

**Flagged item**  
**Enclosure #3**

**2020-2023 Budget**

<b>Flagged item # and description</b>	<b>Flagged Item #4 – Calculation of Utility Rates</b>  THAT Administration provide information on what is included in the utility water rates, and address whether industrial and commercial usage was included in the calculations for the water rate increase.
<b>Date of request</b>	December 3, 2019
<b>Councillor</b>	Linton Delaine
<b>Department / Division</b>	Utilities
<b>Staff lead</b>	Todd Wyman

**Response:**

In 2014, Council approved the consolidation of the existing water customer classes into 3 primary categories – Hamlet, Rural and Truckfill.

All customers (which includes commercial and industrial users) are considered when developing rates which include volumetric usage (commodity charges). Our approach is founded on AWWA Manual M1 – Principles of Water Rates, Fees and Charges.

The utility water rates include all costs associated with the delivery of the water service to each customer class. All customers are included in the calculation based on the number of accounts and volume of water consumed.