CITY COUNCIL REPORT

TITLE:
BY-LAW NO. 7450 – TO ESTABLISH WATER AND WASTEWATER UTILITY RATES

PRESENTER:
Troy Tripp

DEPARTMENT:
Finance

ATTACHMENTS:

DATE:
6/3/2026

CLEARANCE / APPROVALS:

Alexia Stangherlin	Director of Utilities
Dave Wardrop	General Manager
Dave Wardrop	City Manager

RECOMMENDATION(S):
That By-law No. 7450 to establish water and wastewater utility rate for January 1, 2027, 2028, 2029, and 2030 be read a first time;

And further, that the City of Brandon Utility Rate Study May 2026 be submitted to the Manitoba Public Utilities Board for their review and approval.

BACKGROUND:

The City of Brandon Water and Wastewater Utility operates as a self-sufficient entity, setting user fees and rates sufficient to cover operating expenditures, current infrastructure costs, and future capital programming. The Utility typically sets rates for a period of 3-4 years at a time, ensuring that the financial requirements of the Utility are met and allowing rate increases to be implemented in a phased manner, minimizing impacts to ratepayers.

The Utility is subject to regulatory oversight of the Manitoba Public Utilities Board (PUB), a quasi-judicial administrative tribunal. The Board considers impact to ratepayers and the financial position of the Utility in approving revised rate applications.

Current Utility rates were approved by PUB Order No. 119/23, which implemented revised rates for the period of October 1, 2023 through December 31, 2026. The current water and wastewater rates will remain in effect until the PUB issues an Order approving and/or varying the City's application for revised rates.

In 2025, the City awarded a contract to Way To Go Consulting for the development of a study to determine the rate requirements for the period of 2027 through 2030. As part of the study, priorities such as health & safety, affordability, environment and sustainability are considered.

The Utility Rate Study Executive Summary provides for a detailed assessment of all provisions included in the development of the proposed rates.

ANALYSIS:

The proposed water and wastewater rates for 2027–2030 are based on forecasted financial requirements, with rates phased in over four years. Projections rely primarily on the City's 4-year financial plan, with a 3% inflation assumption applied beyond that horizon.

The rate study proposes the following revised rates:

Water (per m^3)
2026: $2.71
2027: $2.82 ($0.11 – 4.1%)
2028: $2.93 ($0.11 – 3.9%)
2029: $3.04 ($0.11 – 3.7%)
2030: $3.16 ($0.12 – 3.9%)

In total, water rates are required to increase $0.45/m^3$, or 16.6% over the 4-year period of the study.

Wastewater (per m^3)
2026: $2.84
2027: $3.06 ($0.22 – 7.7%)
2028: $3.28 ($0.22 – 7.2%)
2029: $3.50 ($0.22 – 6.7%)
2030: $3.70 ($0.20 – 5.7%)

In total, wastewater rates are required to increase $0.86/m^3$, or 30.3% over the 4-year period of the study.

Rates are a derivative of the total financial requirements for both water treatment and distribution and wastewater collection and treatment functions and the volume of both water and wastewater.

Key Drivers - Water

- Net operating and regulatory costs increase by approximately $2.5M, driven by labour, chemicals, and higher amortization.
- Annual reserve contributions increase from $2.0M to $4.0M to support upcoming infrastructure needs.
- Removal of unincurred Water Treatment Facility debt reduces rates by approximately $0.39/$m^3$.
- Lower projected water volumes (6.7M m^3 vs. 6.9M m^3 in prior study) increase unit costs, contributing $0.09/$m^3$.

Over the period of the rate study, net water operating costs account for 80% of the increase while reduced volume estimates make up 20%.

Key Drivers - Wastewater

- Net operating and regulatory costs increase by approximately $3.8M, primarily from labour, chemicals, and asset retirement obligations.
- Annual reserve contributions increase from $2.0M to $4.0M to fund system renewal and capacity projects.
- Removal of unincurred Southwest Wastewater debt reduces rates by approximately $0.22/$m^3$.
- Lower projected wastewater volumes increase unit costs by approximately $0.15/$m^3$.

Over the period of the rate study, net wastewater operating costs account for 83% of the increase while reduced volume estimates make up 17%.

Additional Considerations

- Rate calculations reflect PUB accounting requirements, including amortization, asset retirement obligations, and exclusion of principal debt repayments.
- Increases reflect updated forecasts since the previous study, not changes from current actual costs.
- Modest increases are also proposed for customer service charges (2% annually) and other utility fees such as bulk water and wastewater septic tipping fees.

Financial Position
As of the 2024 audited financial statement, the Utility is in a working capital deficit position of $34.1M. The proposed rates are forecasted to restore working capital to a surplus position of $31.7M by 2030, exceeding PUB minimum requirements. PUB has minimum requirements for working capital of 20% of operating expenditures, meaning the City's minimum working capital position should be approximately $7.0M.

LEGISLATIVE REQUIREMENTS:
The formal utility rate setting process begins with first reading of the rate by-law by Council, after which the application is submitted to the PUB.

The PUB process includes:

The PUB process includes:

- Public notice issued in accordance with Board guidelines
- Review and information requests by Board staff
- Determination of whether a public hearing is required
- Issuance of a Board Order approving or varying the application

Following PUB approval, the by-law may proceed to second and third reading. The process typically requires 10–12 months, with approval anticipated in early-to-mid 2027.

Current 2026 rates will remain in effect until PUB approval of revised rates is received at which time the current rates by-law will be repealed.

STRATEGIC ALIGNMENT:

The proposed utility rates align with Council's Strategic Plan by supporting long-term financial sustainability and ensuring utility services are funded to maintain infrastructure, regulatory compliance, and service reliability.

FINANCIAL IMPACT:

When combined with existing debt recovery surcharges and deficit rate riders, the proposed rates will impact a typical household (46 m^3 quarterly usage) as follows:

Year	Annual Cost ($)	% Increase	Annual Increase ($)	Monthly Increase ($)
2026	1,230			
2027	1,293	5.1%	62.32	5.19
2028	1,355	4.8%	62.32	5.19
2029	1,417	4.6%	62.32	5.19
2030	1,478	4.3%	60.40	5.03

RISK ASSESSMENT:

The phased implementation of rates over four years moderates the impact on ratepayers.

Future debt surcharges are expected upon completion of major capital projects. The timing of these surcharges is anticipated to align with the fulfillment of existing deficit recovery rate rider obligations, reducing the cumulative impact.

Any short-term misalignment of debt surcharge implementation and completion of deficit recoveries can be mitigated through the Utility's projected improved working capital position.

COMMUNICATION STRATEGY:

Information regarding the proposed rates and study findings has been made available on the City's website.

Following submission to the PUB:

- Public notice will be issued in accordance with Board guidelines
- The PUB will determine whether a public hearing is required
- Administration will support any hearing process, if directed

Council retains the option to request that a public hearing be held.

CONCLUSION:

That By-law No. 7450 to establish water and wastewater utility rates for January 1, 2027, 2028, 2029, and 2030 be read a first time;

And further, that the City of Brandon Utility Rate Study May 2026 be submitted to the Manitoba Public Utilities Board for their review and approval.

City of Brandon
Utility Rate Study
Executive Summary
May, 2026

Prepared by
Dale Lyle, CPA, CMMA

Contents

Overview

The City of Brandon owns and operates a municipal water and wastewater utility that provides services to 14,970 Brandon customers.

The last utility rate application by the City of Brandon to the Public Utilities Board (PUB) was in July, 2022 and resulted in approved utility rate increases in October, 2023, and January, 2024, 2025 and 2026 under authority of PUB Order no. 119/23.

Way To Go Consulting Inc. was retained on March 31, 2025 by the City of Brandon to prepare a Utility Rate Study in accordance with Request for Proposal #L-31. The City's RFP included the following objectives:

1. Analyze the City's utility finances and rate structure;
2. Work with administration to create an updated, financially sustainable, rate structure considering fairness and equity to customers and natural resource management; and,
3. Produce a package that can be presented to City Council and ultimately submitted to the Public Utilities Board (PUB).

This Utility Rate Study is for the years 2026 to 2030 with projected utility rate increases effective January 1, 2027, 2028, 2029 and 2030.

PUB Order No. 108/21 approved $8 million in debenture debt for the water plant chemical building with a debt surcharge of $0.083 per cubic meter (CM) of consumption effective October 1, 2021 to recover debt servicing costs. PUB Order No. 83/22 approved an additional $8 million in debenture debt for the water plant chemical building with a debt surcharge of $0.089 per CM of consumption effective October 1, 2022 to recover debt servicing costs. The impacts of these debt surcharges are included in this utility rate study.

The City's capital plan includes capital projects that are funded by debt issuance and federal/provincial capital grants. Approval of actual debt surcharges by the PUB occurs through separate Board Orders based on the actual debt payments required for the capital project in question. The utility rate impacts of the Southwest Wastewater Servicing and Water Treatment Facility Expansion were included in the last Rate Study and PUB Order No. 119/23. These capital projects as well as the Water Reservoir Expansion are not included in this utility rate study. There is, however, a separate table in this report outlining the forecast debt surcharges for these projects.

Utility Rate Goals

The City of Brandon incorporated the following goals into its rate setting methodology:

1. **Health & Safety**

Rates should be adequate to operate the water utility, providing an uninterrupted supply of safe, potable water in promotion of public health.

2. **Environment**

Rates should be adequate to operate the wastewater utility, providing a treated water effluent back to the environment of a higher quality than was withdrawn. Conservation of all water resources should be a priority.

3. **Capacity**

Rates should allow for increasing input costs and aging infrastructure maintenance to operate existing infrastructure to its full potential.

4. **Self-sufficiency**

Rates should be sufficient to limit debt requirements and to operate the Utility Fund without reliance on the General Fund (property tax revenue).

5. **Reliability**

Rates should ensure sufficient funds are appropriated to utility reserves to deliver the ongoing capital improvement plan.

