

Order No. 120/21

**RURAL MUNICIPALITY OF WALLACE-WOODWORTH
ELKHORN WASTEWATER UTILITY
INTERIM *EX PARTE* LAGOON TIPPING FEE**

October 27, 2021

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

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1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves, on an interim *ex parte* basis, lagoon tipping fees of \$30.00 per load as applied for by the Rural Municipality Wallace-Woodworth (RM), Elkhorn Wastewater Utility (Utility), but varies the effective date to November 1, 2021.

Rationale for the Board's decisions may be found under the Board Findings section below.

2.0 Background

Please note, this Board Order is best read in conjunction with Board Order No. 119/21.

The Utility last had rates approved on July 30, 2019 in Board Order No. 110/19. The Utility last had a deficit approved on March 15, 2021 in the amount of \$2,019 for 2019 to be recovered from the Utility's Accumulated Surplus.

The RM is currently undertaking an expansion to its existing lagoon that will be able to accommodate a truck dumping station. The project is scheduled to be completed by the end of November 2021 and is seeking interim lagoon tipping fees to be approved in conjunction with the completion of the project.

3.0 Application

On August 26, 2021, the RM applied to the Board for interim, *ex parte* lagoon tipping fees, to be effective July 1, 2021. The RM also submitted Council Resolution #21/281 and By-Law No. 07-2021, having had first reading on August 10, 2021, to add a clause to By-Law No. 05-2018 that includes a lagoon tipping fee of \$30.00 per load.

The requested rates are the same as those approved on an interim, *ex parte* basis for the Wallace-Woodworth Water and Wastewater Utility to prevent cross-jurisdictional waste dumping. The RM advised the Board in its application, that it seeks to review the performance and expenditure requirements of the new lagoon expansion for two, full quarters (January 1, 2022 through June 30, 2022) and a review of the lagoon tipping fee will be included in its next rate study to be conducted in 2022.

4.0 Board Findings

The Board has reviewed the RM's application and notes the requested lagoon tipping fee of \$30.00 per load to be equal to the lagoon tipping fee charged by the RM's other Utility, the Wallace-Woodworth Water and Wastewater Utility, is reasonable.

The Board therefore approves on interim, *ex parte* basis the lagoon tipping fee as applied for by the RM, to be effective November 1, 2021.

The Board notes that in some cases the Board can establish interim rates, which are rates that are subject to review following a more complete process, such as a rate application. When setting initial rates, the Board will often approve interim rates. These are then confirmed as final once there is sufficient information to provide accurate projections for rate setting purposes. In this case, the Board notes the RM has advised the Utility will include a full review/analysis of the lagoon tipping fee in its next rate study, once it has reviewed and analyzed the performance and expense requirements of the expanded lagoon for two, full quarters (from January 1, 2022 through June 30, 2022).

The Board reminds the RM, in Board Order No. 110/19 it directed the RM to review its water and wastewater rates for the Elkhorn Wastewater Utility for adequacy and file a report with the Board or submit an application for revised rates by no later than December 31, 2020. The Board is concerned that the Utility incurred four years of deficits between 2016 and 2019 totalling \$21,992 and to date it has not received an application for revised rates or a statement of rate adequacy from the RM for the Utility.

The Board directs the Utility to file an application for revised rates as soon as possible, but no later than December 31, 2022. The Board also directs the RM to include lagoon tipping fees in its rate review accordingly and in the RM's next full rate application and future applications to the Board.

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

5.0 IT IS THEREFORE ORDERED THAT:

1. The lagoon tipping fee of \$30.00 per load for the Rural Municipality of Wallace-Woodworth, Elkhorn Wastewater Utility, BE AND IS HEREBY APPROVED on an interim *ex parte* basis in accordance with the attached Schedule A, effective November 1, 2021.
2. The Rural Municipality of Wallace-Woodworth review its wastewater rates for the Elkhorn Wastewater Utility and file a report with the Public Utilities Board and/or submit an application for revised rates by no later than December 31, 2022.
3. The Rural Municipality of Wallace-Woodworth 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. The Board's Rules may be viewed on the Board's website at www.pubmanitoba.ca.

Fees payable upon this Order - \$150.00

THE PUBLIC UTILITIES BOARD

"Marilyn Kapitany"
Panel Chair

"Frederick Mykytyshyn"
Assistant Associate Secretary

Certified a true copy of Order No. 120/21 issued
by The Public Utilities Board


Assistant Associate Secretary

SCHEDULE A

**RURAL MUNICIPALITY OF WALLACE-WOODWORTH
ELHORN WASTEWATER UTILITY
LAGOON TIPPING FEE
BY-LAW NO. 05-2018**

Effective November 1, 2021

Lagoon Tipping Fees per load (during regular hours) will be charged at the rate of \$30.00 per load.