

DECISION

NSUARB-W-QUE-R-02
2002 NSUARB 32

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF THE PUBLIC UTILITIES ACT

- and -

IN THE MATTER OF an Application of the **Region of Queens Municipality** on behalf of its **Water Utility**, for approval of amendments to its Schedule of Rates and Charges for Water and Water Services and its Schedule of Rules and Regulations

BEFORE: Margaret A. M. Shears, Vice-chair

APPEARING: **Region of Queens Municipality**

William H. Gates, MBA, P.Eng.
W. H. Gates Utility Consultants Ltd.

Kathleen Rafuse
Director of Finance

Roy Turner, P.Eng.
Director of Engineering & Works

HEARING DATE: April 16, 2002

DECISION DATE: **May 31, 2002**

DECISION: **Application Approved**

INTRODUCTION

[1] The application of the Region of Queens Municipality (the Applicant, the Utility) to amend the Schedules of Rates and Schedule of Rules and Regulations of its Water Utility (formerly know as the Liverpool Water Utility) was heard by the Board in Liverpool, Nova Scotia, on April 16, 2002, after due public notice. The existing Schedule of Rates and Schedule of Rules and Regulations have been in effect since January 1, 1992, and August 1, 1991, respectively. Each Schedule was recently amended by an Order dated January 28, 2002.

[2] The Applicant serves approximately 1138 customers, all of which are metered. Fire protection is provided through both hydrants and sprinklers.

[3] The Utility was created in 1899 by Act of the Provincial Legislature. From that time until April 1, 1996, the Utility was operated by the former Town of Liverpool. On April 1, 1996, the Town and County were amalgamated, creating a municipal entity known as the Region of Queens Municipality (RQM). The Applicant also seeks approval in this rate application to change the name of the Utility from the Liverpool Water Utility to the Region of Queens Water Utility.

[4] The source of supply for the Utility is Town Lake. The water is high in organic content and there is no comprehensive water treatment provided at present. Chlorine, lime and fluoride are added to the water but the treated water does not meet the standards set out in the Guidelines for Canadian Drinking Water Quality (GCDWQ). In addition, the Utility's water supply has the second-highest trihalomethane (THM) levels in the Province,

generally more than double the CDWG standard. It is suspected that excessive levels of THM's in water supplies may create the risk of a higher incidence of certain forms of cancer.

[5] The water is gravity-fed into the distribution system through twelve and eight inch mains. Water pressure varies through the service area depending on elevation and, as a result, development is limited as higher elevations cannot be served. The Utility has no reservoirs and the existing system is unable to meet recommended fire flows in all areas without significant upgrading to mains and storage facilities. Certain parts of the underground infrastructure are old, with the transmission mains carrying water from Town Lake dating back to the 1890s.

[6] In order to support the capital costs associated with the construction of a water treatment plant and system upgrading, as well as anticipated increases in overall operating costs, a water rate study (Exhibit Q-5) dated February 25, 2002 was prepared by William H. Gates of W. H. Gates Utility Consultants Ltd. and was filed with the Board on February 26, 2002.

[7] At the hearing Mr. Gates reviewed the rate study noting that, at current rates, deficits of \$63,282, \$158,229 and \$324,163 would be incurred by the Utility for the years 2002/03, 2003/04 and 2004/05 respectively. It was also confirmed that while the operating deficit shown in the rate study of approximately \$18,000 for the year ending March 31, 2002 may not be exact, the Utility did incur an operating deficit for the year.

[8] The application proposes rate increases for the years 2002/03, 2003/04 and 2004/05 in addition to amending the billing period from two months to quarterly. For an average residential customer with a 5/8" meter, with quarterly consumption of 43 cubic metres, the proposed increases are 17.1%, 15.8% and 32.3% respectively. Rate increases ranging from 1.8% to 75.1% in 2002/003; 16.6% to 19.7% in 2003/04; and 36.8% to 64.0% in 2004/05 have also been proposed for the other various meter sized customers. In addition, the present three block consumption rate structure is proposed to be eliminated with all consumption to be charged at the quarterly rate of \$0.42 per cubic metre in 2002/03; \$0.51 per cubic metre in 2003/04; and \$0.96 per cubic metre in 2004/05. The application also proposes a decrease (0.1%) to fire protection charges for the year 2002/03 and subsequent increases of 29.7% and 7.9% in 2003/04 and 2004/05 respectively.

INFORMATION PRESENTED

Rates

[9] At the outset of the hearing, Roy Turner, the Director of Engineering and Works, (RQM), presented a brief overview of the Utility with the aid of a plan which outlined the water system from the source at Town Lake to the distribution system of the Utility. Mr. Turner reviewed the Utility's system and outlined the sites under consideration for the location of a water treatment plant. In October of 2001, the Utility received a pre-design study for a water treatment plant from CBCL Limited, its Consulting Engineers, and Mr. Turner identified the options for sites noted in the CBCL report. Mr. Turner stressed the

need for a treatment plant and the problems with the current quality of water provided. Mr. Turner also advised that a Dissolved Air Flotation (DAF) treatment system appears to be the preferred treatment method. The cost of the plant and associated upgrading is estimated to be approximately \$6,500,000. Two thirds of this cost (\$4,333,333) is expected to be shared by the Federal and Provincial governments through an Infrastructure Funding Grant. While this funding is not yet confirmed, the Utility is very hopeful that funding will be available. The remaining one-third (\$2,166,667) is projected in the rate study to be funded by depreciation funds (\$500,000) and new debt (\$1,666,667). The Utility filed Exhibits Q-3 and Q-4 which are letters to government officials concerning accessing funds for this project through the Canada/Nova Scotia Infrastructure Funding Program. In the future, the Utility hopes to serve the neighbouring area of Brooklyn (approximately 500 homes) with treated water from a higher yield source of supply.

[10] The rate study is based on a one block consumption rate structure, which differs from the Utility's present three block rate structure, and, as Mr. Gates indicated, follows a trend by utilities to move to one consumption rate for all customers. Mr. Gates acknowledged that this results in a significant impact to "...one or two customers...". The Utility filed Exhibit Q-2, which consisted of 37 letters sent to larger customers advising of the proposed rate increase, including an estimate of the dollar impact to the customer in the first year based on past quarterly consumption. The letters also advised of the opportunity to make presentations to the Board concerning the increases. It was noted that

no objections to the rate increase have been filed by any of the large users, or any of the Utility's other customers.

