



Docket UW22309
Order UW15-01

IN THE MATTER of an
application by the Montague Sewage and Water
Collection and Treatment Corporation for
approval to increase annual sewer rates and
charges.

**BEFORE THE
COMMISSION**

on Wednesday, the 15th day of July, 2015

J. Scott MacKenzie, QC, Chair
M. Douglas Clow, Vice-Chair
John Broderick, Commissioner

Order

Compared and Certified a True Copy

(Sgd) *Heather Walker*

Technical and Regulatory Services

IN THE MATTER of an
application by the Montague Sewage and Water
Collection and Treatment Corporation for
approval to increase annual sewer rates and
charges.

Order

WHEREAS the Montague Sewage and Water
Collection and Treatment Corporation (the “Utility” or
“Montague”) filed an application with the Island Regulatory and
Appeals Commission (the “Commission”) for approval to increase
annual rates and charges over a two-year period, commencing
July 1, 2015;

AND WHEREAS, the Utility’s application
proposed amendments for metered and unmetered sewer
customers;

AND WHEREAS following receipt of the Utility’s
filing, the Commission posted details of the application on its
website and published a Notice in the local newspapers inviting
written comments on Montague’s proposal;

AND WHEREAS, in response to the Notice, the
Commission received one written comment;

AND WHEREAS the Commission has
considered the Utility’s submission, as well as the response to
the public notice;

AND WHEREAS the Commission has reviewed
the application and the Utility’s financial statements for both
water and sewer services;

AND WHEREAS, in the matter of water rates, the Commission has concluded that no change is required at this time;

AND WHEREAS, in the matter of sewer rates, the Commission has concluded that increased operating costs, planned capital projects to help improve the treatment plant's efficiency and operations, and recovery of the Utility's cumulative deficit related to revenue shortfalls, result in the need for additional sewer revenues to ensure future rate adequacy;

AND WHEREAS the Commission will continue to monitor the Utility's financial position for both services and adjust rates, if necessary, in the event of changes in the current financial projections;

AND WHEREAS it appears to the Commission that the Tariffs of Rates and Charges approved herein are 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 services of the Montague Sewage and Water Collection and Treatment Corporation is revoked and the Tariffs appended to, and forming part of, this Order are substituted therefor; and
2. The appended Tariffs are approved and declared effective on July 1, 2015 and July 1, 2016, respectively, and shall remain in effect until otherwise ordered by the Commission.

DATED at Charlottetown, Prince Edward Island, this 15th day of July, 2015.

BY THE COMMISSION:

(Sgd) J. Scott MacKenzie

J. Scott MacKenzie, QC, Chair

(Sgd) M. Douglas Clow

M. Douglas Clow, Vice-Chair

(Sgd) John Broderick

John Broderick, 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), 13(2), 13(3), and 13(4) of the *Act* provide as follows:

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

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

(3) The Commission shall be deemed to be a party to the appeal.

(4) No costs shall be payable by any party to an appeal under this section unless the Court of Appeal, in its discretion, for special reasons, so orders

IRAC140B(99/2)

Montague
Sewer and Water
Collection and Treatment
Corporation

SEWER & WATER
TARIFF

THIS TARIFF SPECIFIES THE RATES AND CHARGES APPLICABLE
TO SERVICES PROVIDED BY THE MONTAGUE SEWER AND WATER
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 WATER AND SEWERAGE UTILITIES
GENERAL RULES AND REGULATIONS

Effective: July 1, 2015

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Metered Rates

Application:

The following rates and charges apply to metered services provided to customers by the Town of Montague Sewer and Water Collection and Treatment Corporation.

Non-single-family dwelling customers not connected to service but capable of being served shall be billed the applicable service demand charge based on an equivalent water meter size, plus a usage charge based on estimated water consumption.

Customers located outside Montague's municipal limits will be charged an additional amount of 10% on all applicable rates and charges.

