

PETERBOROUGH UTILITIES COMMISSION

November 1, 2021

COMMISSION AGENDA

2021:12:02

NOTICE & AGENDA

A MEETING OF THE PETERBOROUGH UTILITIES COMMISSION WILL BE HELD ON **THURSDAY, DECEMBER 2, 2021 AT 6:00 P.M.** THE MEETING WILL BE HELD ON TEAMS.

0.01 **CALL TO ORDER**

0.02 **DECLARATION OF PECUNIARY INTEREST**

1. **CONSENT AGENDA**

1.01 MINUTES – NOVEMBER 4, 2021

2. **REPORTS**

2.01 2022 OPERATING AND CAPITAL BUDGET (**SECOND READING**)

2.02 2022 WATER UTILITY RATE SCHEDULE (**SECOND READING**)

3. **COMMUNICATIONS**

3.01 2022 COMMISSION MEETING SCHEDULE

4. **NEW BUSINESS**

5. **DATE OF NEXT MEETINGS**

MARCH 24, 2022

6. **ADJOURNMENT**

John Stephenson
President & CEO

NOVEMBER 4, 2021

MINUTES OF THE MEETING OF THE PETERBOROUGH UTILITIES COMMISSION
HELD ON **THURSDAY, NOVEMBER 4, 2021 AT 4:00 P.M.** THE MEETING WAS HELD
VIRTUALLY USING MS TEAMS PLATFORM.

0.01 **CALL TO ORDER**

0.02 **DECLARATION OF PECUNIARY INTEREST**

1. **CONSENT AGENDA**

1.01 MINUTES – OCTOBER 21, 2021

2. **REPORTS**

2.01 INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE NINE-MONTH
PERIOD ENDING SEPTEMBER 30, 2021

2.02 2022 OPERATING AND CAPITAL BUDGET

2.03 2022 WATER UTILITY RATE SCHEDULE

3. **COMMUNICATIONS**

4. **NEW BUSINESS**

5. **DATE OF NEXT MEETINGS**

DECEMBER 2, 2021

6. **ADJOURNMENT**

Chair

Read and approved this

day of

2019

NOVEMBER 4, 2021

MINUTES OF THE MEETING OF THE PETERBOROUGH UTILITIES COMMISSION
HELD ON **THURSDAY, NOVEMBER 4, 2021 AT 4:00 P.M.** THE MEETING WAS HELD
VIRTUALLY USING MS TEAMS PLATFORM.

Present: Mayor Diane Therrien, Chair
Councillor Don Vassiliadis, Vice-Chair
Councillor Gary Baldwin
Councillor Dean Pappas
Councillor Stephen Wright

Staff members present: Mr. John Stephenson, President & CEO
Mr. Kyle Davis, CFO
Mr. Pat Devlin, Vice-President, Water Utility Services
Ms. Patricia Skopelianos, Water Quality Program
Manager
Ms. Suzette Lake, Corporate Communications,
Records Compliance Coordinator

0.01 CALL TO ORDER

The Chair called the meeting to order at 4:00 p.m.

0.02 DECLARATION OF PECUNIARY INTEREST

None

1. CONSENT AGENDA

1.01 MINUTES – OCTOBER 21, 2021

It was moved by Councillor D. Pappas, seconded by Councillor D. Vassiliadis, and
carried:

“THAT the consent agenda be approved.”

Chair

Read and approved this

day of

2019

NOVEMBER 4, 2021

2. **REPORTS**

2.01 **INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDING SEPTEMBER 30, 2021**

Councillor G. Baldwin is pleased that despite COVID the High St. Water Tower rehabilitation was still on schedule. He asked Management how long the tank would last after the rehabilitation is completed. Management responded that they anticipate the tank will last at least an additional 25 years.

It was moved by Councillor G. Baldwin, seconded by Councillor D. Pappas, and carried:

“THAT the report be received for information.”

2.02 **2022 OPERATING AND CAPITAL BUDGET**

Councillor D. Pappas suggested we communicate the notice of our December 2, 2021 public meeting through our water billing or advertise through Facebook or Instagram paid ads. Management stated that due to timing, a bill message would not be possible however they will consider additional ways to notify the public of the meeting.

Councillor G. Baldwin noted that the price of insurance is escalating and asked if there are any measures that could be done to mitigate these costs. Management responded that they are working with the insurance company; however, the market is tight as there are not many companies that will provide insurance for a zoo and that impacts the overall PUC insurance cost.

It was moved by Councillor S. Wright, seconded by Councillor D. Vassiliadis and carried:

“THAT the 2022 operating and capital budget reflecting a water rate increase of 2.29%, an operating surplus of \$2.05 million, and capital expenditures of \$9.60 million be approved.”

2.03 **2022 WATER UTILITY RATE SCHEDULE**

It was moved by Councillor D. Vassiliadis, seconded by Councillor D. Pappas, and

Chair

Read and approved this

day of

2019

NOVEMBER 4, 2021

carried:

“THAT the 2022 Water Utility Rate Schedule reflecting a water rate increase of 2.29% be approved.”

4. **COMMUNICATIONS**

None

5. **NEW BUSINESS**

Councillor G. Baldwin asked that with the city's lands needs assessment, the idea of annexation and need for development land, what the company's opinion would be on this issue, as when development comes, they may rely on PUC for service. Management responded that provided any growth is structured properly for all parties, this would align with what a utility does, growing the reach of the utility would be something we would embrace, provided the economics work.

6. **DATE OF NEXT MEETINGS**

A public meeting will be held virtually on December 2, 2021 at 6:00 pm.

7. **ADJOURNMENT**

The Chair accepted a motion of adjournment by Councillor Pappas seconded by Councillor Baldwin at 4:29 p.m.

Chair

Read and approved this

day of

2019

PETERBOROUGH UTILITIES COMMISSION REPORT

2.01

November 25, 2021

COMMISSION AGENDA
2021.12.02

2022 OPERATING AND CAPITAL BUDGET – SECOND READING

RECOMMENDATION

THAT the 2022 operating and capital budget reflecting a water rate increase of 2.29%, an operating surplus of \$2.05 million, and capital expenditures of \$9.60 million be approved BY THE COMMISSION.

Prepared by: Kyle Davis, CFO and Patrick Devlin, Vice-President Water Utility Services

Submitted by: Kyle Davis, CFO

Approved for Submission by: _____
President & CEO

Background

The 2022 operating and capital budget is provided for the Commissions second reading and approval.

Summary

As in previous years, management has taken a multi-year view approach to setting the budget to ensure that future surpluses and cash flows remain sustainable. Management's main tool in this review is its 10-year operating and capital plan, and it uses this along with historical trends in consumption data to update the current projections. In applying this long-range approach, management has been able to maintain the rate increase at 2.29% in 2022, lower than the 2.48% increase in 2021.

The proposed budget for 2022 provides for water revenue of \$18.78 million; \$459 thousand more than the 2021 budget of \$18.32 million.

Operating expenditures budgeted for 2022 of \$13.20 million are up 3.9% from the prior budget. The main change year over year is the increase in operating expenditures at the Riverview Park and Zoo ("RPZ") relating to the planned reopening for 2022. The RPZ increase is a return to normalized pre-pandemic activities and cost levels, adjusted only for cost escalation. Excluding the RPZ, the total operating expense increase is 2.1% for 2022, in line with the water rate increase. This, along with other significant items will be discussed in greater detail later in the report.