[11] The following tables illustrate the impact of the proposed rate increases on the customers of the Utility:

REGION OF QUEENS MUNICIPALITY WATER UTILITY

| COMPARISON OF CURRENT WATER RATES WITH PROPOSED NEW RATES for 02/03 | | | | | | | | | | | |
|---|-------------------------------|---------|---------------------|----------------------|------------|--------------------------|---------------------------|------------|------------------------------|-------------------------------|------------|
| SIZE | AVERAGE QUARTERLY CONSUMPTION | | CURRENT BASE CHARGE | PROPOSED BASE CHARGE | % INCREASE | CURRENT COMMODITY CHARGE | PROPOSED COMMODITY CHARGE | % INCREASE | CURRENT QUARTERLY WATER BILL | PROPOSED QUARTERLY WATER BILL | % INCREASE |
| | BLOCK 1 | BLOCK 2 | | | | | | | | | |
| 5/8" | 43 | | \$25.50 | \$34.62 | 35.8% | \$19.62 | \$18.22 | -7.1% | \$45.12 | \$52.84 | 17.1% |
| 3/4" | 291 | | \$38.25 | \$50.72 | 32.6% | \$131.24 | \$121.89 | -7.1% | \$169.49 | \$172.61 | 1.8% |
| 1" | 131 | | \$63.75 | \$82.92 | 30.1% | \$59.08 | \$54.79 | -7.3% | \$122.83 | \$137.70 | 12.1% |
| 1 1/2" | 577 | | \$127.50 | \$163.40 | 28.2% | \$260.23 | \$241.60 | -7.2% | \$387.73 | \$405.00 | 4.5% |
| 2" | 630 | | \$204.00 | \$259.98 | 27.4% | \$284.13 | \$263.80 | -7.2% | \$488.13 | \$523.78 | 7.3% |
| 3" | 3,117 | | \$408.00 | \$517.54 | 26.8% | \$633.40 | \$1,305.57 | 106.1% | \$1041.40 | \$1823.11 | 75.1% |
| 4" | 0 | | \$0.00 | \$0.00 | 0.0% | \$0.00 | \$0.00 | 0.0% | \$0.00 | \$0.00 | 0.0% |

REGION OF QUEENS MUNICIPALITY WATER UTILITY

| COMPARISON OF CURRENT WATER RATES WITH PROPOSED NEW RATES for 03/04 | | | | | | | | | | | |
|---|-------------------------------|---------|---------------------|----------------------|------------|--------------------------|---------------------------|------------|------------------------------|-------------------------------|------------|
| SIZE | AVERAGE QUARTERLY CONSUMPTION | | CURRENT BASE CHARGE | PROPOSED BASE CHARGE | % INCREASE | CURRENT COMMODITY CHARGE | PROPOSED COMMODITY CHARGE | % INCREASE | CURRENT QUARTERLY WATER BILL | PROPOSED QUARTERLY WATER BILL | % INCREASE |
| | BLOCK 1 | BLOCK 2 | | | | | | | | | |
| 5/8" | 43 | | \$34.62 | \$38.90 | 12.4% | \$18.22 | \$22.29 | 22.3% | \$52.84 | \$61.19 | 15.8% |
| 3/4" | 291 | | \$50.72 | \$57.09 | 12.6% | \$121.89 | \$149.12 | 22.3% | \$172.61 | \$206.21 | 19.5% |
| 1" | 131 | | \$82.92 | \$93.48 | 12.7% | \$54.79 | \$67.03 | 22.3% | \$137.70 | \$160.51 | 16.6% |
| 1 1/2" | 577 | | \$163.40 | \$184.45 | 12.9% | \$241.60 | \$295.56 | 22.3% | \$405.00 | \$480.01 | 18.5% |
| 2" | 630 | | \$259.98 | \$293.61 | 12.9% | \$263.80 | \$322.72 | 22.3% | \$523.78 | \$616.33 | 17.7% |
| 3" | 3,117 | | \$517.54 | \$584.70 | 13.0% | \$1305.57 | \$1597.21 | 22.3% | \$1823.11 | \$2181.91 | 19.7% |
| 4" | 0 | | \$0.00 | \$0.00 | 0.0% | \$0.00 | \$0.00 | 0.0% | \$0.00 | \$0.00 | 0.0% |

REGION OF QUEENS MUNICIPALITY WATER UTILITY

| COMPARISON OF CURRENT WATER RATES WITH PROPOSED NEW RATES for 04/05 | | | | | | | | | | | |
|---|-------------------------------|---------|---------------------|----------------------|------------|--------------------------|---------------------------|------------|------------------------------|-------------------------------|------------|
| SIZE | AVERAGE QUARTERLY CONSUMPTION | | CURRENT BASE CHARGE | PROPOSED BASE CHARGE | % INCREASE | CURRENT COMMODITY CHARGE | PROPOSED COMMODITY CHARGE | % INCREASE | CURRENT QUARTERLY WATER BILL | PROPOSED QUARTERLY WATER BILL | % INCREASE |
| | BLOCK 1 | BLOCK 2 | | | | | | | | | |
| 5/8" | 43 | | \$38.90 | \$39.23 | 0.9% | \$22.29 | \$41.71 | 87.1% | \$61.19 | \$80.94 | 32.3% |
| 3/4" | 291 | | \$57.09 | \$57.55 | 0.8% | \$149.12 | \$279.04 | 87.1% | \$206.21 | \$336.59 | 63.2% |
| 1" | 131 | | \$93.48 | \$94.18 | 0.7% | \$67.03 | \$125.43 | 87.1% | \$160.51 | \$219.60 | 36.8% |
| 1 1/2" | 577 | | \$184.45 | \$185.76 | 0.7% | \$295.56 | \$553.08 | 87.1% | \$480.01 | \$738.84 | 53.9% |
| 2" | 630 | | \$293.61 | \$295.65 | 0.7% | \$322.72 | \$603.91 | 87.1% | \$616.33 | \$899.55 | 46.0% |
| 3" | 3,117 | | \$584.70 | \$588.69 | 0.7% | \$1597.21 | \$2988.84 | 87.1% | \$2181.91 | \$3577.53 | 64.0% |
| 4" | 0 | | \$0.00 | \$0.00 | 0.0% | \$0.00 | \$0.00 | 0.0% | \$0.00 | \$0.00 | 0.0% |

[Exhibit Q-5, Schedule 13 revised filing March 13/02]

[12] Mr. Gates noted that the rate application is based on revenue requirements of \$339,578 in 2002/03, \$395,437 in 2003/04, and \$549,802 in 2004/05, reflecting increases in the various cost categories, in particular, the debt charges for the treatment plant and the operating cost of the plant which will be experienced in 2004/05.

