

**Order No. 110/21**

**MUNICIPALITY OF DELORAINE – WINCHESTER  
AMALGAMATION OF THE DELORAINE WATER AND WASTEWATER UTILITY AND  
THE WINCHESTER WATER AND WASTEWATER UTILITY  
REVISED WATER AND WASTEWATER RATES  
2009 TO 2019 ACTUAL OPERATING DEFICITS**

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**October 5, 2021**

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

## Table of Contents

1.0	Executive Summary.....	3
2.0	Background .....	4
	Water Supply/Distribution .....	5
	Wastewater Collection/Treatment.....	5
	Unaccounted for Water .....	5
3.0	Application.....	6
	Contingency Allowance and Utility Reserves.....	8
	Working Capital Surplus/Deficit .....	8
	Cost Allocation Methodology .....	9
	Deficits.....	10
4.0	Board Findings .....	11
5.0	IT IS HEREBY ORDERED THAT:.....	13
	SCHEDULE A.....	16

## 1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves the amalgamation of the Deloraine Water and Wastewater Utility and the Winchester Water and Wastewater Utility, to be known as the Deloraine-Winchester Water and Wastewater Utility, effective October 1, 2021.

The Board approves the water and wastewater rates as applied for by the Municipality of Deloraine-Winchester (Municipality), for the amalgamated Deloraine-Winchester Water and Wastewater Utility (Utility) and varies the effective dates to October 1, 2021, January 1, 2022, and January 1, 2023.

The approved rates are as follows:

	October 1, 2021	January 1, 2022	January 1, 2023
Quarterly Service Charge	\$16.73	\$19.21	\$21.70
Water (per 1,000 gallons)	\$15.54	\$17.57	\$19.61
Wastewater (per 1,000 gallons)	\$6.41	\$7.21	\$8.00
Minimum Quarterly Charge*	\$82.58	\$93.55	\$104.53
Bulk Water Rate (per 1,000 gallons)	\$19.00	\$28.00	\$30.00
Hydrant Rentals	\$150.00	\$150.00	\$150.00

\*Based on 3,000 gallons

The Board approves the 2014 actual operating deficit of \$25,392, 2016 actual operating deficit of \$182,709, 2017 actual operating deficit of \$34,199, 2018 actual operating deficit of \$256,775, and 2019 actual operating deficit of \$248,731 or a total five-year \$747,806 deficit for the Deloraine Water and Wastewater Utility, to be recovered from the Utility accumulated surplus fund.

The Board varies the 2009 actual operating deficit of \$6,663, 2010 actual operating deficit of \$13,825, 2011 actual operating deficit of \$6,664, 2012 actual operating deficit of \$8,723, 2013 actual operating deficit of \$6,663, 2014 actual operating deficit of \$6,691, 2015 actual operating deficit of \$4,975, 2016 actual operating deficit of \$3,538, 2017 actual operating deficit of \$7,947, 2018 actual operating deficit of \$6,664, and 2019 actual operating deficit of \$6,664 or a total eleven-year \$79,017 deficit for the Winchester Water and Wastewater Utility, to be recovered from the Utility accumulated surplus fund.

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**

On January 1, 2015 the Town of Deloraine and the Rural Municipality of Winchester amalgamated to form the Municipality of Deloraine-Winchester (Municipality). Prior to amalgamation, the Town of Deloraine operated the Deloraine Water and Wastewater Utility (Deloraine Utility) and the Rural Municipality of Winchester operated the Winchester Water and Wastewater Utility (Winchester Utility).

Rates for the Deloraine Utility were last set in Board Order No. 28/09 and rates for the Winchester Utility were last set in Board Order No. 133/08.

After the Municipality amalgamated, the water treatment plant was upgraded in 2016 at a cost of approximately \$7.7M. The plant provides water service to the amalgamated Municipality.

The Winchester Utility operates a bulk water facility located near the boundary line with the Town of Deloraine from which the Winchester Utility purchases its water supply.

The proposed, amalgamated Utility will provide service to 495 customers, which includes 14 wastewater only customers.

## **Water Supply/Distribution**

The Deloraine water lines were installed between 1960 and 1962 and the water treatment plant was constructed in 1962. The water treatment plant has undergone several upgrades, including the 2016 upgrade noted above. It uses ultrafiltration membranes and reverse osmosis membranes to treat the water. Minerals collected on the membranes are discharged to storage ponds. The plant receives surface water from the Turtlehead Creek (Deloraine Dam Reservoir) located 11 km South East of Deloraine.

