

## **Notice of Public Hearing – Rate Hearing for Richmond Water Utility**

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The Municipality of the County of Richmond has made application to the Utility and Review Board, on behalf of the Richmond Water Utility, for approval of amendments to its Schedule of Rates and Charges for Water and Water Services and amendments to its Schedule of Rules and Regulations.

The rate study was initiated in May of 2016 in response to Municipal Council approval to submit a funding application for a new Water Treatment Facility for the Louisdale / Evanston / Whiteside water system. It has been 8 years since the last rate study on the Richmond Water Utility; the NSUARB recommends that rate studies be conducted every five years.

The funding application for the new proposed Water Treatment Facility for the Louisdale / Evanston / Whiteside water system has been approved. In order to construct the proposed facility the Municipality must seek approval from the NSUARB which requires that a new rate application be filed with the board.

The proposed rate increases are due to:

- Anticipated increases in operating costs as a result of the construction of the new proposed water treatment facility for the Louisdale / Evanston / Whiteside water system. Additional costs would include such things power, heat, chemicals, labour, maintenance, etc.
- Adjustment to existing costs allocated to the Richmond Water Utility to more accurately reflect true operating costs. It should be noted that some of the additional costs being assigned to the Utility would be re-allocated from other areas in the Municipal budget and would not all be new costs.

While the proposed rate increase is substantial (average residential quarterly billings are expected to be approximately 66% higher than present day), the rates proposed for the Richmond Water Utility would remain slightly below the Provincial average. The proposed rate increase has been phased in over a number of years to help lessen the impact on rate payers.

The table below provides the schedule of proposed increases based on the average residential customer.

| Average Water Rate for 5/8" Meter @ 35 Cubic Meters Per Quarter |              |           |           |           |
|---|--------------|-----------|-----------|-----------|
|   | Present Rate | 2016/2017 | 2017/2018 | 2018/2019 |
| Rate (per quarter)  | \$65.66      | \$79.62   | \$95.04   | \$108.89  |
| Year over Year Increase   |              | 21%       | 19%       | 15%       |
| Increase VS Present Rate  |              | 21%       | 45%       | 66%       |
| Provincial Average  | \$112.13     |           |           |           |

The attached water rate comparison sheet shows base rates, consumption rates and average quarterly bills for residential customers based on an average consumption of 35 cubic meters. Base rates and consumption rates vary based on where costs are allocated; focus should be on column 4 - average quarterly bill. The attached data on provincial rates was provided as part of the rate study, it is believed to be accurate as of the date of the rate application.

A copy of the rate application is available at the Municipal Office at 2357 Highway 206, Arichat. The documents are also available online at <http://uarb.novascotia.ca/fmi/webd#UARB15> by entering the matter number M07711 in the space indicated below.

The screenshot shows a web browser window with the URL [uarb.novascotia.ca/fmi/webd#UARB15](http://uarb.novascotia.ca/fmi/webd#UARB15). The page header includes the Nova Scotia Utility and Review Board logo and the text "NOVA SCOTIA UTILITY AND REVIEW BOARD". Below the header is the title "Public Documents Database". A search box is present with the text "Go Directly to Matter" and instructions: "Enter a Matter Number to go directly to the matter. Matter Numbers start with the letter M and include 5 digits." The search box contains the text "M07711" and a "Search" button. An arrow points to the search box. Below the search box is the text "OR" and a section for "Enter Search Criteria".

## Comparison of Water Rates

|   |      |
|---|------|
| Average<br>Consumption<br>Rate in Cubic<br>Meters | 35.0 |
| <b>METRIC CONVERTER</b>                           |      |
| 7,700.00 Imperial Gallons                         |      |
| <b>35 Cubic Meters</b>                            |      |

