

Order No. 35/24

**RURAL MUNICIPALITY OF PIPESTONE
PIPESTONE WATER AND WASTEWATER UTILITY
REVISED WATER AND WASTEWATER RATES
EFFECTIVE APRIL 1, 2024, JANUARY 1, 2025, AND JANUARY 1, 2026
2022 ACTUAL OPERATING DEFICIT**

MARCH 12, 2024

BEFORE: Shawn McCutcheon, Panel Chair
Marilyn Kapitany, B.Sc. (Hon), M. Sc., Panel Member

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1.0 Executive Summary

By this Order, the Public Utilities Board (Board) varies the revised water and wastewater rates for the Rural Municipality of Pipestone (RM), Pipestone Water and Wastewater Utility (Utility), and varies the effective dates to April 1, 2024, January 1, 2025, and January 1, 2026.

The approved rates are as follows:

	Current Rates	April 1, 2024	January 1, 2025	January 1, 2026
Quarterly Service Charge	\$25.17	\$26.74	\$27.96	\$29.23
Water (per cubic meter)	\$4.00	\$4.37	\$4.69	\$4.76
Wastewater (per cubic meter)	\$1.00	\$1.05	\$1.08	\$1.13
Minimum Quarterly Charge	\$95.17	\$102.62	\$108.74	\$111.69
Bulk Water Sales (per cubic meter)	\$7.08	\$6.87	\$6.87	\$6.87

*Based on 14 cubic meters

The Board also approves the RM's request for recovery of the actual operating deficit of \$15,978 for 2022, when calculated for regulatory purposes, incurred by the Utility. The Board also approves the RM's proposed recovery methodology for the deficit to be recovered from the Utility's Accumulated Fund Surplus.

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 operates a water and wastewater utility, servicing 495 customers. Rates were last approved for the Utility in 2021 in Board Order No. 124/21, effective January 1, 2022. At that time, the Board also approved the amalgamation of the Pipeline Rural Water System (Pipeline Utility) and the Reston Utility to form the RM of Pipestone Water and Wastewater Utility.

Deficits were last approved for the Utility in Board Order No. 68/23 in the amount of \$36,050 for 2021 to be recovered through the Utility's Accumulated Fund Surplus. The Board also approved six years of deficits totalling \$258,380 for the Pipeline Utility and Reston Utilities in Board Order No. 124/21 to be recovered from the amalgamated Utility's Accumulated Fund Surplus.

Water Supply and Distribution

The RM purchases water from the Rural Municipality of Wallace-Woodworth (Wallace-Woodworth), up to a maximum of 600 cubic meters per day. Wallace-Woodworth treats the supplied water. The Town of Reston's reservoir has a capacity of 90,000 imperial gallons (or approximately a three-day supply of water) and stores water for users and firefighting.

The water system was initially constructed in 2012. The initial water treatment plant has been converted to a pumphouse and acts as a disinfection and distribution pumping system, consisting of two, five horsepower submersible pumps and three pressure regulating stations. Water stations are inspected three times per week for leaks and to ensure correct pressurization.

Wastewater Collection and Treatment

The lagoon was constructed in 2002 and was expanded in 2017. It consists of a primary treatment cell and three secondary storage cells, and has a capacity to a population of 1,263 people for piped collection and 1,167 for truck hauled collection.

The Town of Reston uses a gravity wastewater system and lift station pumps to send the effluent to the primary lagoon cell. Lines were installed in 1964 and expanded in 1978, 2012, and 2018.

The Village of Pipestone uses a low-pressure system that moves grey water to the lagoon by forcemain and solids are retained in a holding tank to be emptied by homeowners. The wastewater pipes were constructed in 1981.

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 reports unaccounted for water at an average of 10%, but advises water consumed for flushing is not tracked. The RM also reports water lost from leaks is difficult to measure/monitor, and when a major leak occurs water is flushed to prevent debris and/or contamination of the water system.

The RM uses an annual curb stop maintenance program, analysis of monthly meter readings versus water purchased, and regular pressure testing and leak detection to mitigate water loss.

3.0 Application

On April 21, 2024, the RM applied for revised water and wastewater rates for the Utility. The application was accompanied by a rate study prepared by the RM's Manager of Finance and Administration and By-Law No. 2022/07 read for the first time on September 22, 2022 and read for the second time on April 13, 2023.

A Public Notice of Application was issued on May 30, 2023 allowing for any questions or comments with respect to the proposed rate increases to the Board and/or the RM on or before July 23, 2023. There were no responses to the Notice.

