

Order No. 140/19

**RURAL MUNICIPALITY OF ROSSER
CENTREPORT WATER AND WASTEWATER UTILITY
INITIAL INTERIM *ex parte* AND PASS THROUGH WATER AND WASTEWATER
RATES EFFECTIVE JANUARY 1, 2020**

September 24, 2019

**BEFORE: Shawn McCutcheon, Panel Chair
Carol Hainsworth, C.B.A., Panel Member**

Table of Contents

1.0	Executive Summary.....	3
2.0	Application.....	4
	Cost Allocation Methodology	5
3.0	Board Findings	7
4.0	IT IS THEREFORE ORDERED THAT:.....	9
	Schedule A	11

1.0 Executive Summary

By this Order, the Public Utilities Board (Board) approves, on an interim *ex parte* basis, initial water rates as applied for by the Rural Municipality of Rosser (RM) for the new CentrePort Water and Wastewater Utility (Utility).

The new rates are to be effective January 1, 2020 and are as follows:

	January 1, 2020	January 1, 2021	January 1, 2022
Quarterly Service Charge	\$39.00	\$39.00	\$39.00
Water (per cubic meter)	\$3.04	\$3.10	\$3.16
Wastewater	\$3.81	\$3.93	\$4.05
Total Quarterly Minimum Charge*	\$134.90	\$137.42	\$139.94
Minimum Quarterly – Water Only**	\$312.60	\$318.00	\$323.40
Minimum Quarterly – Wastewater Only**	\$381.90	\$392.70	\$403.50
Hydrant Rental Charge	\$150.00	\$150.00	\$150.00

*Based on 14 cubic meters

**Based on 90 cubic meters

Details of other rates may be found in the attached Schedule A.

The Board approves the RM's request for retroactive water rates to 2017, as outlined in the attached schedule A.

The Board denies the RM's request for approval to pass through water rates from the Cartier Regional Water Co-op (CRWC) and wastewater rates from the City of Winnipeg (City) to its customers.

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

2.0 Application

On August 30, 2019, the RM applied for initial interim *ex parte* water and wastewater rates for the new Utility, with water rates retroactive to 2017. The RM also applied for authority to pass-through water rate increases from CRWC and wastewater rate increases from the City. The application was accompanied by a rate study prepared by the RM's consultant and By-Law No. 05-19 having received first reading on June 25, 2019.

The new Utility purchases water from CRWC and has been providing water service to three customers since approximately 2017. Wastewater is directed to the City's collection system. Once fully completed the Utility will own and operate the water distribution lines and the wastewater collection lines. The reservoir and pump house that supplies the water to customers in this area is owned by CRWC. Customers are/will be billed quarterly.

The RM advises much of the infrastructure is not yet built or still under construction and a total of 140 customers are anticipated to connect to the infrastructure over the next three years. As a result, the RM has made estimates over a five-year period for connected customers, amortized assets, and debentures in its forecasting of required rates to attempt to minimize drastic rate revisions once utility operations stabilize and more accurate historical operating costs are available.

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. If a public hearing is not held when making its decision, the Board proceeds with a detailed paper review process which includes consideration of all comments and concerns received and may include additional information requests to the utility's application.

In some cases, where there is an urgent need for rates or rate increases and the Board determines it to be in the best interest of all parties, the Board can establish interim *ex parte* rates. Interim rates are typically approved as applied for, and are then subject to a Public Notice of Application as well as the Board's review using one of the processes outlined above, before being approved as final by Board Order. When setting initial rates for a new utility the Board will often approve interim rates and at a later date confirm rates as final once there is sufficient historical information for the utility to provide accurate projections for rate setting purposes. The Board has determined interim rates are appropriate in the case of the RM's application for the Utility to be able to charge customers as soon as services are able to be provided to customers.

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 the cost allocation methodologies can be found in Board Order No. 93/09.