Water & Sewer Service (Demand Charge + Usage Charge):

Demand Charge			+	Usage Charge
Meter Size	Monthly	Quarterly		
5/8 inch	\$26.85	\$80.55		\$1.15 (per cubic metre of water used)
3/4 inch	\$33.90	\$101.70		
1 inch	\$47.90	\$143.70		
1 1/2 inch	\$83.05	\$249.15		
2 inch	\$125.25	\$375.75		
3 inch	\$223.70	\$671.10		
4 inch	\$364.25	\$1,092.75		
6 inch	\$715.75	\$2,147.25		

Water Service (Demand Charge + Usage Charge):

Demand Charge			+	Usage Charge
Meter Size	Monthly	Quarterly		
5/8 inch	\$15.60	\$46.80		\$0.40 (per cubic metre of water used)
3/4 inch	\$20.45	\$61.35		
1 inch	\$30.05	\$90.15		
1 1/2 inch	\$54.15	\$162.45		
2 inch	\$83.05	\$249.15		
3 inch	\$150.50	\$451.50		
4 inch	\$246.80	\$740.40		
6 inch	\$487.65	\$1,462.95		

Sewer Service (Demand Charge + Usage Charge):

Demand Charge			+	Usage Charge
(Equiv. Water Service Meter Size)	Monthly	Quarterly		
5/8 inch	\$11.25	\$33.75		\$0.75 (per cubic metre of estimated water used)
3/4 inch	\$13.45	\$40.35		
1 inch	\$17.85	\$53.55		
1 1/2 inch	\$28.90	\$86.70		
2 inch	\$42.20	\$126.60		
3 inch	\$73.20	\$219.60		
4 inch	\$117.45	\$352.35		
6 inch	\$228.10	\$684.30		

Minimum Bill: The minimum bill is the Demand Charge.

Unmetered Rates

Application:

The following rates and charges apply to unmetered services provided to customers served or capable of being served by the Town of Montague Sewer and Water Collection and Treatment Corporation.

Customers located outside Montague's municipal limits will be charged an additional amount of 10% on all applicable rates and charges.

Flat Rates:

No water service line to exceed 3/4 inch.

Single-Family Dwellings:

	Monthly	Quarterly	Annually
Water & Sewer Service:	\$52.00	\$156.00	\$624.00
Sewer Service Only:	\$28.00	\$84.00	\$336.00
Water Service Only:	\$24.00	\$72.00	\$288.00

Non-Single-Family Dwellings:

Non-single-family dwelling customers not connected to service but capable of being served shall be billed the applicable service demand charge based on an equivalent water meter size, plus a usage charge based on estimated water consumption, in accordance with the metered rates contained on page 1 of this Tariff.

Special Flat Rates:

The Utility may approve the use of special flat rates where it is considered expedient due to the inadvisability of installing a meter due to exposure, etc., such as residential construction, temporary water fountains and similar devices. This type of service is to be provided only on an intermittent basis and is not to cover heavy consumption use.

Rates for Water Supplied from Fire Hydrants:

When the use of any fire hydrant is desired for supplying water for flushing sewers, drains or any other purpose, other than for fire protection, the Utility may grant a permit under such terms, conditions and rates as it may see fit, including arrangements regarding supervision of the opening and closing of the hydrant.

Municipal Service Rates

Fire Protection Charge:

The Utility shall charge the Town of Montague annually for water system facilities provided for fire protection services, the amount of 20% of the previous year's total water utility expenditures.

Sanitary Sewage Charge

Application:

In cases where any customer of the Utility discharges a sewage effluent into the sewer system which is excessively strong or where the suspended solids or fat and grease components are excessively high, the Utility may determine by sample testing and such other means as may be available, the degree of excessive contamination and require the customer to pay an additional surcharge in accordance with the concentration of the suspended solids (SS) and fat and grease (GR) proportions as set forth below.