[13] For the purposes of the rate study, the operating expenses for each of the three years, with the exception of depreciation, are derived from the Utility's 2001/02 budget with each line item increased by 3% each year. The annual depreciation expense is based upon estimated Utility assets in service for each of the three years, with the exception of the water treatment plant. The Utility is requesting that depreciation of the treatment plant be deferred until 2008. Mr. Gates noted that the Board has approved such requests in the past (i.e., New Glasgow) and stated that deferring of depreciation in this instance will have a significant positive impact on rates. Mr. Gates said:

... well when we looked at the impact on the rates, we felt that the rates in the year in which the plant would start to operate, that impact is quite significant. If we look at 13, we see we get a 30-odd percent increase. If we had added depreciation, ... We would be talking another \$25,000 to \$30,000 in depreciation, so that would just add another layer on the rates and as we said earlier, that \$25,000, \$30,000 would hopefully, if Brooklyn becomes part of the serviced area, then those areas could be picked up and the revenue there could offset some of the depreciation, so I guess we're asking for that but if we get, if the utility got into a positive financial position, it wouldn't necessarily have to wait, ...I said 2008 simply because that gave a three year window, which I thought was reasonable, but if they got into a positive financial, they could start taking that depreciation, because the depreciation will be spent. I mean there's lots of work to do, as Mr. Turner has said, in the distribution system and that's where the depreciation funds would end up, in upgrading the distribution system which, in some cases, needs replacement, some cases cleaning and lining, or a combination. It'll be a combination of all those in the long run, so that is the reason, and we have, as the Board knows, in not all of them but in several of the larger capital expenditures for a treatment plant, and I'm thinking of New Glasgow and Bridgewater and Truro and going way back, Antigonish, all had deferral of their depreciation.

(Transcript, pp.23-24)

[14] The Utility hopes that, with the potential hook-up of 500 homes in Brooklyn in the future, the depreciation expense of the treatment plant may be offset without the need for a future rate increase. However, it was determined that it would be unreasonable to factor that potential growth into the Utility's current plans.

[15] The non-operating expenditures include existing debt charges which will continue past 2005, with interest reducing each year, and new debt of approximately \$1,666,000 beginning in 2003/04 using a serial bond at 6% blended over 20 years. A sinking fund of \$50,000 in 2002/03 is proposed and the Utility, in its response to Board IR-14, explained that:

The purpose of the \$50,000 is:

- a) to cover the shortfall in 2002/03 revenue based on when the new rates are approved; and
- b) to be used for capital works such as cleaning and lining older water mains. (Exhibit Q-6, IR-14)

[16] The Utility provided the Board with a copy of its financial statements for the year ended March 31, 2001, which indicate that the Utility's plant in service as at that date is \$3,309,597, with an operating deficit for the year ended March 31, 2001, of \$3,503. The rate base and percentage return on rate base as at March 31, 2002 were estimated in the rate study to be \$2,155,587, and 2.87% respectively. The projected rate base and required return on rate base presented in the rate study, given the assumptions discussed, and including deferral of depreciation of the treatment plant, are \$2,072,379 and 4.31% respectively for 2002/03, \$2,018,945 and 8.71% respectively for 2003/04, and \$1,933,811 and 8.58% respectively for 2004/05.

[17] The percentage of the Utility's assets allocated to fire protection has been determined to be 45.2%. Mr. Gates explained this calculation as follows:

Schedule 5, 5(a), is the calculation of the percentage of fire protection and as the Board might remember, we went into that in a little bit of detail in Bridgetown. What we have discovered and I've actually, I think it might be worthy because this is going to come up again and again in rate hearings, is that when the fire underwriters did the report for Bridgetown, and it would be a similar report here. I mean, it may not be exactly the same numbers but they had a maximum required fire flow in Bridgetown because of some row housing there, of 4,400 gallons a minute. That system can't provide it, but they did write a letter and say it would retain the same grading as far as it existed if the numbers were at least 55% to 60% of that, so that has resulted in us downgrading those percentages. If we did the actual percentage, and it would be the same for Liverpool or Queens Municipality water utility, if we did the same thing, that 60% could easily be 80% or 90%, before it were downgraded and so it is unrealistic. Now at some future time, when the water treatment plant is built and a new reservoir is built and some transmission system, that could change, but at the moment they just can't provide that any more than that, and that's probably, if anything, probably optimistic in some areas. Some areas might be more and some less but with the mains in the condition they're in, to provide that much would be all that could be expected, so as a result it calculates 45.2%, which is slightly lower than the last rate hearing, which I think was 48% and, but in my considered opinion it is reasonable. (Transcript, pp.10-11)

[18] Based upon the assumptions used in the rate study, the resulting fire protection charge is \$141,028 in 2002/03, \$182,877 in 2003/04 and \$197,235 in 2004/05. This reflects a decrease of 0.1%, followed by increases of 29.7% and 7.9% respectively. Mr. Gates further commented that the fire protection charge has been proposed on a formula basis for the final year of the rate study, 2004/05, which is a practice consistent with other utilities.

[19] Mr. Gates reviewed the allocations of charges to the categories of "base," "production," "delivery" and "customer." He explained that the objective in the allocation

methodology "...is at the end of the day to try to get a balance between base charge and commodity charge." (Transcript, p.12)

He further commented that:

If you get it weighted too heavily towards base charge, then why should anybody conserve water, because they're paying two thirds of their bill or three quarters of their bill in base charge. What I've been trying to do as much as possible over the last few rate study, [sic] is [to] try to get a kind of a 50/50, or in that area, split between the two. Now you can't always do that for a lot of reasons but where, and that is the reason that 20% of the collection and administration is in delivery rather than 100% of it being in base and customer charge, and the others are pretty consistent. I mean we know that source of supply, power and pumping, and water treatment is certainly a production charge because it's all relative to that and the return on rate base, which was discussed in the IR's, we feel pretty strongly that when you borrow money to build something like a treatment plant a lot of that is production related because if you didn't have, and so that's why we've traditionally put 60% of the return on rate base into production. I know there's some variation in that but basically, in most of our rate studies, I think all, there's been a 40/60 split because almost without exception in the last two years all the rate studies that I've been involved in, either there's a water treatment plant either in the works or about to be in the works, and that's going to be the big item all across the province over the next few years. So that is basically 7 and how that's calculated. (Transcript p.12, line 5-19)

[20] Mr. Turner, Mayor Leefe, and Councillors Norman and MacLeod all spoke to the serious need for the water treatment plant from the point of view of health, as well as economic development. They advised that the community supports the project even though it will result in higher rates for water. Mr. Gates also confirmed that, in his opinion, the proposed rates are just and reasonable.

Rules and Regulations

[21] Mr. Gates reviewed the proposed changes to the Utility's Schedule of Rules and Regulations. He stated that the proposed Schedule reflects updated Rules and

Regulations which are standardized, to the extent possible, with other water utilities in the Province.

[22] Mr. Gates outlined the major changes proposed including a comprehensive Regulation governing “Cross Connection Control and Backflow Prevention,” which the Board has been encouraging utilities to adopt for the safety of customers and the benefit of the utilities. The billing period is proposed to change from every two months to quarterly. The late payment penalty was amended to 12% per annum or part thereof on arrears after 30 days in a Board Order dated January 28, 2002. The Regulation dealing with billing was amended by the same Board Order, however a new regulation, “Payment of Bills” is proposed to reflect the proposed change in billing period.

