516	103,367	109,569
Hydrant Rentals	6,125	6,125	6,125
Total Water Revenues	103,641	109,492	115,694
Net Costs Water	241,253	241,892	242,309
Wastewater Expenses			
Collection System	53,794	54,870	55,968
Lift Station	14,774	15,069	15,371
Amortization	33,801	33,801	33,801
Total Wastewater Expenses	102,369	103,740	105,140
Net Costs Wastewater	102,369	103,740	105,140
Net Operating Costs	380,799	383,594	386,211

Inadequate Utility rates have resulted in past and projected operating deficits. The proposed Utility rate increases are necessary to provide for increases in water purchase costs and administration costs.

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 \$22,191 for water and \$7,134 for wastewater or a total contingency allowance of \$29,325.

The RM advises there are no capital projects identified in the Utility's five-year capital plan therefore no transfer to the Utility reserve is included in the RM's application.

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 2018 Audited Financial Statements, the most recent information available, the working capital surplus for the Utility at December 31, 2018 was:

	2018	2017
Utility Fund Surplus/Deficit	\$1,402,762	\$1,321,308
Deduct: Tangible Capital Assets	1,315,473	1,292,665
Add: Long-Term Debt	4,866	10,566
Add: Utility Reserves	430,621	354,546
Equals Working Capital Surplus (Deficit)	\$522,776	\$393,755
Operating Expenses	465,605	418,755
20% of Operating Expenses (Target)	\$93,121	\$83,751

The Utility currently exceeds the Board minimum working capital surplus of 20%.

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 administration cost allocation is proposed to be based on 5% of Financial Plan General "At Large" Government Services less assessment and grants expenses as follows:

Rural Municipality of Grey – St. Claude Water and Wastewater Utility Allocation Plan for Non-Direct Shared Services (see Note 1) as at May, 2019			
Category	Sub-category	Options	
1.0 Administrative Staff			5.0% 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.		5.0% of audit costs
	1.3 Common office space		5.0% of office costs, utilities
	1.4 Office overheads (telephone, photocopier, computer, etc.)		5.0% of printing, postage, and stationary.
2.0 Operating, construction and maintenance costs			
	2.1 Vehicle – fuel, maintenance, lease costs, capital costs		The loan costs for a truck are split with the Grey Water and Wastewater Utility.
	2.2 Labor – full time, part time, on call, sick time, vacation (see Note 2)		Utility operator time is tracked and charted to the Utility.
	2.3 Public works building and property.		There is no charge to the Utility for the Public Works Building use.
	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.)

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 as soon as it is known.

On July 12, 2019 the RM submitted a Deficit Application requesting approval of Actual Operating Deficits of \$50,534 for 2012, \$26,339 for 2015, and \$7,880 for 2016 (or a total three-year actual operating deficit of \$84,753) and forecasted deficits of \$30,214 for 2019, \$30,257 for 2020, and \$3,891 for 2021 (or a total three-year forecasted operating deficit of \$64,362). The RM is requesting the total \$149,115 six-year operating deficit be recovered from the Utility's Working Capital Surplus.

4.0 Board Findings

The Board has reviewed the application 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 also notes, this methodology for calculating the rates requested are forecast to result in forecasted deficits of \$30,214 for 2019, \$30,257 for 2020, and \$3,891 for 2021 or a total three-year deficit of \$64,362.

The Board notes the Utility has sufficient working capital surplus to provide for the forecasted 2019 through 2021 deficits and therefore finds this methodology acceptable and approves the water and wastewater rates as applied for by the RM, but varies the effective dates to April 1, 2020, January 1, 2021, and January 1, 2022 to mitigate the deficit amounts. The Board notes, however use of this rate setting methodology requires diligent year-over-year monitoring of the Utility's budget.

The Board approves the RM's Deficit Application for the three-year actual operating deficits of \$50,534 for 2012, \$26,339 for 2015, and \$7,880 for 2016 and the three-year forecasted operating deficits of \$30,214 for 2019, \$30,257 for 2020, and \$3,891 for 2021 or a total six-year operating deficit of \$149,115 to be recovered from the Utility's accumulated surplus.

The Board notes the Utility has experienced operating deficits in 2012, 2015, and 2016, and has depleted its working capital surplus to absorb these deficits. The Board is concerned by these deficits and the RM's lack of urgency in correcting the financial course of the Utility. The continued use of the working capital surplus to absorb further, future year deficits does not provide relief to ratepayers, it simply defers the financial consequences of inadequate rate setting and diminishes the effectiveness of the user pay principle.

The Board approves the revised cost allocation methodology and reminds the RM this methodology must be used consistently; any changes to the new, revised cost allocation methodology require Board approval.

The Board requires the RM to review its water and wastewater rates for the Utility for adequacy and file a report with the Public Utilities Board, as well as an application for revised rates (if required) on or before December 31, 2022.

It has been seven years since the RM has submitted a rate application to the Board, which has resulted in multi-year deficits. In the Board's view the period between rate reviews is too long. Regular rate reviews submitted every three years, as per the Board's Guidelines, protect the financial position of the Utility and may reduce the need for substantial rate increases in one year. In some cases, the additional cost of a rate rider becomes necessary to recover utility deficits.