A summary of the statement of Financial Activities for the 2022 budget is as follows:

Statement of Financial Activities						
(\$ thousands)	2020 Actual	2021 Budget	2021 Projected	2022 Budget	Budget Change \$	Budget Change %
Revenue						
Water	18,351	18,321	18,321	18,780	459	2.5%
Other	2,002	3,860	2,905	3,217	(643)	-16.7%
	20,353	22,181	21,226	21,997	(184)	-0.8%
Expenses						
Operating Expenses	12,191	12,697	12,173	13,196	499	3.9%
Interest	277	417	417	370	(47)	-11.3%
Amortization	6,197	6,300	6,300	6,380	80	1.3%
	18,665	19,414	18,890	19,946	532	2.7%
Surplus	1,688	2,767	2,336	2,051	(716)	-25.9%

Key Assumptions

The 2022 budget is based on the following key assumptions:

1. Water rates increase by 2.29%, (2021 increase 2.48%).
2. Labour rates will increase by 2.10%, (2021 budget 2.10%). While the current collective agreement expires March 31, 2022, the budget anticipates a similar rate increase to that of the prior year.
3. Benefit costs have remained consistent with the 2021 budget plus inflation.
4. Purchases have been prepared in detailed departmental budgets and are based on Managements best estimates for future cost escalations. While known or anticipated increases have been included, continued levels of above average inflation would put pressure on these costs.
5. Interest rate on cash balances, 0.70% (2021 – 0.70%)
6. Growth in residential customers, 0.50% (2021 – 0.50%)

Water Rates

For 2022, the proposed rate schedule provides for a 2.29% increase to all metered water fixed rates and volumetric charges. The current basic monthly meter charge of \$22.33 per month for most residential customers (5/8" and 3/4" meters) would increase to \$22.84. A copy of the complete 2022 water rate schedule is provided in a separate report.

The following table details the monthly water costs for an average residential customer (note residential customers are billed every two months).

Residential Rate Impact					
	2020 Actual	2021 Budget	2022 Budget	Budget Change \$	Budget Change %
<u>Monthly Bill calculation (5/8 meter)</u>					
Meter Charge (A)	21.79	22.33	22.84	0.51	2.28%
Average Residential Consumption (m ³)	14.0	14.0	14.0	-	0.00%
Consumption rate (\$/m ³)	1.4221	1.4574	1.4908	0.03	2.29%
Consumption charge (B)	19.91	20.40	20.87	0.47	2.30%
Total monthly water bill (A+B)	41.70	42.73	43.71	0.98	2.29%

From the table we see the average monthly residential customer bill (water portion only) will increase by \$0.98 per month in 2022 compared to the 2021 budget.

Sources and Uses of Cash

The total capital and operating cash requirement for 2022 is \$24.40 million as summarized in the table below:

Total Operating and Capital Expenditures Cash Requirement						
(\$ thousands)	2020 Actual	2021 Budget	2021 Projected	2022 Actual	Budget Change \$	Budget Change %
Operating	12,191	12,697	12,173	13,196	499	3.9%
Financial	277	417	417	370	(47)	-11.3%
Capital	3,481	11,599	9,900	9,603	(1,996)	-17.2%
Debt retirement	1,390	1,302	1,043	1,057	(245)	-18.8%
Cash required by (from) working capital	628	(130)	(264)	175	305	-234.6%
Total	17,967	25,885	23,269	24,401	(1,484)	-5.7%

These expenditures are consistent with the prior year, with the main change being a decrease in the capital expenditures compared to the 2021 budget.

The cash resources as provided in the following table for 2022 are budgeted at \$22.00 million, which will result in a \$2.40 million decrease in cash balances during the year.

Cash Resources and Projected Change in Cash						
(\$ thousands)	2020 Actual	2021 Budget	2021 Projected	2022 Budget	Budget Change \$	Budget Change %
Sale of Water	18,351	18,321	18,321	18,780	459	2.5%
Capital installation charges	44	350	150	300	(50)	-14.3%
Development charges	59	1,437	827	667	(770)	-53.6%
Contributions to RP&Z Reserves	5	25	60	25	-	0.0%
Fire protection	650	650	650	650	-	0.0%
Sewer surcharge billings	420	430	430	439	9	2.1%
Riverview Park and Zoo	57	59	28	301	242	410.2%
Interest	167	184	160	160	(24)	-13.0%
Other	263	300	300	325	25	8.3%
Electricity	337	425	300	350	(75)	-17.6%
	20,353	22,181	21,226	21,997	(184)	-0.8%
Debt issuance	6,000	-	-	-	-	
Total Sources of Cash	26,353	22,181	21,226	21,997	(184)	-0.8%
Cash Requirements	17,967	25,885	23,269	24,401	(1,484)	-5.7%
Increase (Decrease) in Cash	8,386	(3,704)	(2,043)	(2,404)	1,300	-35.1%

Revenue from the sale of water is budgeted to be \$18.78 million in 2022, an increase of \$459 thousand or 2.5% above the 2021 budgeted revenues of \$18.32 million. This represents both the 2.29% increase in rates, as well as a minor increase in the number of customers.

Capital installation charges represent the value of capital projects completed by builders during the year, assumed by the Commission. Historically this number has been difficult to estimate accurately as it depends on the progression of development by third parties in the community. As non-cash revenue, impacting capital addition levels booked only, this reduction does not represent a financial risk to the utility.

Development charges are budgeted at \$667 million for 2022, a decrease of \$770 thousand from the 2021 budget. In 2018, construction began on the Lily Lake subdivision, with additional development on this project having been delayed over the last two years due to the COVID-19 pandemic. The original budget for 2021 included \$1.44 million in development charges related to the next phase of the development. However, only part of the expected phase has moved forward thus far in 2021, with the remainder budgeted for 2022.

Electricity revenue represents generation of electricity under a Hydroelectric Contract Initiative (HCI) from the Water Street pump house. The amount budgeted for next year of \$350 thousand is consistent with the actual results we have experienced over the prior years.

Sewer surcharge billing fees charged to the City of Peterborough for administration and collection of the sewer surcharge are budgeted at \$439 thousand in 2022 which is a 2% increase over the 2021 budget of \$430 thousand.

The budgeted amount for fire protection remains unchanged in 2022 at \$650 thousand. This fee charged to the City and included in the Fire budget, represents the ongoing cost of maintaining the larger distribution necessary for fire hydrants than would otherwise be required for drinking water needs.

Other income, as presented in the table above includes interest income and miscellaneous items such as change of occupancy fees, customer late payment interest, water vendor revenues, and rental from communication towers installed on PUC property.

Cash and Cash Reserves

Cash is expected to be \$21.45 million by the end of 2021 and \$19.05 million on December 31, 2022. Reserve fund cash included in these totals is expected to decrease to \$8.09 million from \$11.21 million projected at the end of 2021.