[23] A new charge of \$75.00 has been proposed for service work performed after normal working hours. This charge has been proposed in Regulation 24, “Deposits in Advance”; Regulation 34, “Turning off Water on Request”; Regulation 35, “Turning on Water on Request” and Clause 7, “Resumption of Service and Connection Fee” of the Schedule of Rates. In addition, increases have been proposed to some charges such as those described in Regulation 32 “Resumption of Service” (\$20 to \$25); Regulation 33 “Suspension of Service for Non-Payment of Bills” (from \$20 to \$25); Regulations 34 and 35 “Turning on/off Water” (from \$20 to \$25). In addition, proposed Regulation 1, “Liability for Payment of Water Bill,” which provides the Utility with the discretion to require a property owner, rather than a tenant, to be the customer of the Utility, was described as being in line with other water utilities in the Province.

FINDINGS OF THE BOARD

Rates

[24] The Board has carefully reviewed the rate study (Exhibit Q-5), and responses to the Board information requests (Exhibit Q-6) as well as the evidence presented during the hearing. The Board notes that larger customers of the Utility were notified of the proposed rate increases and finds it significant that no objections or concerns have been filed with the Board by any of the ratepayers with respect to the rate increases. In view of the municipal amalgamation which occurred in 1996, the Board approves the request to change the name of the Utility from the Town of Liverpool Water Utility to the Region of Queens Water Utility.

[25] In terms of the rates proposed for the customers served by the Utility, the Board has examined the allocations of the revenue requirement to the base charges applicable to the various meter sizes and finds the allocations to be just and reasonable. The Board also finds the consumption figures and the allocations of the revenue requirement to the consumption charge category to be just and reasonable.

[26] The Board has considered the Utility's pressing need for a water treatment plant and system upgrades in order to supply water which meets the CDWG. It appears clear to the Board that Council and the community are supportive of this project. Although the Board will require further detailed information on the capital projects through a formal approval process, for the purposes of the rate application, the Board finds the Utility's capital projections over the test period, and the proposed method of funding through borrowing and withdrawal from depreciation funds, with the projected debt servicing

charges and deferral of depreciation of the water treatment plant until 2008, to be reasonable. The Board also finds that the Utility's projected return on rate base is reasonable, based upon the capital and funding projections.

[27] The rates proposed for the first year of the rate study, 2002/03, were proposed to be effective for all accounts rendered on and after April 1, 2002. This is not possible given the timing of the application and hearing.

[28] With respect to rates to be charged to customers for water and water services, the Board is satisfied that the rates proposed for the years 2002/03, 2003/04 and 2004/05 are just and reasonable and they are hereby approved for water and water services supplied on and after July 1, 2002, April 1, 2003 and April 1, 2004. The Board further approves the amendment of the billing period from bi-monthly to quarterly. The approved rates are attached hereto as Schedules A, B and C.

[29] The Board has also considered the evidence with respect to the allocations used in the determination of the proposed fire protection charge. The Board is satisfied that the overall allocation of the Utility plant in service and projected operating expenses to fire protection is reasonable. Accordingly, the Board hereby approves the fire protection charge as requested by the Applicant. The approved fire protection rates are set out in Schedules A, B, & C attached hereto.

Rules and Regulations

[30] The Utility proposed a number of changes to its Rules and Regulations in an effort to achieve a more standardized and current Schedule of Rules and Regulations.

These changes include a reworded provision concerning the interest charged on arrears, changes to various fees for services and an improved regulation governing cross connection control and backflow prevention.

[31] The Board has examined the proposed amendments to the Rules and Regulations and approves them. The approved Rules and Regulations are attached hereto as Schedule D and are effective as of July 1, 2002.

[32] An Order will issue accordingly.

DATED at Halifax, Nova Scotia, this 31st day of May, 2002.

Margaret A.M. Shears, Vice-chair

SCHEDULE "A"

REGION OF QUEENS WATER UTILITY

SCHEDULE OF RATES FOR WATER AND WATER SERVICES

(Effective for water and water services rendered on and after July 1, 2002)

R A T E S

The rates set out below are the rates approved by the Board for water and water services when payment is made within 30 days from the date rendered as shown on the bill.

When payment is made after 30 days from the date rendered as shown on the bill, the rates will include interest charges of 12% per annum, or part thereof.

Each bill shall show the amount payable within 30 days from the date rendered as shown on the bill.

In this Schedule, the word "Utility" means the Region of Queens Municipality Water Utility.

1. METERED RATES:

(a) Base Charges

| <u>Size of Meter</u> | <u>Quarterly Charges</u> |
|----------------------|--------------------------|
| UNMETERED | \$ 52.84 |
| 5/8" | 34.62 |
| 3/4" | 50.72 |
| 1" | 82.92 |
| 1 1/2" | 163.40 |
| 2" | 259.98 |
| 3" | 517.54 |
| 4" | 807.28 |

(b) Consumption Rates

\$0.42 per Cubic Metre

(c) Minimum Bill

The minimum bill shall be the Base Charge.

2. PUBLIC FIRE PROTECTION RATE

The Municipality shall pay, annually, to the Water Utility for public fire protection services, the sum of \$141,028.

3. RATES FOR SPRINKLER SERVICE

Each building having a sprinkler system installed shall pay annually for the service as follows:

| | |
|--|----------|
| Each building serviced by a sprinkler service pipe of 6" or less in diameter | \$160.00 |
| Each building serviced by a sprinkler service pipe of 8" or more in diameter | \$200.00 |

4. WATER FOR BUILDINGS OR WORKS UNDER CONSTRUCTION

The Utility may furnish water to any person requiring a supply thereof for the construction of a building or other works. This person shall deposit with the Utility such sum as may be determined by the Utility as is sufficient to defray the cost of making the necessary connection to any water service or main together with the cost of the meter to be installed to measure the water consumed. Upon completion of the work and the return of the meter to the Utility, a refund will be made after deducting the cost, if any, of repairing the meter and of testing the same and payment of the base and connection charges and the consumption rates in respect to such installation.

5. RATES FOR WATER SUPPLIED FROM FIRE HYDRANTS

Whenever the use of any fire hydrant is desired for supplying water for any purpose, excepting those of the Fire Department, the Utility may grant a permit containing such terms and conditions as it may provide, including arrangements regarding supervision of the opening and closing of the hydrant, and a service charge for commercial consumers of \$25.00 for connection and disconnection and a consumption charge for the amount of water used, as estimated by the water utility, at meter consumption rates.

6. CHARGES FOR RE-ESTABLISHING WATER SERVICE

When water service has been suspended for any violation of the Rules and Regulations of the Utility, such water service shall not be re-established until a reconnection charge of \$25.00 has been paid to the Utility.