The RM's Cost Allocation Methodology is as follows:

Rural Municipality of Rosser – CentrePort Water and Wastewater Utility Allocation Plan for Non-Direct Shared Services (see Note 1)			
Category	Sub-category	Expenses Allocated to Utility (Estimated)	
Administrative Shared Overhead		Dollar Value (\$)	Tracked Increments Actual/Hr.
Direct Overhead	Meter Reading – Salaries and Wages		X
	Billing – Receipting and Collection		X
Indirect Overhead	Finance Clerk Salaries/Benefits	20% or \$11,200	
	Council Costs		X
	Audit	10% or \$825	
	Interest Cost on Office Space		N/A
	Lease Costs		N/A
	Utilities		X
	Office Budget (photocopying etc.)	10% or \$11,640	
Shared Direct Operating Costs			
Direct Equipment Costs	Public Works Buildings – Maintenance		X
	Vehicles-Fuel/Insurance		X
	Machinery and Equipment		X
	Road Construction and Maintenance Equipment – Interest, Lease Costs, and Amortization		X
Direct Labour	Labour costs directly attributable to the maintenance and repair of Utility tangible capital assets		X
Shared Capital Costs			
Direct Overhead Costs	Legal Fees/Survey Costs		X
	Design/Engineering Fees		X
	Interest on Debt		X
Direct Equipment Costs	Vehicles/Fuel/Insurance		X
	Equipment, Amortization, and Interest		X
Direct Labour	Labour costs directly attributable to the maintenance and repair of Utility tangible capital assets		X

Note 1: Allocation must be updated periodically to reflect the 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 e.g. re-constructing a road and replacing services at the same time – a portion of the road work may be allocated to the utility.

3.0 Board Findings

The Board approves, on an interim *ex parte* basis, the water rates as applied for by the RM, effective October 1, 2019. The Board makes this interim rate decision to allow the RM to charge customers accordingly as they connect to the water and/or wastewater system and begin receiving services from the Utility.

As a rule, the Board is not a proponent of retroactive rate increases, however, the RM has advised and billed customers according to the proposed rates for 2017, 2018, and 2019. The RM also advises no revenues have been collected to date from the bills until the Board approves rates. Given existing customers have been notified of the retroactive rates they are to be charged, the Board therefore approves retroactive rates to 2017.

The Board denies the RM's request to allow pass-through water rate increases based on the rate increases from CRWC and wastewater rate increases from the City. CRWC and the City are not regulated by the Board and there is no regulatory oversight over their rates.

The Board holds the view the utilities in Manitoba, including the City of Winnipeg Utility, should have oversight by a regulator with respect to its rates. *The City of Winnipeg Charter Act s. 210(5)* allows the City to establish utility rates without approval from the Board. In December 2011, for example, the Board held a two-day informational Hearing with respect to the City's water and wastewater utilities. The resulting Board Order No. 56/12 put forward six recommendations, the first of which was the removal of the City's statutory exemption from Board rate regulation of water and wastewater rates. The Board maintains this view and is a proponent of the City's utility rates being subject to regulation.

The Board does allow for pass-through rate increases, as first established in Board Order No. 129/09, allowing increased rates from a utility selling to another utility "...represent(s) a cost increase beyond the control..." of the purchasing utility...This pass-through process, however, was approved for members of the Pembina Valley Water Cooperative (PVWC), which is regulated by the Board. Order No. 129/09 also states, "PVWC will be required to make application to the Board...such applications will be published in all areas served by PVWC, allowing the public to provide comments to [the Board] and providing [the Board] the opportunity to understand ratepayer concerns".

Under *The Public Utilities Board Act*, the Board currently regulates CRCW using a complaint-based regulatory model to constrain regulatory costs. This means CRCW is able to introduce rate changes simply by notifying their customers and providing the Board with financial information to support the rate changes. If the increase is significant or if a proposed rate increase results in numerous complaints, the increase may prompt the Board to review the proposed changes in greater detail.

The Public Utilities Board Act delegates the authority to establish the rates for Municipal water and wastewater utilities, other than the City, to the Public Utilities Board. The relevant principle in administrative law is *delegata potestas non potest delagari*, which means "no delegated powers can be further delegated". The Board cannot delegate the authority granted to it under statute to another entity. As such, the proposal to allow the RM to pass-through increases from the City without examination by the Board would be an unlawful delegation of authority from the Board to the City.

The RM's agreements with CRCW's and the City's are not binding upon the Board. The Board therefore finds the provision of pass-through rate increases does not provide customers with the protections afforded by Board oversight and notice requirements.

