



Docket UW17303  
Order UW08-02

**IN THE MATTER** of an  
application by the Morell Sewage Collection and  
Treatment Corporation for an increase of  
wastewater rates and charges.

**BEFORE THE  
COMMISSION**

on Wednesday, the 14th day of May, 2008

Maurice Rodgerson, Chair  
Brian McKenna, Vice-Chair  
John Broderick, Commissioner  
Chester MacNeill, Commissioner

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# Order

Compared and Certified a True Copy

(Sgd) *Heather Walker*

Technical and Regulatory  
Services Division

**IN THE MATTER** of an  
application by the Morell Sewage Collection and  
Treatment Corporation for an increase of  
wastewater rates and charges.

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# Order

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**WHEREAS** the Morell Sewage Collection and  
Treatment Corporation (the “Utility”), by application filed on  
January 17, 2008, applied to the Commission for an increase in  
its Tariff of sewer rates and charges;

**AND WHEREAS** specifically, the Utility  
requested approval to increase its current rate of \$106.00 per  
unit per year, in effect since 1991, to \$196.00 per unit per year,  
effective commencing January 1, 2008;

**AND WHEREAS** following receipt of the  
application, the Commission published a Notice in the local  
newspaper inviting written comments on the Utility’s proposal;

**AND WHEREAS** in response to the Notice of  
Application, several comments were submitted indicating  
concerns related to the unexpected timing of the application, as  
well as the amount of the proposed increase;

**AND WHEREAS** subsequent to the filing of the  
application, the Utility—based on the desire expressed by several  
customers for an explanation of the matter—prepared and  
circulated to its customers a report providing detailed  
information on the circumstances surrounding the need for a  
sewer rate increase;

**AND WHEREAS** the Commission has considered  
the application of the Utility and supporting information,  
including the written submissions from the public;

**AND WHEREAS** the Commission has conducted a thorough analysis of the application, the Utility's audited financial statements and projected revenue and expenditure requirements, and notes that:

- ongoing increased expenditures related to the day-to-day operation and maintenance of the central wastewater treatment facility; and
- costs associated with upgrades undertaken in 2001 and 2006

have increased the Utility's overall expenditure levels and result in the need for additional revenue;

**AND WHEREAS** the Commission has determined that the proposed rate of \$196.00 per unit per year will produce slightly higher than necessary projected revenues and that a lesser rate should adequately meet the Utility's anticipated revenue requirements;

**AND WHEREAS** the Commission considers that an annual wastewater rate of \$156.00 per unit, with a \$0.78 frontage rate per lineal foot, effective with service provided on and after January 1, 2008, is necessary and equitable;

**NOW THEREFORE**, pursuant to the *Island Regulatory and Appeals Commission Act* and the *Water and Sewerage Act*

## **IT IS ORDERED THAT**

1. the existing Tariff for wastewater services of the Morell Sewage Collection and Treatment Corporation is revoked and the Tariff appended to, and forming part of, this Order is substituted therefor; and
2. the appended Tariff is approved and declared effective on January 1, 2008 and shall remain in effect until otherwise ordered by the Commission.

**DATED** at Charlottetown, Prince Edward Island, this 14th day of May, 2008.

## BY THE COMMISSION:

(Sgd) Maurice Rodgerson

Maurice Rodgerson, Chair

(Sgd) Brian J. McKenna

Brian McKenna, Vice Chair

(Sgd) John Broderick

John Broderick, Commissioner

(Sgd) Chester MacNeill

Chester MacNeill, Commissioner

## NOTICE

Section 12 of the *Island Regulatory and Appeals Commission Act* reads as follows:

*12. The Commission may, in its absolute discretion, review, rescind or vary any order or decision made by it or rehear any application before deciding it.*

Parties to this proceeding seeking a review of the Commission's decision or order in this matter may do so by filing with the Commission, at the earliest date, a written **Request for Review**, which clearly states the reasons for the review and the nature of the relief sought.