The Winchester Utility provides treated bulk water, from the Deloraine water treatment plant, and has a wastewater lagoon at Lake Metigoshe. All bulk water usage is tracked using an honour system requiring each key holder to note the meter readings before and after water is taken.

## **Wastewater Collection/Treatment**

The Deloraine wastewater system lines were installed between 1960 and 1962. The system has two lift stations, one with a generator backup and one without. The lagoon is composed of three cells.

The Winchester Utility operates a two-cell wastewater lagoon with evaporation serving to maintain the lagoon level (i.e. no discharge). There is a summer camp that has piped wastewater effluent to the lagoon, with the rest of the Lake Metigoshe area being serviced by septic truck haulers. There are no annual operating costs, other than the amortization expense, and there are no charges for use of the lagoon.

## **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 unaccounted for water for the Deloraine Utility was 4% in 2019 and 3% in 2018.

### 3.0 Application

On November 17, 2020 the Municipality applied to amalgamate the Deloraine Utility and the Winchester Utility and for revised water and wastewater rates, to be effective April 1, 2021, January 1, 2022, and January 1, 2023 as set out in By-Law No. 20-008 having had first reading July 15, 2020. The application was supported by a rate study prepared by the Municipality's consultant.

The Municipality's request is to amalgamate the Utilities as the Municipality now operates both.

A Public Notice of Application was issued on December 4, 2020 allowing for any questions or comments with respect to the proposed rate increases to the Board and/or the Municipality on or before January 3, 2021. The Board received one response to the Notice primarily related to the magnitude of the requested rate increase.

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 Municipality's application.

The rates were calculated based on the following projections using an annual inflation rate of 2% in all calculations:

<b>Schedule of Utility Rate Requirements Municipality of Deloraine-Winchester Water and Wastewater Utility 2021 to 2023 Budget Forecasts (\$)</b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>
	<b>Forecast</b>		
<b>General Expenses</b>			
Administration	43,243	44,108	44,990
Total General Expenses	43,243	44,108	44,990
<b>Revenue</b>			
Penalties	1,000	1,000	1,000
Investment Income	1,025	1,025	1,025
Total General Revenues	2,025	2,025	2,025
<b>Net Costs General</b>	<b>41,218</b>	<b>42,083</b>	<b>42,965</b>
<b>Water Expenses</b>			
Purification and Treatment	230,000	234,600	239,292
Aeration - Hydro	1,530	1,561	1,592
Transmission and Distribution	37,070	37,812	38,568
Amortization	231,905	231,905	221,754
Interest on Long-Term Debt	1,960	60,375	58,240
Contingency	21,555	21,555	21,555
Total Water Expenses	524,020	587,808	581,001
<b>Revenue</b>			
Bulk Water Fees	44,000	55,000	57,750
Hydrant Rentals	6,150	6,150	6,150
Taxation – Debt Payments	11,389	132,763	132,763
Total Water Revenue	61,539	193,913	196,663
<b>Net Water Costs</b>	<b>462,481</b>	<b>393,895</b>	<b>384,338</b>
<b>Wastewater Expenses</b>			
Collection System	49,425	50,414	51,422
Treatment and Disposal	1,020	1,040	1,061
Lift Station	4,590	4,682	4,775
Amortization	33,615	33,615	26,542
Contingency	5,726	5,726	5,726
Total Wastewater Expenses	94,376	95,477	89,526
<b>Net Wastewater Costs</b>	<b>94,376</b>	<b>95,477</b>	<b>89,526</b>
<b>Net Operating Costs</b>	<b>598,075</b>	<b>531,455</b>	<b>516,829</b>

The Municipality is requesting revised rates to provide for annual operating costs that have resulted in multi-year deficits, a contingency allowance, and a transfer to the Utility Reserve Fund.

### 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 Municipality has included a contingency allowance of \$21,555 per year for water and \$5,726 for wastewater or a total contingency allowance of \$27,281 per year.

The Municipality has included a reserve allowance of \$40,000 to provide funding for capital projects including a \$1.0M wastewater system upgrade.

### 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 2019 Audited Financial Statements, the most recent information available, the working capital surplus/deficit for the Utilities at December 31, 2019 was:

2019	Deloraine	Winchester	Total
Utility Fund Surplus/Deficit	\$5,935,037	\$100,250	\$6,035,287
Deduct: Tangible Capital Assets	(8,345,403)	(100,250)	(8,445,653)
Add: Long-Term Debt	4,197,430	-	4,197,430
Add: Utility Reserves	254,947	2,552	257,499
<b>Equals Working Capital Surplus/(Deficit)</b>	<b>2,042,011</b>	<b>2,552</b>	<b>2,044,563</b>
Operating Expenses	747,101	6,664	753,765
<b>20% of Operating Expenses (Target)</b>	<b>149,420</b>	<b>1,333</b>	<b>150,753</b>



The working capital meets the Board requirement, however the Utility Working Capital Surplus is overstated by approximately \$1,700,000 due to a short-term loan issued for a new water treatment plant in the amount of \$4.0M that was to be transitioned to a \$2.3M debenture for the Utility’s portion of the new plant. Please see the Board Findings section below for further details.

