

Order No. 76/20

**BJ TRAINOR HOLDINGS PRIVATE WATER UTILITY
ALBERT BEACH, BELAIR, TRAVERSE BAY
COTTAGE OWNERS ASSOCIATION, HILLSIDE AQUA,
HILLSIDE DUSTIN AND TRAVERSE BAY WATER SYSTEMS**

May 26, 2020

**BEFORE: Marilyn Kapitany, B.Sc. (Hon), M. Sc., Panel Chair
Irene Hamilton, Q.C., Panel Member**

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1.0 Executive Summary

By this Order, the Public Utilities Board (Board) grants approval of the request by BJ Trainor Holdings to regulate its water systems known as Albert Beach, Belair, Traverse Bay Cottage Owners Association, Hillside Aqua, Hillside Dustin and Traverse Bay, as a single utility. Grand Pines Water System (Grand Pines) will remain a separate utility for the purposes of regulation.

Going forward, the six water systems will be referred to by the Board as BJ Trainor Holdings Private Water Utility (Utility).

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

2.0 Background

The Utility provides water service to 503 customers on a seasonal basis.

Grand Pines provides year round service to 52 houses, one clubhouse, one maintenance shop and 94 undeveloped lots.

3.0 Application

On May 20, 2020 the Board received a letter from BJ Trainor Holdings (BJ Trainor) in Victoria Beach, Manitoba. The letter was regarding the annual fees charged by the Board.

BJ Trainor owns and operates seven water systems in communities on the east side of Lake Winnipeg. The water systems are known as Albert Beach, Belair, Grand Pines, Traverse Bay Cottage Owners Association, Hillside Aqua, Hillside Dustin and Traverse Bay. The seven water systems are not physically connected. BJ Trainor does not maintain separate accounting records for the seven systems and owns them under the same company. All customers of the six seasonal systems are charged the same rate for water services. The customers of Grand Pines receive year round water service and are charged separate rates. The systems are licensed under seven separate operating

licences for public water systems, as required by the Office of Drinking Water. All of the licences are issued to BJ Trainor Holdings.

The letter from BJ Trainor Holdings asked that the Board consider the operations of the six seasonal water systems as a single utility, as it had been prior to 2018. The letter went on to state that, if necessary, BJ Trainor would separate the accounting for Grand Pines.

In 2017 and earlier, BJ Trainor was charged a single annual fee of \$100 as a single utility for the six seasonal systems and another annual fee of \$100 for Grand Pines. A survey was sent to owners of private water systems to verify the Board's records and it was determined that BJ Trainor operated seven water systems. The Board updated its records to indicate BJ Trainor was operating seven utilities, rather than a single utility. Starting in 2018, the Board invoiced BJ Trainor \$700 per year for annual fees for the seven utilities.

4.0 Board Findings

The Board has reviewed the letter and records provided by BJ Trainor and finds it reasonable to consider the six seasonal water systems as a single utility, for the purposes of regulation by the Public Utilities Board. The Board will make this change retroactive and adjust the annual fees for the seasonal utilities to \$100 per year.

Grand Pines will remain a separate utility and a \$100 annual fee remains in effect. The Board will require BJ Trainor to keep separate records of the revenues and expenses of Grand Pines, as this information will be necessary to support any changes to the current rates, should a complaint be made by a ratepayer. These records do not need to be prepared by an auditor; an internal tracking system is acceptable for these purposes.

Should ownership of any of the six seasonal water systems change, the Board may find the status as a single utility has changed. By law, any merger, sale or transfer of ownership of any kind of a public utility in Manitoba is subject to Board approval.

This has no impact on the operating licence requirements of the Office of Drinking Water, or any other regulator with oversight over BJ Trainor or the water systems it owns and operates.

5.0 IT IS THEREFORE ORDERED THAT:

1. The public water systems known as Albert Beach, Belair, Traverse Bay Cottage Owners Association, Hillside Aqua, Hillside Dustin and Traverse Bay, owned and operated by BJ Trainor Developments, are to be treated as a single utility for regulatory purposes of the Public Utilities Board, effective January 1, 2018.
2. The Public Utilities Board will direct BJ Trainor Holdings to maintain a separate accounting of the revenues and expenses for Grand Pines Water System.

Fees payable upon this Order - waived

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

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

"Jennifer Dubois, CPA, CMA"
Assistant Associate Secretary

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issued by The Public Utilities Board



Assistant Associate Secretary