6. **Growth**

Rates should promote new user connections, with growth-related capital investments funded by Development Charges.

7. **Affordability**

Rates should ensure that utility services are accessible to the public in a fair and affordable manner, and competitive with other jurisdictions.

Reasons for Utility Rate Increase

The proposed utility rate increase is required as a result of inflationary cost increases, with the impact of rising chemical costs being especially significant. Cost increases attributable to the ongoing Water Treatment Facility upgrade are also included in Water Purification and Treatment Costs. Proposed increases in Utility Reserve transfers to fund capital projects and an increase in the Net Operating Surplus to comply with PUB rate setting guidelines also impact utility rates.

Increase in Water and Wastewater Billing Revenues			
2030 Forecast Billing Revenues	$ 41,282,779		
2026 Budgeted Billing Revenues	33,941,739		
		7,341,040	
Increase in Water Purification & Treatment Costs			
2030 purification and treatment expense	$ 8,006,297		
2026 purification and treatment expense	6,698,450	1,307,847	16%
Increase in Water Transmission & Distribution Costs			
2030 transmission and distribution expense	$ 4,518,351		
2026 transmission and distribution expense	4,079,723	438,628	10%
Increase in Wastewater Collection Costs			
2030 collection expense	$ 4,286,657		
2026 collection expense	3,942,987	343,670	8%
Increase in Wastewater Treatment Costs			
2030 treatment and disposal expense	$ 8,617,389		
2026 treatment and disposal expense	7,757,121	860,268	10%
Increase in Utility Reserve Transfers			
Increase in Water Utility Reserve transfer	$ 8,000,000		
2026 Utility Reserve transfer (built into previous rates)	4,000,000	4,000,000	50%
Increase in Utility Net Operating Surplus (excluding increase in Reserve Transfers)			
2030 operating surplus	$ 8,982,154		
2026 operating surplus	8,744,777	237,377	3%
		$ 7,187,790	98%

Financial Modelling Used for Utility Rate Setting

The PUB rate setting guidelines utilize audited financial statements for rate setting purposes. The audited financial statements are prepared using Public Sector Accounting Standards (PSAS) and include amortization expense and asset retirement obligations for the Utility's Tangible Capital Assets.

The 2022 to 2024 audited financial results, along with the City's 2025 budget and 2026 to 2028 budget forecasts were used to forecast 2029 and 2030 revenues and expenses calculated on a PSAS basis. In addition, the City's capital plan was used to incorporate the impacts of capital purchases on a PSAS basis and to forecast Working Capital in accordance with PUB requirements. Forecast costs include a Contingency Allowance of 10% of net rate costs less amortization and interest expenses and a 1% Working Capital provision as mandated by PUB rate setting guidelines, plus an annual transfer to Utility Reserves of $8.0 million. The financial forecast from this process, which includes a 3% inflation factor for 2029 and 2030, formed the basis for the proposed utility rates.

Population Growth and Water Volume Used for Utility Rate Study

The 2016 and 2021 federal population census results indicate population increases in the City of Brandon of 6% and 5% respectively for the 5-year period reflected in each census. However total water consumption is virtually unchanged since 2011.

For purposes of this rate study, the average water volume sold for 2020 to 2024 was used:

Calculation of Water Volume to use for Rate Study

Brandon Population from Federal Census		Population	Total	Total %	Average % Compound Pop. Growth per year
	2006	41,511			
	2011	46,061	4,550	11%	2.2%
	2016	48,883	2,822	6%	1.2%
	2021	51,313	2,430	5%	1.0%

Water Volume sold in CM:	2011	6,679,461	
	2012	6,742,990	
	2013	6,457,747	
	2014	6,441,921	
	2015	6,715,044	
	2016	6,681,977	
	2017	6,919,586	
	2018	6,906,873	
	2019	6,692,721	
	2020	6,632,565	6,632,565
	2021	6,761,081	6,761,081
	2022	6,596,006	6,596,006
	2023	6,625,876	6,625,876
	2024	6,871,281	6,871,281
Average 2011 to 2024		6,694,652	
Average 2020 to 2024			6,697,362

Population growth that would otherwise result in increases in water volume sold appears to be offset by increased water conservation.

Water volume used for rate study; 5-year average water volume sold, 2020 to 2024.	**6,697,362**

Calculation of Wastewater Volume to use for Rate Study

Wastewater Volume collected & charged for in CM:

2020	5,026,122
2021	5,141,629
2022	4,933,638
2023	5,092,425
2024	5,125,763
Average 2020 to 2024	5,063,915
Wastewater volumed used for rate study; 5-year average wastewater volume sold, 2020 to 2024	**5,063,915**

Proposed Utility Rates

Following are proposed water and wastewater rates for the Brandon Water and Wastewater Utility (excluding deficit rate riders):

Water and Wastewater Rates	Water per CM	%	Wastewater per CM	%	Water & Wastewater per CM.	%	Service Charge Quarterly	%
Current Rates	$ 2.71		$ 2.84		$ 5.55		$ 21.51	
January 1, 2027 Proposed Rates	2.82	4%	3.06	8%	5.88	6%	21.91	2%
January 1, 2028 Proposed Rates	2.93	4%	3.28	7%	6.21	6%	22.31	2%
January 1, 2029 Proposed Rates	3.04	4%	3.50	7%	6.54	5%	22.71	2%
January 1, 2030 Proposed Rates	3.16	4%	3.70	6%	6.86	5%	23.09	2%

Debt Surcharge - Water Plant Chemical Building

	per CM
PUB Order 108/21	$ 0.083
PUB Order 83/22	0.089
Total Debt Surcharge per CM	0.172

Capital Projects Funded by Debt

Brandon Utility currently has two debt surcharges for the Water Plant Chemical building that are included in this utility rate study. Debt surcharges are approved individually by PUB Order and are based on actual debt payments required to service debt that has been issued for capital projects. Brandon Utility has a variety of capital projects that are proposed to be funded by debt issuance.

Approval in Principle can be obtained through the PUB for debt recovery in advance. This was previously requested for SW Wastewater Servicing up to $20M and Water Treatment Facility Expansion up to $41.34M in the previous Rate Study. Subsequent Approvals in Principle have been obtained for these projects through the PUB under separate Board Orders as well.

Following are the yearly budgeted totals of capital projects from the Utility's 10-year capital plan out to 2030 that are not included in this utility rate study:

Wastewater Debt Funded Capital (not included in rate study):					
Southwest Wastewater Servicing	31,790,000	700,000			
subtotal - Wastewater debt funding	**31,790,000**	**700,000**			
Water Debt Funded Capital (not included in rate study):					
Reservoir Expansion	-	-	750,000	10,100,000	15,150,000
WTF Expansion	8,702,200	13,936,200	18,234,900	11,373,000	-
subtotal - Water debt funding	**8,702,200**	**13,936,200**	**18,984,900**	**21,473,000**	**15,150,000**
Water Capital Grand Funded Capital (not included in rate study):					
WTF Expansion	**19,497,800**	**25,963,800**	**37,765,100**	**18,927,000**	
Water Reserve Funded Capital (not included in rate study):					
WTF Expansion - Water Distribution Reserve	**200,000**				
Total Capital Projects not included in rate study	**$60,190,000**	**$40,600,000**	**$56,750,000**	**$40,400,000**	**$15,150,000**

Further analysis of the impacts of these potential debt surcharges on utility rates is included further on in this report.

Customer Service Charges

Customer Service charges increase by $0.40 in 2027, 2028 and 2029 and by $0.38 in 2030. With the working capital surplus not meeting PUB minimum requirements in 2024, a working capital contribution of 1% of expenses is included in the customer service charge.

Calculation of Customer Service Charge - 2030 Forecast

Administration costs		$1,065,677
Working Capital Contribution = 1% of 2030 expense:		
Net Administration Costs	$ 1,065,677	
Net Water Costs	16,203,059	
Net Wastewater Costs	14,406,765	
	$ 31,675,501	
Total x 1%		316,755
		$1,382,432
Number of customers		14,970
Annual customer service charge		$ 92.35
Proposed Quarterly customer service charge		**$ 23.09**
Proposed Monthly customer service charge		**$ 6.16**

2026 Quarterly customer service charge	$ 21.51
Current Monthly customer service charge (based on quarterly charge discounted by 20% due to monthly payments being automatic withdrawals done by bank requiring less staff time)	$ 5.74

			Increase		
	% of Increase	**Quarterly**	**$**	**%**	**Monthly (80%)**
January 1, 2027 Customer Service Charge	25%	**$ 21.91**	0.40	2%	**$ 5.84**
January 1, 2028 Customer Service Charge	25%	**22.31**	0.40	2%	**5.95**
January 1, 2029 Customer Service Charge	25%	**22.71**	0.40	2%	**6.06**
January 1, 2030 Customer Service Charge	25%	**23.09**	0.40	2%	**6.16**

Water Commodity Rates

Water rates increase by $0.11 per cubic meter in 2027, 2028 and 2029 and by $0.12 in 2030.

