

Order No. 108/26

**MUNICIPALITY OF KILLARNEY-TURTLE MOUNTAIN
KILLARNEY-TURTLE MOUNTAIN WATER AND WASTEWATER UTILITY
WATER AND WASTEWATER UTILITY RATES
OCTOBER 1, 2026, JANUARY 1, 2027, 2028 and 2029**

July 15, 2026

**BEFORE: Shawn McCutcheon, Panel Chair
Kim Sharman, Panel Member**

Table of Contents

1.0	Executive Summary	4
2.0	Background	5
	Water Supply/Distribution	5
	Wastewater Collection and Treatment.....	5
3.0	Board Methodology.....	7
	Review Process	7
	Contingency Allowance and Utility Reserves.....	7
	Residential Equivalency Units (REUs).....	7
	Working Capital	7
	Operating Deficits	8
	Cost Allocation Methodology	8
	Unaccounted for Water.....	8
4.0	Application.....	9
	Contingency Allowance and Utility Reserves.....	11
	Working Capital	12
	Operating Deficits	12
	Unaccounted for Water.....	12
	Cost Allocation Methodology	12

5.0	Board Findings	14
6.0	IT IS THEREFORE ORDERED THAT:	16

1.0 Executive Summary

By this Order, the Manitoba Public Utilities Board (Board) grants approval of the Municipality of Killarney-Turtle Mountain (Municipality), Killarney-Turtle Mountain Water and Wastewater Utility's (Utility) application for revised water and wastewater rates.

The current and approved revised rates are below:

	Current Rates	Oct. 1, 2026	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029
Quarterly Service Charge	\$16.47	\$ 16.47	\$ 16.47	\$ 16.47	\$ 16.46
Water (per 1,000 gallons)	\$12.76	\$ 13.97	\$ 15.18	\$ 16.39	\$ 17.58
Wastewater (per 1,000 gallons)	\$8.52	\$ 8.64	\$ 8.76	\$ 8.88	\$ 8.98
Water and Wastewater Minimum Quarterly Charge*	\$80.31	\$ 84.30	\$ 88.29	\$ 92.28	\$ 96.14
Unmetered Water Only (per 2 quarters)**	\$220.63	\$ 295.87	\$ 320.07	\$ 344.27	\$ 368.06
Unmetered Wastewater Only (per quarter)***	\$84.63	\$ 102.87	\$ 104.07	\$ 105.27	\$ 106.26
Mobile Home (per quarter)***	\$186.71	\$ 242.57	\$ 255.87	\$ 269.17	\$ 282.06
Bulk Water Sales (per 1,000 gallons)	\$20.00	\$ 21.52	\$ 21.18	\$ 22.44	\$ 23.68

*Based on 3,000 gallons

**Based on 20,000 gallons

***Based on 10,000 gallons

Details of other rates can be found in Schedule A.

The reasons for the Board's decisions are under Board Findings.

2.0 Background

Rates were last approved in Board Order No. 58/20, with rates coming into effect October 1, 2023.

The Utility provides water and wastewater services to 1,165 customers, of which 1,101 are metered water and wastewater customers, 26 are metered water only customers, 36 are unmetered water only customers and two are unmetered wastewater only customers.

Water Supply/Distribution

The Utility operates a water treatment plant that was constructed in 1978 with the most recent upgrade in 2013 and the water source was changed to wells located northeast of Killarney. The water treatment process was also changed in 2013 to reverse osmosis, replacing green sand filtration and distribution pumps.

The water distribution system was installed in the 1960's using ductile iron. In 2013, an extension of water and wastewater service was completed to service residents of Oak Point Drive and the surrounding area, including lift station upgrades.

Wastewater Collection and Treatment

Sewage treatment is provided by four lagoon cells and an expansion was undertaken in 2012 to increase organic and hydraulic capacity. The original collection system was also installed in the 1960's primarily with concrete wastewater pipe.

