

Residents invited to look ahead at utility rates

(Penticton, BC – April 4, 2019) – The City has completed its tri-annual review of utility rates and is ready to share the findings with residents. The conclusions will be reviewed with Council at their meeting on April 16 and then discussed with residents at two open houses on April 17 and 18. The information gathered through the review will assist the City in setting utility rates for the next three years.

“The goal of the review is to determine what the rates need to be in order to properly fund the maintenance and operations of our electric, water and sewer utilities as well as the need to replace or build new infrastructure,” says Infrastructure General Manager, Mitch Moroziuk. “It also compares Penticton’s rates to other municipalities and considers the impact on customers and affordability.”

The City reviews its utility rates every three years. This review was kicked off in late 2017 and was postponed to allow staff to respond to flooding. The study has since been completed and will be published on the City’s website on April 12. In preparation for the Council meeting and upcoming engagement activities, the City is sharing some of the key findings from the study including:

- The reserve balances for the electric utility are forecast to be higher than required. As a result, the review is recommending the rates set in 2017 continue through to 2022. This will mean that the 0% increase in electrical rates will continue for the next three years.
- The reserve balances for the water utility are slightly higher than required. As a result, the review is recommending a small annual rate increase of 0.6% per year 2020 to 2022 or from \$47 per month in 2018 to \$50 per month in 2022 for the average household. Agricultural rates are also recommended to continue to increase 4% per year for the next three years to recover operations and maintenance costs.
- The sanitary sewer system continues to be underfunded and the review is recommending rate increases of 16.5% per year for 2020 and 2021 followed by a modest increase of 3.7% for 2022 or from \$27.00 per month in 2018 to \$45 per month in 2022 for the average household.

Following the Council meeting, staff will review the findings with customers including meetings with groups representing the industrial and agricultural communities and open houses to meet with residents. As part of these activities, staff will be looking for feedback on the proposed increases to the sanitary sewer rates as well as gauging interest in introducing water rates that incentivize conservation.

“The input received through the engagement process will be shared with the Utility Rate Review Task Force and options to address the concerns received will be generated and provided to Council as part of the final Utility Rate Review presentation,” says Moroziuk.

Attend an Open House

Residents who want to discuss and provide input into the findings of the review and the proposed rates are invited to review the materials online at www.shapeyourcitypenticton.ca beginning April 12 or participate in one of the following events:

Open House	April 17	5 pm to 7 pm	Penticton Trade and Convention Centre
Open House	April 18	10 am to 1 pm	Starbucks Downtown Main Street (outdoor greenspace)

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