Surcharge:

In cents per 1,000 imperial gallons -

$$\frac{SS(\text{ppm}) - 350}{350} \times 6.5 + \frac{GR(\text{ppm}) - 100}{100} \times 6.5$$

In cents per cubic metre -

$$\frac{SS(\text{ppm}) - 350}{350} \times 1.419 + \frac{GR(\text{ppm}) - 100}{100} \times 1.419$$

Montague
Sewer and Water
Collection and Treatment
Corporation

SEWER & WATER
TARIFF

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TO SERVICES PROVIDED BY THE MONTAGUE SEWER AND WATER
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Effective: July 1, 2016

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Customers located outside Montague's municipal limits will be charged an additional amount of 10% on all applicable rates and charges.

Water & Sewer Service (Demand Charge + Usage Charge):

Demand Charge			+	Usage Charge
Meter Size	Monthly	Quarterly		
5/8 inch	\$28.85	\$86.55		\$1.25 (per cubic metre of water used)
3/4 inch	\$36.30	\$108.90		
1 inch	\$51.15	\$153.45		
1 1/2 inch	\$88.30	\$264.90		
2 inch	\$132.85	\$398.55		
3 inch	\$236.85	\$710.55		
4 inch	\$385.40	\$1,156.20		
6 inch	\$756.80	\$2,270.40		

Water Service (Demand Charge + Usage Charge):

Demand Charge			+	Usage Charge
Meter Size	Monthly	Quarterly		
5/8 inch	\$15.60	\$46.80		\$0.40 (per cubic metre of water used)
3/4 inch	\$20.45	\$61.35		
1 inch	\$30.05	\$90.15		
1 1/2 inch	\$54.15	\$162.45		
2 inch	\$83.05	\$249.15		
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Sewer Service (Demand Charge + Usage Charge):

Demand Charge			+	Usage Charge
(Equiv. Water Service Meter Size)	Monthly	Quarterly		
5/8 inch	\$13.25	\$39.75		\$0.85 (per cubic metre of estimated water used)
3/4 inch	\$15.85	\$47.55		
1 inch	\$21.10	\$63.30		
1 1/2 inch	\$34.15	\$102.45		
2 inch	\$49.80	\$149.40		
3 inch	\$86.35	\$259.05		
4 inch	\$138.60	\$415.80		
6 inch	\$269.15	\$807.45		

Minimum Bill: The minimum bill is the Demand Charge.

Unmetered Rates

Application:

The following rates and charges apply to unmetered services provided to customers served or capable of being served by the Town of Montague Sewer and Water Collection and Treatment Corporation.

Customers located outside Montague's municipal limits will be charged an additional amount of 10% on all applicable rates and charges.

Flat Rates:

No water service line to exceed 3/4 inch.

Single-Family Dwellings:

Water & Sewer Service:

Sewer Service Only:

Water Service Only:

	Monthly	Quarterly	Annually
Water & Sewer Service:	\$57.00	\$171.00	\$684.00
Sewer Service Only:	\$33.00	\$99.00	\$396.00
Water Service Only:	\$24.00	\$72.00	\$288.00

Non-Single-Family Dwellings:

Non-single-family dwelling customers not connected to service but capable of being served shall be billed the applicable service demand charge based on an equivalent water meter size, plus a usage charge based on estimated water consumption, in accordance with the metered rates contained on page 1 of this Tariff.

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In cases where any customer of the Utility discharges a sewage effluent into the sewer system which is excessively strong or where the suspended solids or fat and grease components are excessively high, the Utility may determine by sample testing and such other means as may be available, the degree of excessive contamination and require the customer to pay an additional surcharge in accordance with the concentration of the suspended solids (SS) and fat and grease (GR) proportions as set forth below.

Surcharge:

In cents per 1,000 imperial gallons -

$$\frac{SS(\text{ppm}) - 350}{350} \times 7.6 + \frac{GR(\text{ppm}) - 100}{100} \times 7.6$$

In cents per cubic metre -

$$\frac{SS(\text{ppm}) - 350}{350} \times 1.674 + \frac{GR(\text{ppm}) - 100}{100} \times 1.674$$