Calculation of Water Rates - 2030 Forecast

Water Net Rate Costs	$ 6,203,059	100%	$ 16,203,059	
Less amortization of capital grants - water	(75,772)	100%	(75,772)	
Less amortization of contributed capital - water	(247,401)	100%	(247,401)	
Less Debt surcharge;WTF Chemical Bldg $0.089/CM	(596,065)	100%	(596,065)	PUB Order No. 83/21
Less Debt surcharge;WTF Chemical Bldg $0.083/CM	(555,881)	100%	(555,881)	PUB Order No. 108/21
Transfer to Water Distribution Reserve	4,000,000	100%	4,000,000	
Transfer to Water DC Reserve	1,248,969	100%	1,248,969	
Contingency allowance	1,196,858	100%	1,196,858	
			$ 21,173,767	
Water volume used for rate study; see above			6,697,362	
Proposed Water rate per CM			**$ 3.16**	

2026 water charge per CM	$ 2.71

			Increase	
	% of Increase		**$**	**%**
January 1, 2027 Water Rate per CM	25%	**$ 2.82**	0.11	4%
January 1, 2028 Water Rate per CM	25%	**2.93**	0.11	4%
January 1, 2029 Water Rate per CM	25%	**3.04**	0.11	4%
January 1, 2030 Water Rate per CM	25%	**3.16**	0.12	4%

Bulk Water Rate

2026 Bulk Water Rate; for 310 litres			$ 1.00		
2026 Bulk Water Rate; per CM			$ 3.23		
		Total Water Volume sold in CM			**Increase/Decrease**
Jan 1, 2027 water rate in CM			$ 2.820		%
Add Debt Surcharge (Chemical Building)			0.172		
Add Deficit Rate Rider - Water (see deficit rate rider note on Sched of Rate Requirements)			0.287		
Administration costs	$ 893,049	6,697,362	0.133		
Jan 1, 2027 Bulk Water Rate per CM; rounded			3.500		
Based on set charge of $1.00 per volume =			**310**	Litres for $1	0%
Jan 1, 2028 water rate in CM			$ 2.930		
Add Debt Surcharge (Chemical Building)			0.172		
Add Deficit Rate Rider - Water (see deficit rate rider note on Sched of Rate Requirements)			0.287		
Administration costs	$ 918,137	6,697,362	0.137		
Jan 1, 2028 Bulk Water Rate per CM; rounded			3.500		
Based on set charge of $1.00 per volume =			285	Litres for $1	
The bulk water sales meter can only be adjusted in increments of 45 litres. Choice is either 310 or 265. Rounding brings it to 265.			**265**	Litres for $1	15%
Jan 1, 2029 water rate in CM			$ 3.040		
Add Debt Surcharge (Chemical Building)			0.172		
Add Deficit Rate Rider - Water (see deficit rate rider note on Sched of Rate Requirements)			0.287		
Administration costs	$ 1,035,702	6,697,362	0.155		
Jan 1, 2029 Bulk Water Rate per CM; rounded			3.750		
Based on set charge of $1.00 per volume =			265	Litres for $1	
Remains at			**265**	Litres for $1	0%

Jan 1, 2030 water rate in CM			$	3.130		
Add Debt Surcharge (Chemical Building)			$	0.172		
Add Deficit Rate Rider - Water (see deficit rate rider note on Sched of Rate Requirements)			$	0.287		
Administration costs	$ 1,065,677	6,697,362	$	0.159		
Jan 1, 2030 Bulk Water Rate per CM; rounded			$	3.750		
Based on set charge of $1.00 per volume =				265	Litres for $1	
Remains at				**265**	Litres for $1	0%

Wastewater Commodity Rates

Wastewater rates increase by $0.22 per cubic meter in 2027 to 2029 and by $0.20 in 2030.

Calculation of Wastewater Rate - 2030 Forecast

Total net Wastewater expenses	$ 14,406,765	100%	$ 14,406,765
Less amortization of capital grants - Wastewater	(1,651,826)	100%	(1,651,826)
Less amortization of contributed capital-Wastewater	(247,930)	100%	(247,930)
Transfer to Wastewater Reserve	4,000,000	100%	4,000,000
Transfer to Wastewater DC Reserve	1,350,841	100%	1,350,841
Contingency allowance	872,981	100%	872,981
			$ 18,730,831
Wastewater volume used for rate study; see above			5,063,915
Proposed Wastewater rate per CM			**$ 3.70**
2026 Wastewater Rate	$ 2.84		

	% of Increase		**Increase $**	**Increase %**
January 1, 2027 Wastewater Rate per CM	25%	**$ 3.06**	0.22	8%
January 1, 2028 Wastewater Rate per CM	25%	**3.28**	0.22	7%
January 1, 2029 Wastewater Rate per CM	25%	**3.50**	0.22	7%
January 1, 2030 Wastewater Rate per CM	25%	**3.70**	0.20	6%

Wastewater Septic Truck Tipping Fees

Septic truck tipping fees are set in the City of Brandon Utility Rates By-law and are $9.00 per cubic meter for 2026 with $0.25 per cubic meter increases in 2027 to 2030. Brandon is one of the only wastewater utilities that meters hauled wastewater, as most others use a price-per-truck model. Additionally, hauled wastewater in Brandon is treated through the mechanical facility as compared to nearby lagoon systems in most other municipalities. Therefore, the septic truck tipping fees are reflective of Brandon's cost to provide service.

Utility Operating Surplus/(Deficit)

The Utility had Audited Public Sector Accounting Standards, PUB adjusted, deficits in 2022 and 2023 and a surplus in 2024 as follows:

2022 deficit	$ (2,546,538)	approved by PUB Order #50/24
2023 deficit	$ (2,716,759)	approved by PUB Order #42/25
2024 surplus	$ 2,569,541	

The following deficit rate riders are in place until September 30, 2030 or until the full amount of the deficit is recovered, whichever comes first:

PUB Order No.	Deficit Years	Amount to Recover	Deficit Rate Rider per CM
119/23	2015, 2016, 2017, 2020, 2021	$ 15,869,919	$0.19 Water & $0.21 Wastewater
50/24	2022	$ 1,387,450	$0.033 Water
42/25	2023	$ 2,288,976	$0.064 Water

Deficit rate riders for 2015, 2016, 2017, 2020 and 2021 were established through the PUB Order as part of the last Rate Study, using the 7-year recovery model to reduce the impact on rate payers. The 2022 and 2023 deficit rate riders were proposed with shorter recovery periods to align the recovery completion of the preceding rate riders.

Utility Rate Approval Process

Typically, the utility rate setting process commences with City Council giving 1st reading to a bylaw to revise utility rates. The bylaw along with the utility rate study is then forwarded to the Public Utilities Board and under the normal approval process, the following steps occur:

- a public notice of application will be issued by the PUB and the City is responsible for posting and/or publishing the notice using Board Guidelines;
- the application is then reviewed by Board staff and any necessary information requests are sent to the City;
- once the Board is satisfied that the necessary evidence has been received, a final review is completed. The Board Panel will determine whether a public hearing is in the best interest of the community or whether a paper review process will suffice;
- the Board will complete its review and render a decision by way of a Board Order; and
- the utility rate bylaw can then receive 2nd and 3rd reading, as amended.

This process normally takes 10 to 12 months. It is anticipated that utility rates under the normal PUB process will be approved by early 2027.

Working Capital Surplus and Reserve Transfer

The Public Utilities Board requires that utilities have a minimum working capital position equal to 20% of Utility expenditures. Working capital is calculated by deducting the tangible capital asset balance from the Utility's accumulated surplus and adding the Utility reserve balance and the outstanding debt balance. The Utility's financial results for rate setting purposes are calculated on a Public Sector Accounting Standards basis. With PSAS including amortization as a non-cash expense, the Working Capital Surplus is utilized to determine the Utility's financial position and ability to fund capital projects. It is important to note that Utility Reserves are part of the Working Capital calculation and the actual Working Capital varies, at times significantly, from the balance of the Reserves.

An analysis of the Utility's Working Capital over the last 10 years shows the Working Capital Deficit increasing from $8.9 million in 2015 up to $36.8 million in 2021 and dropping slightly to $34.1 million in 2024.

	2015 Audited	2016 Audited	2017 Audited	2018 Audited	2019 Audited
Working Capital Surplus/(Deficit)					
Fund Surplus	$124,322,144	$118,733,175	$118,255,721	$119,691,275	$136,834,217
Less Tangible Capital Assets	(181,369,046)	(178,952,270)	(177,680,743)	(178,327,780)	(194,683,618)
Add Long term debt	2,678,192	11,673,499	10,887,025	10,072,522	9,227,764
Add Asset Retirement Obligations					
Add Water Distribution Reserve	19,868,030	18,310,470	18,948,738	18,492,116	14,405,597
Add Wastewater Reserve	25,613,696	18,353,817	16,656,127	15,996,172	14,581,145
Add DC Water Reserves					
Add DC Wastewater Reserves	-	-	-	-	-
Working Capital Surplus/(Deficit)	**$ (8,886,984)**	**$(11,881,309)**	**$(12,933,132)**	**$(14,075,695)**	**$(19,634,895)**
Annual change in Working Capital	$ (298,805)	$ (2,994,325)	$ (1,051,823)	$ (1,142,563)	$ (5,559,200)
Minimum working capital surplus = 20% of expenses	$ 4,159,792	$ 5,613,526	$ 4,932,727	$ 4,696,247	$ 4,798,461

	2020 Audited	2021 Audited	2022 Audited	2023 Audited	2024 Audited
Working Capital Surplus/(Deficit)					
Fund Surplus	$155,886,906	$149,484,075	$146,680,584	$149,039,112	$150,515,919
Less Tangible Capital Assets	(213,622,033)	(221,668,163)	(222,186,932)	(225,859,809)	(232,516,543)
Add Long term debt	8,351,349	15,147,053	21,898,633	20,331,623	19,114,418
Add Asset Retirement Obligations				7,422,235	7,735,415
Add Water Distribution Reserve	5,399,755	11,782,348	8,652,255	6,545,169	8,486,794
Add Wastewater Reserve	9,496,071	8,461,798	8,608,698	7,673,256	10,364,914
Add DC Water Reserves				-	665,738
Add DC Wastewater Reserves				-	1,505,048
Working Capital Surplus/(Deficit)	**$(34,487,952)**	**$(36,792,889)**	**$(36,346,762)**	**$(34,848,414)**	**$(34,128,297)**
Annual change in Working Capital	$(14,853,057)	$ (2,304,936)	$ 446,126	$ 1,498,348	$ 720,117
Minimum working capital surplus = 20% of expenses	$ 5,068,281	$ 5,445,474	$ 5,542,970	$ 5,913,258	$ 6,138,957