Annual water and wastewater line renewals are planned to continue and will serve to maintain the health of the system.

There are no concerns regarding condition or capacity for either the water or wastewater system at this time.

The Municipality's five-year Capital Plan includes the following to be funded by Utility Reserves:

- \$300,000 annual water and wastewater line renewals
- \$17,500 key fob conversion to the bulk fill station in 2025
- \$500,000 for water treatment plant upgrades in 2029

3.0 Board Methodology

Review Process

When reviewing an application, the Board has at its disposal two approaches, a paper review process or a public hearing. After the publication of the Notice of Application, the Board considers the application and responses, if any, and determines which method of review is most appropriate. Whenever reasonable, the Board can review the application using a paper review process, which saves the cost of a public hearing.

Where there is an urgent need for initial or revised rates and the Board determines it to be in the best interest of all parties, the Board may establish interim *ex parte* rates.

Contingency Allowance and Utility Reserves

The Board's Water and Wastewater Rate Application Guidelines recommend an annual contingency allowance equal to 10% of the variable operating costs.

Residential Equivalency Units (REUs)

One REU is the estimate of the volume of wastewater produced by the average single-family residence. The Utility allocates units to non-residential customers based on estimated consumption, as compared with a residence. REUs are used in communities with unmetered distribution and collection systems, where information regarding actual consumption is unavailable.

Working Capital

Board Order No. 93/09 established utilities should maintain a minimum working capital surplus, in an amount equal to 20% of annual expenses. The working capital surplus is the Utility fund balance, excluding any capital-related items plus Utility reserves.

Operating Deficits

By law, Manitoba utilities are not allowed to incur deficits. In the event that a deficit does occur, the Utility is required by *The Municipal Act* to obtain Board approval for both the deficit and recovery methodology.

Cost Allocation Methodology

The Board requires all municipalities to review the costs shared between the general operations of the municipality and the Utility, and to allocate appropriate and reasonable costs to the Utility, based on a policy known as a Cost Allocation Methodology. This policy must be submitted to the Board for approval and cannot be changed without approval by the Board. The Board's requirements regarding cost allocation methodologies can be found in Board Order No. 93/09.

Unaccounted for Water

Water losses may be caused by such events as distribution line losses, service leaks, water used for fire fighting or line flushing, and under-registration of water meters. The Board Guidelines require utilities to compare the volume of water produced or purchased against the volume of water sold, to determine the percentage of unaccounted for water. Unaccounted for water volumes of approximately 10% are considered industry standard.

The Board expects any utility experiencing a greater volume of unaccounted for water to provide an explanation and plan to address the water losses.

4.0 Application

On February 7, 2025, the Board received the Municipality's application to revise water and wastewater rates as set out in By-Law No.1-2025, having had first reading January 29, 2025, and second reading March 31, 2025. The application was accompanied by a rate study completed by the Municipality's consultant.

The Board issued a Public Notice of Application on April 2, 2025, affording customers the opportunity to comment to both the Board and the Municipality with respect to the proposed rate changes. The Board received one response to the Notice and the Municipality did not receive any other response to the Notice.

The rates were calculated using the following revenue requirement projections:

	Rate Year 1	Rate Year 2	Rate Year 3	Rate Year 4
General				
Administration	56,650	58,350	60,100	61,903
Training	13,053	13,445	13,848	14,263
Billing and collection	4,601	4,739	4,881	5,027
Total general expenses	74,304	76,534	78,829	81,193
Penalties	4,000	4,000	4,000	4,000
Other income	500	500	500	500
Total general revenue	4,500	4,500	4,500	4,500
Net revenue requirement - general	69,804	72,034	74,329	76,693
Water				
Purification and treatment	295,583	304,450	313,584	322,991
Transmission and distribution	177,572	182,900	188,387	194,038
Other water costs	11,152	11,486	11,831	12,186
Amortization	296,185	299,185	302,185	317,685
Interest on long term debt	64,035	52,407	42,812	32,794
Reserves	170,000	170,000	170,000	170,000
Contingency	52,921	52,921	52,921	52,921
Total water expenses	1,067,448	1,073,349	1,081,720	1,102,615
Hydrant rentals	19,650	19,650	19,650	19,650
Amortization of capital grants	92,679	92,679	92,679	92,679
Taxation revenues	266,826	194,682	194,682	194,682
Bulk water revenue	3,209	3,400	3,598	3,674
Total water revenue	382,364	310,411	310,609	310,685
Net revenue requirement - water	685,084	762,938	771,111	791,930