The Board will allow the RM to apply to review and vary its rates when it receives notice from CRCW and/or the City of upcoming rate increases, and will review these applications on an expedited basis to mitigate the possibility of a resulting operating deficit.

A Notice of Application will be issued to inform customers of the interim wastewater rate increases.

The Board approves the Cost Allocation Methodology as applied for by the RM, and reminds the RM this methodology must be used consistently; any changes to the Cost Allocation Methodology require Board approval.

The Board directs the RM to monitor the new Utility's performance and if the RM becomes aware the rates approved in this Order are inadequate to cover the operating costs of the Utility, the Board encourages the RM to submit a revised Rate Application as soon as possible.

4.0 IT IS THEREFORE ORDERED THAT:

1. Initial interim water rates for the Rural Municipality Rosser, CentrePort Water and Wastewater Utility BE AND ARE HEREBY APPROVED on an *ex parte* basis in accordance with the attached Schedule A, effective October 1, 2019.
2. The Rural Municipality of Rosser's request for retroactive rates, BE AND IS HEREBY APPROVED to 2017.
3. The Rural Municipality of Rosser, CentrePort Water and Wastewater Utility provide notice of the interim rates to its customers.
4. The Rural Municipality of Rosser's request for authority to implement pass-through increases for water rate increases from the Cartier Regional Water Cooperative and wastewater rate increases from the City of Winnipeg, BE AND IS HEREBY DENIED.
5. The Rural Municipality of Rosser amend its water By-Law for the CentrePort Water and Wastewater Utility to reflect the decisions in this Order and file a copy with the Public Utilities Board, as soon as it has received third and final reading.
6. The Cost Allocation Methodology for shared services as submitted by the Rural Municipality of Rosser BE AND IS HEREBY APPROVED.

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.

Fees payable upon this Order – \$150.00

THE PUBLIC UTILITIES BOARD

"Shawn McCutcheon"
Panel Chair

"Frederick Mykytyshyn"
Assistant Associate Secretary

Certified a true copy of Order No. 140/19
issued by The Public Utilities Board


Frederick Mykytyshyn
Assistant Associate Secretary

Schedule A

**RURAL MUNICIPALITY OF ROSSER
WATER AND WASTEWATER UTILITY RATES BY-LAW NO 5-19
CENTREPORT WATER AND WASTEWATER UTILITY**

SCHEDULE OF QUARTERLY RATES:

1. Commodity Rates per Cubic Metre

Effective January 1, 2017 (retroactive)

	<u>Water</u>
All Water Consumption	\$2.90

Effective January 1, 2018

	<u>Water</u>
All Water Consumption	\$2.93

Effective January 1, 2019

	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
All Water Consumption	\$2.99	\$3.70	\$6.69

Effective January 1, 2020

	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
All Water Consumption	\$3.04	\$3.81	\$6.85

Effective January 1, 2021

	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
All Water Consumption	\$3.10	\$3.93	\$7.03

Effective January 1, 2022

	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
All Water Consumption	\$3.16	\$4.05	\$7.21

2. Minimum Charges Quarterly

Notwithstanding the Commodity rates set forth in Paragraph 1 hereof, all customers will pay the applicable minimum charges as set out below which will include the water and wastewater allowances indicated.

a) Water and Wastewater Customers

Effective January 1, 2017 (retroactive)

Meter Size (inches)	Group Capacity Ratio	Water Included (cubic meters)	Service Charge	Water Rate	Minimum Quarterly Charges
15mm (5/8")	1	14	\$39.00	\$40.60	\$79.60
19mm (3/4")	2	28	\$39.00	\$81.20	\$120.20
25mm (1")	4	56	\$39.00	\$162.40	\$201.40
38mm (1 1/2")	10	140	\$39.00	\$406.00	\$445.00
50mm (2")	25	350	\$39.00	\$1,015.00	\$1,054.00
75mm (3")	45	630	\$39.00	\$1,827.00	\$1,866.00
100mm (4")	90	1,260	\$39.00	\$3,654.00	\$3,693.00
150mm (6")	170	2,380	\$39.00	\$6,902.00	\$6,941.00

Effective January 1, 2018 (retroactive)

