

APPENDIX C

WINDSOR UTILITIES COMMISSION

2021 ANNUAL REPORT



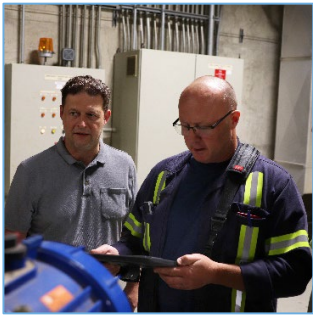
Contents



4	Success by the Numbers	17	Operational Checks, Sampling & Testing
6	Windsor Utilities Commissioners	30	Capital Renewal Program
7	ENWIN Utilities Ltd. Senior Management	34	Operational Charts
8	Commissioner Attendance	44	Report of the Audit and Finance Committee
10	Message from Chair of WUC and VP Water Operations	45	Success = Highlights
11	Mission, Vision and Values	47	Success = Results
14	Introduction to WUC Operations	49	Consolidated Financial Statements and Report of the Independent Auditor
15	Treatment Equipment		

**WUC = Leadership +
Accountability + Integrity**

Success by the Numbers



76,168
Customers



\$ 24.904M
Total Assets
Installed



1,177
New Water
Metres



35,072 ML
Water Delivered



16.3 KM
New Watermains



WINDSOR UTILITIES COMMISSION ALBERT H. WEEKS WATER TREATMENT PLANT



Left to right:

Dan Mustac (Manager Water Operations), **Kelly Peters** (Supervisor Water Production) and **Jody Kent** (Maintenance Operator Water Production) outside the A.H. Weeks Water Treatment Plant.

Windsor Utilities Commissioners



Drew Dilkens
Chair
LL.B, MBA, DBA, CHRL Mayor,
City of Windsor



Egidio Sovran
(Vice-Chair)
MBA, CPA, CA
Owner, E L Sovran
Professional Corp.



Jeewen Gill
Councillor, City of Windsor,
Ward 7



Julian (Jules) Hawkins,
F CPA, FCA
Partner, Hawkins & Co.
Accounting Professional Corp.



J. Douglas Lawson,
O.Ont. QC, LL.D
Counsel, Willis Business Law



Kieran McKenzie,
BA
Councillor, City of Windsor,
Ward 9



Jim Morrison,
PFP
Councillor, City of Windsor,
Ward 10



Mario Sonego,
P.Eng.
Retired City Engineer,
City of Windsor
President, Sonego
Management Inc.

ENWIN Utilities Ltd.* Senior Management



Helga Reidel
President & CEO
FCPA, FCA, ICD.D



Matt Carlini
Vice President Corporate
Services & CFO
CPA, CA, MBA



Paul Gleason
Vice President Customer Care
and Corporate Operations
BA, LL.M., CSCMP



Kris Taylor
Vice President Business
Development
MBA, CEM



Jim Brown
Vice President Hydro Operations
P.Eng



Garry Rossi
Vice President Water Operations
P.Eng



Christopher Manzon
Director Engineering Water
M.A.Sc., P.Eng



David Melnyk
Director Water Operations
C.E.T. (Civil Eng.)

*Windsor Utilities Commission maintains a contract of service with ENWIN Utilities Ltd. to operate and maintain the WUC owned water system that serves customers in Windsor, Tecumseh, and Lasalle.

Commissioner Attendance

Windsor Utilities Commission			
Commissioners	Attend	Held	%
Drew Dilkens	4	5	80
Egidio Sovran	5	5	100
Jeewen Gill	5	5	100
Julian (Jules) Hawkins	5	5	100
J. Douglas Lawson	5	5	100
Kieran McKenzie	4	5	80
Jim Morrison	5	5	100
Mario Sonogo	5	5	100



Renovations on water reservoir
D located at the A.H. Weeks
Water Treatment Plant.

Message From the Chair of the Windsor Utilities Commission, and Vice President Water Operations

On behalf of the Commissioners of the Windsor Utilities Commission (WUC), we are pleased to present to our customers and stakeholders, our 2021 annual report.

Despite the ongoing challenges that were presented by the pandemic in 2021, the WUC proudly celebrated many accomplishments, and as an organization, we are pleased that we were able to support our communities by providing them with safe, dependable, and essential water services.

This was exemplified in our ability to exceed many of our corporate metrics, especially in our investment in infrastructure to ensure its reliability. In addition, we are proud to announce that the WUC team received its 10th consecutive 100% rating by the Ministry of the Environment, Conservation and Parks during its annual audit. This past year our companies also received the Water's Next Award for a map-based solution for back-flow testing data entry. This novel solution not only improves efficiency but ultimately reduces costs.

Major capital projects, such as the revitalization of reservoir D, continued as planned. This initiative modernized a vital asset of our water system that houses 70 million litres of treated water. Its reactivation in early 2022 would not have occurred without the persistent work from all parties involved. With reservoir D and the George Avenue reservoir in service as of January 2022, this alleviates pressure on our infrastructure, while further building the capacity of the water distribution system.