	Rate Year 1	Rate Year 2	Rate Year 3	Rate Year 4
Wastewater				
Wastewater collection system	40,232	41,439	42,683	43,963
Wastewater treatment and disposal	12,731	13,113	13,506	13,911
Lift station costs	28,801	29,665	30,555	31,472
Amortization	135,897	117,810	120,810	123,810
Interest on long term debt	2,440	0	0	0
Reserves	170,000	170,000	170,000	170,000
Contingency	8,935	8,935	8,935	8,935
Total wastewater expenses	399,036	380,962	386,489	392,091
Lagoon tipping fees	1,000	1,000	1,000	1,000
Amortization of capital grants	9,305	9,305	9,305	9,305
Total wastewater revenue	10,305	10,305	10,305	10,305
Net revenue requirement - wastewater	388,731	370,657	376,184	381,786

The Municipality's consultant calculated the indicated rates for the final rate year of the application and requested rates be implemented in a stable and predictable rate change year over year.

The Utility submits the rate increases are primarily required to provide a sufficient operating surplus to enable funding annual water and wastewater renewals of \$300,000 and contributions of \$40,000 for road reconstruction costs related to the line renewals. Other significant factors affecting rates include decreases in revenue from Utility debt payments collected on property tax maturing in 2026 and increases in forecast water operating expenses.

The application notes expiring Utility debt payments include \$42,041 and \$227,641 in 2031, which is outside the scope of the rate application. The application states the impact of the associated reductions in revenue for debt payments collected on property taxes will be reviewed at the next rate study.

PS3280 – Accounting and Reporting Legal Obligations Associated with the Retirement of Tangible Capital Assets (ARO)

Since the time the application was submitted and initially reviewed by Board staff, the 2023 Audited Financial Statements have been restated to comply with PS3280. Utility

expenses beginning in 2023 showed accretion expense of \$3,043 in water and \$47,975 in wastewater. Rate revenue requirements submitted by the Municipality did not include these expenses.

In response to an information request from the Board, the Municipality stated, “The Municipality does not intend to decommission the lagoon but rather use it indefinitely with periodic desludging and is in the preliminary stages of planning an eventual lagoon expansion. It is proposed that accretion and amortization expense related to the Lagoon ARO is not to be recovered through Utility rates.”

Further, the Municipality stated, “Accretion and amortization expense related to the water treatment plant ARO are minimal, it is proposed to leave these out of the rate calculation at present and re-assess at the time of the next rate study.”

The Municipality submitted Council Resolution No. 2026-0235 in support of this proposal.

Contingency Allowance and Utility Reserves

The Municipality has included in its projections a contingency allowance of 10% of variable operating expenses. This equates to \$52,921 for water and \$8,935 for wastewater annually.

There is an annual transfer to reserves of \$340,000 included in rates to provide funding for the annual water and wastewater line renewals of \$300,000, as well as \$40,000 annually to cover the Utility’s share of road reconstruction costs related to the line renewals.