7. RESUMPTION OF SERVICE AND CONNECTION FEE

The Utility shall charge a \$20.00 fee for the creation of a water account or the installation of a water meter, notwithstanding the fact that no physical disconnection of the system may have occurred. This fee shall be \$30.00 when a meter is installed, or water is turned on, after normal working hours of the Utility.

8. CHARGE FOR NON-NEGOTIABLE CHEQUES

The Utility shall charge a \$15.00 administration fee for cheques that, due to non-negotiability, have been rejected by the Utility's bank.

9. CHARGE FOR MISSED APPOINTMENT BY CUSTOMERS

Where an appointment has been made by a customer to have a water service hooked up or a meter installed, or water turned on to a property, or other visits to the property for the inception or maintenance of water service to the property, and the customer fails to keep the appointment or the plumbing is not completed to allow for installation of a water meter and the Utility's staff have to return to the property, there may be a charge of \$25.00 for each visit if, in the judgment of the Utility, it is required.

SCHEDULE "B"

REGION OF QUEENS WATER UTILITY

SCHEDULE OF RATES FOR WATER AND WATER SERVICES

(Effective for water and water services rendered on and after April 1, 2003)

R A T E S

The rates set out below are the rates approved by the Board for water and water services when payment is made within 30 days from the date rendered as shown on the bill.

When payment is made after 30 days from the date rendered as shown on the bill, the rates will include interest charges of 12% per annum, or part thereof.

Each bill shall show the amount payable within 30 days from the date rendered as shown on the bill.

In this Schedule, the word "Utility" means the Region of Queens Municipality Water Utility.

1. **METERED RATES:**

(a) **Base Charges**

| <u>Size of Meter</u> | <u>Quarterly Charges</u> |
|----------------------|--------------------------|
| UNMETERED | \$ 61.19 |
| 5/8" | 38.90 |
| 3/4" | 57.09 |
| 1" | 93.48 |
| 1 1/2" | 184.45 |
| 2" | 293.61 |
| 3" | 584.70 |
| 4" | 912.18 |

(b) **Consumption Rates**

\$0.51 per Cubic Metre

(c) **Minimum Bill**

The minimum bill shall be the Base Charge.

2. PUBLIC FIRE PROTECTION RATE

The Municipality shall pay, annually, to the Water Utility for public fire protection services, the sum of \$182,877.

3. RATES FOR SPRINKLER SERVICE

Each building having a sprinkler system installed shall pay annually for the service as follows:

| | |
|--|----------|
| Each building serviced by a sprinkler service pipe of 6" or less in diameter | \$160.00 |
| Each building serviced by a sprinkler service pipe of 8" or more in diameter | \$200.00 |

4. WATER FOR BUILDINGS OR WORKS UNDER CONSTRUCTION

The Utility may furnish water to any person requiring a supply thereof for the construction of a building or other works. This person shall deposit with the Utility such sum as may be determined by the Utility as is sufficient to defray the cost of making the necessary connection to any water service or main together with the cost of the meter to be installed to measure the water consumed. Upon completion of the work and the return of the meter to the Utility, a refund will be made after deducting the cost, if any, of repairing the meter and of testing the same and payment of the base and connection charges and the consumption rates in respect to such installation.

5. RATES FOR WATER SUPPLIED FROM FIRE HYDRANTS

Whenever the use of any fire hydrant is desired for supplying water for any purpose, excepting those of the Fire Department, the Utility may grant a permit containing such terms and conditions as it may provide, including arrangements regarding supervision of the opening and closing of the hydrant, and a service charge for commercial consumers of \$25.00 for connection and disconnection and a consumption charge for the amount of water used, as estimated by the water utility, at meter consumption rates.

6. CHARGES FOR RE-ESTABLISHING WATER SERVICE

When water service has been suspended for any violation of the Rules and Regulations of the Utility, such water service shall not be re-established until a reconnection charge of \$25.00 has been paid to the Utility.

7. RESUMPTION OF SERVICE AND CONNECTION FEE

The Utility shall charge a \$20.00 fee for the creation of a water account or the installation of a water meter, notwithstanding the fact that no physical disconnection of the system may have occurred. This fee shall be \$30.00 when a meter is installed, or water is turned on, after normal working hours of the Utility.

8. CHARGE FOR NON-NEGOTIABLE CHEQUES

The Utility shall charge a \$15.00 administration fee for cheques that, due to non-negotiability, have been rejected by the Utility's bank.

9. CHARGE FOR MISSED APPOINTMENT BY CUSTOMERS

Where an appointment has been made by a customer to have a water service hooked up or a meter installed, or water turned on to a property, or other visits to the property for the inception or maintenance of water service to the property, and the customer fails to keep the appointment or the plumbing is not completed to allow for installation of a water meter and the Utility's staff have to return to the property, there may be a charge of \$25.00 for each visit if, in the judgment of the Utility, it is required.

SCHEDULE "C"

REGION OF QUEENS WATER UTILITY

SCHEDULE OF RATES FOR WATER AND WATER SERVICES

(Effective for water and water services rendered on and after April 1, 2004)

R A T E S

The rates set out below are the rates approved by the Board for water and water services when payment is made within 30 days from the date rendered as shown on the bill.

When payment is made after 30 days from the date rendered as shown on the bill, the rates will include interest charges of 12% per annum, or part thereof.

Each bill shall show the amount payable within 30 days from the date rendered as shown on the bill.

In this Schedule, the word "Utility" means the Region of Queens Municipality Water Utility.

1. METERED RATES:

(a) Base Charges

| <u>Size of Meter</u> | <u>Quarterly Charges</u> |
|----------------------|--------------------------|
| UNMETERED | \$ 80.94 |
| 5/8" | 39.23 |
| 3/4" | 57.55 |
| 1" | 94.18 |
| 1 1/2" | 185.76 |
| 2" | 295.65 |
| 3" | 588.69 |
| 4" | 918.37 |

(b) Consumption Rates

\$0.96 per Cubic Metre

(c) Minimum Bill

The minimum bill shall be the Base Charge.

2. PUBLIC FIRE PROTECTION RATE

1. The Municipality shall pay, annually, to the Water Utility for public fire protection services, the sum of \$197,235, or
2. (a) The sum of 45.2% of transmission and distribution, taxes and depreciation expenses of the Utility and return on rate base of the immediately preceding year, plus
(b) 10% of all other expenses.

Whichever is the greater.

3. RATES FOR SPRINKLER SERVICE

Each building having a sprinkler system installed shall pay annually for the service as follows:

| | |
|--|----------|
| Each building serviced by a sprinkler service pipe of 6" or less in diameter | \$160.00 |
| Each building serviced by a sprinkler service pipe of 8" or more in diameter | \$200.00 |

4. WATER FOR BUILDINGS OR WORKS UNDER CONSTRUCTION

The Utility may furnish water to any person requiring a supply thereof for the construction of a building or other works. This person shall deposit with the Utility such sum as may be determined by the Utility as is sufficient to defray the cost of making the necessary connection to any water service or main together with the cost of the meter to be installed to measure the water consumed. Upon completion of the work and the return of the meter to the Utility, a refund will be made after deducting the cost, if any, of repairing the meter and of testing the same and payment of the base and connection charges and the consumption rates in respect to such installation.