Forecast Working Capital improves dramatically from 2025 to 2030. Working Capital Surplus is forecast to exceed PUB minimum requirements in 2029 and be at $31.7 million in 2030 with PUB minimum 2030 requirement forecast at $7.6 million:

Working Capital Surplus/(Deficit)	**2025 Budget**	**2026 Budget Forecast**	**2027 Budget Forecast**
Fund Surplus	$156,349,303	$ 161,044,117	$ 166,137,492
Less Tangible Capital Assets	(235,049,986)	(231,273,436)	(226,392,322)
Add Long term debt	17,855,751	16,554,199	15,208,290
Add Asset Retirement Obligations	8,066,539	8,416,637	8,786,795
Add Water Distribution Reserve	8,537,015	9,358,008	10,532,890
Add Wastewater Reserve	7,745,294	9,335,348	11,835,509
Add DC Water Reserves	665,719	1,872,499	3,119,262
Add DC Wastewater Reserves	1,849,462	3,154,214	4,302,777
Add Industrial WW Treatment Facility Reserve	-	-	-
Working Capital Surplus/(Deficit)	**$ (33,980,902)**	**$ (21,538,413)**	**$ (6,469,307)**
Annual change in Working Capital	$ 147,395	$ 12,442,489	$ 15,069,106
Minimum working capital surplus = 20% of expenses	$ 6,772,101	$ 6,919,064	$ 7,022,873

Working Capital Surplus/(Deficit)	**2028 Budget Forecast**	**2029 Budget Forecast**	**2030 Budget Forecast**
Fund Surplus	$ 173,767,580	$ 186,082,826	$ 196,298,178
Less Tangible Capital Assets	(222,408,763)	(223,074,564)	(222,299,421)
Add Long term debt	13,816,503	12,377,264	10,888,942
Add Asset Retirement Obligations	9,178,163	9,591,957	10,029,461
Add Water Distribution Reserve	10,425,519	9,458,519	7,695,019
Add Wastewater Reserve	14,023,049	13,473,049	15,273,049
Add DC Water Reserves	4,412,627	5,661,596	6,610,566
Add DC Wastewater Reserves	5,701,986	7,052,827	7,203,669
Add Industrial WW Treatment Facility Reserve	-	-	-
Working Capital Surplus/(Deficit)	**$ 8,916,664**	**$ 20,623,475**	**$ 31,699,461**
Annual change in Working Capital	$ 15,385,971	$ 11,706,811	$ 11,075,986
Minimum working capital surplus = 20% of expenses	$ 7,216,941	$ 7,427,736	$ 7,624,486

Net amortization expenses (included in utility rates, but not a cash expense) at $38.6 million provide the majority of the $41.8 million in funding required for capital projects during that time. Operating surpluses due to increased utility rates improve working capital by $58.4 million from 2025 to 2030. Deficit rate riders (to recover prior year's deficits) improve Working Capital by $16.5 million from 2025 to 2030.

Reconciliation – Annual change in Working Capital	**2025 - 2030 Totals**
Net Amortization	36,652,048
Accretion	2,294,046
Net Operating Surplus/(Deficit)	58,392,445
Capital purchases	(41,772,500)
Changes in Debt balance	(8,225,476)
Transfers from Government for Captial	0
Transfers from General Operating Fund	(18,000)
Deficit Rate Rider revenues	16,505,196
	65,827,758

Unaccounted for Water

Unaccounted for water is a measure of non-revenue water use or loss. An acceptable unaccounted for water limit as determined by the PUB is below 10%, which Brandon has achieved in the past few years at 4% in 2024 and 6% in 2025.

Water Produced/Sold - Cubic Meters	**2025**	**2024**	**2020**
Water produced	7,422,075	7,204,073	7,483,357
Total Sales and Use	6,996,415	6,914,503	6,541,828
Unaccounted for water	425,660	289,570	941,529
Percentage of total	6%	4%	13%

Capital Program

There are $41.8 million in capital projects identified in the Utility's 10-year capital from 2025 to 2030 funded by reserves that are included in the utility rate study. There are $213 million in debt/grant funded capital projects from 2025 to 2030 that are not included in the utility rate study.

The 2022 utility rate study took into account the estimated cost of the Water Treatment Facility (WTF) upgrade and the Southwest Wastewater Servicing projects. Included in that rate study was the effect of issuing $41.34 million in debt for the Water Treatment Facility upgrade and $20 million in debt for the Southwest Wastewater Servicing project. Clause 7 on page 21 of PUB Order No.119/23 states:

7. "The City of Brandon return to the Board with an application for final approval of capital projects, as soon as costs have been finalized and approved by the Municipal Board, and for approval of any rate adjustments as may be required."

	2025	2026	2027	2028	2029	2030
Summary of Capital Expenditure Funding						
Wastewater Reserve	6,236,000	2,125,000	1,130,000	1,495,000	4,550,000	1,000,000
Wastewater Treatment Reserve - DC)	-	-	200,000	-	-	1,200,000
Water Network Infrastructure Reserve (DC)	150,000	-	-	-	-	-
Water Treatment Reserve - (DC)	-	-	-	-	-	300,000
Water Distribution Reserve	4,385,000	2,681,000	2,410,000	3,180,000	4,967,000	5,763,500
Capital Projects from 10-Year Capital Plan Included in Rate Study	10,771,000	4,806,000	3,740,000	4,675,000	9,517,000	8,263,500
Debt Funded Capital Not Included in Utility Rate Study						
SW WW Servicing & Southend Lift Station Upgrades	-	31,790,000	770,000	-	-	-
WTF Expansion & Reservoir	-	28,400,000	39,900,000	37,911,900	21,473,000	15,150,000
Capital Projects from 10-Year Capital Plan NOT Included in Rate Study	-	60,190,000	40,670,000	37,911,900	21,473,000	15,150,000
From 10-Year Capital Plan Total Projects Budgeted (2025 to 2030)	10,771,000	64,996,000	44,410,000	42,586,900	30,990,000	23,413,500

Impact of Forecast Debt Surcharges on Utility Rates to Coincide with Expiring Deficit Rate Riders

Based on current capital budgeting estimates, the SW Wastewater Servicing and Water Treatment Facility capital projects requiring debt issuance that are not included in this utility rate study that would require debt payment surcharges as follows:

Forecast Debt Surcharges

	Debt Amount to Issue	Year of Issues	Payment	Payment Years	Forecast Surcharge per CM	
Water Treatment Facility	52,246,300	2029	3,795,637	2030-2059	$ 0.57	Water
SW WW Servicing $ LS	32,560,000	2027	2,365,449	2027-2056	$ 0.47	Wastewater
Water Reservoir		Outside timeframe of rate study				

Deficit rate riders of $0.287/CM on water and $0.21 on wastewater expire September 30, 2030. If the water debt surcharge forecast at $0.57/CM commences October, 2030, the expiring water deficit rate rider of $0.287 would reduce the net impact to $0.283/CM. If the wastewater debt surcharge forecast at $0.480 commences October, 2030, the expiring wastewater deficit rate rider of $0.210 would reduce the net impact to $0.270/CM.

The Utility's Working Capital is forecast to be sufficient in 2029 and 2030 to potentially fund some of the initial debt payments in those years to allow debt issue without instituting debt surcharges prior to October, 2030.

With the Southwest Wastewater servicing and Water Treatment Facility being funded by debt and capital grants from government, the impact on Working Capital is minimal.

Inflationary Increase

The Utility's 2025 budget and 2026 to 2028 budget forecasts include projected increases for inflationary and operational costs increases. The forecast for 2029 and 2030 inclusive assume annual increases of 3% in expenses.

Cost Allocation

Allocation of staff salaries is reviewed for each position and the percentage of time spent on Utility is determined. Associated administrative costs are also allocated, based on percentages for services provided to the Utility.

Contingency Allowance and Reserves

There is a Contingency Allowance of 10% of net rate costs less amortization expenses and interest costs in accordance with PUB guidelines, included in the rate study. This equates to $1,196,858 for water and $872,981 for wastewater, $2,069,839 in total.

The City's 10-year capital program allocates $362 million for Utility capital expenditures. As part of this rate study, an annual transfer of $8,000,000 to Utility Reserves is included to support the funding needs of the Capital Plan. Infrastructure construction costs have risen at a pace much faster than inflation, and the City is concerned that capital expenditure costs will continue to escalate significantly. According to Statistics Canada, the Manitoba Consumer Price Index (CPI) has increased by 29% from January 2015 to December 2024. Meanwhile, Construction Analytics data shows a 51% rise in infrastructure costs over the same period.

Rate Adequacy Report – PUB

City of Brandon's audited financial statements, compiled in accordance with Public Sector Accounting Standards, are required under Clause 190(1) of the Municipal Act to be submitted to Council no later than June 30 in the year following the fiscal year for which the audit is prepared.

Ideally, a rate adequacy review will utilize Utility Schedules 8 and 9 of the audited statements to provide historical information for the prior year. Subsequent to receiving the audited financial statements by end of June, the City can then review those results in conjunction with current and future year budget forecasts. A review of the adequacy of current rates can then be extrapolated by examining forecast operating surplus/deficit and Working Capital impacts. The City proposes that a rate adequacy review be submitted to PUB no later than October 1st in years that a review is required.

Utility Bill Affordability

Further to PUB Order #119/23, the City of Brandon investigated several programs to alleviate financial hardship for Utility customers, including but not limited to:

- Low-Income Affordability Program
- Water Rebate Program
- Water Audit Program
- High-Efficiency Water Retrofit Program

A presentation on the findings was made to City Council in July, 2024. The resulting recommendation included a high-efficiency water retrofit program that targeted low-income residents. Additionally, a self-administered Home Water Audit Guide was developed for all Utility customers to identify leaks and reduce water bills. City Council was supportive of the recommendations which were then made available to the public.