It is the Utility's responsibility to review the rates and ensure rates are adequate to recover the cost of service being provided to ratepayers. Ratepayers are generally more tolerant of regular, smaller increases. The RM needs to be much more diligent in conducting regular rate reviews of its revenue requirements.

The Board finds the RM's audited financial statements to be incomplete and strongly encourages the RM to work closely with its auditor(s) to ensure all items reported in future annual audited financial statements are complete and correct. If any information is omitted, incomplete, and/or incorrect, it inhibits the Board's ability to assess the Utility's financial position and the RM's ability to set appropriate rates and/or or correctly recover deficits to sustain the Utility and its operations.

The Board is concerned with the water loss of 13% in 2018, which is above industry standards, and recommends the RM develop a plan to monitor and reduce water losses accordingly.

5.0 IT IS HEREBY ORDERED THAT:

1. The revised water and wastewater rates for the Rural Municipality of Grey, St. Claude Water and Wastewater Utility, BE AND ARE HEREBY VARIED in accordance with the attached Schedule A., effective April 1, 2020, January 1, 2021, and January 1, 2022.
2. The cost allocation methodology for shared services as submitted by the Rural Municipality of Grey BE AND IS HEREBY APPROVED.
3. The Rural Municipality of Grey 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.
4. The Rural Municipality of Grey 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.
5. The Rural Municipality of Grey review its water and wastewater rates for the St. Claude 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 December 31, 2022.

6. The Deficit Application by the Rural Municipality of Grey BE AND IS HEREBY APPROVED.

7. The 2012 actual operating deficit of \$50,534, 2015 actual operating deficit of \$26,339, 2018 actual operating deficit of \$7,880, 2019 forecasted operating deficit of \$30,214, 2020 forecasted operating deficit of \$30,257, and 2021 forecasted operating deficit of \$3,891 when calculated for regulatory purposes, incurred in the Rural Municipality of Grey, St. Claude Water and Wastewater Utility, is HEREBY APPROVED to be recovered from the Utility's Accumulated Surplus Account, 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 - \$650.00

THE PUBLIC UTILITIES BOARD

"Shawn McCutcheon"
Panel Chair

"Frederick Mykytyshyn"
Assistant Associate Secretary

Certified a true copy of Order No. 29/20
issued by The Public Utilities Board


Assistant Associate Secretary

SCHEDULE A

**RURAL MUNICIPALITY OF GREY
ST. CLAUDE WATER AND WASTEWATER UTILITY
WATER AND WASTEWATER UTILITY RATES BY-LAW NO. 08-2019
SCHEDULE OF QUARTERLY RATES**

1. Schedule of Commodity Rates & Quarterly Service Charge

April 1, 2020

Rates per 1,000 Gallons

1,000 Gallons per quarter

	Water	Wastewater	Water & Wastewater
	\$15.00	\$5.15	\$20.15

Quarterly Service Charge \$34.15

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**

<u>Meter Size</u>	<u>Water Included Gallons</u>	<u>Customer Service Charge</u>	<u>Water Commodity Charge</u>	<u>Wastewater Commodity Charge</u>	<u>Water & Wastewater Total Quarterly Minimum</u>
5/8 inch	3,000	\$34.15	\$45.00	\$15.45	\$94.60
¾ inch	6,000	\$34.15	\$90.00	\$30.90	\$155.05
1 inch	12,000	\$34.15	\$180.00	\$61.80	\$275.95
1 ½ inch	30,000	\$34.15	\$450.00	\$154.50	\$638.65
2 inch	75,000	\$34.15	\$1,125.00	\$386.25	\$1,545.40

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 based on average quarterly consumption of 9,000 gallons plus the quarterly customer service charge.

The quarterly charge for wastewater only customers is $(9 \times \$5.15) + \$34.15 = \$80.50$.

d) Bulk Water Sales

All water sold in bulk by the Grey Water and Wastewater Utility shall be charged for at the rate of \$17.00 per 1,000 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

January 1, 2021

Rates per 1,000 Gallons

1,000 Gallons per quarter

	Water	Wastewater	Water & Wastewater
	\$15.67	\$5.78	\$21.45
Quarterly Service Charge	\$33.34		

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	Water Included Gallons	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum
5/8 inch	3,000	\$33.34	\$47.01	\$17.34	\$97.69
¾ inch	6,000	\$33.34	\$94.02	\$34.68	\$162.04
1 inch	12,000	\$33.34	\$188.04	\$69.36	\$290.74
1 ½ inch	30,000	\$33.34	\$470.10	\$173.40	\$676.84
2 inch	75,000	\$33.34	\$1,175.25	\$433.50	\$1,642.09

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 based on average quarterly consumption of 9,000 gallons plus the quarterly customer service charge.

The quarterly charge for wastewater only customers is $(9 \times \$5.78) + \$33.34 = \$85.36$.

d) Bulk Water Sales

All water sold in bulk by the Grey Water and Wastewater Utility shall be charged for at the rate of \$18.00 per 1,000 gallons.