### 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 Municipality’s allocation plan for shared costs is as follows:

<b>Municipality of Deloraine-Winchester                      Deloraine-Winchester Water and Wastewater Utility                      Allocation Plan for Non-Direct Shared Services (see Note 1)                      as at June, 2020</b>			
Category	Sub-category	Options	
1.0 Administrative Staff			7.0% 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.		7.0% of audit costs
	1.3 Common office space		7.0% of office costs, utilities
	1.4 Office overheads (telephone, photocopier, computer, etc.)		7.0% of printing, postage, and stationary
2.0 Operating, construction and maintenance costs			

	2.1 Vehicle – fuel, maintenance, lease costs, capital costs		The Utility has its own vehicles and pays for its own fuel and repairs.
	2.2 Labor – full time, part time, on call, sick time, vacation (see Note 2)		Utility operator time is tracked and charged 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 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.

### Deloraine Utility

The Municipality has submitted a Deficit Application for the Deloraine Utility requesting approval of actual operating deficits in the amounts of \$25,392 for 2014, \$182,709 for 2016, \$34,199 for 2017, and \$256,775 for 2018 a total four-year \$499,075 deficit for the Deloraine Water and Wastewater Utility, to be recovered from the Utility accumulated surplus fund.

On September 23, 2021, the Municipality submitted an additional Deficit Application for the Deloraine Utility requesting approval of a 2019 actual operating deficit of \$248,731, to be recovered from the Utility accumulated surplus fund.

### Winchester Utility

The Municipality has also submitted a Deficit Application for the Winchester Utility requesting approval of actual operating deficits in the amounts of \$6,663 for 2009, \$13,825 for 2010, \$6,664 for 2011, \$8,723 for 2012, \$6,663 for 2013, \$6,691 for 2014, \$4,975 for 2015, \$3,537 for 2016, \$7,947 for 2017, and \$6,664 for 2018 or a total ten-year deficit of \$72,352, to be recovered from the Winchester Utility's Working Capital Surplus.

On September 23, 2021, the Municipality submitted an additional Deficit Application for the Winchester Utility requesting approval of a 2019 actual operating deficit of \$6,664, to be recovered from the Utility accumulated surplus fund.

## **4.0 Board Findings**

The Board has reviewed the Municipality's application to amalgamate and notes there were no stakeholder concerns regarding the amalgamation. The Board approves the amalgamation of the Deloraine Water and Wastewater Utility and the Winchester Water and Wastewater Utility effective October 1, 2021, to be known as the Deloraine-Winchester Water and Wastewater Utility.

The Board has reviewed the Municipality's application for revised rates and the projections presented by the Municipality in its rate application and finds them to be reasonable. The Board approves the water and wastewater rates as applied for and varies the effective dates to October 1, 2021, January 1, 2022, and January 1, 2023 for new Deloraine-Winchester Water and Wastewater Utility.

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

The Board requires the Municipality to review the new, Deloraine-Winchester Utility's water and wastewater rates for adequacy and file a report with the Board or submit an application for revised rates on or before December 31, 2023.

The Board is concerned by the length of time between rate applications for the Utilities. It has been over ten years since the Municipality has submitted a Rate Application to the Board for either of its utilities, which has resulted in deficits in multiple years. In the Board's view, the period between rate reviews is unacceptable. Regular rate reviews submitted every three years, or more often if required to avoid deficits, protect the financial position of the Utility and may reduce the need for substantial rate increases in one year.

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 Municipality needs to be much more diligent in conducting regular rate reviews of its revenue requirements.

The Board has reviewed the Municipality's deficit applications. The Board approves the 2014 actual operating deficit of \$25,392, 2016 actual operating deficit of \$182,709, 2017 actual operating deficit of \$34,199, 2018 actual operating deficit of \$256,775, and 2019 actual operating deficit of \$248,731 or a total five-year \$747,806 deficit for the Deloraine Water and Wastewater Utility, to be recovered from the Utility accumulated surplus fund.