Sections 13.(1) and 13(2) of the *Act* provide as follows:

*13.(1) An appeal lies from a decision or order of the Commission to the Appeal Division of the Supreme Court upon a question of law or jurisdiction.*

*(2) The appeal shall be made by filing a notice of appeal in the Supreme Court within twenty days after the decision or order appealed from and the Civil Procedure Rules respecting appeals apply with the necessary changes.*

IRAC140B(99/2)

# **Morell Sewage Collection and Treatment Corporation**

## **SEWER TARIFF**

THIS TARIFF SPECIFIES THE RATES AND CHARGES APPLICABLE  
TO SERVICES PROVIDED BY THE **MORELL SEWAGE COLLECTION AND TREATMENT  
CORPORATION**

RULES AND REGULATIONS GOVERNING THE TYPES OF SERVICES  
AND MANNER IN WHICH SUCH SERVICES ARE PROVIDED  
ARE CONTAINED IN **THE PRINCE EDWARD ISLAND  
MUNICIPAL SEWERAGE UTILITIES GENERAL  
RULES AND REGULATIONS**

**Effective: January 1, 2008**

# Sewage Rates and Charges

**Application:** The following rates and charges apply to wastewater services provided to premises served or capable of being served by the Morell Sewage Collection and Treatment Corporation.

**Rates:** \$156.00 per unit per annum in accordance with the appended Proportionate Sewage Charges.

**Frontage Charge:** A frontage charge of seventy-eight cents (\$0.78) per lineal foot per annum applies to all land adjacent to streets, roads or highways on which there are no buildings or structures or where sanitary disposal service is not required but which land is capable of being served by the existing facilities of the Utility. In the case of premises billed under the Proportionate Sewage Charges, an exemption of ten (10) feet frontage for each one-tenth of a unit will be allowed. In the case of corner lots with sewerage facilities on both sides, the frontage charge applies to the full frontage on the longest side, and the full frontage less one hundred (100) feet on the other side (less allowable exemption, if any).

# Proportionate Sewage Charges

TYPE OF CUSTOMER	UNIT VALUE	ANNUAL SEWAGE CHARGE	TYPE OF CUSTOMER	UNIT VALUE	ANNUAL SEWAGE CHARGE
SINGLE-FAMILY DWELLING	1.00	\$156.00	DOCTORS' & DENTISTS' OFFICES AND BEAUTY & BARBER SHOPS		
INDIVIDUAL APARTMENT	0.80	\$124.80	With Separate Service	1.00	\$156.00
MOBILE HOME	0.70	\$109.20	Combined With Other Service	0.50	\$78.00
SENIOR CITIZENS HOME, Per Unit	0.60	\$93.60	LAUNDROMAT WITH MACHINES USING OVER 30 GALLONS PER WASH		
CONVENT, INSTITUTIONAL DORMITORY, ROOMING OR BOARDING HOUSE			For First Machine	3.00	\$468.00
For Up to Five Persons	1.00	\$156.00	For Second Machine	2.00	\$312.00
For Each Additional Person	0.20	\$31.20	For Each Additional Machine	1.00	\$156.00
MOTELS AND TOURIST COTTAGES			LAUNDROMAT WITH MACHINES USING 30 OR FEWER GALLONS PER WASH		
With Housekeeping Facilities, Each Unit	0.50	\$78.00	For First Machine	2.00	\$312.00
With Bathroom Facilities Only, Each Unit	0.30	\$46.80	For Second Machine	1.50	\$234.00
TOURIST HOME			For Each Additional Machine	0.75	\$117.00
For First Bathroom	1.00	\$156.00	SERVICE STATION		
For Each Additional Bathroom or Washroom	0.30	\$46.80	Without Carwash	1.00	\$156.00
HOSPITAL			With Carwash	2.00	\$312.00
Without Laundry Facilities, Per Bed	0.50	\$78.00	RESTAURANTS AND SNACK BARS	1.00	\$156.00
With Laundry Facilities, Per Bed	0.75	\$117.00	For Each Ten Seats an Additional Amount of	0.25	\$39.00
SCHOOLS, Per Classroom	1.00	\$156.00	PREMISES LICENSED BY THE P.E.I. LIQUOR CONTROL COMMISSION:		
STORES, BANKS, CLUBS, CHURCHES, HALLS, RECREATIONAL FACILITIES AND PLACES OF BUSINESS			Restaurant, Lounge, Dining Room or Club	1.00	\$156.00
For First Washroom Facility	1.00	\$156.00	SEAT CHARGE: Calculate 75% of Fire Marshal's rating OR Based on actual seat count, charge, for each five seats, an additional amount of	0.25	\$39.00
For Each Additional Toilet or Urinal	0.50	\$78.00	DRIVE-IN RESTAURANT OR THEATRE		
			With Canteen	1.00	\$156.00
			For First Washroom and Toilet Facility	1.00	\$156.00
			For Each Additional Washroom and Toilet Facility	0.50	\$78.00