5. RATES FOR WATER SUPPLIED FROM FIRE HYDRANTS

Whenever the use of any fire hydrant is desired for supplying water for any purpose, excepting those of the Fire Department, the Utility may grant a permit containing such terms and conditions as it may provide, including arrangements regarding supervision of the opening and closing of the hydrant, and a service charge for commercial consumers of \$25.00 for connection and disconnection

and a consumption charge for the amount of water used, as estimated by the water utility, at meter consumption rates.

6. CHARGES FOR RE-ESTABLISHING WATER SERVICE

When water service has been suspended for any violation of the Rules and Regulations of the Utility, such water service shall not be re-established until a reconnection charge of \$25.00 has been paid to the Utility.

7. RESUMPTION OF SERVICE AND CONNECTION FEE

The Utility shall charge a \$20.00 fee for the creation of a water account or the installation of a water meter, notwithstanding the fact that no physical disconnection of the system may have occurred. This fee shall be \$30.00 when a meter is installed, or water is turned on, after normal working hours of the Utility.

8. CHARGE FOR NON-NEGOTIABLE CHEQUES

The Utility shall charge a \$15.00 administration fee for cheques that, due to non-negotiability, have been rejected by the Utility's bank.

9. CHARGE FOR MISSED APPOINTMENT BY CUSTOMERS

Where an appointment has been made by a customer to have a water service hooked up or a meter installed, or water turned on to a property, or other visits to the property for the inception or maintenance of water service to the property, and the customer fails to keep the appointment or the plumbing is not completed to allow for installation of a water meter and the Utility's staff have to return to the property, there may be a charge of \$25.00 for each visit if, in the judgment of the Utility, it is required.

SCHEDULE "D"

REGION OF QUEENS WATER UTILITY

**SCHEDULE OF RULES AND REGULATIONS GOVERNING
THE SUPPLY OF WATER AND WATER SERVICES**

(Effective July 1, 2002)

In these Rules and Regulations, unless the context otherwise requires, the expression:

"Region" shall mean, as the context may require, the Region of Queens Municipality.

"Utility" shall mean the Region of Queens Municipality Water Utility operated by the Region of Queens Municipality.

"Engineer" shall mean the Director of Engineering and Works of the Region of Queens Municipality.

"Customer" shall mean a person, firm or corporation who or which contracts to be supplied with water for some distinct purpose at a specific location or locations.

"Domestic Service" shall mean the type of service supplied to the owner or his authorized agent or to the occupant or tenant of any space or area occupied for the distinct purpose of a dwelling house, rooming house, apartment, flat, etc.

"Commercial Service" shall mean any service other than a domestic service as herein defined.

ag) **Liability for Payment of Water Bill** - An agreement is deemed to exist between a customer and the Utility for the supply of water service at such rates and in accordance with these Regulations by virtue of:

- a) the customer applying for and receiving approval for water service;
- b) the customer consuming or paying for water service from the date that the customer who is a party to an agreement pursuant to clause (a) (the customer of record) moves out of the premises, in which case the customer of record shall remain jointly and severally liable for the water service account up to the date the Utility is notified that the customer of record wishes to terminate the supply of water service.

At the discretion of the Utility, a property owner who rents or leases a property or self-contained unit to a tenant or lessee may be required to open an account for the provision of water at the property rented or leased.

- c) Any person, business or corporation that receives water service without the consent of the Utility, shall be liable for the cost of such water service which cost shall be determined in the sole discretion of the Utility based upon its reasonable estimate of the amount of water utilized.
2. **Deposits** - When required, each Applicant for service shall deposit with the Utility a sum equal to the estimated charges for such service for a period of three months, or such lesser amount as the Utility may demand. This deposit shall be held by the Utility as collateral security for the payment of its bills, but is not to be considered as a payment on account thereof. When such customer ceases to use the service and discharges all his liability to the Utility in respect of such service, the deposit shall be returned with interest thereon at the rate of five percent (5%) per annum, not compounded.
 3. **Refusal of Service** - Service may be refused or suspended to any customer who has failed to discharge all of his liabilities to the Utility.
 4. **Billing** - If a contract is entered into or terminated at any time other than a regular billing date, the amount to be charged to the customer shall be the pro rate proportion to the next month, of the regular service charge for the billing period, plus the consumption charge, if any.
 5. **Payment of Bills** - Bills shall be rendered to each customer at intervals of approximately three (3) months. All bills are due and payable when rendered. Bills not paid within thirty (30) days of the date rendered, shall incur an interest charge of 12% per annum or part thereof.
 6. **Estimated Meter Readings for Billing Purposes** - If the Utility is unable to obtain a meter reading for billing purposes, after exercising due diligence in the usual practice of meter reading, the bill for that service shall be estimated in accordance with the best data available, subject, however, to the provision that in no circumstance will that estimated reading be used for more than two consecutive billing periods. The Utility shall notify the customer by first class mail that arrangements must be made for the Utility to obtain a reading and, failing such arrangements, the Utility may suspend service until such arrangements are made. When such meter reading has been obtained, the previous estimated bill or bills shall be adjusted accordingly.

7. **Adjustment of Bills:**

- a) If the seal of a meter is broken or if a meter does not register correctly, the bill for that water service shall be estimated in accordance with the best data available. Any customer desiring to question a water bill must do so in writing within the thirty (30) day period in order to receive an adjustment.
- b) **Customers Under-Billed** - Should it be necessary for the Utility to make a billing adjustment as a result of a customer being under-billed for any reason, such adjustment shall be retroactive for a maximum of four billing periods or one year, whichever is the longest. Notwithstanding the above, in the event that a billing adjustment is the result of the customer's illegal connection to the water system or willful interference or damage of metering equipment, the billing adjustment in such circumstances will not be limited to one year or four billings, but rather the customer shall be responsible for all payments of such accounts from the date such illegal connection or interference to meter equipment took place.
- c) **Customer Over-Billed** - Shall it become necessary for the Utility to make a billing adjustment as a result of a customer being over-billed for any reason, such adjustment will be estimated by the Utility, and the Utility will be responsible for payment of the over-billed amount with interest calculated on the basis of 12% per annum.

8. **Public Fire Protection Service Charge** - The Utility shall monthly, render to the Region of Queens Municipality an account for public fire protection service for the calendar year.

