

The background is a light blue gradient with several realistic water droplets of various sizes scattered across it. Some droplets are in the top left, some in the bottom right, and others in the center. They have highlights and shadows, giving them a 3D appearance.

WATER RATES

WEST HANTS REGIONAL MUNICIPALITY

10 DECEMBER 2024

REGULATED WATER RATES

- REGULATED BY THE PUBLIC UTILITIES ACT
- REGULATORY BODY IS "NOVA SCOTIA UTILITY AND REVIEW BOARD" (UARB)
- RATE SETTING IS A PUBLIC PROCESS WITH ALL DOCUMENTS AVAILABLE TO THE PUBLIC
- PUBLIC HEARING

STEPS IN RATE SETTING

- RATE STUDY PREPARED BY UTILITY FOLLOWING UARB HANDBOOK
- RATE STUDY MUST BE APPROVED BY MUNICIPAL COUNCIL AND SUBMITTED TO THE UARB
- UARB WILL ISSUE AN ORDER TO THE UTILITY WITH A TIMELINE
- PUBLIC ADVERTISEMENT OF THE HEARING DATE AND THE RATES REQUESTED BY THE UTILITY
- UARB WILL PREPARE DETAILED INFORMATION REQUESTS
- PUBLIC HEARING TO REVIEW EVIDENCE AND PUBLIC INPUT

RATE STUDY

- BASED ON 3-YEAR BUSINESS PLAN FOR THE UTILITY
- PROJECTED OPERATING AND CAPITAL BUDGETS FOR 3 YEARS USED TO DETERMINE REVENUE NEEDS EACH YEAR
- CALCULATE FIRE PROTECTION CHARGE FOR HYDRANT SYSTEM
- CALCULATE BASE CHARGES FOR EACH METER SIZE
- CALCULATE CONSUMPTION CHARGE PER CUBIC METER

WEST HANTS STEPS

- RATE STUDY PRESENTED TO COUNCIL:
 - TO AMALGAMATE THE WINDSOR AND WEST HANTS WATER UTILITIES; AND,
 - TO ESTABLISH COMMON WATER RATES AND RULES AND REGULATION FOR ALL CUSTOMERS
- APPROVED BY WEST HANTS MUNICIPAL COUNCIL - JANUARY 23RD
- ORDER ISSUED BY THE UARB - JANUARY 30TH
- PUBLIC INPUT AND INFORMATION REQUESTS
- PUBLIC HEARING - MAY 23RD
- BOARD ISSUED AN UNDERTAKING TO FILE A REVISED RATE STUDY BASED ON HEARING EVIDENCE - JUNE 5TH

DECISION & ORDER

- BOARD DECISION WAS ISSUED ON SEPTEMBER 3RD
- BOARD ORDERED THE AMALGAMATION OF THE TWO WATER UTILITIES INTO THE WEST HANTS REGIONAL WATER UTILITY
- WATER RATES AND FIRE PROTECTION RATE SET FOR THREE YEARS EFFECTIVE;
 - OCTOBER 1, 2024
 - APRIL 1, 2025
 - APRIL 1, 2026
- RULES AND REGULATIONS EFFECTIVE OCTOBER 1, 2024

HIGHLIGHTS OF DECISION

- THE RATES SET WERE ADJUSTED FROM THOSE PRESENTED AT THE HEARING
- ACCUMULATED SURPLUS DISTRIBUTION WAS MOVED FROM CAPITAL TO OPERATING TO "SMOOTH" THE RATE INCREASES
- SINGLE SCHEDULE OF BASE AND CONSUMPTION RATES FOR ALL CUSTOMERS RECEIVING WATER SERVICE
- SINGLE SET OF RULES AND REGULATIONS FOR ALL CUSTOMERS RECEIVING WATER SERVICE

HIGHLIGHTS OF DECISION (CONT'D)

- THE BOARD WAS CONCERNED THAT THE UTILITY COULD NOT ACCOMPLISH ALL OF THE CAPITAL WORKS INCLUDED IN THE RATE STUDY DUE TO:
 - STAFF AVAILABILTIY
 - EQUIPMENT AVAILABILITY
 - CONTRACTOR AVAILABILITY

HIGHLIGHTS OF DECISION (CONT'D)

- THE BOARD ORDERED THE UTILITY TO SET UP A RESERVE ACCOUNT TO BE USED IN CASE THE CAPITAL PROGRAM WAS NOT COMPLETED AS CONTAINED IN THE RATE STUDY
- IF CAPITAL WORKS ARE NOT COMPLETED AS CONTAINED IN THE RATE STUDY THE ASSOCIATED DEPRECIATION AND LOAN PAYMENTS (PRINCIPAL AND INTEREST) CONTAINED IN THE RATE STUDY ARE TO BE PLACED IN THE RESERVE ACCOUNT
- RESERVE ACCOUNT TO BE USED FOR THE PLANNED CAPITAL WORKS WHEN THEY ARE CONSTRUCTED

HIGHLIGHTS OF DECISION (CONT'D)

- THE BOARD ORDERED THAT THE MUNICIPALITY REVIEW THE CHARGE FOR ADMINISTRATION SERVICES CHARGED TO THE WATER UTILITY BEFORE THE NEXT RATE APPLICATION

QUESTIONS??