

City set to kick off Utility Rate Review Project

(Penticton BC – January 25, 2018) – Preparation for the City’s Utility Rate Review Project has concluded following the appointment of interested community members to a guiding committee and the awarding of a contract to carry out the forthcoming work.

From the eligible committee applicants who expressed interest in participating, the following individuals were selected:

- Frank Conci, representing Industrial Customers
- Chris Struthers, representing Commercial Customers
- Rod King, representing Agricultural Customers
- Frank Regehr, representing Residential Customers
- William Stollery, representing Residential Customers

In addition, the following City staff will also sit on the Committee:

- Mitch Moroziuk, General Manager of Infrastructure
- Jim Bauer, CFO (Participation when required)
- Amber Coates, Revenue Supervisor (Participation when required)
- Wesley Renaud, Budget Analyst
- Shawn Filice, Electric Utility
- Ian Chapman, Engineering Department

To assist the committee in meeting its objectives, Intergroup Consultants were chosen as the successful proponent from a list of eligible submissions received through a Request for Proposal process.

“With the goal of developing a sustainable rate structure, the Utility Rate Review Project will examine current and future charges for electricity, sanitary sewer and both treated and agricultural irrigation water”, said General Manager of Infrastructure, Mitch Moroziuk. “The project is scheduled to span from the end of January through to July and will include both committee and public engagement meetings”.

The key focus areas of the project are:

- The administration / overhead fee charged to each utility
- The electrical utility dividend
- Adjustments to the Sanitary Sewer Rate Structure

- Decoupling power purchase cost from City costs
- Rates account for:
 - electricity purchase costs
 - operating and maintenance costs
 - capital costs for new capital additions
 - average annual lifestyle investment for asset management purposes
 - administrative / overhead costs
 - debt servicing costs
 - transfers to reserves
 - the electrical utility dividend

Members of the community wishing to contribute feedback towards the findings of the utility rate review are encouraged to watch for advertisements promoting the upcoming public engagement meetings.

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Contact:

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