Working Capital

As per the 2024 audited financial statements, the working capital surplus on December 31, 2024, was:

	2024
Accumulated Fund Surplus	\$10,800,438
Deduct tangible capital assets	(\$13,814,480)
Add long term debt	\$1,868,135
Add asset retirement obligation	\$1,125,093
Add utility reserves	\$889,866
Equals Working Capital Surplus/Deficit	\$869,052
Utility expenses	\$1,213,070
20% of utility expenses (target)	\$242,614

The Utility's working capital surplus meets the Board's requirement of 20% of operating expenses.

Operating Deficits

The Municipality has advised the Utility has no operating deficits requiring Board approval.

Unaccounted for Water

The Utility indicated the 2025 unaccounted for water was 6% of water produced.

Cost Allocation Methodology

The Municipality is proposing to revise the administration cost allocation to include full salary and benefits for the utility clerk as well as direct allocation of applicable expenses as shown below.

Municipality of Killarney-Turtle Mountain Killarney Turtle-Mountain Water and Wastewater Utility Allocation Plan for Non-Direct Shared services				
November, 2024				
Category	Sub-category	Options		
1.0 Administrative Staff, office, legal and audit costs	Activity Based (Note 1)	Tracked Increments	Flat Rate (Note 1)	
1.1 Billing services – meter reading to receipting and collection.	Envelopes and postage		Meter reading – N/A; 100% of Utility Clerk salary & benefits	
1.2 Accounting/ auditing/ including bylaw making and enforcement.			Costs that could be charged to the Utility are minimal, at present nothing is allocated to the Utility.	
1.3 Common office space			Costs that could be charged to the Utility are minimal, at present nothing is allocated to the Utility.	
1.4 Office overheads (telephone, photocopier, computer, etc)	Applicable costs are charged to the Utility (insurance, GL & billing software subscription)			
2.0 Operating, construction and maintenance costs				
2.1 Vehicle – fuel, maintenance, lease costs, capital costs	Applicable vehicle costs are charged to the Utility			
2.2 Labour – full time, part time, on call, sick time, vacation, Note 2		Time is tracked and charged to Utility		
2.3 Public works building and property.			Costs that could be charged to the Utility are minimal and at present nothing is allocated to the Utility.	
2.4 Road repairs and alike (Note 3)			\$40,000 per year contributed to the General Operating Fund for the Utility's share of road reconstruction related to water and wastewater line renewals	
3.0 Major projects				
Interest/financing	Interest for Utility debt			
Labour	Based on actual costs	machine time tracked and charged to Utility		
External costs	Direct charge (dedicated consulting)			

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.

5.0 Board Findings

Considering the Municipality's filing and noting one public response to the Notice of Application, the Board has chosen a paper review process.

The response from the public was from the owner of the unmetered mobile home park. The owner expressed concerns about the rate increase and the volumetric increase in the flat rate calculation for its residents. The Board is sympathetic, however in systems with unmetered usage, it is not possible to know the volumes consumed. The application states the mobile home park volumes (and other unmetered customers) are estimated based on the average consumption of a 5/8" residential connection plus a 22% expected increase in unmetered consumption. The Board finds this to be a reasonable estimate, and encourages the mobile home park and Municipality to work together to determine if a metering project is feasible.

The Board has reviewed the application and revenue projections presented by the Municipality and finds the projections to be reasonable. The Board grants approval of the revised rates for the Utility, effective October 1, 2026, January 1, 2027, 2028 and 2029.

The Board notes the approved rates do not include accretion and amortization expense related to the Lagoon ARO and Water Treatment Plant ARO. The Board reminds the Municipality the rate revenue requirements are based on Audited Financial Statements and any expense associated with the operations of the Utility as shown on the Schedule of Utility Operations should be included in the Utility rates. For this reason, the Board directs the Municipality to work with its auditors to have the Audited Financial statements reflect the stated intent to remove ARO liability and related increase to Tangible Capital Assets (TCA), including any accretion expense as a result of PS3280. The Board expects this will be reflected in the Utility's next rate application, or the rate revenue requirements will include the expenses.