Compare Brandon Utility's quarterly 14 CM billing, to other Mb utility rates

Utility	Effective year	Quarterly Minimum Water & Wastewater Bill		Utility	Effective year	Quarterly Minimum Water & Wastewater Bill
Stonewall, Town of	2025	$49.80		Hartney, Municipality of Grassland	2022	$ 105.60
Steinbach, City of	2027	$51.35		Deloraine-Winchester, Municipality of	2023	$106.73
Kleefeld, RM of Hanover	2028	$52.62		Morris, RM of - LUD rate	2025	$106.98
St. Malo, RM of De Salaberry	2024	$53.08		Gilbert Plains, RM of; Urban Utility	2022	$107.57
Ritchot, RM of	2025	$53.84		Brandon, City of (with deficit rate rider&debt surcharges)	Current	$108.58
Notre Dame de Lourdes; Municipality of Lorne	2022	$58.80		Flin Flon, City of	2028	$108.92
Virden, Town of	2022	$64.36		Brandon, City of	2028	$109.25
Treherne, Village of	2028	$72.08		Pierson, Municipality of Two Borders	2027	$109.84
Grunthal, RM of Hanover	2028	$73.55		Arden, Municipality of Glenella-Lansdowne	2025	$109.95
Yellowhead Regional; Municipality of Westlake-Gladstone	2027	$73.86		Selkirk, City of	2023	$111.18
Macdonald, RM of	2027	$74.38		Pipestone, RM of	2026	$111.69
Ashern, RM of West Interlake	2023	$74.69		Minnedosa, Town of - step 1	2023	$113.18
St. Francois, RM of	2026	$76.17		Brandon, City of (with deficit rate rider&debt surcharges)	2027	$113.60
Gladstone, Municiplaity of Westlake-Gladstone	2022	$78.90		Rhineland, RM of	2022	$114.16
Neepawa, Town - step 1	2025	$79.28		Benito, Municipality of Swan Valley West	2022	$114.18
Roblin, Municipality of - step 1	2026	$80.01		Brandon, City of	2029	$114.27

Utility	Effective year	Quarterly Minimum Water & Wastewater Bill		Utility	Effective year	Quarterly Minimum Water & Wastewater Bill
Springfield, RM of (water & wastewater)	2024	$80.08		Grandview G3 Urban Utility, Municipality of Grandview	2025	$114.64
Whitehead, RM of	2026	$80.63		Onanole, Municipality of Harison Park	2028	$115.45
Warren, RM of Woodlands	2025	$80.71		Birtle, Municipality of Prairieview	2024	$115.65
Lac du Bonnet, Town of	2024	$81.02		Inglis, RM of Riding Mountain West	2022	$115.73
Wallace Woodworth, Wallace/Woodworth/Kenton	2022	$81.48		Pinawa, LGD of	2027	$116.85
Portage la Prairie, City of	2025	$81.77		The Pas, Town of	2027	$117.19
Killarney-Turtle Mountain, RM of - step 1	2023	$82.00		Manitou, Municipality of Pembina	2022	$118.54
Winkler, City of	2025	$82.32		Brandon, City of (with deficit rate rider&debt surcharges)	2028	$118.62
Beausejour, Town of	2027	$82.44		Pilot Mound, Municiaplity of Louise	2026	$118.78
Tyndall-Garson LUD, RM of Brokenhead	2025	$82.52		Brandon, City of	2030	$119.13
Stony Mountain, RM of Rockwood	2025	$86.86		Montcalm, RM of	2025	$120.99
Bowsman, Municipality of Minitonas Bowsman	2027	$88.14		Brandon, City of (with deficit rate rider&debt surcharges)	2029	$123.64
Landmark, RM of Tache	2026	$88.36		McCreary, Municipality of	2027	$124.06
Boissevain, Boissevain-Morton Municipality	2022	$89.42		Brenda, Municipality of Brenda-Waskada	2028	$124.09
Austin, Municipality of North Norfolk	2027	$89.64		Melita, Town of	2028	$125.56
Carman, Town of	2025	$91.04		Brandon, City of (with deficit rate rider&debt surcharges)	2030	$128.50
Wawanesa, Municipality of Oakland Wawanesa	2025	$91.23		Grey, RM of	2027	$130.91

Utility	Effective year	Quarterly Minimum Water & Wastewater Bill		Utility	Effective year	Quarterly Minimum Water & Wastewater Bill
Portage la Prairie, RM (includes Oakville)	2023	$92.41		Balmoral, RM of Rockwood	2025	$131.00
Cartwright, Municipality of Cartwright-Roblin	2022	$92.46		Grosse Isle, RM of Rosser	2022	$132.88
Birch River, RM of Mountain	2022	$92.65		Dominion Emerson, Municipality of Emerson-Franklin	2027	$134.96
Plumas, Municiplaity of Westlake-Gladstone	2025	$93.59		Snow Lake, Town of	2026	$139.04
Russell-Binscarth, Municipality of	2022	$94.74		Centreport, RM of Rosser	2022	$139.94
MacGregor, Municipality of North Norfolk	2026	$95.15		Angusville, RM of Riding Mountain West	2022	$144.97
Dauphin, City of	2027	$95.39		Baldur, RM of Argyle	2024	$157.01
Erickson, Municipality of Clanwilliam-Erickson	2025	$96.22		Great Falls, RM of Alexander	2027	$162.67
East St. Paul (water and wastewater)	2028	$96.88		Lac du Bonnet, RM of	2024	$165.08
Winnipeg Beach, Town of	2024	$99.02		Rivers, Municipality of Riverdale	2022	$166.99
Brandon, City of	Current	$99.21		Belmont, RM of Prairie Lakes	2027	$168.77
Gunton, RM of Rockwood	2025	$100.92		Minto, Municipality of Grassland	2022	$171.93
Gimli, RM of (water and wastewater customers)	2026	$104.13		Rapid City, RM of Oakview	2026	$173.41
Brandon, City of	2027	$104.23		Elgin, RM of Grassland	2022	$182.62
Elton, RM of	2025	$104.58		Rathwell, Municipality of Norfolk Treherne	2024	$210.23
St. Lazare, RM of Ellice Archie	2023	$104.84		Rathwell, Municipality of Norfolk Treherne	2024	$210.23

Compare Brandon Utility's quarterly 46 CM billing, to other Manitoba utility rates

Utility	Effective year	46 CM Water & Wastewater Bill		Utility	Effective year	46 CM Water & Wastewater Bill
Stonewall, Town of	2025	$112.20		Hartney, Municipality of Grassland	2022	$290.44
Steinbach, City of	2027	$120.15		Brandon, City of	2027	$292.39
Kleefeld, RM of Hanover	2028	$150.67		Flin Flon, City of	2028	$293.62
Virden, Town of	2022	$152.63		Selkirk, City of	2023	$298.37
Ritchot, RM of	2025	$152.72		Pipestone, RM of	2026	$300.16
St. Malo, RM of De Salaberry	2024	$154.52		Deloraine-Winchester, Municipality of	2023	$301.07
Notre Dame de Lourdes; Municipality of Lorne	2022	$172.27		Morris, RM of - LUD rate	2025	$301.96
Wallace Woodworth, Wallace/Woodworth/Kenton	2022	$183.62		McCreary, Municipality of	2027	$302.35
Beausejour, Town of	2027	$184.84		Minnedosa, Town of - step 1	2023	$306.45
Springfield, RM of(water & wastewater customers)	2024	$185.68		Brandon, City of (with deficit rate rider & debt surcharge)	Current	$307.58
Ashern, RM of West Interlake	2023	$189.57		Brandon, City of	2028	$307.97
Grunthal, RM of Hanover	2028	$197.01		Elton, RM of	2025	$309.14
Roblin, Municipality of - step 1	2026	$198.41		St. Lazare, RM of Ellice Archie	2023	$321.15
Treherne, Village of	2028	$202.09		Brandon, City of (with deficit rate rider & debt surcharge)	2027	$323.16
Tyndall-Garson LUD, RM of Brokenhead	2025	$205.72		Onanole, Municipality of Harison Park	2028	$323.24
Yellowhead Regional; Municipality of Westlake-Gladstone	2027	$206.66		Benito, Municipality of Swan Valley West	2022	$323.38
Winkler, City of	2025	$207.61		Brandon, City of	2029	$323.55
Neepawa, Town - step 1	2025	$207.92		Pinawa, LGD of	2027	$324.84

Utility	Effective year	46 CM Water & Wastewater Bill		Utility	Effective year	46 CM Water & Wastewater Bill
Gimli, RM of (water and wastewater customers)	2026	$209.09		Pierson, Municipality of Two Borders	2027	$329.03
Dauphin, City of	2027	$212.83		Grandview G3 Urban Utility, Municipality of Grandview	2025	$335.10
Landmark, RM of Tache	2026	$216.04		Rhineland, RM of	2022	$336.03
Lac du Bonnet, Town of	2024	$216.38		Brandon, City of	2030	$338.65
Portage la Prairie, City of - step 1	2025	$216.81		Brandon, City of (with deficit rate rider & debt surcharge)	2028	$338.74
St. Francois, RM of	2026	$218.89		Birtle, Municipality of Prairieview	2024	$345.97
Whitehead, RM of	2026	$221.20		Grosse Isle, RM of Rosser	2022	$345.99
Gladstone, Municiplaity of Westlake-Gladstone	2022	$224.40		Arden, Municipality of Glenella-Lansdowne	2025	$346.67
Macdonald, RM of	2027	$224.78		Montcalm, RM of	2025	$350.81
Carman, Town of	2025	$227.46		Brenda, Municipality of Brenda-Waskada	2028	$354.12
Bowsman, Municipality of Minitonas Bowsman	2027	$231.53		Inglis, RM of Riding Mountain West	2022	$354.28
Killarney-Turtle Mountain, RM of	2023	$231.79		Brandon, City of (with deficit rate rider & debt surcharge)	2029	$354.32
Warren, RM of Woodlands	2025	$232.71		Grey, RM of (Amalgamated - former St. Claude and Grey Utility)	2027	$359.33
Boissevain, Boissevain-Morton Municipality	2022	$244.63		Manitou, Municipality of Pembina	2022	$360.05
Russell-Binscarth, Municipality of	2022	$253.19		Pilot Mound, Municiaplity of Louise	2026	$360.22
Stony Mountain, RM of Rockwood	2025	$254.85		Melita, Town of	2028	$365.52
Cartwright, Municipality of Cartwright-Roblin	2022	$256.26		Brandon, City of (with deficit rate rider & debt surcharge)	2030	$369.42
Birch River, RM of Mountain	2022	$260.18		Centreport, RM of Rosser	2022	$370.65