Cash Summary				
(\$ thousands)	2020 Actual	2021 Budget	2021 Projected	2022 Budget
Operating Cash	13,181	8,282	10,244	10,955
Reserves				
- Water treatment plant	9,115	10,006	9,943	6,794
- Development Charges Act	-	-	-	-
- Park and Zoo - Major Capital	605	660	669	700
- Park and Zoo - Animal Care	490	276	491	493
- Park and Zoo - State of Good Repair	103	107	104	105
Total Cash Reserves	10,313	11,049	11,207	8,092
Total Cash	23,494	19,331	21,451	19,047

The year over year change in cash is primarily driven by the annual capital expenditure requirements and the long term debenture financing. PUC last took on new debenture financing in 2020 to fund planned capital expenditures. In planning for additional debenture financing, Management utilizes its 10-year capital forecast to determine when additional funds will be required.

As the COVID pandemic has decreased the amount of capital work able to be completed in both 2020 and 2021, management has reviewed the 10-year forecast and determined that no additional debentures are to be required in 2022. Capital expenditures are forecast to increase in 2022 and 2023 to \$9.6 million and \$10.4 million respectively as expectations are that we will return to a normal schedule next year.

The budget also includes a transfer of \$4 million from the Water Treatment Plant reserve fund to fund the work done at the High Street Water Tower. This was a significant refurbishment that is forecast to cost \$4.6 million in 2021, with final restoration and landscaping work to be completed in early 2022.

Operating Expenses

Total expenses in the 2022 budget are \$19.95 million which is \$532 thousand or 2.7% higher than the 2021 budget of \$19.41 million. The main change for 2022 is the expectation that the Riverview Park and Zoo will reopen to normal operations in 2022. Excluding the RPZ, total operating expenditures are budgeted to be 2.1% above the 2021 budget, slightly below the rate increase of 2.29%.

The changes in expenses for individual operating activities are detailed and discussed more fully below.

Operations and Administration Expense						
(\$ thousands)	2020 Actual	2021 Budget	2021 Projected	2022 Budget	Change	
					\$	%
Water treatment and storage	4,189	4,766	4,188	4,782	16	0.3%
Distribution systems	2,555	2,324	2,292	2,394	70	3.0%
Administrative	1,239	1,403	1,417	1,478	75	5.3%
Support services	2,530	2,615	2,655	2,691	76	2.9%
Riverview Park and Zoo	1,678	1,589	1,621	1,851	262	16.5%
Total operating expenses	12,191	12,697	12,173	13,196	499	3.9%
Financial	277	417	417	370	-47	-11.3%
Amortization	6,197	6,300	6,300	6,380	80	1.3%
Total Expenses	18,665	19,414	18,890	19,946	532	2.7%

Water treatment and storage (Schedule A)

The 2022 budget for the cost of water treatment and storage has increased \$16 thousand or 0.3% from the 2021 budget. Changes in the waste treatment process have led to a savings of \$88 thousand compared to the 2021 budget.

The largest single item within this budget is the cost of treatment chemicals. In 2021 we have seen increases in the cost of chemicals, as well as the associated transport costs to bring them to site. The budget includes an additional increase of 2.5% in 2022 for the cost of chemicals, however management will continue to work with the purchasing department to ensure adequate supply and cost controls given the importance to the operations of the plant.

Distribution Systems (Schedule B)

The operating budget has increased by \$70 thousand or 3.0% to \$2.39 million in 2022 from \$2.92 million in 2021. The water distribution operating costs are sensitive to weather conditions, such as extreme cold events, as well as the freezing and thawing cycles. Our experience over the past five years has shown that the number of such events is trending upwards, therefore increasing operating costs in the department. This budget accounts for both the increase in the frequency of such events, as well as the increase we have seen the cost of materials.

General Administrative (Schedule C)

Total General Administrative expenses are budgeted at \$1.48 million, an increase of \$75 thousand or 5.3% from the 2021 budget. This increase is the result of two main factors: increasing insurance costs and the return to more normal operations.

Over the past two years, we have seen continued upward pressure on insurance costs, relating to all aspects of the business (Water operations, Park and Zoo, and corporate). While we do not yet have final costing for 2022, our policy holders have informed us that the trend will likely continue for at least another year. Regarding operations, the COVID-19 Pandemic led to the cancellation of conferences and training sessions, along with the annual in person Children's Water Festival event during the previous year. For 2022, current expectations are that these items will begin to return throughout the year.

Support Services (Schedule D)

PUG Services Corp. provides administrative services for both the PUC and Peterborough Utilities Inc. (generation companies). These costs are shared by the operating groups to eliminate duplication and allocated to each operating company based on their usage of the service.

The support cost attributable to the PUC for 2022 is budgeted to increase by \$76 thousand or 2.9% from the 2021 budget of \$2.62 million. The largest increases relate to Peterborough Technology Services, as IT costs are budgeted to increase due to increased security and storage costs, and administration due to the increase in corporate insurance costs.

Riverview Park & Zoo Operations (Schedule E)

Riverview Park and Zoo ("RPZ") budgeted expenses of \$1.85 million are based on the expectations that the Zoo will return to normal operations during 2022. The following chart details the net expenditures of the RPZ since 2018.

Operations and Administration Expense					
	2018	2019	2020	2021	2022
(\$ thousands)	Actual	Actual	Actual	Projected	Budget
Riverview Park and Zoo					
Revenues	233	241	57	28	301
Operating expenditure	1,683	1,939	1,678	1,621	1,851
Net expenditures	1,450	1,698	1,621	1,593	1,550

Total expenditures for 2022 are budgeted at \$1.85 million, which is a return to a normal level of expenditures following several unusual years. The past two years saw the RPZ impacted by closures relating to the Pandemic, while in 2019 expenses were above normal due to the costs associated with the CAZA accreditation process that was successfully achieved during the year.

As noted, the budget for 2022 assumes a return to normal operations at the RPZ, including a full opening of the Zoo the miniature train. It is anticipated however, that COVID restrictions will continue to impact the RPZ in 2022, as items such as increased cleaning and social distancing will continue to effect operating costs as the Zoo reopens.

To minimize the net impact to the PUC finances, while still being able to maintain the growing costs associated with of animal health and wellness, it was imperative that this budget decreased discretionary expenditures where available. The budget includes no changes to staffing levels, except for the resumption of normal summer student activities which has been decreased over the past two years due to the closures. In looking at operations pre-COVID, total expenditures are consistent with 2018 levels, escalated at 2.5% over that four-year period, while the total revenues are expected to increase with the reopening and desire of people to return to the Zoo.

Financial Expense

Financial expense relates primarily to interest on long-term debenture debt, as well as interest paid on customer security deposits and construction security deposits. The 2022 budget is \$370 thousand as compared to the 2021 budget of \$417 thousand.

2022 Capital Budget

The long-term work plan considered in the 2022 capital budget is based on the following:

- Facility condition assessments, including analysis and risk consideration;
- The 2015 Water Utility Asset Management Plan: and,
- The Long Term Water Utility Master Plan completed in 2019.

The 2015 Linear Infrastructure Asset Management Plan examined the 421,900 metres of existing water main and develops a long-term program of sustainable pipe replacement and rehabilitation. The long-term capital maintenance plans for the other areas, including the Water Treatment Plant (WTP), Water Street Pumphouse & Dam, reservoirs and tanks, booster pumping stations and the RP&Z are developed with regular facility condition assessment studies, trends and equipment evaluation/life expectancies as well as considering recommendations in the Long Term Water Utility Master Plan. Regulatory risks and emerging issues are examined and evaluated to determine the long-term need for new capital works.