In addition to ARO expenses, the Board notes the rate application did not examine the impact of reduced revenue for debt payment collected on property taxes due to expiring Utility debts in 2031.

The Board directs the Municipality to review its water and wastewater rates for adequacy and file a report with the Public Utilities Board, as well as a full rate application for revised rates if required, by no later than December 31, 2029.

The Board directs the Municipality to prepare a Notice for its ratepayers, informing them of the decisions in this Order. The Municipality is directed to provide the Board a copy of this Notice and amended Utility rate By-law, having had third reading.

The Board approves the revised Cost Allocation Methodology and reminds the Municipality this methodology must be used consistently. Any changes to the cost of allocation methodology require Board approval prior to enforcement.

6.0 IT IS THEREFORE ORDERED THAT:

1. The water and wastewater rates for the Municipality of Killarney-Turtle Mountain Water and Wastewater Utility, BE AND ARE HEREBY APPROVED in accordance with the attached Schedule A, effective October 1, 2026, January 1, 2027, 2028 and 2029.
2. The Shared Cost Allocation Methodology for the Municipality of Killarney-Turtle Mountain BE AND IS HEREBY APPROVED.
3. The Municipality of Killarney-Turtle Mountain Water and Wastewater Utility amend its Utility rate By-law to reflect the decisions in this Order and submit a copy to the Public Utilities Board once it has received third and final reading.
4. The Municipality of Killarney-Turtle Mountain Water and Wastewater Utility is to provide a notice of the decisions found in this Order to its ratepayers as soon as possible, with a copy provided to the Public Utilities Board.
5. The Municipality of Killarney-Turtle Mountain Water and Wastewater Utility is to work with its auditors to have the Audited Financial statements reflect the stated intent to remove Asset Retirement Obligation liability and related increase to Tangible Capital Assets including any accretion and amortization expenses related to the Lagoon and Water Treatment Plant Asset Retirement Obligation.
6. The Municipality of Killarney-Turtle Mountain Water and Wastewater Utility review its Utility rates for adequacy and file a report with the Public Utilities Board, as well as an application for revised rates (if applicable), on or before December 31, 2029.

Fees payable upon this Order - \$500.00

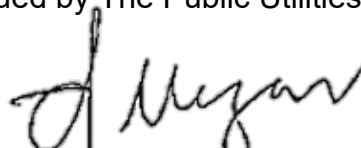
Board decisions may be appealed in accordance with the provisions of Section 58 of *The Public Utilities Board Act* or reviewed in accordance with Section 58 of the Board's Rules of Practice and Procedure. The Board's Rules may be viewed on the Board's website at www.pubmanitoba.ca.

THE PUBLIC UTILITIES BOARD

"Shawn McCutcheon"
Panel Chair

"Diana Villegas"
Assistant Associate Secretary

Certified a true copy of Order No. 108/26
issued by The Public Utilities Board


Assistant Associate Secretary

SCHEDULE "A"

SCHEDULE OF QUARTERLY RATES

1. Quarterly Service Charge & Commodity Rates October 1, 2026

Quarterly Service Charge: \$16.47

	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
Rates Per 1,000 Gallons	\$13.97	\$8.64	\$22.61

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the volume allowance as listed.

For all metered accounts, volumes in excess of the minimum quarterly allowance will be charged at the applicable commodity rate.

1. Metered Water & Wastewater, Metered Water Only Customers

Meter Size (Inches)	Group Capacity Ratio	Volume Included (Gallons)	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum	Water Only Total Quarterly Minimum
5/8	1	3,000	\$ 16.47	\$ 41.91	\$ 25.92	\$ 84.30	\$ 58.38
3/4	2	6,000	\$ 16.47	\$ 83.82	\$ 51.84	\$ 152.13	\$ 100.29
1	4	12,000	\$ 16.47	\$ 167.64	\$ 103.68	\$ 287.79	\$ 184.11
1 1/2	10	30,000	\$ 16.47	\$ 419.10	\$ 259.20	\$ 694.77	\$ 435.57
2	25	75,000	\$ 16.47	\$ 1,047.75	\$ 648.00	\$ 1,712.22	\$ 1,064.22
4	90	270,000	\$ 16.47	\$ 3,771.90	\$ 2,332.80	\$ 6,121.17	\$ 3,788.37