Meter Size (inches)	Group Capacity Ratio	Water Included (cubic meters)	Service Charge	Water Rate	Minimum Quarterly Charges
15mm (5/8")	1	14	\$39.00	\$41.02	\$80.02
19mm (3/4")	2	28	\$39.00	\$82.04	\$121.04
25mm (1")	4	56	\$39.00	\$164.08	\$203.08
38mm (1 1/2")	10	140	\$39.00	\$410.20	\$449.20
50mm (2")	25	350	\$39.00	\$1,025.50	\$1,064.50
75mm (3")	45	630	\$39.00	\$1,845.90	\$1,884.90
100mm (4")	90	1,260	\$39.00	\$3,691.80	\$3,730.80
150mm (6")	170	2,380	\$39.00	\$6,973.40	\$7,012.40

Effective January 1, 2019 (retroactive)

Meter Size (inches)	Group Capacity Ratio	Water Included (cubic meters)	Service Charge	Water Rate	Minimum Quarterly Charges
15mm (5/8")	1	14	\$39.00	\$41.86	\$80.86
19mm (3/4")	2	28	\$39.00	\$83.72	\$122.72
25mm (1")	4	56	\$39.00	\$167.44	\$206.44
38mm (1 1/2")	10	140	\$39.00	\$418.60	\$457.60
50mm (2")	25	350	\$39.00	\$1,046.50	\$1,085.50
75mm (3")	45	630	\$39.00	\$1,883.70	\$1,922.70
100mm (4")	90	1,260	\$39.00	\$3,767.40	\$3,806.40
150mm (6")	170	2,380	\$39.00	\$7,116.20	\$7,155.20

Effective January 1, 2020

Meter Size (inches)	Group Capacity Ratio	Water Included (cubic meters)	Service Charge	Water Rate	Wastewater Rate	Minimum Quarterly Charges
15mm (5/8")	1	14	\$39.00	\$42.56	\$53.34	\$134.90
19mm (3/4")	2	28	\$39.00	\$85.12	\$106.68	\$230.80
25mm (1")	4	56	\$39.00	\$170.24	\$213.36	\$422.60
38mm (1 1/2")	10	140	\$39.00	\$425.60	\$533.40	\$998.00
50mm (2")	25	350	\$39.00	\$1,064.00	\$1,333.50	\$2,436.50
75mm (3")	45	630	\$39.00	\$1,915.20	\$2,400.30	\$4,354.50
100mm (4")	90	1,260	\$39.00	\$3,830.40	\$4,800.60	\$8,670.00
150mm (6")	170	2,380	\$39.00	\$7,235.20	\$9,067.80	\$16,342.00

Effective January 1, 2021

Meter Size (inches)	Group Capacity Ratio	Water Included (cubic meters)	Service Charge	Water Rate	Wastewater Rate	Minimum Quarterly Charges
15mm (5/8")	1	14	\$39.00	\$43.40	\$55.02	\$137.42
19mm (3/4")	2	28	\$39.00	\$86.80	\$110.04	\$235.84
25mm (1")	4	56	\$39.00	\$173.60	\$220.08	\$432.68
38mm (1 1/2")	10	140	\$39.00	\$434.00	\$550.20	\$1,023.20
50mm (2")	25	350	\$39.00	\$1,085.00	\$1,375.50	\$2,499.50
75mm (3")	45	630	\$39.00	\$1,953.00	\$2,475.90	\$4,467.90
100mm (4")	90	1,260	\$39.00	\$3,906.00	\$4,951.80	\$8,896.80
150mm (6")	170	2,380	\$39.00	\$7,378.00	\$9,353.40	\$16,770.40

Effective January 1, 2022

Meter Size (inches)	Group Capacity Ratio	Water Included (cubic meters)	Service Charge	Water Rate	Wastewater Rate	Minimum Quarterly Charges
15mm (5/8")	1	14	\$39.00	\$44.24	\$56.70	\$139.94
19mm (3/4")	2	28	\$39.00	\$88.48	\$113.40	\$240.88
25mm (1")	4	56	\$39.00	\$176.96	\$226.80	\$442.76
38mm (1 1/2")	10	140	\$39.00	\$442.40	\$567.00	\$1,048.40
50mm (2")	25	350	\$39.00	\$1,106.00	\$1,417.50	\$2,562.50
75mm (3")	45	630	\$39.00	\$1,990.80	\$2,551.50	\$4,581.30
100mm (4")	90	1,260	\$39.00	\$3,981.60	\$5,103.00	\$9,123.60
150mm (6")	170	2,380	\$39.00	\$7,520.80	\$9,639.00	\$17,198.80

The following clauses take effect October 1, 2019:

3. Bulk Sales Rate

All water sold in bulk by the Utility shall be charged for at the rate of \$7.25 per cubic metre.