The schedule of proposed capital projects for 2022 has been grouped according to functional areas. The timing of some projects, for which the Commission budgets monies, depends on decisions and timing of City projects and private sector development.

A summary of budgeted expenditures by function area and related commentary, is provided below:

Capital Expenditures				
	2020	2021	2021	2022
(\$ thousands)	Actual	Budget	Projected	Budget
Water Treatment Plant	1,178	643	5,200	2,256
Pumphouse and Dam	0	20	0	0
Booster Pumping Stations, Reservoirs and Storage	0	5,334	0	0
Trunkmains	463	75	75	4,475
New Mains - Subdivisions and Streets	253	340	340	260
New Services	34	290	180	192
Distribution Rehabilitation	871	3,745	3,142	1,685
Hydrants	7.00	62	40	67
Meters	450	637	517	324
Riverview Park and Zoo	225	453	406	344
Total Expenses	3,481	11,599	9,900	9,603

Water Treatment Plant

The total capital budget of \$466 thousand consists of the preliminary and final design report for the installation of a Raw Water Ozone feed system. Through Pilot Plant research the Water Treatment Plant has determined the addition of Ozone in the Raw Water will improve water quality by reducing Trihalomethanes, Haloacetic Acids, Taste and Odour (our number one customer complaint). In addition to the Ozone preliminary and final design, capital costs also include replacement of filter turbidity meters.

Pumphouse and Dam

The Water Street Pumphouse represents a critical structure on the Commission's list of assets. A comprehensive rehabilitation project is planned in 2022 to complete repairs to the trash rack structures. These in-water screens help prevent debris from entering the water driven pumps and generator turbines.

Booster Pumping Stations, Reservoirs and Elevated Water Storage Tanks

The 1957 High Street Elevated Tank is the oldest elevated tank in the Peterborough Drinking Water System. High Street Elevated Tank requires exterior painting and interior relining in addition to inlet pipe and safety upgrades. This work began in 2021 and will be completed in the spring of 2022.

Capital upgrades will also be made to a diesel engine driven pump to comply with TSSA standards at the Clonsilla reservoir.

Trunk Water Mains

Trunk water mains deliver large amounts of water throughout the city and they are the delivery infrastructure to supply local distribution mains. A larger trunk water main extension is planned to connect pressure zone 3W and 3N through the Lily Lake Development area, largely being completed by the associated developers. Completion of the Lily Lake trunk extension is anticipated in 2022.

A large section of trunk watermain is being replaced in a joint project with the City of Peterborough under the Bethune Street Reconstruction project that is currently underway. Completion of all work under this project is expected in 2022.

An additional section of trunk watermain on Parkhill Road West is also planned for replacement in 2022, in a joint project with the City of Peterborough. Completion is anticipated in 2022.

Distribution Rehabilitation

The 469,000 metres of underground piping infrastructure represents a larger asset replacement cost than the entire WTP. Our piping system is consistent with an older community with the oldest in-service pipe being 1883 vintage.

Distribution Rehabilitation is generally consistent with the Linear Asset Management Plan, which was recently updated in 2015. This plan addresses the replacement of a backlog of pipe theoretically beyond its useful life. The Plan establishes full cement-mortar lining rehabilitation by the end of 2024. After this time, the cement-mortar lining program will cease and replacement or structural lining would be the prevalent programs to ensure distribution system sustainability. Due to several trunk watermain projects initiated with the City of Peterborough, the cement mortar lining work originally planned for 2022 has been deferred to 2023. Synergy between City of Peterborough projects and PUC projects is a priority to increase overall efficiencies with project costs as well as reduce disruption to the public/transportation.

The 2022 program proposes replacement of 375 metres of watermain on Goodfellow Road from the north end of the Parkway easement to Clonsilla Ave. This project is considered a priority both due to a high amount of watermain breaks in recent years in this area as well as planned paving work for Goodfellow Road by the City following the 2022 watermain project.

Riverview Park & Zoo

The planned 2022 capital program for the Park and Zoo continues our focus on the maintenance/repair of existing facilities. Projects include additional rehabilitation to the Dobbin Building roof and work on various animal exhibits including enhancements for visitor viewing at the Camel, Meerkat and Sulawesi Forest Turtle exhibits.

Other significant projects include the addition of an accessible pathway/ramp from the main parking lot to the playground and adding eavestroughs to the Rotary Education Centre facility.

Details and Costs

Details and cost estimates for major projects not already approved will be submitted to the Commission for approval prior to the work.

RISK EVALUATION

1. 2021 Capital Program

(i) Water Treatment Plant and Water Street Pumphouse and Dam

Monies have been allocated for routine and general improvements at the Water Street Dam and Pumphouse to prevent additional degradation and will extend the lifespan of the structure.

(ii) Water Distribution System (Storage and Pumping)

The completion of the High Street Water Tower rehabilitation project will reduce the risk of MECP non-compliance and increase the longevity of critical infrastructure.

(iii) Water Distribution System (Linear Infrastructure)

The rehabilitation (cement-mortar lining) program will be completed over the next three years. The project will resume in 2023 and is based on the revised Linear Asset Management Plan coupled with the Water Utility Asset Management Plan. This significant investment will provide safe and reliable drinking water to our customers for many years into the future.

2. Revenue Uncertainty

The financial assumptions that carry the most risk are the customer consumption level and the development charges.

Given the factors impacting consumption, including but not limited to weather and annual changes in precipitation and conservation activities, setting a base consumption level is key to anticipating future results. There is a risk that consumption levels will decrease as customers further embrace conservation programs and higher efficiency products. The effect of changes in consumption is partially mitigated by the fact that approximately 50% of the water revenue is derived from the base charge and is not consumption based. This budget continues to utilize average consumption levels experienced over the past three years.

The development charges are based on management's best estimate for the timing and size of future developments. The amounts budgeted for 2022 include the further development of the Lily Lake subdivision, with future developments projected in the ten-year plan. If development was to change in either the size of the project, or the timeline for completion, these could have material impacts on the development charges included in the budget, as well as minor impacts on the growth of the customer base.

3. Cost Uncertainty

The uncertainty around costs has increased for the 2022 budget for both internal labour costs and external costs.

PUG's current collective agreement expires on March 31, 2022. While it is expected that the next agreement will contain future increases will not differ materially from current expectations, this is an added level of uncertainty compared to the budget over the previous four years that were under the current contract.

As noted in the report above, PUC does continue to experience inflationary pressures on several key material inputs, including water treatment chemicals, and distribution piping materials. This budget has included increases for these items in 2022, however if prices were to continue to increase at the current pace, these increases would exceed budgeted amounts.

4. Long Term Rate Sustainability

In recent years several utilities across the Province and Country have been forced to implement substantial rate increases to pay for increased infrastructure cost. To mitigate this risk, the PUC utilizes its long term planning process.

Long-term planning is an integral part of the PUC's financial forecast. The long-term planning process relies on data from the asset management plan and forecasts consumption, revenue, capital and operating costs over a ten year horizon to ensure long-term financial viability. The two main planning documents maintained by the PUC are the 10 year capital plan and a long term financial forecast.