2. Unmetered Water and/or Wastewater for Residential Customers

Unmetered Customer	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Total Charge	Volume Included (Gallons)
Mobile Home - Quarterly	\$ 16.47	\$ 139.70	\$ 86.40	\$ 242.57	10,000
Water only - Seasonal (2 quarters)	\$ 16.47	\$ 279.40	\$ -	\$ 295.87	20,000
Wastewater only - Quarterly	\$ 16.47	\$ -	\$ 86.40	\$ 102.87	10,000

3. Bulk Water Sales Rate

Water sold in bulk by the Killarney-Turtle Mountain Utility shall be charged at a rate of \$21.52 per thousand gallons.

1. **Quarterly Service Charge & Commodity Rates** **January 1, 2027**

Quarterly Service Charge: \$16.47

	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
Rates Per 1,000 Gallons	\$15.18	\$8.76	\$23.94

2. **Minimum Charges per Quarter**

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the volume allowance as listed.

For all metered accounts, volumes in excess of the minimum quarterly allowance will be charged at the applicable commodity rate.

1. **Metered Water & Wastewater, Metered Water Only Customers**

Meter Size (Inches)	Group Capacity Ratio	Volume Included (Gallons)	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum	Water Only Total Quarterly Minimum
5/8	1	3,000	\$ 16.47	\$ 45.54	\$ 26.28	\$ 88.29	\$ 62.01
3/4	2	6,000	\$ 16.47	\$ 91.08	\$ 52.56	\$ 160.11	\$ 107.55
1	4	12,000	\$ 16.47	\$ 182.16	\$ 105.12	\$ 303.75	\$ 198.63
1 1/2	10	30,000	\$ 16.47	\$ 455.40	\$ 262.80	\$ 734.67	\$ 471.87
2	25	75,000	\$ 16.47	\$ 1,138.50	\$ 657.00	\$ 1,811.97	\$ 1,154.97
4	90	270,000	\$ 16.47	\$ 4,098.60	\$ 2,365.20	\$ 6,480.27	\$ 4,115.07

2. **Unmetered Water and/or Wastewater for Residential Customers**

Unmetered Customer	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Total Charge	Volume Included (Gallons)
Mobile Home - Quarterly	\$ 16.47	\$ 151.80	\$ 87.60	\$ 255.87	10,000
Water only - Seasonal (2 quarters)	\$ 16.47	\$ 303.60	\$ -	\$ 320.07	20,000
Wastewater only - Quarterly	\$ 16.47	\$ -	\$ 87.60	\$ 104.07	10,000

3. **Bulk Water Sales Rate**

Water sold in bulk by the Killarney-Turtle Mountain Utility shall be charged at a rate of \$21.18 per thousand gallons.

1. **Quarterly Service Charge & Commodity Rates** **January 1, 2028**

Quarterly Service Charge: \$16.47

	<u>Water</u>	<u>Wastewater</u>	<u>Water & Wastewater</u>
Rates Per 1,000 Gallons	\$16.39	\$8.88	\$25.27

2. **Minimum Charges per Quarter**

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the volume allowance as listed.