The Board notes a \$1.00 discrepancy in the Municipality's deficit application for 2016 when compared to the Audited Financial Statements. The Board therefore varies the 2009 actual operating deficit of \$6,663, 2010 actual operating deficit of \$13,825, 2011 actual operating deficit of \$6,664, 2012 actual operating deficit of \$8,723, 2013 actual operating deficit of \$6,663, 2014 actual operating deficit of \$6,691, 2015 actual operating deficit of \$4,975, 2016 actual operating deficit of \$3,538, 2017 actual operating deficit of \$7,947, 2018 actual operating deficit of \$6,664, and 2019 actual operating deficit of \$6,664 or a total eleven-year \$79,017 deficit for the Winchester Water and Wastewater Utility, to be recovered from the Utility accumulated surplus fund.

The Board has not received the Municipality's 2020 Audited Financial Statements and reminds the Municipality audited financial statements are to be reported to the Board no later than June 30 of the following year.

### Deloraine Utility – New Water Treatment Plant

The Board notes that in 2015/16 a new water treatment plant was constructed for the Utility. The cost of the new plant was approximately \$7.7M, to be funded 2/3 from the Canada/Manitoba Infrastructure Program and 1/3 to be funded by the Utility. To facilitate the project the Utility obtained a short-term loan for \$4.0M in 2016 as a bridge loan until all funding was received. Once all funding was received, the short-term loan was to be transitioned into a debenture of approximately \$2.3M for the Utility's portion of the new plant's costs.

The Board has reviewed the Municipality's prior years Audited Financial Statements in conjunction with the consultant's projections related to the new water treatment plant and the interest costs. The Board notes a large decrease in water interest expenses for long-term debt from approximately \$150,000 in 2020 per year to approximately \$60,000 in 2022. The Board also notes this was due to a failure by the Municipality to properly transition from the 2016 \$4.0M short-term loan to the required \$2.3M debenture until 2021.

The Board is concerned with the Municipality's neglect in this regard and notes that failure to pay the necessary attention to conversion of the loan to the debenture contributed significantly to the Utility's multi-year deficits, and cost the Utility approximately \$90K for each of five years in unnecessary interest payments. This cost was born by its ratepayers.

### **5.0 IT IS HEREBY ORDERED THAT:**

1. The amalgamation of the Deloraine Water and Wastewater Utility and the Winchester Water and Wastewater Utility, now known as the Deloraine-Winchester Water and Wastewater Utility, is HEREBY APPROVED effective October 1, 2021.
2. The revised water and wastewater rates for the Municipality of Deloraine-Winchester, Deloraine-Winchester Water and Wastewater Utility, BE AND ARE HEREBY VARIED in accordance with the attached Schedule A, effective October 1, 2021, January 1, 2022, and January 1, 2023.

3. The Shared Cost Allocation Methodology for the Municipality of Deloraine-Winchester BE AND IS HEREBY APPROVED.
4. The Municipality of Deloraine-Winchester 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.
5. The Municipality of Deloraine-Winchester 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.
6. The Municipality of Deloraine-Winchester review its water and wastewater rates for the Deloraine-Winchester 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, 2023.
7. The 2014 actual operating deficit of \$25,392, 2016 actual operating deficit of \$182,709, 2017 actual operating deficit of \$34,199, 2018 actual operating deficit of \$256,775, and 2019 actual operating deficit of \$248,731 (or total actual operating deficit of \$747,806) when calculated for regulatory purposes, incurred in the Municipality of Deloraine-Winchester, Deloraine Water and Wastewater Utility, is HEREBY APPROVED to be recovered from the Utility accumulated surplus fund.
8. The 2009 actual operating deficit of \$6,663, 2010 actual operating deficit of \$13,825, 2011 actual operating deficit of \$6,664, 2012 actual operating deficit of \$8,723, 2013 actual operating deficit of \$6,663, 2014 actual operating deficit of \$6,691, 2015 actual operating deficit of \$4,975, 2016 actual operating deficit of \$3,538, 2017 actual operating deficit of \$7,947, 2018 actual operating deficit of \$6,664, and 2019 actual operating deficit of \$6,664 deficit (or total actual operating deficit of \$79,017) when calculated for regulatory purposes, incurred in the Municipality of Deloraine-Winchester, Winchester Water and Wastewater Utility, is HEREBY VARIED to be recovered from the Utility accumulated surplus fund.