4. Billings and Penalties

Accounts shall be billed quarterly based on water used and the due date shall be at least 20 days after the mailing the bills.

A late payment charge of 1.25% per month shall be charged on the dollar amount owing after the billing due date.

5. Disconnection

The Public Utilities Board has approved the Conditions Precedent to be followed by the Municipality with respect to the disconnection of service for non-payment. The Conditions Precedent is set out in Schedule "B" attached hereto and forming part of this By-Law

6. Reconnection Fee

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. Request for Disconnection and Reconnection Fee

Any customer requesting a service disconnection shall pay a fee of \$50.00 and if the customer requests a reconnection that occurs at another date or time, a reconnection fee of \$50.00 will apply.

8. Outstanding Bills

Pursuant to Section 252(2) of *The Municipal Act*, the amount of all outstanding charges for water and wastewater service are a lien and charge upon the land serviced, and shall be collected in the same manner in which ordinary taxes upon the land are collectible, and with like remedies.

9. Hydrant Rentals

The Rural Municipality of Rosser shall pay to the Utility an annual hydrant rental of \$150.00 for each hydrant connected to the System.

10. Water Allowance Due to Line Freezing

Where, at the request of the 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. Meter Testing

Any customer wishing to have a meter tested for accuracy will pay in advance a fee of \$125.00, plus any applicable meter testing costs. In the event that the meter tests proves that the meter is recording water flows in excess of actual flows, the meter testing fee and associated costs will be refunded to the customer, and the customer's account will be reviewed and adjusted accordingly.

12. Water Meters

- (a) The RM shall supply an appropriate size water meter and remote read touch pad at the customers cost.
- (b) The meter and touch pad shall be installed by a registered plumber and the costs shall be the responsibility of the property owner. The remote touch pad shall be located at a point easily accessible at all times and approved by the RM.
- (c) The meter shall be installed 75 cm above the floor or as approved by the RM.
- (d) The meter shall be located as close as practical to the point of entry of the water line. Ample room must be provided for access to the meter and main valve at all times.
- (e) The meter shall be in a horizontal position with the main shut off valve immediately before the meter. Another valve shall be installed downstream of the meter before any distribution piping or ports.
- (f) No distribution piping or ports shall be allowed before the meter.
- (g) The meter shall be protected from any type of damage including freezing.
- (h) Costs for any damage and labour for repairs to the water meter and associated equipment shall be the responsibility of the property owner.

13. Service Permit Fee

Any person wishing to install a new water service pipe, reuse or repurpose an existing water service pipe, or abandon a water service pipe must apply for and receive a water service pipe permit. The cost of the permit includes approval of the plan, inspection of the connection and record keeping.

14. Sewage Surcharges

- (a) There may be levied annually, in addition to 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 wastes.

CONDITIONS PRECEDENT ALLOWING FOR COLLECTION
AND DISCONNECTION OF WATER AND/OR WASTEWATER SERVICES
FOR NON-PAYMENT OF ACCOUNTS

1.0 PURPOSE:

- 1.1 The purpose of this document is to outline and define the disconnection and reconnection policies and procedures for customers with water and/or wastewater services.
- 1.2 Disconnection, in accordance with the steps outlined in the following policy and procedures may occur if a customer is in arrears and full payment or payment arrangements suitable to the utility have not been made and if so, such disconnections must occur in conformance with these conditions precedent.
- 1.3 Reconnection, in accordance with the following policy and procedures will occur as soon as it is reasonably possible after the account returns to good standing. This Policy and Procedure does not apply to disconnection practices for routine maintenance of the utility including emergencies.