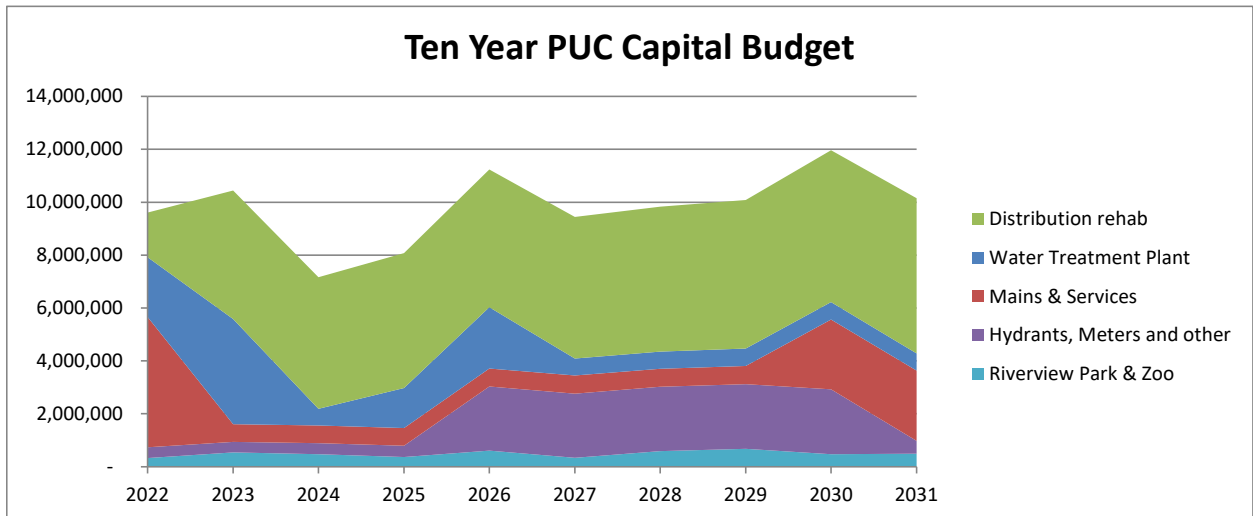
The PUC considers all sources of funding in support of the operating and capital programs with the goal of maintaining stable and reasonable rates and appropriate working capital. The PUC works towards achieving these goals by considering the following factors:

- The transfer of available reserve funds for qualifying capital programs;
- Contributed capital;
- Rate increases; and,
- Long-term borrowing.

When recommending rate increases and long-term borrowing the PUC strives to ensure:

- Equitable allocation of capital costs to current and future rate payers;
- Rate stability and planning; and,
- Minimum working capital requirements

The 10 year capital plan is critical to the long term financial plan. Updated annually as part of the PUC budget process, a summary is provided in the chart below:



As mentioned in the 2022 Capital Budget section, the 10-year capital plan is developed using input from various documents such as facility condition assessments as well as other studies and employing analysis and consideration of risk. As such, the timing of capital expenditures is not necessarily linear as evidenced by the spike of capital spending in 2026 and again in 2030.

Attachments: Appendix A – PUC 2022 Operating Budget

**PETERBOROUGH UTILITIES COMMISSION
STATEMENT OF FINANCIAL POSITION**

	2020 Actual	2021 Budget	2021 Projection	2022 Budget
FINANCIAL ASSETS				
Cash and short-term deposits	13,181,000	8,282,000	10,244,000	10,955,000
Cash held in reserve funds	10,313,000	11,049,000	11,207,000	8,092,000
Accounts receivable -				
Customer accounts	897,000	1,100,000	1,000,000	1,100,000
Sewer surcharge	1,257,000	1,100,000	1,250,000	1,250,000
Sundry	282,000	450,000	300,000	350,000
Unbilled revenue on customer accounts	1,579,000	1,400,000	1,450,000	1,500,000
Unbilled sewer surcharge	1,596,000	1,400,000	1,450,000	1,500,000
	<u>29,105,000</u>	<u>24,781,000</u>	<u>26,901,000</u>	<u>24,747,000</u>
LIABILITIES				
Accounts payable and accrued charges	2,253,000	2,700,000	2,300,000	2,400,000
Sewer surcharge payable	3,544,000	3,500,000	3,600,000	3,600,000
Debenture debt - due to the Corporation of the City of Peterborough	14,216,000	12,915,000	13,173,000	12,116,000
Customer deposits	803,000	750,000	775,000	750,000
	<u>20,816,000</u>	<u>19,865,000</u>	<u>19,848,000</u>	<u>18,866,000</u>
NET FINANCIAL ASSETS	<u>8,289,000</u>	<u>4,916,000</u>	<u>7,053,000</u>	<u>5,881,000</u>
NON-FINANCIAL ASSETS				
TANGIBLE CAPITAL ASSETS:				
Water treatment plant and reservoirs	51,310,000	58,350,000	56,509,000	58,765,000
Water distribution system	183,134,000	189,947,000	187,429,000	194,452,000
Riverview Park and Zoo	11,486,000	12,043,000	11,892,000	12,216,000
Other	17,000	17,000	17,000	17,000
	<u>245,947,000</u>	<u>260,357,000</u>	<u>255,847,000</u>	<u>265,450,000</u>
Less: Accumulated amortization	<u>129,366,000</u>	<u>135,688,000</u>	<u>135,666,000</u>	<u>142,046,000</u>
	<u>116,581,000</u>	<u>124,669,000</u>	<u>120,181,000</u>	<u>123,404,000</u>
Construction in progress	2,827,000	443,000	2,827,000	2,827,000
	<u>119,408,000</u>	<u>125,112,000</u>	<u>123,008,000</u>	<u>126,231,000</u>
Inventories	528,000	500,000	500,000	500,000
Prepaid expenses	-	-	-	-
	<u>119,936,000</u>	<u>125,612,000</u>	<u>123,508,000</u>	<u>126,731,000</u>
ACCUMULATED SURPLUS	<u>128,225,000</u>	<u>130,528,000</u>	<u>130,561,000</u>	<u>132,612,000</u>