9. **Water To Be Supplied Only By Meter** - Except where water is used for construction purposes from a hydrant under the supervision of the Utility and except as in these regulations otherwise provided, all services other than those used exclusively for fire protection shall be metered. Any building occupied by more than one tenant shall have a separate meter with appropriate isolation valves for each tenant. With the Utility's approval, such a building may be serviced by one meter, provided the landlord is the customer. The Utility shall determine the size and type of meter to be installed in each case. All meters shall be the property of the Utility.

10. **Installation and Removal of Meters** - Meters and outside registers shall be installed and removed only by the employees of the Utility, or its agent, utilizing a type and quality of connection acceptable to the Utility. The connections for such meters shall be installed without expense to the Utility.

11. **Meter Readers** - Each Meter Reader shall be provided with an official badge or letter which he/she shall exhibit on request.
12. **Access to Customer's Premises** - Representatives of the Utility shall have right of access to all parts of a customer's property or premises at all reasonable hours for the purposes of inspecting any water pipes, fixtures or fittings, or appliances, or disconnecting service, or for the purpose of installing, removing, reading or inspecting meters. The Utility shall have the right to suspend service to any customer who refuses such access.
13. **Location of Meters** - Each customer shall provide a place which, in the opinion of the Utility, is suitable for the meter. It should be in the building served at or near the point of the service pipe where it enters the building, in a place where it can be easily read and where it will not be exposed to freezing temperatures.

When the premises of a customer are of such a nature that a meter cannot be properly installed in a building, or if the building is not sufficiently frost proof as to guarantee the safety of the meter, the Utility may order the construction, at the customer's cost, of a suitable frost proof box in which the meter can be installed. Service to such premises may be refused or suspended until such a frost proof box approved by the Utility is installed.

14. **Damage to Water Meters** - Each customer shall be responsible for the meter installed on his service and shall protect it. He shall be liable for any damage to the meter resulting from carelessness, hot water or steam, or the action of frost or from any other cause not the fault of the Utility or its employees. The cost to the Utility occasioned by such damage to the meter or the replacement of a meter seal, either broken or removed illegally, shall be paid by the customer. The cost shall be charged to the customer in the form of a bill consisting of the amount of actual costs incurred or a \$30.00 minimum charge, whichever is the greater. If, after the rendering of a bill by the Utility to the customer for such costs, the same is not paid within forty (40) days from the day rendered, the supply of water to the customer concerned may be suspended until all charges are paid. Repetitive occurrences of damage to the meter or the illegal breaking or removal of the seal of the meter may result in the suspension of water services to that customer by the Utility.
15. **Meter Testing** - On the request of a customer to have his residential meter tested, the Utility may charge the actual cost of making the test. In the case of meters 1½ inches and larger, the actual cost of the test will be paid by the customer. If the test shows that the meter is over-registering by more than one and one-half percent (1½%) for positive displacement meters and three percent

(3%) for turbine or compound meters, the sum so deposited will be refunded to the customer.

16. **Satisfactory Plumbing** - Connection shall not be made to piping on the supply side of a meter without special written permission from the Utility. All plumbing, pipes and fittings, fixtures, and other devices for conveying, distributing, controlling, or utilizing water, which are used by a customer and not the property of the Utility, shall be installed in the manner satisfactory to the Utility and Plumbing Inspector. All new installations and changes shall conform to the current National Building Code. The water shall not be turned on (except for construction or testing purposes and only after inspection by the Region Engineer or his designate) until a temporary connection permit has been issued. Permanent service connection will only be made after an Occupancy Permit has been issued. The supply of water may be discontinued to any customer at any time, if, in the opinion of the Region Engineer or his designate, the plumbing, pipes, fittings, fixtures, or other devices as hereinbefore mentioned, or any of them, fail to comply with the above requirements, or if any part of the water system of such customer or the meter is in any unsuitable, dirty, unsanitary, or inaccessible place. Service shall not be re-established until such condition is corrected to the satisfaction of the Utility.
17. **Remote Registering Water Meters** - When a remote water meter is installed on a customer's premises under a general outside register installation program of the Utility, then the cost of the meter and its installation shall be paid by the Utility.

The meter shall become the property of the Utility, which shall become responsible for its operation, maintenance and replacement. Any damage to the meter caused by the negligence or wrongful acts or omissions by the customer, his agents or members of his family, shall be paid for by the customer, and the failure by the customer to make this payment shall entitle the Utility, after making a forty day written demand for the payment, to disconnect the water service to the customer.

18. **Cross Connection Control and Backflow Prevention** -
- a) No owner, consumer, customer or other person hereinafter collectively referred to in this rule and regulation as "person" shall connect, cause to be connected, or allow to remain connected to the water system, or plumbing installation, without the express written consent of the Utility, any piping fixtures, fittings container or appliance in a manner which under any circumstances, may allow water, wastewater, or any other liquid, chemical or substance, to ingress or egress the water system.

- b) Where, in the opinion of the Utility, there may be a risk of contamination to the potable water system, notwithstanding the provisions of subparagraph (a), the Utility may require the customer, at the customer's sole cost and expense, to install at any point on the customer's water service connection or water service pipe, one or more backflow prevention (BFP) devices, which devices shall be of a quality and type approved by the Utility.
 - c) All BFP devices shall be maintained in good working order. Such devices must be inspected and tested by a certified tester approved by the Utility, at the expense of the customer. Such inspections shall take place upon installation, and thereafter annually, or more often if required by the Utility. The customer shall submit a report in a form approved by the Utility on any or all tests performed on a BFP device within thirty (30) days of a test. A record card shall be displayed on or adjacent to the BFP device on which the tester shall record the name and address of the owner of the device; and the test date, the tester's initials, the tester's name, the name of his employer, and the tester's license number.
 - d) Installation, maintenance, field-testing and selection of all BFP devices shall fully conform to the latest revisions of CSA B64.10 and CSA B64 series.
 - e) In the event of any breach, contravention or non-compliance by a person of any of the provisions and regulations in subparagraph (a), (b), (c) or (d) the Utility may:
 - i) suspend water service to such person; or
 - ii) give notice to the person to correct the breach, contravention or non-compliance within 96 hours, or a specified lesser period. If the person fails to comply with such notice, the Utility may immediately thereafter suspend water service to such person.
19. **Alternate Water Supply Prohibited** - Connection of any customer's installation served by the Utility to any other source of water supply is prohibited. Failure to comply with this regulation shall entitle the Utility to suspend the service.
20. **Prohibited Appliances** - Service may be refused or suspended by the Utility to any customer who installs or uses any device or appurtenances as, for example, booster pumps, quick-opening or quick-closing valves, water-operated pumps or siphons, stand pipes, or large outlets, etc., which may occasion sudden large demands of short or long duration thereby requiring oversize pipelines, or affect the stability or regulation of water pressure in the Utility's system. Permission to

install or use any such device or appurtenance must be obtained from the Utility, which permission shall specify what special arrangements, such as elevated storage tanks, surge tanks or equalizing tanks, etc., must be provided by the customer.

