



***CAPITAL REGION  
PARKLAND WATER SERVICES COMMISSION***

**Rate Forecasts  
Presented January 2015**

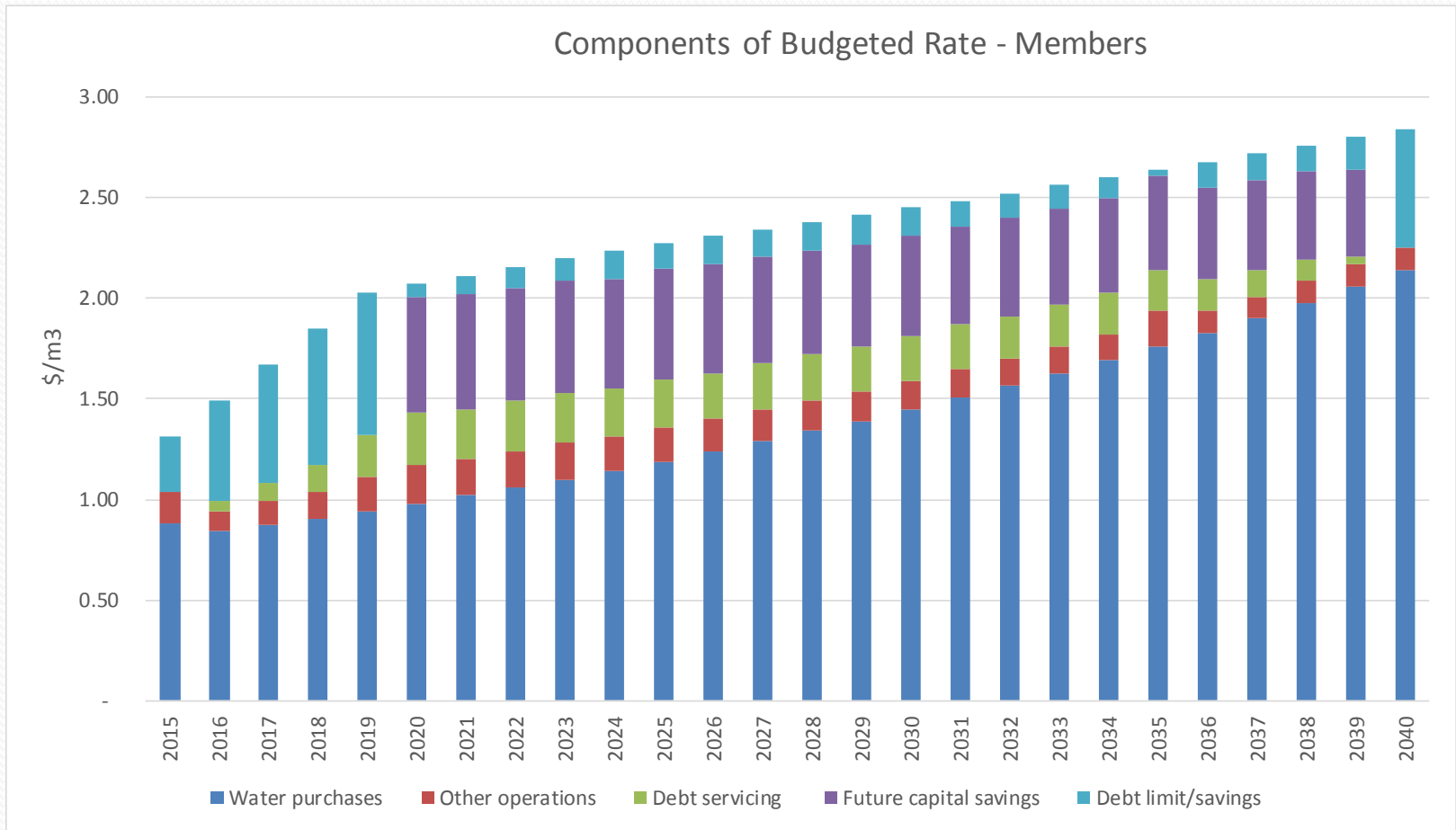
# Commission Background

- The Capital Region Parkland Water Services Commission was established to supply water to customers west of Edmonton. The Board ensures water supply, monitors water quality, and maintains the pipeline that carries the water to its customers.
- The City of Spruce Grove has provided operations management and administration to the Board from its inception in 1984.
- The City has entered into a memorandum of agreement with the Capital Region Parkland Water Commission and upon the expiry of the agreement the Board may appoint any one of the three municipalities to provide operations management and administration to the Board.
- The current agreement came into effect January 1, 2015 and is due to be reviewed prior to expiry, December 31, 2017.