Utility	Effective year	46 CM Water & Wastewater Bill		Utility	Effective year	46 CM Water & Wastewater Bill
Erickson, Municipality of Clanwilliam-Erickson	2025	$262.69		Balmoral, RM of Rockwood	2025	$378.99
Austin, Municipality of North Norfolk	2027	$263.39		Dominion Emerson, Municipality of Emerson-Franklin	2027	$389.99
East St. Paul (water and wastewater)	2028	$264.23		Snow Lake, Town of	2026	$422.55
Wawanesa, Municipality of Oakland Wawanesa	2025	$266.22		Lac du Bonnet, RM of	2024	$423.63
Plumas, Municiplaity of Westlake-Gladstone	2025	$274.38		Angusville, RM of Riding Mountain West	2022	$436.95
Brandon, City of	Current	$276.81		Rivers, Municipality of Riverdale	2022	$444.12
Portage la Prairie, RM (includes Oakville)	2023	$276.84		Baldur, RM of Argyle	2024	$489.67
The Pas, Town of	2027	$276.84		Great Falls, RM of Alexander	2027	$496.74
Gunton, RM of Rockwood	2025	$277.87		Belmont, RM of Prairie Lakes	2027	$505.58
Winnipeg Beach, Town of	2024	$285.91		Rapid City, RM of Oakview	2026	$526.68
Gilbert Plains, RM of; Urban Utility	2022	$288.82		Minto, Municipality of Grassland	2022	$533.84
MacGregor, Municipality of North Norfolk	2026	$289.70		Elgin, RM of Grassland	2022	$577.17
				Rathwell, Municipality of Norfolk Treherne	2024	$641.72

Rate Comparison Average Residential Quarterly Billings – Large Urbans, Manitoba/Saskatchewan

Following is a comparison of **City of Brandon Utility's** quarterly proposed rates for 14 CM minimum quarterly bill and 46 CM quarterly average bills, to other utility rates in urban centres in the Prairie Provinces along with the year in which rates were last set:

	Water	Waste water	Water & Waste water	Quarterly Service Charge	Quarterly Water & Wastewater Minimum Bill 14 CM	Quarterly Water & Wastewater Average Bill 46 CM
Brandon, 2026 rates; with rate riders	$ 3.17	$ 3.05	$ 6.22	$ 21.51	$ 108.58	$ 307.58
Brandon, 2027 rates; with rate riders	3.28	3.27	6.55	21.91	113.60	323.16
Brandon, 2028 rates; with rate riders	3.39	3.49	6.88	22.31	118.62	338.74
Brandon, 2029 rates; with rate riders	3.50	3.71	7.21	22.71	123.64	354.32
Brandon, 2030 rates; with rate riders	3.62	3.91	7.53	23.09	128.50	369.42
Manitoba						
Portage la Prairie; Current 2026 rates	$ 2.64	$ 1.76	$ 4.40	$ 22.69	$ 84.29	$ 225.09
Portage la Prairie; Proposed 2030 rates	4.20	2.31	6.51	29.98	121.12	329.44
Neepawa; 2026 rates	2.41	1.61	4.02	23.00	79.28	207.92
Selkirk, 2026 rates	2.59	3.26	5.85	29.28	111.18	298.38
Selkirk, Proposed 2028 rates	2.97	3.99	6.96	37.03	134.47	357.19
Steinbach; 2027 rates	1.14	1.01	2.15	21.25	51.35	120.15
Winnipeg; 2026 rates for 4" meter; 10% sewer discount	2.17	4.53	6.70	71.19	164.99	379.39
Saskatchewan						
Moose Jaw; 2026 rates for 5/8" meter; no minimum	$ 1.72	$ 1.77	$ 3.49	$ 188.94	$ 237.80	$ 349.48
Prince Albert; 2026 rates, 5/8" meter; no minimum	1.61	1.43	3.04	183.15	225.71	322.99
Regina; 2026 rates for 5/8" meter; no minimum	2.74	2.42	5.16	181.59	253.83	418.95
Saskatoon; 2026 rates; Residential, first 17 CM	3.08	1.67	4.75	85.92	152.42	304.42
Saskatoon; 2026 rates; commercial	2.60	1.86	4.46	85.92	148.36	291.08
Yorkton; 2026 rates; no minimum; residential	1.88	1.87	3.75	102.75	155.25	275.25
Yorkton; 2026 rates; no minimum; industrial	3.10	3.10	6.20	5,625.00		

Rate Comparison Large Volume Quarterly Billings – Large Urbans, Manitoba/Saskatchewan

Following is a comparison of **City of Brandon Utility's** quarterly proposed rates for 400,000 CM quarterly water & wastewater bills, to other utility rates in urban centres in the Prairie Provinces along with the year in which rates were last set:

	Water	Waste water	Water & Waste water	Quarterly Service Charge	Large Industry Quarterly Water & Wastewater Bill 400,000 CM	Large Industry Quarterly Water Only Bill 500,000 CM
Brandon, 2026 rates; with rate riders	$ 3.17	$ 3.05	$ 6.22	$ 21.51	$ 2,487,622	$ 1,584,522
Brandon, 2027 rates; with rate riders	3.28	3.27	6.55	21.91	2,619,622	1,639,522
Brandon, 2028 rates; with rate riders	3.39	3.49	6.88	22.31	2,751,622	1,694,522
Brandon, 2029 rates; with rate riders	3.50	3.71	7.21	22.71	2,883,623	1,749,523
Brandon, 2030 rates; with rate riders	3.62	3.91	7.53	23.09	3,011,623	1,809,523
Manitoba						
Portage la Prairie; Current 2026 rates	$ 2.64	$ 1.76	$ 4.40	$ 22.69	$ 910,825	$ 466,850
Portage la Prairie; Proposed 2030 rates	4.20	2.31	6.51	29.98	1,296,276	739,984
Neepawa; 2026 rates	2.41	1.61	4.02	23.00	1,196,487	690,487
Selkirk, 2026 rates	2.59	3.26	5.85	29.28	2,340,029	1,295,029
Selkirk, Proposed 2028 rates	2.97	3.99	6.96	37.03	2,784,037	1,485,037
Steinbach; 2027 rates	1.14	1.01	2.15	21.25	860,021	570,021
Winnipeg; 2026 rates for 4" meter; 10% sewer discount	2.17	4.53	6.70	71.19	2,515,964	1,085,071
Saskatchewan						
Moose Jaw; 2026 rates for 4" meter; no minimum	$ 1.72	$ 1.77	$ 3.49	$ 188.94	$ 1,399,780	$ 862,452
Prince Albert; 2026 rates, 4" meter; no minimum	1.61	1.43	3.04	183.15	1,218,564	807,564
Regina; 2026 rates for 4" meter; no minimum	2.74	2.42	5.16	181.59	2,066,542	1,372,542
Saskatoon; 2026 rates; Residential, first 17 CM	3.08	1.67	4.75	85.92	n/a	n/a
Saskatoon; 2026 rates; commercial	2.60	1.86	4.46	85.92	1,787,015	1,303,015
Yorkton; 2026 rates; no minimum; residential	1.88	1.87	3.75	102.75	1,500,103	940,103
Yorkton; 2026 rates; no minimum; industrial	3.10	3.10	6.20	5,625.00	2,485,625	1,555,625

Impact of Rate Increases on Bills – Without Deficit Rate Rider & Debt Surcharges

Impact on 5/8" meter bill quarterly consumption of:	14 CM				
	Annual costs based on rates in effect Currently	**Annual costs based on rates proposed January 1, 2027**	**Annual costs based on rates proposed January 1, 2028**	**Annual costs based on rates proposed January 1, 2029**	**Annual costs based on rates proposed January 1, 2030**
Annual Cost	$ 396.84	$ 416.92	$ 437.00	$ 457.08	$ 476.52
Annual Increase		20.08	20.08	20.08	19.44
Quarterly Billing	99.21	104.23	109.25	114.27	119.13
Quarterly Increase		5.02	5.02	5.02	4.86
% Increase Per Year		5%	5%	5%	4%

Impact on a family with quarterly consumption of:	46 CM				
	Annual costs based on rates in effect Currently	**Annual costs based on rates proposed January 1, 2027**	**Annual costs based on rates proposed January 1, 2028**	**Annual costs based on rates proposed January 1, 2029**	**Annual costs based on rates proposed January 1, 2030**
Annual Cost	$ 1,107.24	$ 1,169.56	$ 1,231.88	$ 1,294.20	$ 1,354.60
Annual Increase		62.32	62.32	62.32	60.40
Quarterly Billing	276.81	292.39	307.97	323.55	338.65
Quarterly Increase		15.58	15.58	15.58	15.10
% Increase Per Year		6%	5%	5%	5%

Impact on a customer with quarterly consumption of:	455 CM				
	Annual costs based on rates in effect Currently	**Annual costs based on rates proposed January 1, 2027**	**Annual costs based on rates proposed January 1, 2028**	**Annual costs based on rates proposed January 1, 2029**	**Annual costs based on rates proposed January 1, 2030**
Annual Cost	$ 10,187.04	$ 10,789.24	$ 11,391.44	$ 11,993.64	$ 12,577.56
Annual Increase		602.20	602.20	602.20	583.92
Quarterly Billing	2,546.76	2,697.31	2,847.86	2,998.41	3,144.39
Quarterly Increase		150.55	150.55	150.55	145.98
% Increase Per Year		6%	6%	5%	5%

