



ASSOCIATION OF  
**MANITOBA**  
MUNICIPALITIES

**Meeting with the Honourable Cliff Cullen  
Minister of Crown Services**

**2018**

**Introduction** ..... 1

**Priority Issues** ..... 2

    1) Manitoba Hydro Rate Increases and Support for Recreational Facilities..... 2

    2) BiPole III Community Development Initiative ..... 3

    3) Consolidation of Manitoba Hydro District Offices..... 4

**Appendix – AMM Active Resolutions**..... 5

## Introduction

- The Association of Manitoba Municipalities (AMM) appreciates the opportunity to meet with Minister Cliff Cullen and representatives of Manitoba Crown Services.
- The AMM encourages the Province of Manitoba to consider municipal concerns as well as the effects of funding decisions on local communities throughout the budget process.
- This document outlines the AMM's position and recommendations on a number of important municipal issues relevant to the Crown Services portfolio.

## Priority Issues

### 1) Manitoba Hydro Rate Increases and Support for Recreational Facilities

The AMM recommends the government:

❖ ***Ensure Manitoba Hydro and Efficiency Manitoba enhance existing and develop new energy-saving programs that decrease operating costs for community-owned public recreation facilities.***

- Recreation centres are important assets for quality of life and healthy living. They also play a vital role in attracting newcomers and retaining families in local communities.
- However, the financial sustainability of many public recreation facilities throughout Manitoba is cause for concern due to ever-increasing operating costs, which include rising insurance premiums as well as hydro and gas costs.
- As public recreation facilities have limited means of raising additional revenue to offset these costs, the AMM continues to encourage the Province of Manitoba to further enhance and develop new energy-saving programs that decrease operating costs for community-owned public recreation facilities.
- Meanwhile, proposed Manitoba Hydro rate increases for its 2017/18 and 2018/19 General Rate Application will negatively impact municipalities, particularly the operation of public recreation infrastructure.
- Therefore, the AMM has strongly urged the Public Utilities Board (PUB) to not approve Manitoba Hydro's application.
- The AMM would also appreciate an update on Manitoba Hydro's progress on divesting itself of Demand Side Management (DSM) programming and the creation of a new Crown Corporation – Efficiency Manitoba.

## 2) BiPole III Community Development Initiative

The AMM recommends the government:

❖ ***Revise the Community Development Initiative eligibility criteria in order to include Manitoba cities.***

- Manitoba Hydro's Community Development Initiative (CDI) is intended to provide direct benefits to communities located within the BiPole III Transmission project's vicinity.
- The expected value of the CDI is estimated at \$5 million per year over 10 years.
- As the current CDI eligibility criteria excludes cities from benefiting from this grant program, the AMM urges the Province of Manitoba to revise the eligibility criteria to ensure equitable access and benefit sharing for all municipalities located within the vicinity of the transmission line.
- The AMM firmly believes that municipalities should be treated fairly rather than be subject to exclusionary criteria guidelines for grant programs.

### 3) Consolidation of Manitoba Hydro District Offices

The AMM recommends the government:

- ❖ *Continue to consult with the AMM on the impact of Manitoba Hydro District Offices in local communities; and*
  - ❖ *Ensure vacant infrastructure is repurposed in a timely manner.*
- In 2013, the Province of Manitoba and Manitoba Hydro announced the closure of 24 district offices across the province and the consolidation of customer service staff.
  - At the time, this decision was extremely controversial given the lack of consultation with affected communities as well as the anticipated negative effects on local employment and response and outage duration times.
  - In some cases, response times have been affected for emergency customer service calls during power outages, especially in winter.
  - Full office closures could also potentially jeopardize the sustainability and economic well-being of many smaller rural communities.
  - It is essential that vacant infrastructure be repurposed in a timely manner.
  - The AMM urges Manitoba Hydro to continue to consult with the AMM on the impact of consolidating regional offices throughout Manitoba, and immediately review any individual cases of underperforming customer service due to this consolidation.

## Appendix – AMM Active Resolutions

### **AMM Resolution #01-2017**

#### **Topic: Manitoba Hydro Rate Increases**

Sponsor(s): RM of Pipestone (Western District)

Department(s): AMM, Manitoba Crown Services, Manitoba Hydro

WHEREAS Manitoba Hydro has filed a rate application with the Public Utilities Board for rate increases of 7.9% in both 2017 and 2018 on top of an interim rate increase of 3.36% in 2016; and

WHEREAS Manitoba Hydro's long-term financial plan includes a total of five years of 7.9% increases starting in 2017; and

WHEREAS such increases will have a dramatic and negative effect on municipal facilities and all Manitoba ratepayers;

THEREFORE BE IT RESOLVED THAT the AMM register an objection to Manitoba Hydro's request for rate increases for 2017 and 2018 on behalf of all municipalities with the Public Utilities Board.

### **AMM Resolution #39-2017**

#### **Topic: Manitoba Hydro Agreements**

Sponsor(s): RM of Springfield (Eastern District)

Department(s): Manitoba Crown Services, Manitoba Hydro

WHEREAS Manitoba Hydro has changed its policy and is now requesting municipalities to enter into license agreements instead of easement agreements; and

WHEREAS the preferred method of negotiation with Manitoba Hydro would be through easements as they are an interest in the property and presumed to be permanent; and

WHEREAS a license does not transfer an interest in the property and is usually revocable after a specific length of time;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to amend the policy for allowing easements to municipalities when dealing with permanent infrastructure within Manitoba Hydro rights-of-way.