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 and include an annual inflation rate of 4.5% in the calculations:

Schedule of Utility Rate Requirements			
Rural Municipality of Pipestone – Pipestone Water and Wastewater Utility			
2024 to 2026 Budget Forecasts (\$)			
	2024	2025	2026
	Forecast		
General Expenses			
Administration	53,638	56,052	58,574
Total General Expenses	53,638	56,052	58,574
Net Costs General	53,638	56,052	58,574
Water Expenses			
Staffing	184,467	192,768	201,442
Purification and Treatment	20,000	20,900	21,841
Water Purchases	200,493	205,581	209,693
Transmission and Distribution	28,000	29,260	30,577
Other Water Supply Costs	20,000	20,900	21,841
Amortization	363,346	363,346	363,346

	Interest on Long-Term Debt	55,262	49,713	43,952
	Reserves	-	-	-
	Contingency	43,296	44,851	46,355
	Total Wastewater Expenses	914,864	927,319	939,047
Revenue				
	Hydrant Rentals	5,400	5,550	5,700
	Investment Income – MWSB	25,000	3,500	3,500
	Amortization of Capital Grants	130,274	130,274	130,274
	Amortization of Royalty Grants	151,751	151,751	151,751
	Amortization of Gas Tax Grants	15,740	15,740	15,740
	Taxation Revenues	200,225	200,225	200,225
	Other Revenue – Bulk Water Fees	2,200	2,200	2,200
	Other revenue	2,500	2,500	2,500
	Total Water Revenue	533,090	511,740	511,890
	Net Costs Water	381,774	415,579	427,157
Wastewater Expenses				
	Staffing	20,113	21,018	21,964
	Collection System	10,000	10,450	10,920
	Lift Station	15,000	15,675	16,380
	Treatment and Disposal	10,000	10,450	10,920
	Amortization	223,226	223,226	223,226
	Interest on Long-Term Debt	4,784	4,498	4,206
	Reserves	-	-	-
	Contingency	5,511	5,759	6,018
	Total Wastewater Expenses	288,634	291,076	293,634
Revenue				
	Lagoon Tipping Fees	800	800	800
	Investment Income	8,000	8,000	7,000
	Amortization of Capital Grants	122,728	122,728	122,728
	Amortization of Royalty Grants	85,853	85,853	85,853
	Taxation Revenue	18,987	18,986	18,986
	Total Wastewater Revenue	236,368	236,367	235,367
	Net Costs Wastewater	52,266	54,709	58,267
	Net Operating Costs	487,678	526,340	543,998

The proposed Utility rate increases are primarily due to inflation.

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 \$43,296 for 2024, \$44,851 for 2025, and \$46,355 for 2026 for water and \$5,511 for 2024, \$5,759 for 2025, and \$6,018 for 2026 for wastewater.

The RM has not included an annual reserve allowance in its application. The RM's rate study advises, a Municipal Utility Reserve has been created and funded every year by a specified percentage of royalty income to fund repair of infrastructure and installation of new services.

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 2022 Audited Financial Statements, the most recent information available, the working capital deficit for the Utility at December 31, 2022 was:

	2022
Utility Fund Surplus/Deficit	\$22,605,724
Deduct: Tangible Capital Assets	(23,332,335)
Add: Long-Term Debt	1,456,793
Add: Utility Reserve	3,474,323
Equals Working Capital Surplus (Deficit)	\$4,204,505
Operating Expenses	1,330,538
20% of Operating Expenses (Target)	\$266,108

The Utility meets 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.

Shared Overhead		Expenses Allocated to Utility (Estimated)		
Sub-Category	Activity/Expenses (Object)	Percentage (%)	Dollar Value (\$)	Tracked Increments (Actual/hr)
Direct Overhead Costs	Meter Reading - Salaries & Wages			Included in Direct Labour
	Billing - Receipting and Collection		10,975	\$26.28/hr
Indirect Overhead Costs General Administrative Costs and Shared Office Costs	CAO - Salaries and Benefits	5%	5,186	
	Council	5%	5,738	
	Manager - Finance & Administration	5%	4,409	
	Public Works Manager	5%	4,927	
	Public Works Clerk	5%	2,392	
	Audit and Legal	15%	4,350	
	Software	Various	5,904	
	Office - Utilities	15%	5,408	
	Shop - Utilities	5%	3,269	
		Photocopying/Lease	15%	1,080
Shared Direct Operating Costs				
Direct Equipment Costs	Vehicles - Fuel / Insurance		12,000	Fixed
	Machinery & Equipment			Applicable Unit Rate/hr
	Road Construction & Maintenance Equipment - Interest / Lease Costs / Amortization			Applicable Unit Rate/hr
Direct Labor	Labour Costs Directly Attributed to the Maintenance and Repair of Utility Tangible Capital Assets.		184,467 20,018	Actual/year
Shared Capital Costs				
Direct Labor	Labor costs directly attributed to the development and construction of a Utility Tangible Capital Asset			Billed to Utility when necessary

Deficit

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.

