

MAYOR – MAIRE
GARY McNAMARA
DEPUTY MAYOR – SOUS MAIRE
TOM BURTON
COUNCILLORS - CONSEILLERS
JOE BACHETTI
MARCEL BLAIS
GUY DORION
JOIE JOBIN
RITA OSSINGTON

917 LESPERANCE
TECUMSEH, ONTARIO • N8N 1W9
PHONE (519) 735-4225
FACSIMILE (519) 735-6712

THE CORPORATION OF THE



TOWN OF TECUMSEH PUBLIC WORKS & ENVIRONMENTAL SERVICES

**DIRECTOR OF PUBLIC WORKS &
ENVIRONMENTAL SERVICES**
GEORGE DE GROOT
gdegroot@tecumseh.ca

AREA MANAGER, WATER SERVICES
DENIS BERTHIAUME
dberthiaume@tecumseh.ca

November 10, 2008

Dear Resident / Occupant:

RE: Water Services in the South Water Area

New water rates were introduced upon the Town of Tecumseh (Town) assuming responsibility of water services in the Town's South Water Area from the Windsor Utilities Commission (WUC). Essex Powerlines (EP) provides water meter reading and billing services on behalf of the Town.

The chart provided on the reverse side of this correspondence compares the water rates charged previously by WUC and the water rates now being charged on behalf of the Town.

Trusting this information clarifies the water rate changes that have occurred. Questions regarding the Town's water rates can be directed to the Water Services Division at 519-735-2184, ext. 141 or 142.

Kindest regards,

TOWN OF TECUMSEH

A handwritten signature in black ink, appearing to read "George De Groot".

George De Groot, C.E.T., C.M.M.
Director, Public Works & Environmental Services

A handwritten signature in black ink, appearing to read "Denis Berthiaume".

Denis Berthiaume
Area Manager, Water Services

The chart below is intended to clarify the change in water rates following the Town of Tecumseh (Town) assuming responsibility for water services from the Windsor Utilities Commission (WUC). This comparative analysis illustrates the water rates charged to residents by the former Township of Sandwich South (Enwin Utilities), WUC and Town of Tecumseh (through Essex Powerlines).

Billing Information

| | Former Township of Sandwich South | Town of Tecumseh | Windsor Utilities Commission |
|---------------------------|-----------------------------------|------------------------------|------------------------------|
| Utility Company | Enwin Utilities | Essex Power | Enwin Utilities |
| Fixed Base Rate per Month | \$14.25 | \$10.38 | \$16.84 |
| Summer Levy Charge | additional charge | included in consumption rate | additional charge |
| Consumption Charge | 0.399 cents per cubic meter | 0.97 cents per cubic meter | 0.266 cents per cubic meter |
| Watermain Levy | no | no | additional charge* |

Comparative Analysis

| | Former Twp. of Sandwich South | Town of Tecumseh | Windsor Utilities Commission |
|-----------------------|---|--|---|
| Fixed Rate | \$14.25 | \$10.38 | \$16.84 |
| Cost of Consumption** | $0.39 \times 25 \text{ m}^3 = \9.98 | $0.97 \times 25 \text{ m}^3 = \24.25 | $0.26 \times 25 \text{ m}^3 = \6.65 |
| Water Levy Charge * | none | none | \$10.57 |
| Summer Levy Charge † | $0.374 \times 5 \text{ m}^3 \times 5 = \$9.35 \div 12 = \$0.78$ | none | $0.249 \times 5 \text{ m}^3 \times 5 = \$6.23 \div 12 = \$0.52$ |

| | | | |
|---------------------------|--|--|--|
| Total Monthly Bill | $\\$14.25 + \\$9.98 + 0.78 = \\$25.01$ | $\\$10.38 + \\$24.25 = \\34.63 | $\\$16.84 + \\$6.65 + \\$10.57 + \\$0.52 = \\$34.58$ |
|---------------------------|--|--|--|

* The watermain levy is 45% of the fixed charges plus 45% of the water consumption charges per month.

** Based on one (1) month usage of 25 cubic meters of water, average family of three (3).

† Based on 20 cu. m usage during a five month levy period (winter months) and divided equally by 12 months.

Summary:

- On August 1, 2008, WUC transferred the operations and maintenance of the water distribution system south of Highway 401 to the Town's Water Services Division.
- Town water rates have a base charge of \$10.38 plus a consumption charge of \$0.97/m³ of water (summer levy and watermain levy charges are included in the \$0.97/m³ rate).
- WUC water rates have a base charge of \$16.84 and a consumption charge of \$0.266/m³, in addition to a watermain levy charge plus a summer levy charge.
- The former Township of Sandwich South had a water rate base charge of \$14.25 and a consumption charge of \$0.399/m³ with an additional summer levy. **It should be noted that this rate was not representative of the total cost associated with this service.**
 - This resulted in total costs being subsidized by other users within the system.
 - The new charges outlined above, have eliminated this practice.
- Prior to August 1, 2008, the WUC billing cycle was monthly. The current Essex Powerlines (Town) billing cycle is bi-monthly (60 days).
- Since the assumption of water services from WUC, there was a delay in billing due to the transfer of accounts from WUC to Essex Powerlines. The second billing will be adjusted to meet the bi-monthly billing cycle.