### **AMM Resolution #40-2017**

#### **Topic: Electric Vehicle Charging Stations**

Sponsor(s): City of Morden (Central District)

Department(s): Manitoba Crown Services, Manitoba Hydro

WHEREAS municipalities may be interested in having electric vehicle charging stations located within their jurisdiction; and

WHEREAS these charging stations would require the ability to charge on actual use that being per kwh; and

WHEREAS Section 15.2 of the Manitoba Hydro Act states "no person other than the corporation shall engage in the retail supply of power in Manitoba";

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to amend the Manitoba Hydro Act to allow for the retail of power by persons or organizations other than Manitoba Hydro for electric vehicle charging stations.

**AMM Resolution #43-2016**

**Topic: Mandatory Utility Consultation**

Sponsor(s): RM of Morris (Central District)

Department(s): Manitoba Crown Services

WHEREAS Manitoba Hydro and MTS both promote the "Call Before you Dig" program; and

WHEREAS numerous Manitoba as municipalities have installed rural water lines to provide potable water to their residents; and

WHEREAS there have been occasions where Manitoba Hydro has not contacted rural municipalities to ensure that their "digging" will not compromise such rural utility lines;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to make it mandatory for Manitoba Hydro and MTS to inquire with local municipal authorities to ensure no local utilities will be compromised by their "digging" activities.

**AMM Resolution #26-2015**

**Topic: Manitoba Hydro Rate Billing**

Sponsor(s): RM of Lac du Bonnet (Eastern District)

Department(s): Manitoba Crown Services

WHEREAS Manitoba communities are finding it increasingly more difficult to operate their ice hockey arenas for their residents because of increasing costs;

AND WHEREAS ice hockey arenas have their primary use during the winter months;

AND WHEREAS Manitoba Hydro electricity costs are based on a demand rate for power consumed which in turn adds a considerable amount to overall operational costs;

AND WHEREAS during the summer months when local arenas may only be used occasionally, much less electric power is being consumed, but the demand rate is still applicable;

AND WHEREAS the demand rate makes it inordinately expensive to operate the arena for only four or five uses per month;

AND WHEREAS lower electricity rates would allow communities to make greater use of their arenas during the summer without paying a high demand rate monthly bill;

THEREFORE BE IT RESOLVED THAT the AMM lobby Manitoba Hydro to charge the affected arenas and other municipally-owned buildings, such as community centres, only for actual power used and not at the level of the demand rate.

**AMM Resolution #27-2014**

**Topic: BiPole III Community Development Initiative**

Sponsor(s): City of Steinbach (Eastern District)

Department(s): Manitoba Crown Services

WHEREAS Manitoba Hydro plans to begin construction of the BiPole III transmission line during the winter of 2014;

AND WHEREAS the BiPole III transmission line will have a significant impact on all neighbouring municipalities;

AND WHEREAS Manitoba Hydro has created the Community Development Initiative as a way to provide financial compensation to First Nations, community councils, rural municipalities, and incorporated towns and villages located within 40 km of the transmission line;

AND WHEREAS all cities are currently excluded from the Community Development Initiative;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba and Manitoba Hydro to ensure that all cities located within 40 km of the BiPole III transmission line are included in the BiPole III Community Development Initiative.

**AMM Resolution #28-2014**

**Topic: Manitoba Hydro Community Development Funding**

Sponsor(s): RM of Piney (Eastern District), RM of Franklin (Eastern District)

Department(s): Manitoba Crown Services

WHEREAS Manitoba Hydro constructed a number of power lines specific for export sales to jurisdictions outside the Province of Manitoba and to the benefit of Manitoba Hydro;

AND WHEREAS the municipalities that these export lines cross receive no economic benefit beyond initial construction;

AND WHEREAS these export lines are a burden on the municipalities as they require ongoing maintenance by Manitoba Hydro to the detriment of municipal infrastructure, and they have a heavy impact on the aesthetics of the municipality;

AND WHEREAS Manitoba Hydro has introduced a Community Development Initiative to benefit communities beyond the primary construction stage for BiPole III;

AND WHEREAS Manitoba Hydro has other major transmission lines proposed for future development within the Province of Manitoba;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba and Manitoba Hydro to deliver a program that provides equality in the supply of initiatives and benefits to other major power lines and proposed future power lines, equivalent to the current Community Development Initiative.

**AMM Resolution #50-2009**

**Topic: Operating Costs for Recreation Facilities**

Sponsor(s): RM of South Cypress (Western District)

Department(s): Manitoba Indigenous and Municipal Relations, Manitoba Crown Services

WHEREAS public recreation facilities such as skating arenas, swimming pools and various recreation centres are integral to the health, social connectedness and quality of life in communities;

AND WHEREAS the financial sustainability of public recreation facilities is jeopardized by overwhelming operational costs, including insurance premiums and hydro and gas costs;

AND WHEREAS public recreational facilities have limited means of raising additional revenue to offset these overwhelming costs;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to develop a new rate formula and new programs in order to significantly decrease operating costs for community owned public recreation facilities.