9. The Municipality of Deloraine-Winchester submit its 2020 Audited Financial Statements as soon as possible.

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

Fees payable upon this Order - \$500.00

THE PUBLIC UTILITIES BOARD

"Shawn McCutcheon"  
Panel Chair

"Frederick Mykytyshyn"  
Assistant Associate Secretary

Certified a true copy of Order No. 110/21  
issued by The Public Utilities Board

  
Frederick Mykytyshyn  
Assistant Associate Secretary

**SCHEDULE A**

**MUNICIPALITY OF DELORAINE-WINCHESTER  
 DELORAINE-WINCHESTER WATER AND WASTEWATER UTILITY  
 WATER AND WASTEWATER UTILITY RATES BY-LAW NO. 20-008**

I. 1. Schedule of Commodity Rates & Quarterly Service Charge **October 1, 2021**

Rates per 1,000 gallons	Water	Wastewater	Water & Wastewater
	\$15.54	\$6.41	\$21.95
Quarterly Service Charge	\$16.73		

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.

**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	\$16.73	\$46.62	\$19.23	\$82.58
3/4 inch	2	6,000	\$16.73	\$93.24	\$38.46	\$148.43
1 inch	4	12,000	\$16.73	\$186.48	\$76.92	\$280.13
1 1/2 inch	10	30,000	\$16.73	\$466.20	\$192.30	\$675.23
2 inch	25	75,000	\$16.73	\$1,165.50	\$480.75	\$1,662.98

**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.

3. **Bulk Water Sales**

All water sold in bulk shall be charged for at a rate of \$19.00 per 1,000 gallons.



II. 1. Schedule of Commodity Rates & Quarterly Service Charge **January 1, 2022**

Rates per 1,000 gallons	Water	Wastewater	Water & Wastewater
	\$17.57	\$7.21	\$24.78
Quarterly Service Charge	\$19.21		

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.

**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	\$19.21	\$52.71	\$21.63	\$93.55
3/4 inch	2	6,000	\$19.21	\$105.42	\$43.26	\$167.89
1 inch	4	12,000	\$19.21	\$210.84	\$86.52	\$316.57
1 1/2 inch	10	30,000	\$19.21	\$527.10	\$216.30	\$762.61
2 inch	25	75,000	\$19.21	\$1,317.75	\$540.75	\$1,877.71

**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.

3. **Bulk Water Sales**

All water sold in bulk shall be charged for at a rate of \$28.00 per 1,000 gallons.

III. 1. Schedule of Commodity Rates & Quarterly Service Charge **January 1, 2023**

Rates per 1,000 gallons	Water	Wastewater	Water & Wastewater
	\$19.61	\$8.00	\$27.61
Quarterly Service Charge	\$21.70		

## 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.

### **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	\$21.70	\$58.83	\$24.00	\$104.53
3/4 inch	2	6,000	\$21.70	\$117.66	\$48.00	\$187.36
1 inch	4	12,000	\$21.70	\$235.32	\$96.00	\$353.02
1 1/2 inch	10	30,000	\$21.70	\$588.30	\$240.00	\$850.00
2 inch	25	75,000	\$21.70	\$1,470.75	\$600.00	\$2,092.45

### **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.

## 3. **Bulk Water Sales**

All water sold in bulk shall be charged for at a rate of \$30.00 per 1,000 gallons.

## **The following clauses take effect October 1, 2021:**

### IV. Service to Customers Outside Municipality's Limits

The Council of the Municipality of Deloraine-Winchester may sign Agreements with customers for the provision of water and wastewater services to properties located outside the boundaries of the Municipality. Such Agreements shall provide for payment of the appropriate rates set out in this Schedule, as well as a surcharge 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.

V. Billings and Penalties

Accounts shall be billed quarterly based on water used and are payable within 20 days of the billing date. A late payment charge of 1.25% shall be charged on the dollar amount owing after the billing due date.

VI. Disconnection and Reconnection

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.

A customer, whose service is disconnected for non-payment of account, shall not be reconnected until all regulations have been complied with and all arrears, penalties and a reconnection fee of \$50.00 have been paid.

Any customer wishing to have billings discontinued due to vacancy of premises shall be required to pay a service disconnection fee of \$25. A service reconnection fee of \$25.00 is required prior to resumption of service.

VII. Liability for Charges

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 \$30.00 per account.

VIII. Water 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 \$100.00. 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 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, all costs associated with the testing process will be borne by the customer and the customer will be billed or refunded any balance owing.

IX. Hydrant Charges

The Municipality of Deloraine-Winchester shall pay to the Utility an annual hydrant charge of \$150.00 for each hydrant connected to the Utility. This will include the cost of water used for fire fighting.

X. 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.

XI. 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.

XII. Meter Tampering

Where there is evidence of meter tampering a minimum charge of \$500.00 will be applied to the customer's account in addition to an amount calculated to adjust for the tampering based on historical usage.

XIII. 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.

XIV. 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.

XV. Authorization For Officer To Enter Upon Premises

The Public Works Manager, or other employee authorized by the Municipality in the absence of the Utility 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.