Impact on a customer with quarterly consumption of:	4,000 CM				
	Annual costs based on rates in effect Currently	**Annual costs based on rates proposed January 1, 2027**	**Annual costs based on rates proposed January 1, 2028**	**Annual costs based on rates proposed January 1, 2029**	**Annual costs based on rates proposed January 1, 2030**
Annual Cost	$ 88,886.04	$ 94,167.64	$ 99,449.24	$ 104,730.84	$ 109,852.36
Annual Increase		5,281.60	5,281.60	5,281.60	5,121.52
Quarterly Billing	22,221.51	23,541.91	24,862.31	26,182.71	27,463.09
Quarterly Increase		1,320.40	1,320.40	1,320.40	1,280.38
% Increase Per Year		6%	6%	5%	5%

Impact on a **Water** Only customer with quarterly consumption of:	400,000 CM				
	Annual costs based on rates in effect Currently	**Annual costs based on rates proposed January 1, 2027**	**Annual costs based on rates proposed January 1, 2028**	**Annual costs based on rates proposed January 1, 2029**	**Annual costs based on rates proposed January 1, 2030**
Annual Cost	$ 4,336,086.04	$ 4,512,087.64	$ 4,688,089.24	$ 4,864,090.84	$ 5,056,092.36
Annual Increase		176,001.60	176,001.60	176,001.60	192,001.52
Quarterly Billing	1,084,021.51	1,128,021.91	1,172,022.31	1,216,022.71	1,264,023.09
Quarterly Increase		44,000.40	44,000.40	44,000.40	48,000.38
% Increase Per Year		4%	4%	4%	4%

Impact of Rate Increases on Bills–With Deficit Rate Rider & Debt Surcharges

Impact on 5/8" meter bill quarterly consumption of:		14 CM			
	Annual costs based on rates in effect Currently	**Annual costs based on rates proposed January 1, 2027**	**Annual costs based on rates proposed January 1, 2028**	**Annual costs based on rates proposed January 1, 2029**	**Annual costs based on rates proposed January 1, 2030**
Annual Cost	$ 434.30	$ 454.38	$ 474.46	$ 494.54	$ 513.98
Annual Increase		20.08	20.08	20.08	19.44
Quarterly Billing	108.58	113.60	118.62	123.64	128.50
Quarterly Increase		5.02	5.02	5.02	4.86
% Increase Per Year		5%	4%	4%	4%

Impact on a family with quarterly consumption of:		46 CM			
	Annual costs based on rates in effect Currently	**Annual costs based on rates proposed January 1, 2027**	**Annual costs based on rates proposed January 1, 2028**	**Annual costs based on rates proposed January 1, 2029**	**Annual costs based on rates proposed January 1, 2030**
Annual Cost	$ 1,230.34	$ 1,292.66	$ 1,354.98	$ 1,417.30	$ 1,477.70
Annual Increase		62.32	62.32	62.32	60.40
Quarterly Billing	307.58	323.16	338.74	354.32	369.42
Quarterly Increase		15.58	15.58	15.58	15.10
% Increase Per Year		5%	5%	5%	4%

Impact on a customer with quarterly consumption of:		455 CM			
	Annual costs based on rates in effect Currently	**Annual costs based on rates proposed January 1, 2027**	**Annual costs based on rates proposed January 1, 2028**	**Annual costs based on rates proposed January 1, 2029**	**Annual costs based on rates proposed January 1, 2030**
Annual Cost	$ 11,404.62	$ 12,006.82	$ 12,609.02	$ 13,211.22	$ 13,795.14
Annual Increase		602.20	602.20	602.20	583.92
Quarterly Billing	2,851.16	3,001.71	3,152.26	3,302.81	3,448.79
Quarterly Increase		150.55	150.55	150.55	145.98
% Increase Per Year		5%	5%	5%	4%

Impact on a customer with quarterly consumption of:	4,000 CM

	Annual costs based on rates in effect Currently	Annual costs based on rates proposed January 1, 2027	Annual costs based on rates proposed January 1, 2028	Annual costs based on rates proposed January 1, 2029	Annual costs based on rates proposed January 1, 2030
Annual Cost	$ 99,590.04	$ 104,871.64	$ 110,153.24	$ 115,434.84	$ 120,556.36
Annual Increase		5,281.60	5,281.60	5,281.60	5,121.52
Quarterly Billing	24,897.51	26,217.91	27,538.31	28,858.71	30,139.09
Quarterly Increase		1,320.40	1,320.40	1,320.40	1,280.38
% Increase Per Year		5%	5%	5%	4%

Impact on a **Water Only** customer with quarterly consumption of:	400,000 CM

	Annual costs based on rates in effect Currently	Annual costs based on rates proposed January 1, 2027	Annual costs based on rates proposed January 1, 2028	Annual costs based on rates proposed January 1, 2029	Annual costs based on rates proposed January 1, 2030
Annual Cost	$ 5,070,486.04	$ 5,246,487.64	$ 5,422,489.24	$ 5,598,490.84	$ 5,790,492.36
Annual Increase		176,001.60	176,001.60	176,001.60	192,001.52
Quarterly Billing	1,267,621.51	1,311,621.91	1,355,622.31	1,399,622.71	1,447,623.09
Quarterly Increase		44,000.40	44,000.40	44,000.40	48,000.38
% Increase Per Year		3%	3%	3%	3%

By-Law No. 7450

BEING A BY-LAW OF THE CITY OF BRANDON TO ESTABLISH WATER AND WASTEWATER RATES.

WHEREAS The City of Brandon has undertaken a water and wastewater rate study that indicates water and wastewater rates require to be increased;

AND WHEREAS The Municipal Act, S.M. 1996, c. 58, states in part as follows:

232(1) A Council may pass by-laws for municipal purposes respecting the following matters:
(l) public utilities:

232(2) Without limiting the generality of subsection (1), a council may in a by-law passed under this Division
(d) establish fees or other charges for services, activities or things provided or done by the municipality or for the use of property under the ownership, direction, management or control of the municipality;

250(2) Without limiting the generality of subsection (1), a municipality may for municipal purposes do the following:
(c) acquire, establish, maintain and operate services, facilities and utilities;

252(1) A municipality exercising powers in the nature of those referred to in clauses 250(2)(b),(c) and (e) may set terms and conditions in respect of users, including
(a) setting the rates or amounts of deposits, fees and other charges, and charging and collecting them;
(b) providing for a right of entry onto private property to determine compliance with other terms and conditions, to determine the amount of deposits, fees or other charges, or to disconnect a service; and
(c) discontinuing or disconnecting a service and refusing to provide the service to users who fail to comply with the terms and conditions.

252(2) A charge referred to in clause (1)(a) may be collected by the municipality in the same manner as a tax may be collected or enforced under this Act.

AND WHEREAS it is deemed advisable to provide rates for January 1, 2027, 2028, 2029, and 2030 and thereafter to be paid by persons to whom water is supplied by the City of Brandon and who use the wastewater system of the City of Brandon and to provide for the collection thereof;

NOW THEREFORE THE COUNCIL OF THE CITY OF BRANDON IN SESSION DULY ASSEMBLED, HEREBY ENACTS A BY-LAW AS FOLLOWS:

1) THAT all accounts for charges for metered services for the City of Brandon Utility as set forth in Schedule "A" shall be billed quarterly, unless approved by the City to be billed monthly. Consumers shall pay for water and wastewater service supplied to them by the Utility at the rates and terms set out in Schedule “A”, and other Administrative fees and terms set out in Schedule “B” and attached hereto and forming part of this by-law.

2) THAT the City of Brandon reserves the right to discontinue the supply of water for fountains, jets, hoses and sprinklers, or to limit the hours for use of the same, whenever, at the discretion of Council if it is in the best interests of the public to do so.

3) THAT no person, other than the Fire Chief or someone acting on his/her behalf, or a representative of the City duly authorized in writing by the City Manager, shall open or use any fire hydrant, either for construction purposes, street cleaning, or any other purpose.

4) THAT the meter shut off valve inside premises serviced with water by the City, shall be readily accessible and not used by the owner except for the protection of the premises. No person shall tamper with the meter or cause the water supply to bypass the meter. All pipes and valves inside the premises shall be kept in good repair by the owner or occupant. Any damage through neglect or otherwise, by a contractor for the owner or occupant, to the water service pipes from the street to the premises including the meter shall be the responsibility of the owner or occupant.

5) THAT no person shall wilfully or maliciously hinder or cause to hinder the City or its representative in the exercise of their duties in relation to the operation and maintenance of the water or wastewater system.

6) THAT any person violating any provision of this by-law shall:
    a) be guilty of an offence and, upon conviction, liable to a fine not exceeding one thousand dollars ($1,000) and costs for each violation;
    b) be liable to the City of Brandon for any expense, loss or damage suffered by the City as a result of the violation;
    c) be liable for the repairs and costs of the repairs to the system as a result of the violation. If that person is in default of effecting the repairs, the City may effect the repairs and charge the cost thereof to that person, or add the cost to property taxes and collect those property taxes in the same manner as other property taxes.

7) This by-law and rates for January 1, 2027, 2028, 2029 and 2030 and thereafter, shall come into force and be effective on, from and after both approval of the Public Utilities Board of Manitoba and receipt of third and final reading thereof.

8) That By-law No 7342 be repealed as of January 1, 2027, and upon final approval of this By-law by the Public Utilities Board of Manitoba.

PASSED AND ENACTED BY THE CITY OF BRANDON IN COUNCIL DULY ASSEMBLED THIS day of , 2026.

_____ _____

J. Fawcett, Mayor R. Sigurdson, City Clerk

Read a first time this day of , 2026.
Read a second time day of , 2027.
Read a third time day of , 2027.