2.0 SCOPE:

- 2.1 The policy and procedures apply to customers receiving water and/or wastewater services. The procedures are detailed to reflect the variety of situations that may occur for each of the following customers.
 - 2.1.1 All property owners and/or tenants responsible for water and/or wastewater services.
 - 2.1.2 All landlords responsible for providing tenant water and/or wastewater services covered under The Residential Tenancies Act (C.C.S.M. c R119).
 - 2.1.3 Where water and/or wastewater services are added to taxes.
 - 2.1.4 Where water is sold in bulk.
 - 2.1.5 Where sewage is dumped into a treatment facility.
 - 2.1.6 Where water and/or wastewater service is provided beyond the boundaries of a municipality, if applicable.

3.0 DEFINITIONS:

- 3.1 **Account Holder/Customer** – shall refer to the person or persons who have applied for water and/or wastewater service at a particular residence, whether it be the property owner or renter

- 3.2 Property Owner** – shall refer to the person or persons who are listed on the title of a specific property.
- 3.3 Renter** – is not the property owner of the subject property and shall refer to the utility account holder/customer of the subject property.
- 3.4 Security Deposit** – shall be based on the risk to the utility and should not exceed an estimated bill for three months.

4.0 POLICY:

- 4.1** The Utility will normally confine collection activity to the person(s) identified on the account who requested the service(s) with an implied agreement to pay or the person or agency who has agreed to pay for the service(s), with the following exception: where a reasonable person would expect that a customer not named on the bill is implicitly responsible for the service(s), i.e. husband or wife (legal or common-law), that person will also be presumed to have liability for the outstanding balance.
- 4.2** In order to satisfy provisions of *The Freedom of Information and Protection of Privacy Act*, Utilities are encouraged to develop an agreement between the utility and the account holder/customer, with provisions that establish at minimum conditions for service, recourse for unpaid bills, deposits required, and for renter's acknowledgement that information relating to their account status and other information may be released to the property owner to assist with collections.
- 4.3** The Public Utilities Board (Board) may, on its own initiative, or at the request of a Customer review a Utility's action and make recommendations and/or orders with respect to same as the Board may determine.
- 4.4** Every effort is to be made by the Utility to resolve outstanding accounts, disconnection and reconnection issues directly with its customer(s). If a solution cannot be reached the customer may apply to the Board for dispute resolution.
- 4.5** The Utility should familiarize itself with legislated provisions and the duty to report when a child is in need of protection and/or where the life, health or emotional well-being of the child (or children) is endangered. These provisions are contained in Part III – Child Protection - of *The Child and Family Services Act*.

- 4.6** The Utility must make special application to the Board prior to disconnecting service to a community or multiple residences/properties. Such an application must be shared with the affected community(ies) and/or multiple residences/properties. The Board will consider the circumstances and particulars of the application and provide the Utility with direction, following such process as the Board may deem appropriate.
- 4.7** If a landlord is responsible for the provision of water and/or wastewater services to tenant occupied premises, arrears will be based on the outstanding account balance and will be subject to Residential Tenancy Branch (RTB) procedures at the tenant occupied premises. Landlords failing to bring their outstanding account balance to good standing will be subject to disconnection of services of the same utility at their personal residence and any vacant premises under the same name.
- 4.8** This policy does not affect the Utility's right to disconnect in times of emergency and/or for reasons of safety or for failure to comply with water rationing requirements.
- 4.9** The Utility will keep current data of all disconnected customers in accordance with the following procedures.
- 4.10** The Utility may seek Board exemption from full disconnection procedures when faced with customers who consistently and deliberately show patterns of payment avoidance and who clearly understand the consequences of their actions.

5.0 PROCEDURES

5.1 DISCONNECTION PROCEDURE

Steps 1, 2 and 3 must be followed on water and/or wastewater services in arrears.

Step 1

Customers shall receive a billing statement each billing cycle for services. In some cases the bill is for past consumption and/or minimum quarterly bill for the prior quarter and in other cases, for past consumption over the minimum quarterly bill in the prior quarter plus the next minimum quarterly bill in advance. The due date which appears on the bill shall be no less than 14 days after the billing date. Bulk water customers or customers dumping sewage may have special billing arrangements. However, failure to pay an outstanding bill may result in the removal of the right to use the service.

Step 2

If payment is not received within 31 days from the last billing date, a message similar to the following shall appear on a reminder statement:

**“Our records indicate your account is past due. Please give this your prompt attention.
If payment or payment arrangements have been made, kindly disregard this notice.”**

[The following is applicable to residential premises.]

