

Bylaw No. 2685, The Electric Light and Power Bylaw, 1940 - Schedule of Fees Review

ISSUE

Bylaw No. 2685, The Electric Light and Power Bylaw, 1940, establishes a schedule of fees for providing special services in addition to the electricity rates. These fees have not been reviewed in many years and no longer reflect the cost of providing these services. This gap between fees and service costs creates budgetary pressures and limits the utility's ability to adequately fund operations, maintenance, and capital improvements.

This report seeks approval of the proposed Schedule of Fees (see Appendix 1) and upon City Council's consideration, will require amendments to Bylaw No. 2685, The Electric Light and Power Bylaw, 1940 (the Bylaw). Revisions to the fees will increase revenue collected and ensure alignment with comparable service rates within the province.

RECOMMENDATION

That the Standing Policy Committee on Environment, Utilities and Corporate Services recommend to City Council that:

1. The proposed Schedule of Fees be approved; and
2. The City Solicitor be requested to prepare the required amendments to Bylaw No. 2685, The Electric Light and Power Bylaw, 1940, as outlined in this report.

BACKGROUND

During the 2024/2025 Budget Deliberations, City Council approved a budget option to review the Schedule of Fees in the Bylaw. Furthermore, any fee adjustments that increase revenue would remain within the utility's budget, and thereby reduce or eliminate shortfalls in funding that arise from the provision of these services.

The Bylaw establishes a schedule of fees for providing special services including applications for service, cut and reconnect of service, reconnect after cut-off for nonpayment, meter reading and testing services, and self-generation customer verification tests and interconnection studies. These fees have not been reviewed or updated in several years and currently do not recover the cost for providing these services.

Comparable SaskPower fees are adjusted periodically every three years independent of the rate application process, which explains why similar adjustments have not been made in the past during utility rate increases.

DISCUSSION/ANALYSIS

Updating of Existing Fees

An update to the Schedule of Fees within the Bylaw, involved a detailed review of the cost of providing services listed in the Bylaw. This process included:

1. Service Cost Analysis – A review was undertaken to determine the actual costs for the provision of services.
2. SaskPower Fee Comparison – The fees were compared with the service fees charged by [SaskPower](#) that are adjusted every three years. This comparison ensures there is rate fairness and consistency across Saskatoon properties.
3. Proposed Rates – The rates proposed are equal to the lesser of actual costs for provision of services and/or equivalent SaskPower fees.

Service Tamper Charge (New)

A new service tamper charge is proposed, which would be applied to electrical customer accounts where equipment or meters are found to have been tampered with, resulting in added operational costs and damage to City of Saskatoon (City) electrical equipment.

In each situation the perpetrators are exposed to hazardous electrical energy that can be potentially fatal under contact. The proposed fee is primarily intended for cost recovery of incurred expenses arising from the incident, but to also serve as a financial deterrent against repeat offences.

Application for Service – Emergency/Same Day Service (After Regular Working Hours)

Application for new services after regular work hours will no longer be accepted due to the low frequency of requests. Administration will continue to provide this service during regular work hours at a reduced rate in order to recover associated costs. This change will align with SaskPower practices and result in operational efficiencies.

Affordability Impact Assessment

City Council has previously raised concerns about energy affordability and the potential impacts from increases to the Schedule of Fees on low-income households. Currently, there is no support program available from the City. SaskPower is conducting an Energy Affordability Study to assess the impact of power bills on low-income families across Saskatchewan. Should SaskPower provide any support programs as a result of this study, the City can opt to offer comparable programs to Saskatoon Light & Power (SL&P) customers.

FINANCIAL IMPLICATIONS

While Administration recommends updates to all fees as outlined in Appendix 1, City Council has the option to approve each change/fee individually, ensuring that any concerns, such as those related to the impact on low-income customers, can be appropriately addressed.

By aligning fees to match current service costs and/or SaskPower fees, it ensures that the fees are fair and consistent across Saskatoon. Updates to the fees will support and enhance the financial sustainability of the provision of these services.

Approval of the proposed revision to the Schedule of Fees (see Appendix 1) is estimated to generate up to \$185,000 of additional revenue/cost recovery for SL&P. This revenue will be retained within the utility's budget to support the delivery of services. There are no impacts to the mill rate, as the proposed changes do not affect the Return on Investment provided to the City.

OTHER IMPLICATIONS

There are no public and/or stakeholder involvement, policy, environment, privacy or CPTED considerations or implications.

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

NEXT STEPS

If approved by City Council, the Bylaw will be amended, and following, that the updated Schedule of Fees will be communicated to the Corporate Revenue Department and put into effect once the Bylaw is passed. The fee changes will be shared with customers through the appropriate channels.

APPENDICES

1. Proposed Schedule of Fees

Report Approval

Written by: Sohaib Rehman, Accounting Coordinator II
Reviewed by: Mike Voth, Director of Corporate Revenue
Trevor Bell, Director of Saskatoon Light & Power
Approved by: Angela Gardiner, General Manager, Utilities and Environment