PETERBOROUGH UTILITIES COMMISSION
STATEMENT OF FINANCIAL ACTIVITIES AND CHANGES IN ACCUMULATED SURPLUS

	2020 Actual	2021 Budget	2021 Projection	2022 Budget	Change vs Budget	Change vs Budget
REVENUE						
Revenue from sale of water	18,351,000	18,321,000	18,321,000	18,780,000	459,000	2.5%
Capital installation charges	44,000	350,000	150,000	300,000	(50,000)	-14.3%
Development charges	59,000	1,437,000	827,000	667,000	(770,000)	-53.6%
Contributions to RP&Z Reserve Funds	5,000	25,000	60,000	25,000	-	0.0%
Fire protection	650,000	650,000	650,000	650,000	-	0.0%
Sewer surcharge billings	420,000	430,000	430,000	439,000	9,000	2.1%
Riverview Park and Zoo - Schedule E	57,000	59,000	28,000	301,000	242,000	410.2%
Interest income	167,000	184,000	160,000	160,000	(24,000)	-13.0%
Other	263,000	300,000	300,000	325,000	25,000	8.3%
Electricity	337,000	425,000	300,000	350,000	(75,000)	-17.6%
	20,353,000	22,181,000	21,226,000	21,997,000	(184,000)	-0.8%
OPERATING EXPENSES						
Water treatment and storage (Schedule A)	4,189,000	4,766,000	4,188,000	4,782,000	16,000	0.3%
Distribution Systems (Schedule B)	2,555,000	2,324,000	2,292,000	2,394,000	70,000	3.0%
Administrative (Schedule C)	1,239,000	1,403,000	1,417,000	1,478,000	75,000	5.3%
Support Services (Schedule D)	2,530,000	2,615,000	2,655,000	2,691,000	76,000	2.9%
Riverview Park and Zoo (Schedule E)	1,678,000	1,589,000	1,621,000	1,851,000	262,000	16.5%
TOTAL OPERATING EXPENSES	12,191,000	12,697,000	12,173,000	13,196,000	499,000	3.9%
OTHER EXPENSES						
Interest	277,000	417,000	417,000	370,000	(47,000)	-11.3%
Amortization	6,197,000	6,300,000	6,300,000	6,380,000	80,000	1.3%
TOTAL EXPENSES	18,665,000	19,414,000	18,890,000	19,946,000	532,000	2.7%
SURPLUS	1,688,000	2,767,000	2,336,000	2,051,000	(716,000)	-25.9%
OPENING ACCUMULATED SURPLUS	126,537,000	127,761,000	128,225,000	130,561,000	2,800,000	2.2%
CLOSING ACCUMULATED SURPLUS	128,225,000	130,528,000	130,561,000	132,612,000	2,084,000	1.6%
SUMMARY OF SURPLUS BY ACTIVITY						
Operating Activities	2,350,000	1,634,000	2,535,000	1,749,000	115,000	7.0%
Operating Activities - RP&Z	(1,621,000)	(1,530,000)	(1,593,000)	(1,550,000)	(20,000)	1.3%
Reserve Fund Activities	915,000	2,313,000	1,244,000	1,552,000	(761,000)	-32.9%
Contributed Capital Activities	44,000	350,000	150,000	300,000	(50,000)	-14.3%
	1,688,000	2,767,000	2,336,000	2,051,000	(716,000)	-25.9%

**PETERBOROUGH UTILITIES COMMISSION
STATEMENT OF CHANGES IN FINANCIAL POSITION**

	2020 Actual	2021 Budget	2021 Projection	2022 Budget	Change vs Budget	Change vs Budget
OPERATIONS						
Surplus	1,688,000	2,767,000	2,336,000	2,051,000	(716,000)	-25.9%
Add/(less): items not requiring cash						
Amortization	6,197,000	6,300,000	6,300,000	6,380,000	80,000	1.3%
Capital installation charges	(44,000)	(350,000)	(150,000)	(300,000)	50,000	-14.3%
	7,841,000	8,717,000	8,486,000	8,131,000	(586,000)	-6.7%
Change in non-cash working capital items	(628,000)	130,000	264,000	(175,000)	(305,000)	-234.6%
	7,213,000	8,847,000	8,750,000	7,956,000	(891,000)	-10.1%
INVESTING ACTIVITIES						
Additions to tangible capital assets	(3,481,000)	(11,599,000)	(9,900,000)	(9,603,000)	1,996,000	-17.2%
Net of contributed capital	44,000	350,000	150,000	300,000	(50,000)	-14.3%
	(3,437,000)	(11,249,000)	(9,750,000)	(9,303,000)	1,946,000	-17.3%
FINANCING ACTIVITIES						
Debentures issued	6,000,000	-	-	-	-	#DIV/0!
Decrease in debenture debt	(1,390,000)	(1,302,000)	(1,043,000)	(1,057,000)	245,000	-18.8%
	4,610,000	(1,302,000)	(1,043,000)	(1,057,000)	245,000	-18.8%
NET CHANGE DURING THE PERIOD	8,386,000	(3,704,000)	(2,043,000)	(2,404,000)	1,300,000	-35.1%
CASH POSITION - BEGINNING OF YEAR	15,108,000	23,035,000	23,494,000	21,451,000	(1,584,000)	-6.9%
CASH POSITION - END OF PERIOD	23,494,000	19,331,000	21,451,000	19,047,000	(284,000)	-1.5%
Ending cash balance comprised of the following:						
Unrestricted cash	13,181,000	8,282,000	10,244,000	10,955,000		
Restricted cash						
Water Treatment Plant, Restricted Reserve F	9,115,000	10,006,000	9,943,000	6,794,000		
Development Charges Act, Restricted Reserve	-	-	-	-		
Park and Zoo Major Projects, Restricted Reserve	605,000	660,000	669,000	700,000		
Park and Zoo Animal Care, Restricted Reserve	490,000	276,000	491,000	493,000		
Park and Zoo State of Good Repair Reserve F	103,000	107,000	104,000	105,000		
	23,494,000	19,331,000	21,451,000	19,047,000		
Change in non-cash working capital items comprised of the following:						
Accounts receivable	(293,000)	(50,000)	(114,000)	(150,000)		
Unbilled revenue and sewer surcharges	(513,000)	(20,000)	275,000	(100,000)		
Inventories	(105,000)	-	28,000	-		
Prepaid expenses	291,000	-	-	-		
Accounts payable	(97,000)	200,000	103,000	100,000		
Deposits	89,000	-	(28,000)	(25,000)		
	(628,000)	130,000	264,000	(175,000)		

**PETERBOROUGH UTILITIES COMMISSION
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**

	2020 Actual	2021 Budget	2021 Projection	2022 Budget
Surplus	1,688,000	2,767,000	2,336,000	2,051,000
Acquisition of Tangible Capital Assets	(3,481,000)	(11,599,000)	(9,900,000)	(9,603,000)
Amortization of Tangible Capital Assets	6,197,000	6,300,000	6,300,000	6,380,000
Decrease (increase) in inventories	(105,000)	-	28,000	-
Decrease (increase) in Prepaid Expenses	291,000	-	-	-
	<u>4,590,000</u>	<u>(2,532,000)</u>	<u>(1,236,000)</u>	<u>(1,172,000)</u>
Net Financial Assets, beginning of year	<u>3,699,000</u>	<u>7,448,000</u>	<u>8,289,000</u>	<u>7,053,000</u>
Net Financial Assets, end of period	<u>8,289,000</u>	<u>4,916,000</u>	<u>7,053,000</u>	<u>5,881,000</u>

**PETERBOROUGH UTILITIES COMMISSION
SCHEDULE A
COST OF WATER TREATMENT AND STORAGE**

	2020 Actual	2021 Budget	2021 Projection	2022 Budget	Change vs Budget	Change vs Budget
Process Waste Treatment	\$ 198,000	\$ 262,000	\$ 200,000	\$ 174,000	(88,000)	-33.6%
Water Treatment Plant	3,242,000	3,716,000	3,200,000	3,784,000	68,000	1.8%
Pump house/Dam	350,000	382,000	382,000	406,000	24,000	6.3%
Pumping station	185,000	222,000	222,000	223,000	1,000	0.5%
Reservoirs	214,000	184,000	184,000	195,000	11,000	6.0%
	\$ 4,189,000	\$ 4,766,000	\$ 4,188,000	\$ 4,782,000	16,000	0.3%

