



# 2016 UTILITY RATES

## Council Presentation

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December 9th



- 1. Overview**
- 2. Water Utility**
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## Recommended Rates:

Utility	2016 Proposed Rate Increase	Median Single Family Home	
		Change over 2015	Total Annual Fee
Water	4.2%	\$24	\$592
Sewer	9.9%	\$31	\$345
Solid Waste	0%	\$0	\$261

<b>NEU</b>	<b>3.2%</b>	<b>\$25*</b>
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\*For an average suite in the S.E. False Creek neighbourhood



# Water Utility

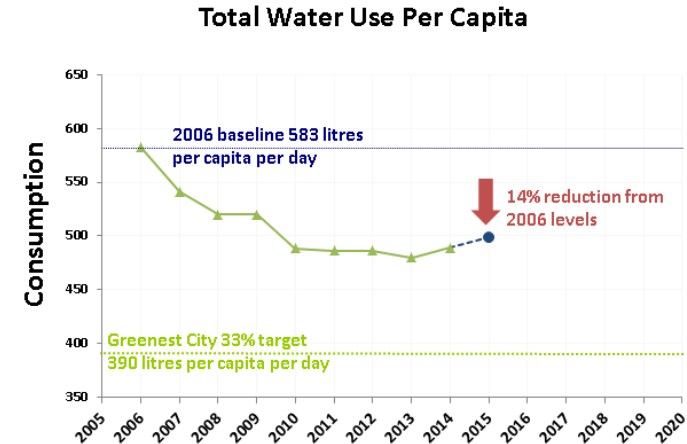


## 2015 Accomplishments

- 6.2 km of water mains replaced
- 3 water fountains were installed, increasing the City's overall total to 233
- Encouraged water conservation during hot summer through enforcement and outreach

## 2016 Plans

- Replace 850 m of transmission main and 6 km of distribution main
- 3 new fountains or bottle-filling stations
- Launch 2016-2020 Clean Water Work Plan and **expand water conservation** efforts across all customer sectors





# Guiding Principles

Proposed	Projected			
2016	2017	2018	2019	2020
4.2%	3.0%	1.6%	4.1%	1.5%



Guiding Principles	Impact
Lower water consumption by 33% per capita by 2020 (Greenest City)	<ul style="list-style-type: none"> <li>• 1.5% projected decrease in water consumption</li> <li>• Invest \$853K in 2016 in expanding the Water Conservation Program</li> </ul>
Financially healthy and administratively effective	<ul style="list-style-type: none"> <li>• Full cost recovery</li> <li>• Maintain Pay-as-you-go and meet goal of no new debt in the next capital plan</li> <li>• Maintain Stabilization Reserve between 5-10% of Water Purchases</li> </ul>



# Sewer Utility



## 2015 Accomplishments

- Separated 7.1 km of the sewer system (including complex “trunk” projects)
- Upgraded pump station at Skeena Street and Cornett Road
- Completed City-wide Integrated Rainwater Management Plan (IRMP)

## 2016 Plans

- Deliver up to 10 km of sewer separation
- Complete the Musqueam Creek Integrated Rainwater Management Plan (IRMP)
- Commence implementation planning for the Citywide IRMP and Musqueam Creek IRMP **green infrastructure programs**





# Guiding Principles

Proposed	Projected			
2016	2017	2018	2019	2020
9.9%	9.5%	9.8%	9.7%	9.3%



Guiding Principles	Impact
Prepare for new secondary treatment plant to upgrade current Iona Wastewater Treatment Plant (aligns with Greenest City)	<ul style="list-style-type: none"> <li>7.4% Metro Levy increase in 2016 reflects costs associated with site prep and biosolids removal – anticipate this to increase in the coming years</li> </ul>
Eliminate combined sewer overflows by 2050, to meet regulatory commitment	<ul style="list-style-type: none"> <li>Higher debt servicing to support sewer separation program</li> </ul>
Financially healthy and administratively effective	<ul style="list-style-type: none"> <li>Full cost recovery</li> <li>Maintain Stabilization Reserve between 5-10% of Water Purchases</li> </ul>



# Neighbourhood Energy



## 2015 Accomplishments

- 3 new buildings were connected
- Distribution system extended to connect the first building on the Great Northern Way Campus Lands
- A 5 year comprehensive financial and rate review was completed

## 2016 Plans

- Extend the system to connect the Emily Carr University for service in early 2017
- Connect 1 new SEFC building, bringing the total number of buildings connected to 28
- Evaluate options for expanding heat supply capacity



# Guiding Principles

Proposed	Projected			
2016	2017	2018	2019	2020
3.2%	3.2%	3.2%	2%	2%



Guiding Principles	Impact
Reduce GHG emissions by 60% (Greenest City)	<ul style="list-style-type: none"> <li>At SEFC build-out = 10,300 tonne reduction in CO<sub>2</sub>/year</li> </ul>
Financially healthy and administratively effective	<ul style="list-style-type: none"> <li>All costs, including a return on investment, are recovered in customer charges over time using levelized rate approach</li> <li>Ensure fair customer rates via Independent Expert Panel oversight</li> </ul>
Stable and Predictable Rates	<ul style="list-style-type: none"> <li>Using 2% and projecting to be fully recovering annual revenue requirements (aka annual costs) with annual revenue in 2018</li> </ul>



# Solid Waste Utility



## 2015 Accomplishments

- Council approved the 2016 transition of recycling to Multi-Material British Columbia (MMBC)
- Waste and green bin collection fleet transition to cleaner burning compressed natural gas (CNG) vehicles
- Continued upgrading, improving and increasing landfill gas collection while enhancing business strategies and partnerships for the beneficial use of landfill gas

## 2016 Plans

- Transition responsibility of recycling to MMBC
- Initiate zero-waste actions identified within the City's refreshed Greenest City Action Plan
- Increase recycling opportunities at the Vancouver South Transfer Station and Vancouver Landfill
- **Improve public realm litter/cleanliness**



# Guiding Principles

Proposed	Projected			
2016	2017	2018	2019	2020
0%	2%	2%	2%	2%



Guiding Principles	Impact
Reduce waste going to landfill and incinerator by 50% of 2008 levels (Greenest City)	<ul style="list-style-type: none"> <li>Expanded efforts towards achieving zero waste goals</li> <li>Focus on expanding waste diversion opportunities centered around the Vancouver Landfill</li> </ul>
Financially healthy and administratively effective	<ul style="list-style-type: none"> <li>Transition recycling to MMBC and capitalize on opportunities to reinvest in high priority areas</li> <li>Continue to work with Metro on waste flows and optimizing tipping fees to minimize waste migration out of the regional system</li> </ul>