In 2021, we also undertook detailed planning and testing which led to the successful reintegration of fluoride into our water system. Despite unforeseen delays due to pandemic-related global supply chain challenges, this transition was completed in January of 2022. This was

the result of meticulous work by our team who ensured that all government regulations were strictly adhered to in this implementation.

The year was also a celebration of 20 years of Ozone leadership. WUC was the first to implement Ozone in water treatment within the Province of Ontario. Ozonation has become a highly accepted and often preferred standard for treating water, and it all began within Windsor Ontario. Over the years, WUC has invested in additional technological enhancements to its Ozone implementation, which has kept it best in class within this application of technology.

With the sale of District Energy Windsor in 2021 WUC has provided a financial benefit to ratepayers while contributing to the economic health of our community through the new system owner.

As leaders within this organization, we commend all of our employees for their hard work and dedication in 2021. As we look toward the future, WUC plans to continue to innovate and provide exemplary service to our customers as we work to ensure that residents can trust in the reliability of their water system for years to come.



Mayor Drew Dilkens
Commission Chair
Windsor Utilities
Commission



Garry Rossi
Vice President
Water Operations
ENWIN Utilities Ltd.

Mission Vision and Values

ENWIN Utilities Ltd. (ENWIN) is the accredited water system operator for the Windsor Utilities Commission (WUC). As part of the ENWIN Group of Companies, our mission is to provide safe and reliable energy and water services in a cost effective, sustainable manner.

A core premise of our Strategic Direction is that our service model is undergoing significant transformation — taking on a more decentralized, customer-centric, technologically advanced and environmentally sustainable form. Throughout 2021, we focused on this mission.

Sustainability means different things to different people. To WUC, it means ensuring that we have the human, fiscal and capital asset resources to continue to provide existing and modernized service levels to the community. We must also assess our environmental footprint to make certain that we are balanced

in our use of resources. Our Vision is to be a trusted leader in providing exceptional value and services to our customers and stakeholders. As the energy and water needs and options of our customers and our community evolve — and as signature projects and developments proceed — WUC will play a leading role in helping our city to become a smarter community with a reliable, potable water system.

We embrace our role in water distribution and will continue our service to community, as we develop redundancy in the system to ensure water system resiliency.

Our Mission

To provide safe and reliable energy and water services in a cost effective, sustainable manner

Our Vision

To be a trusted leader in providing exceptional value and services to our customers and stakeholders

Our Core Values

Leadership, Accountability, Integrity

Living our Mission, Vision and Values

WUC = CONSIDERATION FOR STAKEHOLDERS.

Windsor Utilities Commission and its affiliates take into account the interests of all our stakeholders, including employees, customers, suppliers, our shareholder and the communities and environment in which we operate.

WUC = VALUING EMPLOYEES.

Our strength is the quality and diverse experiences of our workforce. We will strive to hire and retain the best qualified people available and maximize their opportunities for success. We are committed to maintaining a safe, secure and healthy work environment, enriched by diversity and characterized by open communication, trust and fair treatment.

WUC = PUTTING CUSTOMERS FIRST.

Our continued success depends on the quality of our customer interactions, and we are committed to delivering value across the entire customer experience. We are honest, open and fair in our relationships with our customers. We provide reliable, responsive and innovative products and services in compliance with legislated rights and standards for access, safety, health and environmental protection.

WUC = FAIR, HONEST RELATIONSHIPS.

We are honest and fair in our relationships with our suppliers and contractors. We purchase equipment, supplies and services on the basis of merit, utilizing our professional procurement policy. We pay suppliers and contractors in accordance with agreed terms, encourage them to adopt responsible business practices, and require them to adhere to - health, safety and environmental standards when working for ENWIN.

WUC = RESPECT FOR COMMUNITY AND ENVIRONMENT.

We are committed to being responsible corporate citizens and will contribute to making the communities in which we operate better places in which to live and do business. We are sensitive to the community's needs and dedicated to protecting and preserving the environment in which we operate.

WUC = ACCOUNTABILITY.

We are financially accountable to the City and to the institutions that underwrite our operations. We communicate to them all matters that are financially material to our organization. We protect the City's investment and manage risks effectively. We communicate to the City all matters that are material to an understanding of our corporate governance.

Renovations on water reservoir D located at the A.H. Weeks Water Treatment Plant.



Introduction to WUC Operations

In 2021, WUC produced 35,072 million litres of potable water for use by the citizens of the City of Windsor, the Town of LaSalle and the Town of Tecumseh.