The RM applied for the recovery of an actual operating deficit in the amount of \$15,978 for 2022, when calculated for regulatory purposes, incurred by the Utility, to be recovered from the Utility's Accumulated Fund Surplus.

The RM noted in its application the deficits were due to insufficient rates to provide for higher than anticipated annual operating costs.

4.0 Board Findings

The Board has reviewed the application and the projections presented by the RM in its rate application.

Board Order No. 124/21 stated in the Board Findings section of the Order, the Board does not allow for Gas Tax Reserve funds to be amortized in the same manner as capital grants. Board Order No. 68/23 noted the Board's findings from Board Order No. 124/21 and further noted Section 7.0 of the Board Guidelines (at that time) outlined that the Board treatment of grants or other contributions does not apply to monies, which are not restricted to specific capital projects, such as Gas Tax Revenues. At that time, the Board maintained its position and denied the RM's request for Gas Tax Reserve funds or capital assets contributed from the RM to be amortized in the same manner as capital grants. The Board also directed the RM to cease the use of amortization of Gas Tax Reserve funds or capital assets contributed from the RM to offset deficits incurred by the Utility or its rate calculations.

The Board notes the RM's projections used to calculate the requested Utility rates include \$15,740 per year in amortization of gas tax grants for water. The revised Board Guidelines, updated February 14, 2023, state in Section 7.0 Calculations of Commodity Rates- Considerations:

“Amortization of capital assets (previously known as depreciation) in accordance with PSAB standards is an expense item and must be included in the determination of utility revenue requirements. Similarly, grants or other contributions received for specific capital purposes require capitalization for rate setting purposes and amortization over the life of the related asset(s) as an offset to the amortization expense. This PUB treatment of grants or other contributions does not apply to monies, which are not restricted to specific capital projects, such as Gas Tax Revenues.”

The RM should be mindful, the Board previously advised the RM in two Board Orders the use of amortization of Gas Tax Reserve funds is not permitted to be used in the same manner as amortization of capital grants and directed the RM to cease use of amortization of Gas Tax Reserve funds to offset deficits incurred by the Utility or in its rate calculations.

The Board therefore varies the RM’s requested rates by reducing offsets for calculating the Utility water rate revenue requirement by the \$15,740 in each year from \$381,774 to \$397,514 for 2024, from \$415,579 to \$431,319 for 2025, and from \$427,156 to \$442,896 for 2026. The Board also notes, the RM advised of an error in the forecasting of water amortization expenses. The rate study included \$363,346 for each of 2024, 2025, and 2026, however, the figure should have been forecasted as \$371,349 in each of those years or an expenditure increase of \$8,003 per year.

The Board varies rates requested by the RM, to reflect the reduction of the water amortization of Gas Tax Reserve funds of \$15,740 per year and the increase of \$8,003 for water amortization expenses to \$4.37 for 2024, \$4.69 for 2025, and \$4.76 for 2026. The Board also varies the effective dates to April 1, 2024, January 1, 2025, and January 1, 2026 to coincide with the Utility’s quarterly billing cycle.

The Board notes the RM’s forecast includes a transfer from the Utility Reserve Fund of \$8,000 for 2024 and 2025 and \$7,000 for 2026 to partially offset current high inflation rates for Utility costs.

The Board also notes, any future application containing amortization of Gas Tax Reserve Funds or capital assets contributed from the RM to offset deficits or in its rate calculations will be returned to the RM and will not enter the Board's application queue.

The Board is concerned with the methodologies used by the RM in its forecasting for water transmission and distribution expenses. The RM's Audited Financial Statements reported the transportation and distribution line item as \$110,875 for 2022, \$155,837 for 2021, \$108,702 for 2020, \$200,921 for 2019, and \$96,221 for 2018 or a 5-year average cost of \$134,500. While the RM advises its Auditor(s) include hydrant maintenance, transportation, and some miscellaneous line items in this line item, the Board notes the RM has only forecasted \$28,000 for 2024, \$29,260 for 2025, and \$30,577 in its rate calculations, which historically would not be sufficient to fully provide for these expenses.