# Rate Background

- Large twinning project to begin in 2016
  - Required to meet capacity demands on the system
  - Four phases
  - Expected completion 2019
  - Will delay later phases if possible based on capacity requirements
- Cash shortage -> Significant debt -> Increased debt limit requirements -> Increased rates to our customers

# Rate Dissection



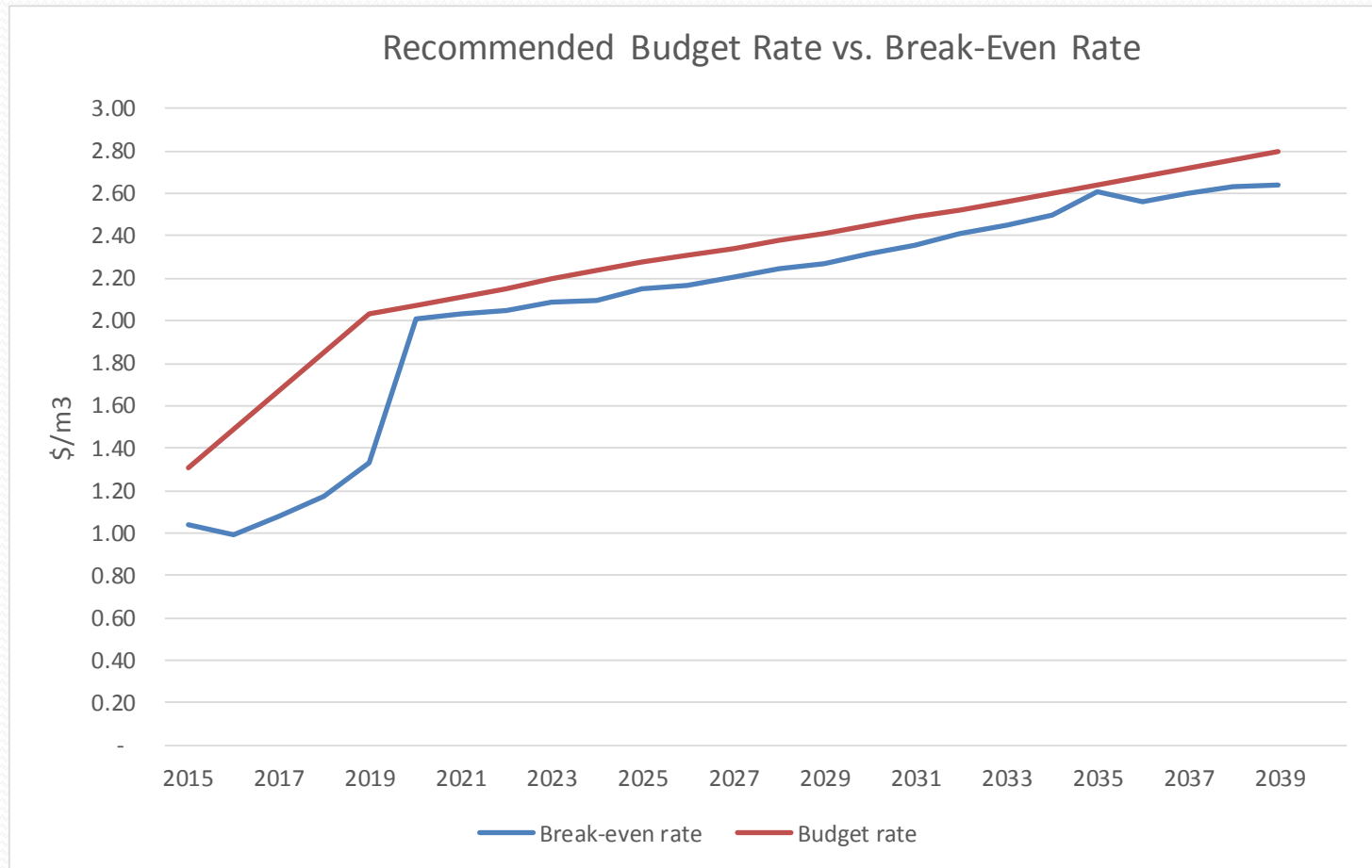
# Operating Budget Highlights

- A utility budget is always balanced
  - Total Cost/Forecast Volume = RATE
- Minimal changes in operations from year to year
- Forecasts based on a 25+ year operational forecast
  - Only 2015 has been approved
- Rate increases until 2019 for debt limit compliance
- Savings plan beginning in 2020 for future expansion/replacement projects