For all metered accounts, volumes in excess of the minimum quarterly allowance will be charged at the applicable commodity rate.

a. **Metered Water & Wastewater, Metered Water Only Customers**

Meter Size (Inches)	Group Capacity Ratio	Volume Included (Gallons)	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum	Water Only Total Quarterly Minimum
5/8	1	3,000	\$ 16.47	\$ 49.17	\$ 26.64	\$ 92.28	\$ 65.64
3/4	2	6,000	\$ 16.47	\$ 98.34	\$ 53.28	\$ 168.09	\$ 114.81
1	4	12,000	\$ 16.47	\$ 196.68	\$ 106.56	\$ 319.71	\$ 213.15
1 1/2	10	30,000	\$ 16.47	\$ 491.70	\$ 266.40	\$ 774.57	\$ 508.17
2	25	75,000	\$ 16.47	\$ 1,229.25	\$ 666.00	\$ 1,911.72	\$ 1,245.72
4	90	270,000	\$ 16.47	\$ 4,425.30	\$ 2,397.60	\$ 6,839.37	\$ 4,441.77

b. Unmetered Water and/or Wastewater for Residential Customers

Unmetered Customer	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Total Charge	Volume Included (Gallons)
Mobile Home - Quarterly	\$ 16.47	\$ 163.90	\$ 88.80	\$ 269.17	10,000
Water only - Seasonal (2 quarters)	\$ 16.47	\$ 327.80	\$ -	\$ 344.27	20,000
Wastewater only - Quarterly	\$ 16.47	\$ -	\$ 88.80	\$ 105.27	10,000

3. Bulk Water Sales Rate

Water sold in bulk by the Killarney-Turtle Mountain Utility shall be charged at a rate of \$22.44 per thousand gallons.

1. Quarterly Service Charge & Commodity Rates **January 1, 2029**

Quarterly Service Charge: \$16.46

	Water	Wastewater	Water & Wastewater
Rates Per 1,000 Gallons	\$17.58	\$8.98	\$26.56

2. Minimum Charges per Quarter

Notwithstanding the rates set forth in paragraph 1, all customers will pay the applicable minimum charges per quarter set out below, which includes the volume allowance as listed.

For all metered accounts, volumes in excess of the minimum quarterly allowance will be charged at the applicable commodity rate.

1. Metered Water & Wastewater, Metered Water Only Customers

Meter Size (Inches)	Group Capacity Ratio	Volume Included (Gallons)	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Water & Wastewater Total Quarterly Minimum	Water Only Total Quarterly Minimum
5/8	1	3,000	\$ 16.46	\$ 52.74	\$ 26.94	\$ 96.14	\$ 69.20
3/4	2	6,000	\$ 16.46	\$ 105.48	\$ 53.88	\$ 175.82	\$ 121.94
1	4	12,000	\$ 16.46	\$ 210.96	\$ 107.76	\$ 335.18	\$ 227.42
1 1/2	10	30,000	\$ 16.46	\$ 527.40	\$ 269.40	\$ 813.26	\$ 543.86
2	25	75,000	\$ 16.46	\$ 1,318.50	\$ 673.50	\$ 2,008.46	\$ 1,334.96
4	90	270,000	\$ 16.46	\$ 4,746.60	\$ 2,424.60	\$ 7,187.66	\$ 4,763.06

2. Unmetered Water and/or Wastewater for Residential Customers

Unmetered Customer	Customer Service Charge	Water Commodity Charge	Wastewater Commodity Charge	Total Charge	Volume Included (Gallons)
Mobile Home - Quarterly	\$ 16.46	\$ 175.80	\$ 89.80	\$ 282.06	10,000
Water only - Seasonal (2 quarters)	\$ 16.46	\$ 351.60	\$ -	\$ 368.06	20,000
Wastewater only - Quarterly	\$ 16.46	\$ -	\$ 89.80	\$ 106.26	10,000

3. Bulk Water Sales Rate

Water sold in bulk by the Killarney-Turtle Mountain Utility shall be charged at a rate of \$23.68 per thousand gallons.

The following clauses take effect October 1, 2026:

4. **Wastewater Tipping Fees**

All septage dumped at the Killarney-Turtle Mountain lagoon shall be charged at a rate of \$10.00 per truckload up to 1,500 gallons.