The Board directs the RM to return to the Board as soon as possible to request revised Utility rates if the forecasted rate requirements are insufficient to provide for Utility expenses for 2024, 2025, or 2026.

The Board requires the RM to review its water and wastewater rates for the Utility for adequacy and file a report with the Board, as well as an application for revised rates (if required) on or before September 1, 2026.

The Board approves the Utility's actual operating deficit, when calculated for regulatory purposes, of \$15,978 for 2022 incurred by the Utility to be recovered from the Utility's Accumulated Fund Surplus.

5.0 IT IS HEREBY ORDERED THAT:

1. The revised water and wastewater rates for the Rural Municipality of Pipestone, Pipestone Water and Wastewater Utility, BE AND ARE HEREBY VARIED in accordance with the attached Schedule A, effective April 1, 2024, January 1, 2025, and January 1, 2026.
2. The Shared Cost Allocation Methodology for the Rural Municipality of Pipestone BE AND IS HEREBY APPROVED.
3. The Rural Municipality of Pipestone 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 Pipestone 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 Pipestone review its water and wastewater rates for the Pipestone 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 September 1, 2026.
6. The actual operating deficit, when calculated for regulatory purposes, in the amount of \$15,978 for 2022 incurred by the Pipestone Water and Wastewater Utility is HEREBY APPROVED to be recovered from the Utility's Accumulated Fund Surplus.
7. The Rural Municipality of Pipestone cease the use of amortization of Gas Tax Reserve funds or capital assets contributed from the Rural Municipality to offset deficits incurred by the Pipestone Water and Wastewater Utility or in its rate calculations.

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 - \$500.00

THE PUBLIC UTILITIES BOARD

"Shawn McCutcheon"

Panel Chair

"Frederick Mykytyshyn"

Assistant Associate Secretary

Certified a true copy of Order No. 35/24

Issued by The Public Utilities Board



Assistant Associate Secretary

**SCHEDULE A
RURAL MUNICIPALITY OF PIPESTONE
PIPESTONE WATER AND WASTEWATER UTILITY
WATER AND WASTEWATER UTILITY RATES BY-LAW NO.
SCHEDULE OF QUARTERLY RATES**

1. SCHEDULE OF COMMODITY RATES & QUARTERLY SERVICE CHARGE

Commodity Rates per m³

Year	Water	Wastewater	Water & Sewer	Service Charge
April 1, 2024	\$4.37	\$1.05	\$5.42	\$26.74
January 1, 2025	\$4.69	\$1.08	\$5.77	\$27.96
January 1, 2026	\$4.76	\$1.13	\$5.89	\$29.23

2. MINIMUM CHARGES, QUARTERLY

Notwithstanding the Commodity rates set forth in paragraph 1 hereof, all customers will pay the applicable minimum charges set out below, which will include water allowances indicated:

a) Water & Wastewater Customers April 1, 2024:

Meter Size (Inches)	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Water	Wastewater	Minimum Quarterly Charges
5/8	1	14	\$26.74	\$61.18	\$14.70	\$102.62
3/4	2	27	\$26.74	\$117.99	\$28.35	\$173.08
1	4	55	\$26.74	\$240.35	\$57.75	\$324.84
1 1/4	10	140	\$26.74	\$611.80	\$147.00	\$785.54
2	25	341	\$26.74	\$1,490.17	\$358.05	\$1,874.96

b) Water & Wastewater Customers January 1, 2025:

Meter Size (Inches)	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Water	Wastewater	Minimum Quarterly Charges
5/8	1	14	\$27.96	\$65.66	\$15.12	\$108.74
3/4	2	27	\$27.96	\$126.63	\$29.16	\$183.75
1	4	55	\$27.96	\$257.95	\$59.40	\$345.31
1 1/4	10	140	\$27.96	\$656.60	\$151.20	\$835.76
2	25	341	\$27.96	\$1,599.29	\$368.28	\$1,995.53

c) Water & Wastewater Customers January 1, 2026:

Meter Size (Inches)	Group Capacity Ratio	Minimum Quarterly Consumption	Service Charge	Water	Wastewater	Minimum Quarterly Charges
5/8	1	14	\$29.23	\$66.64	\$15.82	\$111.69
3/4	2	27	\$29.23	\$128.52	\$30.51	\$188.26
1	4	55	\$29.23	\$261.80	\$62.15	\$353.18
1 1/4	10	140	\$29.23	\$666.40	\$158.20	\$853.83
2	25	341	\$29.23	\$1,623.16	\$385.33	\$2,037.72

d) Water Only Customers

Minimum charge will be the same for each meter size as shown, above, but the Wastewater Commodity Charge will be excluded.

e) Low Pressure Wastewater Residential Customers

The Rural Municipality of Pipestone does not charge the owners or occupants of land serviced with a metered sewer rate, rather charges through a special service levy that are connected to the low-pressure gravity fed line attached to the Reston Utility Lagoon. This rate is established in By-Law 2020-04 as \$50.00 per connection in 2020, 2021 and \$60.00 in 2022, 2023, 2024 as approved by The Municipal Board Order E20-046.