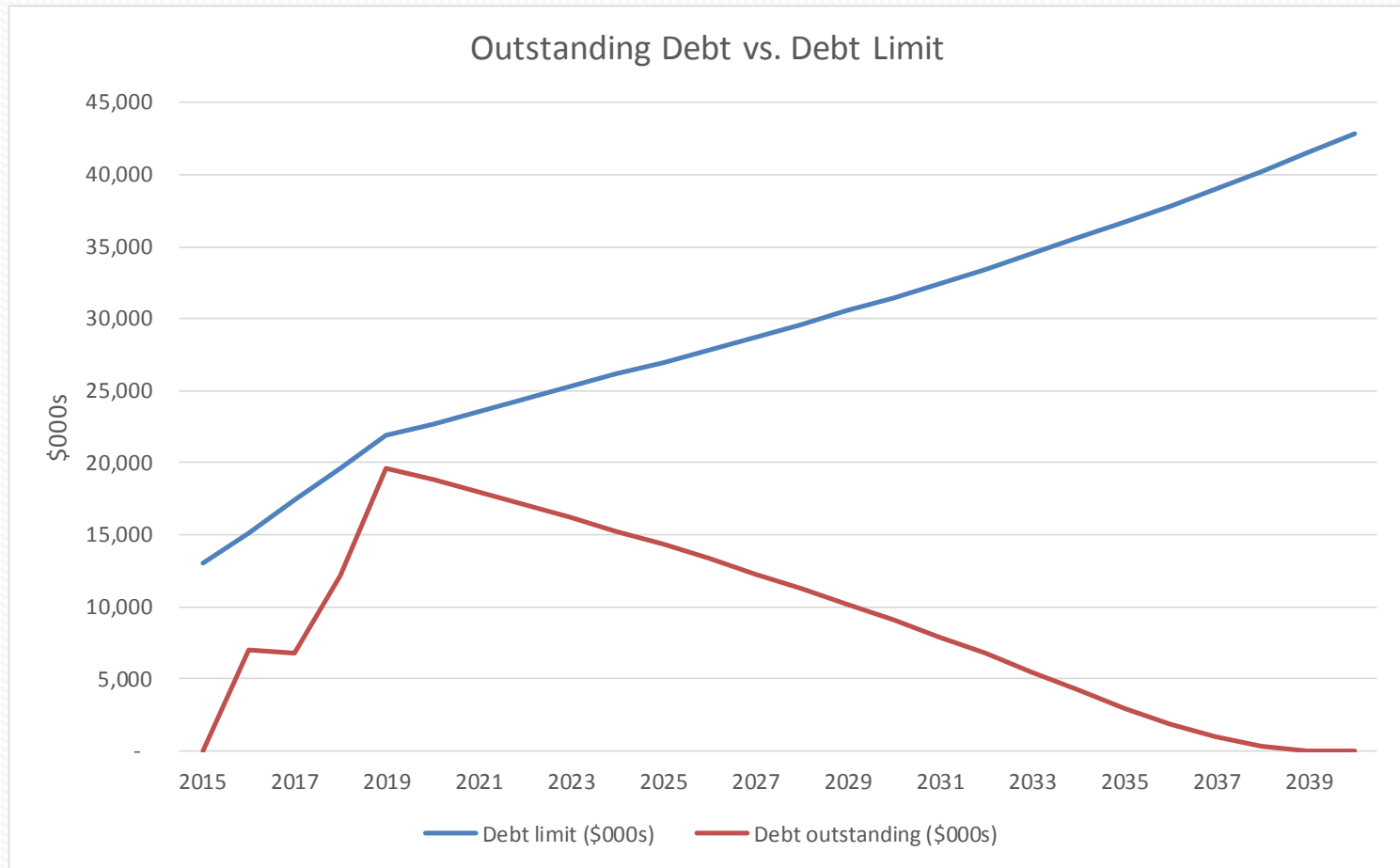
# Proposed Rates

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Recommended rates</b>	1.13	1.31	1.49	1.67	1.85	2.03	2.07
<b>Annual rate increase (\$)</b>		0.18	0.18	0.18	0.18	0.18	0.04
<b>Increase to resident (monthly)</b>		3.15	3.15	3.15	3.15	3.15	0.71