“Information on service disconnection, payment arrangements and financial assistance is enclosed.”

Sample Insert:

<p>If your account is past due and you have not made payment arrangements, your water and/or wastewater service could be disconnected.</p> <p>The Public Utilities Board adopted Order No. 39/09 governing the disconnection of water and/or wastewater service for non-payment of account.</p>	<p>To make payment arrangements, please contact the utility at:</p> <p><i>204-467-5711</i></p> <p>If you have already made payment arrangements, please disregard this notice.</p>	<p>Financial assistance may be available through Employment and Income Assistance:</p> <p>1-800-626-4862</p> <p>Additional financial counseling and support may be available through Community Financial Counseling Services: 1-888-573-2383</p>
---	--	--

Step 3

If payment is not received within 45 days of the last billing date, a message similar to the following shall appear on the second and final reminder notice. Reconnection fees will be charged as approved by the Board from time to time:

IMPORTANT PAST DUE NOTICE

Your **account** is past due. If suitable payment arrangements or full payment of the arrears are not made on or before (*enter Date {14 calendar days from date of issue}*) your account will be subject to disconnection. If payment of the arrears has already been made, please notify us immediately. If payment arrangements have already been made kindly disregard this notice.

If your service(s) is disconnected, full payment of the arrears balance plus a reconnection fee will be required before service is fully restored. A security deposit may also be required.

Customers may appeal the Utility's action by contacting the Public Utilities Board.

The Utility is not responsible for any damages or losses that may occur as a result of services which are disconnected for non-payment. Please ensure you protect people, animals and property that may be impacted by disconnection of service.

Reconnect Fees are \$ 50.00.

Your service will be disconnected on _____ in the a.m. or p.m.

- 5.2** Where the Utility bills the minimum quarterly bill in advance, and where service is not reconnected, the bill should be adjusted and prorated accordingly, for the period from the date of disconnection to the end of the next quarter.
- 5.3** The following are exceptions to the above notice requirements before disconnection:
- (a) Where the customer's account was past due and where a payment arrangement was made and subsequently broken, the Utility may disconnect the customer's service with 7 calendar days notice.
- (b) Where the customer's account was past due for services billed at a previous premise, the Utility may, with 10 days notice, disconnect the customer's service at the new premise if the customer fails to make a payment arrangement.

The Utility shall take all reasonable steps to collect the arrears from its account holder/customer before adding any arrears to taxes.

- 5.4** A message similar to the following shall appear on any future billing statements where services have been disconnected:

“Your account remains outstanding despite previous requests for payment. Failure to pay the outstanding account balance may make your account subject to legal action. Please call the phone number on the front of your billing statement or pay in person. If payment of the arrears has already been made please notify the Utility immediately. If payment arrangements have already been made kindly disregard this notice.”

6.0 RECONNECTION OR RESTORATION OF SERVICE PROCEDURE:

- 6.1** No reconnection of service(s) shall occur unless full payment of the arrears or payment arrangements is made suitable to the Utility including a reconnection fee. Reconnection terms may also include the payment of a security deposit.
- 6.2** All reasonable efforts shall be made to reconnect or restore the service as soon as possible.

7.0 GENERAL GUIDELINES FOR RENTAL PROPERTIES:

- 7.1** The renter and property owner are both responsible for providing notice and meter readings to the utility when vacating or renting a premise for the first time.
- 7.2** If the new renter has an unpaid amount, the utility may refuse service to the tenant.
- 7.3** The departing tenant will be responsible for services to the date of departure and the arriving tenant or the property owner will be responsible on the date the new tenant takes occupancy.
- 7.4** If there is a period of time between departing tenant and the arriving tenant the property owner will be responsible for the service charge.
- 7.5** The renter's deposit, if applicable, will be applied to the utility bill at this time. In the case where the amount of the deposit, if applicable, exceeds the amount of the final bills and a credit is shown on the utility account, the credit is then refunded to the renter in the form of a cheque.

8.0 REPORTING REQUIREMENTS:

8.1 The Utility shall record the following information which the Board may request at any time:

(a) the name of the account holder disconnected;

(b) efforts made by the Utility to contact the customer (bill messages, letters, telephone calls, personal visits) and the results of such efforts.