3. BULK SALES RATE

All water sold in bulk by the Rural Municipal Utility shall be charged for at the rate of \$6.87 per cubic meter with a minimum one cubic meter charge.

The following clauses take effect April 1, 2024.

4. SERVICE TO CUSTOMERS OUTSIDE THE MUNICIPALITY OF PIPESTONE

The Council of the Rural Municipality of Pipestone may sign Agreements with customers for the provision of water and sewer services to properties located outside the legal boundaries of the Rural Municipality. 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 the 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 Rural Municipality of Pipestone boundaries. In addition, all costs of connecting to the Utility's mains, and installing and maintaining service connections will be paid by the customer.

5. BILLINGS AND PENALTIES

Accounts shall be billed quarterly based on water used. A late 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.

6. DISCONNECTION AND RECONNECTION

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, 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 Municipal office.

Any service disconnected, whether due to non-payment of account or for any other reason(s) mutually agreed to by the customer and the Municipality (ie. Repairs necessitated by negligence of the customer, changes in tenant, vacancy for an extended period of time, etc.) shall not be reconnected until all arrears, penalties and a reconnection fee of \$85.00 have been paid.

Customers requesting that their service be disconnected and then reconnected within a twelve (12) month period shall pay a fee of \$85.00 during working hours. If reconnection is required after normal working hours, a charge of \$150.00 must be paid prior to being reconnected.

7. LIABILITY FOR CHARGES

Pursuant to section 252(2) of *The Municipal Act*, the amount of all outstanding charges for water and sewer service, 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 collectable, and with like remedies.

A consumer who has not paid their bill will be charged an administration fee of \$10.00 to cover costs of adding outstanding accounts to the tax roll.

8. HYDRANT RENTALS

The LUD of Reston, or any other hydrant owner, will pay to the Utility an annual rental of \$150.00 per year for each hydrant for the purpose of maintaining and repairs all fire hydrants connected to the system which shall include the cost of water used for firefighting.

9. WATER ALLOWANCE DUE TO FREEZING

That in any case where, at the request of the Rural Municipality of Pipestone, 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 billings for the last two previous quarters to the same customer, or to the same premises if the occupant has changed.

10. WASTEWATER SURCHARGE

- 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 mg/L, 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.

11. WATER METERS

All new residential customers for sewer and water shall be metered at customer cost. Ownership, inspection and maintenance of meters will remain the responsibility of the utility system. Commercial meter maintenance will be the responsibility of the utility system but will be billed to the commercial user. If the meter is broken, frozen, etc. the Utility customers will be billed for a new meter at the current cost of replacement.

12. 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. 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.

13. RESPONSIBILITY FOR WATER SERVICE CONNECTIONS

The Utility is responsible for approval of designed route, contractor, material list and installation procedure from RM main line to the owner's meter. The owner is responsible for all associated costs of material, installation, repair and maintenance of all the water lines including connections and valves through and on their property from the meter package up to the water main line (including any water losses that may occur and all restoration). The Municipality shall own the meter package and be responsible to repair and maintain the meter package (not including service line shut off valve at meter package).

14. RESPONSIBILITY FOR SEWER SERVICE CONNECTIONS

The Utility is responsible for approval of designed route, contractor, material list and installation procedure from RM sewer main line to the owner's property. The owner is responsible for all associated costs of material, installation, repair and maintenance of all the sewer lines including connections, valves, cleaning, auguring tree roots, and restoration from RM sewer main to property connection.

15. 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:

1. Shut off service or services; or
2. Give notice to the customer to correct the fault at his or her own expense within a specified time period.

16. CONDITION 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.

17. AUTHORIZATION FOR OFFICER TO ENTER UPON PREMISES

The Regional Utility Foreman, or other employee authorized by the Rural Municipality in the absence of the Regional Utility Foreman, shall be authorized to enter upon any premise for the purpose of:

- a. affixing to any pipe, wire or apparatus connected with any such utility, a meter or any other measuring or testing devise; or
- b. taking readings from, repairing, inspecting, or removing any meter or apparatus belonging to the Municipality.