# Proposed Rates

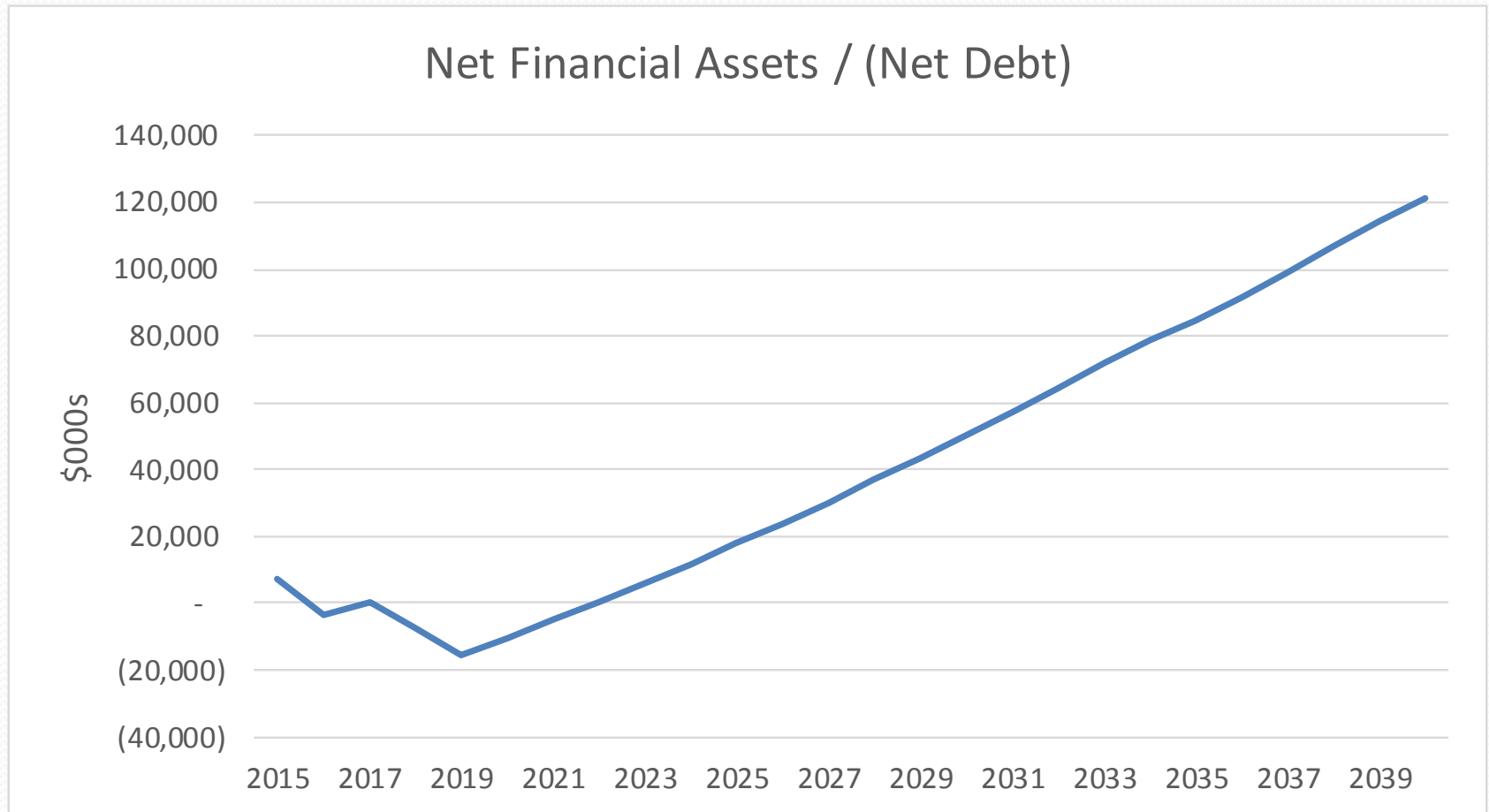


# What is the impact?





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Questions or Comments?