CITY OF BRANDON
WATER & WASTEWATER RATES BY-LAW NO. 7450
SCHEDULE "A"

1. Schedule of Commodity Rates

   a. Commodity Rates per Cubic Meter

	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029	Jan. 1, 2030
Water	$2.82	$2.93	$3.04	$3.16
Wastewater	$3.06	$3.28	$3.50	$3.70
Water & Wastewater	$5.88	$6.21	$6.54	$6.86

   b. Deficit Rate Rider
   In addition to the aforesaid commodity rates, the following deficit rate riders shall be charged:

      i. for a period 7 years commencing October 1, 2023, or until the cumulative recovery totals $15,869,919, to recover the 2015, 2016, 2017, 2020, & 2021 operating deficits as follows:

Water	$0.19 per cubic meter
Wastewater	$0.21 per cubic meter

      ii. for a period 6 years and 6 months commencing April 1, 2024, or until the cumulative recovery totals $1,387,450, to recover the 2022 operating deficit as follows:

Water	$0.033 per cubic meter

      iii. for a period 5 years and 6 months commencing April 1, 2025, or until the cumulative recovery totals $2,288,976, to recover the 2023 operating deficit as follows:

Water	$0.064 per cubic meter

   c. Debenture Surcharge
   In addition to the aforesaid commodity rates, the following debenture surcharges shall be charged:

      i. $0.083 per cubic meter of water shall be charged for 20 years commencing October 1, 2021, in accordance with Public Utilities Board Order No. 108/21;
      ii. $0.089 per cubic meter of water shall be charged for 20 years commencing October 1, 2022, in accordance with Public Utilities Board Order No. 83/22.

d. Customer Service Charge

Customer Service Charge Rates are per water meter.

	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029	Jan. 1, 2030
Quarterly	$21.91	$22.31	$22.71	$23.09
Monthly	$5.84	$5.95	$6.06	$6.16

e. Wastewater Only

Wastewater only charge is based on **45 cubic meters quarterly or 15 cubic meters monthly, plus the Customer Service Charge.**

Residential Customers	**Jan. 1, 2027**	**Jan. 1, 2028**	**Jan. 1, 2029**	**Jan. 1, 2030**
Quarterly	$169.06	$179.36	$189.66	$199.04
Monthly	$54.89	$58.30	$61.71	$64.81

2. Wastewater Septic Truck Tipping Fees

	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029	Jan. 1, 2030
Per Cubic Meter	$9.25	$9.50	$9.75	$10.00

3. Bulk Water

	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029	Jan. 1, 2030
Per 310 Litres	$1.00			
Per 265 Litres		$1.00	$1.00	$1.00

4. Meter/Bypass Resealing

When damages or meter tampering, or both are reported, all costs to restore or replace the meter, as determined by the Director of Utilities or Delegate, plus payment for the estimated quantity of unmetered water and related wastewater commodity charge, plus a fee for resealing the meter/bypass shall be charged and added to the utility account and collected along with the next scheduled billing, unless prior written authorization for breaking the seal was issued by the Director of Utilities or Delegate.

	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029	Jan. 1, 2030
Resealing Fee	$110.00	$115.00	$120.00	$125.00

5. Meter Testing

If any owner or customer wishes to have the water meter in their premises tested, the Director of Utilities or Delegate shall have such meter tested. If the test finds the meter to be accurate, a fee shall be charged for the test. Testing

fees shall be added to the utility account and collected along with the next scheduled billing.

	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029	Jan. 1, 2030
1" or Less	$200.00	$215.00	$230.00	$245.00
Greater than 1"	$290.00	$305.00	$320.00	$335.00

6. Meter Replacement
   Where the meter requires replacement due to damage or freezing, the cost of the meter, or meter replacement parts, plus 20%, and a labour fee shall be added to the utility account and collected along with the next scheduled billing.

	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029	Jan. 1, 2030
Labour Fee	$110.00	$115.00	$120.00	$125.00

7. Water Curb Stop Reconnection/Turn On/Turn Off
   The fee to turn on or turn off the water service at the curb stop shall be added to the utility account and collected along with the next scheduled billing. The cost of operating the water curb stop shall be charged at the identified rates during working hours and outside of working hours. Working hours shall be between 8:00am-4:00pm, Monday-Friday, not including statutory holidays:

	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029	Jan. 1, 2030
During working hours	$110.00	$115.00	$120.00	$125.00
Outside working hours	$565.00	$585.00	$605.00	$625.00

8. Hydrant Connection/Disconnection
   The fee for either a temporary hydrant connection or disconnection shall be added to the utility account and collected along with the next scheduled billing:

	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029	Jan. 1, 2030
Connect/Disconnect	$110.00	$115.00	$120.00	$125.00

9. Hydrant Fees
   The City of Brandon or any other hydrant owner of an active and useable hydrant for the purpose of firefighting operations will pay to the Utility an annual fee for each hydrant connected to the system. A fee for the cost of an annual inspection by the City will be applied to all public hydrants.

   Hydrants that have no firefighting purpose and are used solely for City of Brandon watermain maintenance activities shall not be charged a system connection fee.

The City will no longer perform annual inspections of private hydrants, but reserves the right to inspect private hydrants as necessary. Private hydrant owners will be responsible for annual inspections in accordance with the Water & Wastewater Control By-Law.

	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029	Jan. 1, 2030
System Connection	$145.00	$150.00	$155.00	$160.00
Annual Inspection	$165.00	$185.00	$205.00	$225.00

10. Billings and Penalties

Accounts shall be billed monthly or quarterly, at the discretion of the City, based on water used. A late payment penalty charge of 1.25% monthly shall be charged on the dollar amount owing after the billing due date. The due date will be a minimum of fourteen (14) days after the invoice date of the bills.

11. Outstanding Bills

Pursuant to Section 252(2) of the Municipal Act, the amount of all outstanding charges for water and wastewater services, and other service fees, including 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 Director of Finance, or Delegate, may add said charges and penalties to the taxes on the property and collect them in the same manner as other taxes.

The fee to add outstanding water and wastewater charges to the property tax roll shall be $10.00 per account.

CITY OF BRANDON
WATER & WASTEWATER RATES BY-LAW NO. 7450
SCHEDULE "B"

1. Change of Customer Subsequent to Billing
   Split water and wastewater billings for a change of customer may only occur prior to each quarterly or monthly billing. Quarterly and monthly water and wastewater billings are payable by the customer of record at the time of the billing.

2. Minimum Refund for Inactive Accounts
   Inactive accounts, for water and/or wastewater customers who do not have any other active utility account, with balances less than $5.00 will not be refunded by the City.

3. Water Service Disconnection for Non-payment
   The Public Utilities Board has approved the Conditions Precedent, attached to this by-law as Schedule “C”, to be followed by the City 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.

4. Wastewater Surcharges
   There may be levied annually, in addition to rates set forth in Schedule “A”, a special surcharge on sewage based on the strength of various parameters above average domestic strength sewage as established from time to time by the City.

5. Water Allowance due to Line Freezing
   That in any case where at the request of the Director of Utilities or 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 that customer for the current quarter shall be the average consumption for the last four previous quarters to the same customer, or the same premises if the occupant has changed, and billed at the rates and terms set out in Schedule “A”.

6. Temporary Water Service
   That in any case where at the request of the Director of Utilities or Delegate, a customer is provided with a temporary water service from another utility customer, the charge to both customers for the current quarter shall be the average consumption for the last four previous quarters to the same customer, or the same premises if the occupant has changed, and billed at the rates and terms set out in Schedule “A”.

7. Additional Meters

   Where deemed expedient:

   a. the City may elect to install auxiliary meters to separately record the amount of wastewater or water for billing purposes; or
   b. upon application to the Director of Utilities or Delegate, by an owner or operator of a premise where a wastewater service is installed, the City shall install an auxiliary meter at the expense of the applicant, for such purpose.
   c. the City may enter into written agreements with large volume wastewater customers that provides for the customer to install a City approved wastewater meter at the customer's expense with wastewater volumes for billing purposes then determined by the wastewater meter. The agreement must provide that the wastewater meter is calibrated at the customer's cost on a schedule recommended by the meter manufacturer or if no schedule is available, then annually, with proof of calibration supplied to the City.

8. Service To Customers Outside Utility's Limits

   The Council of the City of Brandon may sign Agreements with customers for the provision of water and wastewater services to properties located outside the boundaries of the City of Brandon. Such Agreements shall provide for payment of the appropriate rates set out in the Schedule "A", as well as a surcharge, set by Resolution of Council, which shall be equivalent to the frontage levy, general taxes, and special taxes for the 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 City boundaries. In addition, all costs of connecting to the Utility's mains, and installing and maintaining service connections, will be paid by the customer.

CITY OF BRANDON
WATER & WASTEWATER RATES BY-LAW NO. 7450
SCHEDULE "C"

Conditions Precedent Allowing for Collection and Disconnection of Water and/or Sewer Services for Non-Payment of Accounts

POLICY AND PROCEDURES REVISED APRIL 17, 2009 (REPLACES SEPTEMBER 4, 2008 ORDER 127/08)

1.0 PURPOSE:

The purpose of this document is to outline and define the disconnection and reconnection policies and procedures for customers with water and/or sewer services.

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.

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:

The policy and procedures apply to customers receiving water and/or sewer services. The procedures are detailed to reflect the variety of situations that may occur for each of the following customers.

2.1 All property owners and/or tenants responsible for water and/or sewer services.
2.2 All landlords responsible for providing tenant water and/or sewer services covered under The Residential Tenancies Act (C.C.S.M. c R119).
2.3 Where water and/or sewer services are added to taxes.
2.4 Where water is sold in bulk.
2.5 Where sewage is dumped into a treatment facility.
2.6 Where water and/or sewer service is provided beyond the boundaries of a municipality, if applicable.

3.0 DEFINITIONS:

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

Property Owner – shall refer to the person or persons who are listed on the title of a specific property.

Renter – is not the property owner of the subject property and shall refer to the utility account holder/customer of the subject property.

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 sewer 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 sewer 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:

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

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 $_____.

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.