



Staff Report

Report To: Council Meeting

From: Lee Gosnell, Manager of Operations & Community Services

Date: 2020-12-17

Subject: Industrial Boiler Water Usage

Recommendation:

That West Elgin Council hereby receives the report from Lee Gosnell, Manager of Operations & Community Services; And

That Council approves the elimination of sewage charges on municipal water which is metered separately and used for industrial boiler systems, effective immediately.

Purpose:

The purpose of this report is to follow up on a request made by Erie Flooring to consider waiving sewage charges for the water which they use in their industrial boiler system.

Background:

Earlier this year, Erie Flooring and Wood Products of West Lorne contacted the municipality regarding sewage fees which are calculated based on water usage. They put forward the idea that all water which enters their boiler system will never make it to the wastewater treatment plant, therefore sewage fees should not be charged on this water consumption. The Utilities Supervisor attended the site and determined that their industrial boiler system was indeed a closed loop system, meaning once water enters the boiler there is no way for it to end up back in the waste water system. Erie Flooring has two municipal water meters which currently feed various parts of the factory. A third meter, which monitors water entering the boiler system, is owned by the company and is not read by the municipality. By installing a municipal meter at this location, it would be a simple calculation to determine the amount of water to which sewage charges would not apply.

While examining the request from Erie Flooring, staff also noted that another business in West Lorne would fall under the same category. Rockland Flooring currently has three boilers which operate on separate meters. Unlike the first situation, boilers A and B have municipal meters and separate water accounts, which are not billed a sewage charge. Boiler C is on a meter which also feeds plant #4. This would require the same arrangement as Erie Flooring, where a separate meter would need to be installed in the line running into boiler C to determine the usage and provide a reduction in sewage fees. If this reduction is given to the original enquiring business, it would be recommended that said reduction be applied to both.

Financial Implications:

While staff believe these are the only two business in West Elgin that would qualify for this benefit, it would not come without at cost. Based on past water usage quantities, the total allowance for sewage fees between Erie Flooring and Rockland Flooring could total approx. \$12,000 to \$14,000 per year. This would be considered lost revenue for the West Lorne wastewater system.

Report Approval Details

Document Title:	Industrial Boiler Water Usage - 2020-25-Operations Community Services.docx
Attachments:	
Final Approval Date:	Dec 15, 2020

This report and all of its attachments were approved and signed as outlined below:

Jana Nethercott