**PETERBOROUGH UTILITIES COMMISSION
SCHEDULE B
DISTRIBUTION SYSTEM**

	2020 Actual	2021 Budget	2021 Projection	2022 Budget	Change vs Budget	Change vs Budget
Trunk mains	\$ -	\$ 15,000	\$ 15,000	\$ 13,000	(2,000)	-13.3%
Distribution mains	362,000	490,000	490,000	551,000	61,000	12.4%
Locate & records	320,000	222,000	222,000	215,000	(7,000)	-3.2%
Flushing	89,000	67,000	67,000	64,000	(3,000)	-4.5%
Valves and boxes	243,000	250,000	250,000	244,000	(6,000)	-2.4%
General maintenance	221,000	174,000	174,000	224,000	50,000	28.7%
Hydrants	367,000	255,000	255,000	255,000	-	0.0%
Service pipes	779,000	676,000	676,000	694,000	18,000	2.7%
Meters	92,000	122,000	90,000	100,000	(22,000)	-18.0%
Water Distribution Engineering	82,000	53,000	53,000	34,000	(19,000)	-35.8%
	\$ 2,555,000	\$ 2,324,000	\$ 2,292,000	\$ 2,394,000	70,000	3.0%

**PETERBOROUGH UTILITIES COMMISSION
SCHEDULE C
GENERAL ADMINISTRATIVE**

	2020 Actual	2021 Budget	2021 Projection	2022 Budget	Change vs Budget	Change vs Budget
Advertising and public relations	\$ 15,000	\$ 17,000	\$ 17,000	\$ 17,000	-	0.0%
Water conservation	54,000	64,000	59,000	46,000	(18,000)	-28.1%
Commission expenses	1,000	4,000	4,000	4,000	-	0.0%
Building Rent	381,000	423,000	423,000	414,000	(9,000)	-2.1%
Insurance	405,000	444,000	465,000	505,000	61,000	13.7%
Software & equipment rental	109,000	166,000	166,000	206,000	40,000	24.1%
Professional fees	38,000	61,000	50,000	55,000	(6,000)	-9.8%
Memberships	20,000	15,000	15,000	19,000	4,000	26.7%
Property taxes	175,000	198,000	198,000	202,000	4,000	2.0%
Miscellaneous	41,000	11,000	20,000	10,000	(1,000)	-9.1%
	\$ 1,239,000	\$ 1,403,000	\$ 1,417,000	\$ 1,478,000	75,000	5.3%

**PETERBOROUGH UTILITIES COMMISSION
SCHEDULE D
SUPPORT SERVICES**

	2020 Actual	2021 Budget	2021 Projection	2022 Budget	Change vs Budget	Change vs Budget
Finance	\$ 80,000	\$ 87,000	\$ 90,000	\$ 112,000	25,000	28.7%
Administration	733,000	608,000	608,000	721,000	113,000	18.6%
Peterborough Technology Services	533,000	630,000	650,000	693,000	63,000	10.0%
Customer Service	896,000	941,000	961,000	828,000	(113,000)	-12.0%
Human Resources	183,000	248,000	245,000	217,000	(31,000)	-12.5%
Purchasing	105,000	101,000	101,000	120,000	19,000	18.8%
	\$ 2,530,000	\$ 2,615,000	\$ 2,655,000	\$ 2,691,000	76,000	2.9%

**PETERBOROUGH UTILITIES COMMISSION
SCHEDULE E
STATEMENT OF OPERATIONS FOR RIVERVIEW PARK and ZOO**

	2020 Actual	2021 Budget	2021 Projection	2022 Budget	Change vs Budget	Change vs Budget
REVENUE						
Train	\$ -	\$ -	\$ -	\$ 130,000	130,000	#DIV/0!
Miscellaneous	57,000	59,000	28,000	171,000	112,000	189.8%
Total revenue	57,000	59,000	28,000	301,000	242,000	410.2%
EXPENSES						
Maintenance Park	408,000	592,000	524,000	697,000	105,000	17.7%
Maintenance Train	-	3,000	3,000	101,000	98,000	3266.7%
Animal Care and Zoo Maintenance	1,270,000	994,000	1,094,000	1,053,000	59,000	5.9%
Total operating expenses	1,678,000	1,589,000	1,621,000	1,851,000	262,000	16.5%
Contribution to State of Good Repair Fund	-	-	-	-	-	0.0%
	1,678,000	1,589,000	1,621,000	1,851,000	262,000	16.5%
NET EXPENSES FOR PERIOD	\$ 1,621,000	\$ 1,530,000	\$ 1,593,000	\$ 1,550,000	20,000	1.3%

**PETERBOROUGH UTILITIES COMMISSION
SCHEDULE F
CONTINUITY SCHEDULE OF RESERVE FUNDS**

	2020 Actual	2021 Budget	2021 Projection	2022 Budget
WATER TREATMENT PLANT RESERVE FUND				
Opening balance	8,276,000	9,163,000	9,115,000	9,943,000
Contributions	758,000	764,000	764,000	783,000
Interest	81,000	79,000	64,000	68,000
Transfers to General Fund	-	-	-	(4,000,000)
Closing Balance	9,115,000	10,006,000	9,943,000	6,794,000
DEVELOPMENT CHARGES RESERVE FUND				
Opening balance	-	-	-	-
Contributions	59,000	1,437,000	827,000	667,000
Interest	2,000	-	-	-
Transfers to General Fund	(61,000)	(1,437,000)	(827,000)	(667,000)
Closing Balance	-	-	-	-
RIVERVIEW PARK & ZOO MAJOR PROJECTS RESERVE FUND				
Opening balance	595,000	630,000	605,000	669,000
Contributions	5,000	25,000	59,000	25,000
Interest	5,000	5,000	5,000	6,000
Transfers to General Fund	-	-	-	-
Closing Balance	605,000	660,000	669,000	700,000
RIVERVIEW PARK & ZOO ANIMAL CARE RESERVE FUND				
Opening balance	486,000	274,000	490,000	491,000
Contributions	-	-	-	-
Interest	4,000	2,000	1,000	2,000
Transfers to General Fund	-	-	-	-
Closing Balance	490,000	276,000	491,000	493,000
RIVERVIEW PARK & ZOO STATE OF GOOD REPAIR FUND				
Opening balance	102,000	106,000	103,000	104,000
Contributions	-	-	-	-
Interest	1,000	1,000	1,000	1,000
Transfers to General Fund	-	-	-	-
Closing Balance	103,000	107,000	104,000	105,000
TOTAL RESERVE FUND BALANCE	10,313,000	11,049,000	11,207,000	8,092,000

PETERBOROUGH UTILITIES COMMISSION REPORT

November 25, 2021

2.02

COMMISSION AGENDA
2021.12.02

2022 WATER UTILITY RATE SCHEDULE- SECOND READING

RECOMMENDATION

THAT the 2022 Water Utility Rate Schedule reflecting a water rate increase of 2.29% be approved BY THE COMMISSION.

Prepared by: Kyle Davis, CFO

Submitted by: Kyle Davis, CFO

Approved for Submission by: _____
President & CEO

Background

The 2022 Operating and Capital Budget has been presented to the Commission under a separate report. As detailed in the report, the 2022 budget proposes a 2.29% rate increase on both fixed and variable consumption charges across all rate classes. A copy of the complete Water Utility Rate Schedule for the Peterborough Utilities Commission, effective January 1, 2022, is included as Appendix A.