5. **Service To Customers Outside Municipality of Killarney-Turtle Mountain Limits**

The Council of Municipality of Killarney-Turtle Mountain may sign Agreements with customers for the provision of water and/or wastewater services by the Killarney-Turtle Mountain Utility to properties located outside the boundaries of the Municipality. Such Agreements shall provide for payment of the appropriate rates set out in the Schedule, as well as a surcharge set by Resolution of Council, which shall be 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 the boundaries of the Municipality. In addition, all costs of connecting to the Utility's mains, and installing and maintaining service connections, will be paid by the customer.

6. **Billings And Penalties**

Accounts shall be billed quarterly and the due date shall be at least twenty (20) days after the mailing of the bills. A late payment charge of 1.25% compounded monthly shall be charged on the dollar amount owing after the billing due date.

7. **Liability for Charges**

Pursuant to Section 252(2) of the Municipal Act, the amount of all outstanding charges for water and wastewater services, including fines and penalties, 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. Where charges and penalties pursuant to this by law are not paid within sixty (60) days from the date when they were incurred, the Municipality may add said charges and

penalties shall be added to the taxes on the property and collect them in the same manner as other taxes.

8. **Change of Service**

That the charge to sign up as a customer of the Utility or to request a final bill shall be \$10.00, to recover the cost of completing the change of customer for that service.

9. **Disconnection and Reconnection**

The Public Utilities Board has approved the Conditions Precedent to be followed by the Municipality with respect to 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 Municipality's 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 (i.e. repairs necessitated by negligence of the customer, changes in tenant, vacancy for an extended period of time, etc.) shall not be reconnected until a reconnection fee of \$25.00 and all arrears and penalties, if any, have been paid.

Service may be installed, disconnected, removed or reconnected upon receipt of a written request and payment of the applicable rate:

Meter Size	Installation	Disconnection	Removal	Reconnection
5/8"	\$ 25.00	\$ 25.00	\$ 12.50	\$ 25.00
3/4"	\$ 25.00	\$ 25.00	\$ 12.50	\$ 25.00
1"	\$ 25.00	\$ 25.00	\$ 12.50	\$ 25.00
1 ½"	\$ 25.00	\$ 25.00	\$ 12.50	\$ 25.00
2"	\$ 25.00	\$ 25.00	\$ 12.50	\$ 25.00
4"	\$ 25.00	\$ 25.00	\$ 12.50	\$ 25.00

10. Hydrant Charges

The Municipality of Killarney-Turtle Mountain will pay to the Utility an annual rental of \$150.00 for each hydrant connected to the system for the purpose of maintaining and repairing all fire hydrants connected to the system which shall include the cost of water used for firefighting.

11. Wastewater Surcharges

There may be levied annually, in addition to the rates set forth above, a special surcharge on wastewater having a Biochemical Oxygen Demand in excess of 300 parts per million, to be set by Resolution of Council.

A special surcharge for substances requiring special treatment shall be charged based on the actual costs of treatment required for the particular wastewater or industrial waste.

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 \$70.00. If the meter is found to be faulty, all costs associated with the testing process will be borne by the Municipality, the deposit will be refunded to the customer, and the customer's account will be adjusted for the preceding four (4) months. 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. Meter Tampering

Where there is evidence of meter tampering a minimum charge of \$500.00 will be applied to the customer's account in addition to an amount calculated to adjust for the tampering based on historical usage.

14. Water Allowance Due To Line Freezing

In any case where, at the request of the Municipality or its delegate, 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 the customer for the current quarter

shall be the average of the billings for the last three previous quarters to the same customer, or to the same premises if the occupant has changed.

15. Authorization for Officer to Enter Upon Premises

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

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

16. 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:

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

17. Conditions of Disrepair

In the event that there are conditions of disrepair in the wastewater and/or 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 Municipality, or its agents, may enter the property, effect repairs and charge the cost thereof against the subject property as ordinary taxes.