21. **Improper Use or Waste of Water** - No customer shall permit the improper use or waste of water nor sell or give water to any person except upon such conditions and for such purposes as may be approved in writing by the Utility.
22. **Service Pipes** - Upon receipt of an application for new water service to any premises on a street and there exists in this section of the street a Utility owned and active water main and the premises are not already provided with water service, the Utility shall install a service pipe which it considers to be of suitable size to provide the demand required. No water service smaller than 3/4 inch in diameter shall be installed.

The cost of supplying the service pipe and fittings between the main pipe and the street line shall be paid by the customer at a flat rate of \$525.00. From the street line to the premises, the cost shall be paid by the customer. If a service of larger than 3/4" in diameter is installed from the street to the premises, the cost shall be paid by the customer.

Should any person make application for more than one service pipe to a premises, the decision as to the necessity of the additional service pipe shall be made by the Utility. All service pipes shall be installed in accordance with the Rules and Regulations of the Region of Queens Municipality and to the satisfaction of the Utility.

When a service pipe has been installed without objection from the customer as to the location of the same, no subsequent removal of or alteration to the position of the service pipe shall be made except at the expense of the customer requesting such removal or alteration.

23. **Repairs to Services** - If a leak or other troubles occur in a service pipe, it shall be repaired as soon as possible. If the leak or trouble occurs between the main and the street line or easement, it shall be repaired by the Utility at its expense. If the leak or trouble occurs elsewhere on the service, it shall be repaired by the customer at his cost.

If a leak occurs on the customer's portion of his service pipe, the Utility may discontinue the supply of water to such service pipe if, in the opinion of the Engineer or his designate, such action is necessary in order to prevent wastage

of water. The Utility shall notify the customer affected of its intention to discontinue such supply.

24. **Deposits in Advance** - Whenever a customer requests the Utility to do work for which he is required to pay and the Utility agrees to do the work, he shall deposit with the Utility before the work is started, a sum of money equal to the Utility's estimate of the probable cost of said work. When the actual cost is determined, an adjustment in the payment shall be made. Regular service may not be established by the Utility until all charges are paid in full. For any request for service after normal working hours there will be a minimum charge of \$60.00.
25. **Special Service Charge** - A special service charge of \$25.00 shall be made to each customer receiving a necessary or requested service, such as the shutting off or turning on of water service or other special services not provided for elsewhere in these regulations. In the case where the shutting off is requested because there is no operable shut off valve serving the dwelling, an isolation valve must be installed.
26. **Unauthorized Extensions, Additions or Connections** - No person shall without the written consent of the Utility make or cause to be made any connections to any pipe or any part of the water system or in any way obtain or use water therefrom in any manner other than as set out in these regulations.
27. **Season for Laying Pipes** - The Utility shall not be required to lay any pipe at any season of the year or at any time which, in its opinion, is not suitable.
28. **Pressure Reducing Valves** - When, in the opinion of the Utility it is necessary for proper water service, a customer shall install on the service pipe, between the meter and the shut off valve on the supply side of the meter, a pressure reducing valve of a type satisfactory to the Utility. The customer shall be responsible for the cost of installing and maintaining the pressure valve at all times.
29. **Private Fire Protection** - Fire protection lines within buildings shall be so installed that all pipes will be open and readily accessible for inspection at any time, and no connection for any purpose other than fire protection shall be made thereto. Unless approved by the Utility in writing, no fire protection line shall be connected in any way to a metered service.
30. **Liability of Utility** - The Utility shall not be deemed to guarantee an uninterrupted supply or a sufficient or uniform pressure and shall not be liable for any damage or injury done by reasons of the interruption of supply, variation of pressure, discoloration of water, or on account of the turning off or turning on of the water

for any cause, or cleaning of water lines or other such maintenance as deemed necessary by the Utility.

31. **Suspending Service for Violation** - Whenever, in the opinion of the Utility, violation of any of these rules and regulations is existing or has occurred, the Utility may cause the water service to be suspended from the premises where such a violation has occurred or is existing and may keep the same so suspended until satisfied that the cause for such action has been removed.
32. **Resumption of Service** - In all cases where water service has been suspended for violation of any of these works, service shall not be restored until the cause for violation has been removed and a reconnecting charge of \$25.00 has been paid.
33. **Suspension of Service for Non-Payment of Bills** - The Utility shall have the right to enter into the customer's premises within reasonable hours to suspend service to customers whose bills remain unpaid for more than forty (40) days after date rendered. The customer shall pay the sum of twenty-five dollars (\$25.00) for reconnection after each suspension. Such connection shall not be made until all arrears are paid. If, after final notification of shut off is given, field staff visit the customer's premises with shut off orders and affect payment of all arrears the same or following business day, a charge of twenty-five dollars (\$25.00) shall be levied against the subject customer's account.
34. **Turning Off Water On Request** - Whenever the customer, for any reason, requests that the water be turned off from any premises, a charge of \$25.00 shall be made for turning off the water during normal working hours and \$75.00 after normal working hours. The water shall be turned off only in order of the receipt of requests.
35. **Turning On Water On Request** - Whenever the customer, for any reason, requests that the water be turned on, a charge of \$25.00 shall be made for the turning on of the water during normal working hours and \$75.00 after normal working hours. The water shall be turned on only in order of the receipt of requests.
36. **Interference With Utility Property** - No person, unless authorized by the Utility in writing, shall draw water from, open, close, cut, break, or in any way injure or interfere with any fire hydrant, water main, water pipe, or anything deemed to be the property of the Utility, or obstruct the free access to any hydrant, stop cock, meter, railway siding, building, etc., provided, however, that nothing in this paragraph shall be deemed to prevent an officer or member of the Fire Department engaged in the work of such department from using any hydrant or other source of water supply of the Utility for such purpose.

37. **Sprinkler Service Mains and Hydrant System** - The customer shall be responsible for the cost of installing and maintaining a sprinkler service pipe from the main in the street to the building. It shall include a proper size control valve so that the service may be shut off if necessary. The Utility shall either install the service pipe at the customer's cost or it shall supervise the installation of same. When the private fire protection system includes private hydrants, these hydrants must be flushed during the Utility's regular flushing periods, under the supervision of the Utility's personnel. These hydrants shall be maintained in a manner, or on a regular basis as approved by the Utility.

38. **Restriction of Water Use** - Whenever, in the opinion of the Engineer or his designate, the supply of water available to the Utility's customers is, or may be, inadequate for reason of drought, loss of reservoir capacity or utility system failure or any other cause, the Engineer may, after consulting with the Region, order the cessation of all non-essential uses of water from the Region of Queens Municipality Water Utility including, but not limited, to the watering of lawns, gardens and flowerbeds and the use of water for washing vehicles, buildings, driveways and walkways.