Summary

As noted above, the 2022 Budget includes a 2.29% rate increase for the basic meter charge as well as the consumption charge for all consumption levels. In addition to this increase, the following items are noted:

- Administrative and late charges, such as set up fees, letters of reference and statement of accounts have been held with a 0% increase in 2021 and have seen no increase since 2016.
- Non-Payment of account fees, such as late fees and disconnection fees have also been held with a 0% increase in 2021 and have seen no increase since 2016.
- Development charges have been increased according to the prescribed inflationary index of 11.6%. This is based on the most recent indexing prescribed by the Statistics Canada Non-residential Building Construction Price Index issued for the third quarter of 2021.

Attachments: Appendix A – PUC Water Utility Rate Schedule



Water Utility Rate Schedule

Peterborough
Effective January 1, 2022

Metered Services

Monthly charges are based on the Basic Charge plus Consumption Charges at rates listed below.

Basic Charge based on size of meter

15 mm (5/8")	\$22.84 /mo
20 mm (3/4")	\$22.84 /mo
25 mm (1")	\$42.08 /mo
40 mm (1-1/2")	\$72.13 /mo
50 mm (2")	\$102.19 /mo
75 mm (3")	\$182.74 /mo
100 mm (4")	\$369.50 /mo
150 mm (6")	\$641.22 /mo
200 mm (8")	\$912.90 /mo
250 mm (10")	\$1,275.02 /mo
300 mm (12")	\$1,810.52 /mo

Consumption Charges (Monthly Consumption)

0 – 20 m ³	\$1.4908 / m ³
>20 – 100 m ³	\$1.4908 / m ³
>100 – 5,000 m ³	\$0.8153 / m ³
> 5,000 m ³	\$0.5622 / m ³

Sewer Surcharge

A sewer surcharge, proportional to water charges, is billed and collected on behalf of the City of Peterborough. For clarification regarding this charge, please call Peterborough City Hall at 705-742-7771.

Turn-on/Turn-off service

There is no charge for this service during normal business hours, unless it is required on a repeat basis; for instance, annually. Please give us 24 hours advance notice for this free service.

Occasional, during normal working hours,
turn on or off no charge

Repeat, during normal working hours,
turn on or off \$65.00

Repeat or Annual Service, after hours
(except emergencies), turn on or off,
Actual cost, \$155.00 min. charge

Temporary Service Disconnection

A \$65.00 fee will apply for customers who wish to have their service disconnected during the winter months; a \$65.00 fee will also apply for reconnection of the service. During the months when the water service is off, the applicable Basic Charge will still apply. Once the service is re-connected, Basic and Consumption Charges will resume.

Seasonal Water Meters

Seasonal water meters that service parks, cemeteries and sports fields that are removed in the Fall and re-installed in the spring will incur the \$155 fee for both the installation and removal of the meter. During the months when the meter has been removed, no Basic or Consumption Charges will apply. Once the meter has been re-installed, Basic and Consumption Charges will resume.

Fire Flow Tests

During non-freezing periods \$335 / test

During freezing periods
Time and material, \$335 minimum

Cross-Connection Fees

Certified Backflow Prevention Device Tester

Registration Fee \$100 / year

Transient Certified Backflow Prevention Device
Tester

Registration Fee \$50 / 30 days

Test Tag Fee \$25

Test tags expire 5 years after first being affixed to a backflow prevention device. Authorized test tags are only available from PUC. Only Registered Testers may purchase test tags.

Late Filing Fee \$100 / report

Applies to any report that is not submitted within the specified time-period or for any person not renewing their Certified Backflow Prevention Device Tester Registration within 30 days of expiry.

Sewer Surcharge

A sewer surcharge, proportional to water charges, is billed and collected on behalf of the City of Peterborough. For clarification regarding this charge, please call Peterborough City Hall at 705-742-7771.

Specific Service Charges

Customer Administration

Account set up	\$	30.00
Credit Reference check	\$	19.50
Letter of Reference	\$	15.00
Arrears Certificate	\$	15.00
Statement of Account	\$	15.00
Pulling Post Dated Cheques	\$	15.00
Duplicate Invoices (bill reprint)	\$	15.00
Easement Letter	\$	15.00
Over Due Notice Charge	\$	15.00
Returned Cheque Fee	\$	35.00
Tax Roll Water	\$	25.00
Tax Roll City	\$	25.00

Non-Payment of Account

Late Payment Charge Monthly	%	1.50
Late Payment Charge Annually	%	19.56
Collection Visit (No disconnect)	\$	30.00
Disconnection for Non Payment Fee	\$	63.50
Reconnection Fee After Disconnect	\$	63.50
After Hours Reconnection Fee (minimum)	\$	155.00

Other

Special Meter Reads	\$	30.00
Manipulating water bypass	\$	2,000.00

WATER CAPITAL CHARGES

Effective January 1, 2022

Frontage Charges

Residential, Commercial and Institutional	\$480 / metre
Industrial	\$480 / metre
Re-development	same as above

Non-Abutting Frontage Charges

Residential - Single Family	\$3,530 each
Multi-residential, Commercial, Industrial, Institutional (by formula)	Min. frontage* (m) x \$3,530 (\$) ÷ 15.24 (m)
* Minimum frontage as required by City of Peterborough Zoning By-Law	

Service Connections

Residential – up to 25 mm,	
Restoration costs extra	\$3,214 each
All other services - 25 mm and larger	
Actual Costs,	Minimum charge \$3,214

Subdivision Inspection Charges	\$130 per lot
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WATER UTILITY DEVELOPMENT CHARGES

DRAFT

Effective January 1, 2022

Residential

	Res. A	Res. B	Res.C
Planning Area	Singles & Semis	Other Multiples	Apart- ments
1. Auburn North	\$2,654	\$2,289	\$1,557
2. Jackson	\$3,109	\$2,680	\$1,822
3. Carnegie West (Zone 3N)	\$2,578	\$2,222	\$1,510
4. Chemong	\$2,049	\$1,767	\$1,202
5. Lily Lake	\$3,033	\$2,615	\$1,778
6. Liftlock	\$2,077	\$1,790	\$1,218
7. Coldsprings	\$2,613	\$2,251	\$1,531
8. Outside Planning Areas	\$1,677	\$1,445	\$984
9. Carnegie East (Zone 2)	\$796	\$686	\$466
10. Chemong East	\$1,210	\$1,043	\$710

Non-Residential, all planning areas \$6.86 /m²

Rates are subject to change.



Peterborough Utilities Commission 2022 Meeting Schedule

Date	Meeting
March 24	DWQMS Management Review
April 21	Financial YE
June 23	Annual Report
October 20	Riverview Park & Zoo Advisory Committee
November 3	Budget First Reading
December 1	Public Meeting - Budget Review, Second Reading @ 6:00 pm
December 8	If required

Most meetings of the Peterborough Utilities Commission start at 4:00 p.m. and take place in the Boardroom at 1867 Ashburnham Drive.

Please note: Due to COVID-19 restrictions, our meetings are currently being held virtually over MS Teams.