1. Schedule of Commodity Rates & Quarterly Service Charge

January 1, 2022

Rates per 1,000 Gallons

1,000 Gallons per quarter

	Water	Wastewater	Water & Wastewater
	\$16.34	\$6.40	\$22.74
Quarterly Service Charge	\$32.52		

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**

<u>Meter Size</u>	<u>Water Included Gallons</u>	<u>Customer Service Charge</u>	<u>Water Commodity Charge</u>	<u>Wastewater Commodity Charge</u>	<u>Water & Wastewater Total Quarterly Minimum</u>
5/8 inch	3,000	\$32.52	\$49.02	\$19.20	\$100.74
¾ inch	6,000	\$32.52	\$98.04	\$38.40	\$168.96
1 inch	12,000	\$32.52	\$196.08	\$76.80	\$305.40
1 ½ inch	30,000	\$32.52	\$490.20	\$192.00	\$714.72
2 inch	75,000	\$32.52	\$1,225.50	\$480.00	\$1,738.02

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 based on average quarterly consumption of 9,000 gallons plus the quarterly customer service charge.

The quarterly charge for wastewater only customers is $(9 \times \$6.40) + \$32.52 = \$90.12$

d) **Bulk Water Sales**

All water sold in bulk by the Grey Water and Wastewater Utility shall be charged for at the rate of \$19.00 per 1,000 gallons.

The following clauses take effect April 1, 2020:**3. Service to Customers Outside Utility's Limits**

The Council of the Rural Municipality of Grey may sign Agreements with customers for the provision of water services to properties located outside the boundaries of the St. Claude Water and Wastewater 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 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 St. Claude Water and Wastewater 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.

4. Billings And Penalties

Accounts shall be billed quarterly based on water used. A late payment penalty charge of 1.25% compounded monthly shall be charged on the dollar amount owing after the billing due date. The due date will be at least fourteen (14) days after the mailing of the bills.

5. Water and Wastewater Turn On/Turn Off

Each customer applying for water turn on or turn off of service during any quarter shall pay the proportionate part of the current minimum quarterly charge. In all cases any excess water used will be charged at the rates set forth under Commodity Rates.

Any customer is allowed one turn on and one turn off per calendar year at no cost. Any turn on or turn off after the first one in a calendar year will be charged a turn on or turn off fee of \$25.00 each time thereafter.

6. Disconnection and Reconnection

The Public Utilities Board has approved the Conditions Precedent to be flowed 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.

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. Liability for Charges

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

8. Hydrant Charges

The Rural Municipality of Grey fire Department, or any other hydrant owner, will pay to the Utility a fee of \$125.00 per hydrant for the purpose of maintaining and repairing all fire hydrants connected to the system which shall include the cost of water used for firefighting.

9. Lagoon Tipping Fees

Fees may be charged for dumping sewage in the St. Claude Lagoon at the rate of \$20.00 per load.

10. 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.

11. Wastewater Surcharges

- a) There may be levied annually, in addition to the rates set forth above, a special surcharge on sewage having 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. Water Meters

The Utility shall provide water meters to customers. Ownership, inspection and maintenance of the meters will remain the responsibility of the utility system.

Customers are responsible for ensuring that water meters are located in a safe, dry, heated space. Failure to do so, that causes damage to the water meter, will result in the customer being responsible for the cost of replacing or repairing the water meter.

13. Water Meter Testing

That in any case where a utility customer requests that a meter be tested for accuracy, the customer will provide the Rural Municipality with a deposit of \$100.00. The Rural Municipality will then remove the subject meter and send it to an independent lab for testing. If the meter is found to be recording water flows more than 3% in excess of actual flows, all costs associated with the testing process will be born by the Rural Municipality and the deposit will be refunded to the customer and the customer's account will be adjusted for the preceding six (6) months. If the meter is found to be in proper working order the deposit will be retained by the Rural Municipality.

14. Change in Meter Size

A customer may, upon application to the Rural Municipality, be granted a change in water meter size so as to move accurately reflect the required consumption of water throughout the year. However, if for some reason that same customer applies for a reversal involving a water meter change back to the original size, that customer them must pay for all costs pertaining to the reversal plus a fee of \$25.00.

15. Meter Reading

Every customer of the Rural Municipality of Grey – St. Claude Water and Wastewater Utility will be responsible for reading their own water meter up to three (3) times each year upon notice at the end o the applicable billing quarter, and will be responsible to provide the meter reading to the municipal office. If the Rural Municipality is unable to access and read the meter within an appropriate time period, and estimate of the water consumption will b made and the customer will be charged a \$10.00 estimating fee.

16. New Utility Service Connections

- a) The applicant for new service connections is liable for a fee set from time to time by Resolution of Council to be applied to the cost of inspecting and recording the new services.
- b) Only contractors licensed or otherwise approved by the Rural Municipality are permitted to work within the limits of the Rural Municipality's road allowances.

17. 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 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 expenses within a specified time period.

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

19. Authorization for Officer to Enter Upon Premises

The Utility Personnel, or other employee authorized by the Rural Municipality in the absence of the Utility Personnel, 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.