Updated 20 november, 2014

| Water Utility   | \$<br>5/8" fixed<br>charge | \$<br>Rate/ 1000<br>gal | \$<br>Rate/ cubic meter | \$<br>Quarterly Bill | Date Rates effective |
|---|----------------------------|-------------------------|-------------------------|----------------------|----------------------|
| New Minas, Village of                                       | 25.40                      | 2.91                    | 0.64                    | 47.83                | April 1, 2009        |
| Amherst, Town of  | 28.66                      | 2.89                    | 0.64                    | 50.92                | April 1, 2015        |
| Pictou County   | 22.50                      | 3.73                    | 0.82                    | 51.26                | November 1, 2001     |
| Pictou, Town of   | 32.73                      | 3.15                    | 0.69                    | 57.01                | April 1, 2007        |
| Kentville, Town of  | 32.67                      | 3.29                    | 0.72                    | 58.03                | April 1, 2016        |
| Inverness   | 27.87                      | 3.95                    | 0.87                    | 58.32                | April 1, 2008        |
| Digby, Town of  | 40.73                      | 2.30                    | 0.51                    | 58.46                | April 1, 2015        |
| Wolfville   | 33.92                      | 3.28                    | 0.72                    | 59.21                | January 1, 2004      |
| Antigonish, Town of   | 43.66                      | 2.05                    | 0.45                    | 59.46                | April 1, 2016        |
| Richmond County (Existing rate)                             | 34.82                      | 4.04                    | 0.89                    | 65.97                | April 1, 2010        |
| Queens, Region of   | 39.23                      | 4.36                    | 0.96                    | 72.83                | April 1, 2004        |
| Baddeck, Co. of Victoria - Village Comm.                    | 46.79                      | 3.50                    | 0.77                    | 73.74                | April 1, 2012        |
| Stellarton, Town of   | 44.96                      | 4.62                    | 1.02                    | 80.58                | April 1, 2008        |
| Oxford, Town of   | 64.29                      | 2.20                    | 0.48                    | 81.25                | April 1, 2016        |
| Falmouth, West Hants  | 36.29                      | 6.31                    | 1.39                    | 84.94                | April 1, 2016        |
| Port Williams, Village of                                   | 60.78                      | 3.27                    | 0.72                    | 85.98                | July 1, 2013         |
| Yarmouth <span style="float: right;">PROPOSED</span>        | 49.25                      | 5.85                    | 1.29                    | 94.35                | September 1, 2016    |
| Cape Breton Regional  | 51.52                      | 5.58                    | 1.23                    | 94.57                | April 1, 2013        |
| Canning, Village Commissioners of                           | 52.05                      | 5.52                    | 1.22                    | 94.61                | April 1, 2013        |
| Lawrencetown, The Village of                                | 62.76                      | 4.40                    | 0.97                    | 96.71                | April 1, 2013        |
| Truro, Town of  | 63.44                      | 3.96                    | 0.99                    | 98.09                | April 1, 2015        |
| Fringe Area - Antigonish County                             |                            |                         | 0.00                    | 99.80                | April 1, 2016        |
| Westville   | 48.71                      | 6.67                    | 1.47                    | 100.16               | April 1, 2012        |
| New Glasgow   | 54.02                      | 6.06                    | 1.34                    | 100.92               | July 1, 2016         |
| Bridgewater Water Utility                                   | 62.07                      | 5.49                    | 1.21                    | 104.42               | July 1, 2016         |
| Lunenburg, Town <span style="float: right;">PROPOSED</span> | 71.47                      | 4.52                    | 1.00                    | 106.32               | July 1, 2016         |
| Middleton, Town of  | 76.98                      | 3.90                    | 0.86                    | 107.08               | April 1, 2016        |
| Springhill, Town  | 66.67                      | 5.48                    | 1.21                    | 108.92               | April 1, 2016        |
| Three Mile Plains, Wentworth, West Hants                    | 33.03                      | 10.00                   | 2.20                    | 110.12               | April 1, 2016        |
| Trenton   | 73.26                      | 5.01                    | 1.10                    | 111.87               | April 1, 2011        |
| Annapolis County - CP, Granville, Margaretville             | 69.05                      | 6.09                    | 1.34                    | 116.00               | April 1, 2011        |
| Windsor, Town of  | 68.29                      | 6.45                    | 1.42                    | 118.01               | April 1, 2016        |
| East Hants Regional - Enfeild, Elmsdale, Lantz              | 45.10                      | 9.55                    | 2.10                    | 118.72               | April 1, 2012        |
| Port Hawkesbury   | 67.75                      | 6.85                    | 1.51                    | 120.56               | April 1, 2016        |
| Stewiacke, Town of  | 48.98                      | 9.88                    | 2.18                    | 125.15               | April 1, 2015        |
| Annapolis Royal, Town of                                    | 97.95                      | 4.09                    | 0.90                    | 129.48               | April 1, 2010        |
| Sherbrooke, District of St. Mary's                          | 72.39                      | 7.41                    | 1.63                    | 129.55               | April 1, 2015        |
| Bridgetown  | 66.93                      | 9.03                    | 1.99                    | 136.58               | April 1, 2016        |
| Greenwood (Mun. of the Co. of Kings)                        | 65.01                      | 9.76                    | 2.15                    | 140.25               | April 1, 2015        |
| St. Peter's, Samsonville & Area                             | 95.29                      | 5.90                    | 1.30                    | 140.77               | April 1, 2010        |
| Mill Cove Water Utility                                     | 78.06                      | 8.97                    | 1.98                    | 147.21               | April 1, 2010        |
| Mulgrave  | 104.70                     | 6.21                    | 1.37                    | 152.57               | April 1, 2010        |
| Hantsport   | 84.84                      | 8.99                    | 1.98                    | 154.14               | April 1, 2016        |
| Debert, Colchester County                                   | 90.78                      | 9.20                    | 2.03                    | 161.71               | April 1, 2013        |
| Tatamagouche, Colchester County -                           | 81.49                      | 10.46                   | 2.30                    | 162.13               | April 1, 2016        |
| Lower South River - Antigonish County                       |                            |                         | 0.00                    | 164.90               | April 1, 2015        |
| Canso - Hazel Hill Water                                    | 85.69                      | 10.75                   | 2.37                    | 168.56               | April 1, 2016        |
| Shelburne   | 93.32                      | 10.71                   | 2.36                    | 175.92               | July 1, 2016         |
| Victoria County (Ding, NH, N Haven, Ing, Little Narrows)    | 108.23                     | 9.94                    | 2.19                    | 184.88               | April 1, 2011        |
| Mahone Bay  | 99.99                      | 12.91                   | 2.84                    | 199.52               | April 1, 2016        |
| Parrsboro, Town of  |                            |                         |                         |                      | April 1, 1999        |
| Low   | 27.87                      | 2.05                    | 0.00                    | 57.01                |                      |
| High  | 108.23                     | 12.91                   | 2.84                    | 199.52               |                      |
| Mean  | 62.84                      | 6.27                    | 1.32                    | 112.13               |                      |
| Median  | 63.44                      | 5.85                    | 1.23                    | 107.08               |                      |