

## Understanding New Water and Solid Waste Rates Going Into Effect July 15, 2022

### What's changing?

Water is switching to a full cost recovery model to be phased in over two years, starting July 15, 2022. This means that while the cost of water per m<sup>3</sup> is going down from \$6.60 to \$5.31, there will be a fixed utility charge of \$57.63 for residents. There will be a similar charge for commercial users.

The garbage and recycling charge is also being increased from \$17 to \$19 per month, with an additional levy of \$29 imposed for a period of 6 months, starting July 15, 2022.

### Why the changing water rates?

In the past, in order to cover infrastructure costs, the Town would depend on the use of subsidies and raising the water usage rates. However, this was an ineffective method for securing the necessary funds, as consumers would restrict their water use. It was not beneficial for both parties, as the consumer were penalized for water use, and the Town would not have a dependable source of revenue for necessary infrastructure costs.

By switching from the variable rate to the new mixed rate, we will be able to ensure proper cost coverage for essential infrastructure maintenance and upgrades. Additionally, this new model will ensure that all users contribute an equitable amount towards fixed system costs, while still encouraging water conservation.

### Why the changing utility rates and imposed levy?

The move from \$17 to \$19 for the solid waste utility rate (garbage and recycling charge) is based on the contractor (GFL) fees, Peace Regional Waste Management Company (PRWMC) charges, and landfill tipping fees. This is a fairly regular and expected increase.

The \$29 levy that will be added on as part of residents' utility bill for 6 months, starting July 15, is a result of a \$373,000 shortfall from PRWMC. This shortfall is a result of industry scaling back in the last few years and as a 3/7 owner, the shortfall has been passed onto the Town.

### What will my new utility bill look like?

Based on the average amount of water consumption per household, the new utility bill for residents will look something like this:

Date	July 15, 2022
Water Used	14 m <sup>3</sup>
Fixed Utility Charge	\$57.63
Variable Utility Charge	\$74.32
Garbage & Recycling Charge	\$19.00
PRWMC Levy*	\$29.00
<b>Total</b>	<b>\$179.94</b>

\* Only occurring for 6 months

For more information on these changes or the 2022 Budget, visit [peaceriver.ca/corporate-services/budget/](http://peaceriver.ca/corporate-services/budget/) or scan the QR code.



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