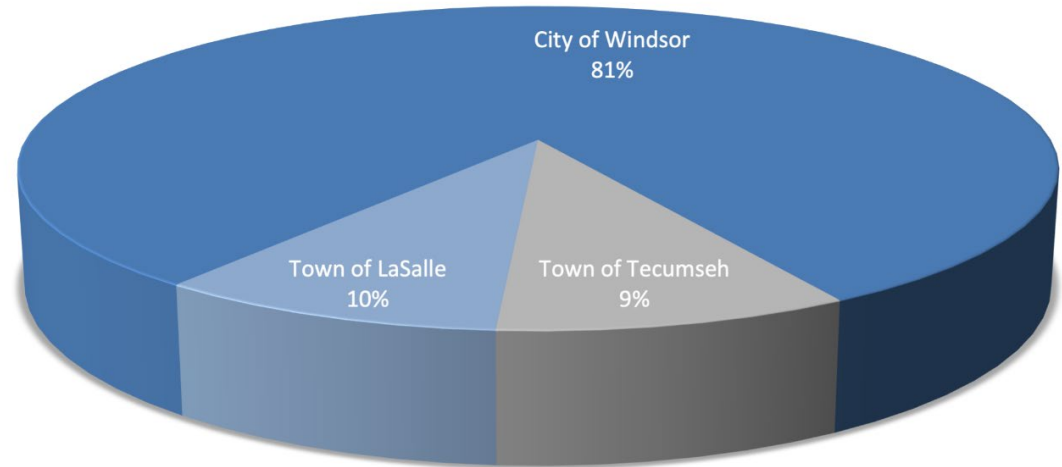
The summary contained in Table 1 (page 34) provides a detailed breakdown of the monthly production rates. The volume of water transferred to the Town of LaSalle and the Town of Tecumseh is also provided.

Under the Municipal Drinking Water License and Ontario Reg. 170/03 there are a number of Schedules that outline the requirements for compliance with the Safe Drinking Water Act (SDWA). This report highlights the requirements of the applicable section of the regulation, along with a statement of compliance or, if applicable, specific areas of non-compliance with the schedule requirements.

2021 Total Treated Water by Municipality

Volumes reported in megalitres (ML)

Town of Lasalle	3303	9.42%
Town of Tecumseh	3269	9.32%
City of Windsor	28500	81.26%



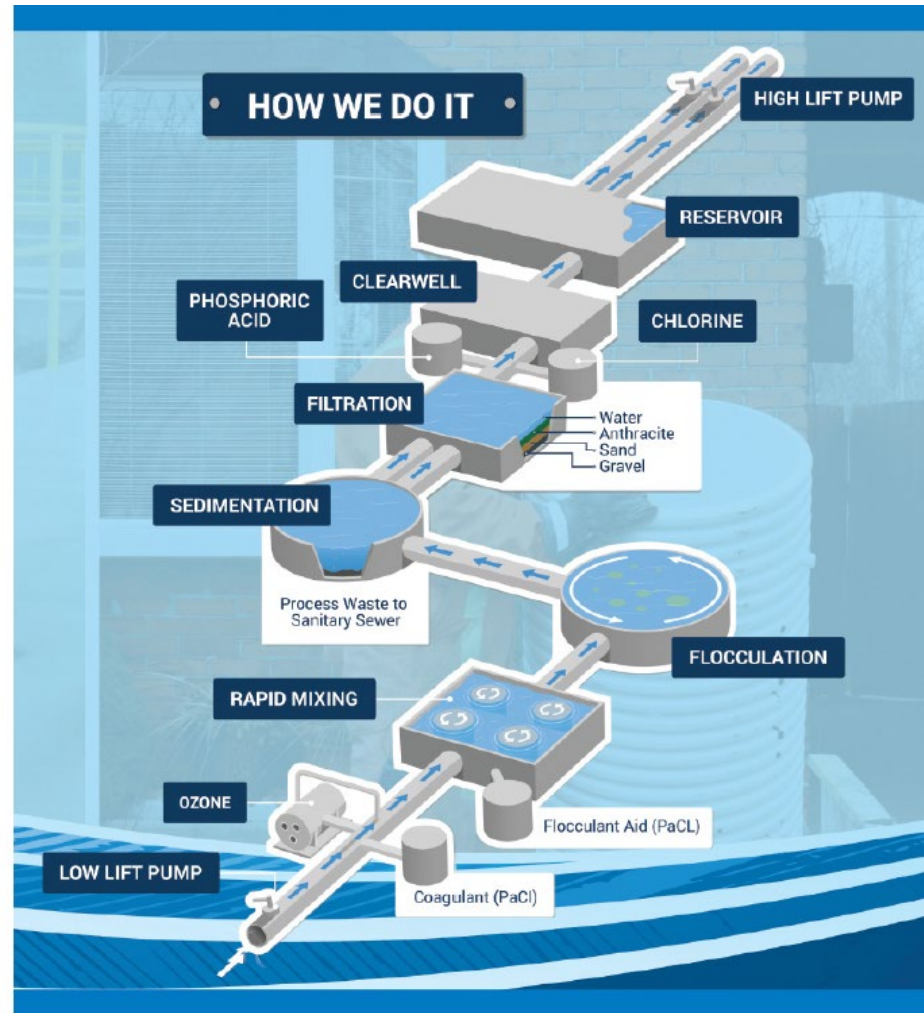
Treatment Equipment

O.Reg 170/04, Schedule 1 dictates that the owner of a drinking water system shall ensure that approved water treatment equipment, as specified in the Drinking Water Works Permit, is provided and is in operation whenever water is being supplied for potable use.

Further, the regulation requires that the equipment be operated in a manner that achieves its design capabilities and that only certified operators carry out operation of the system.

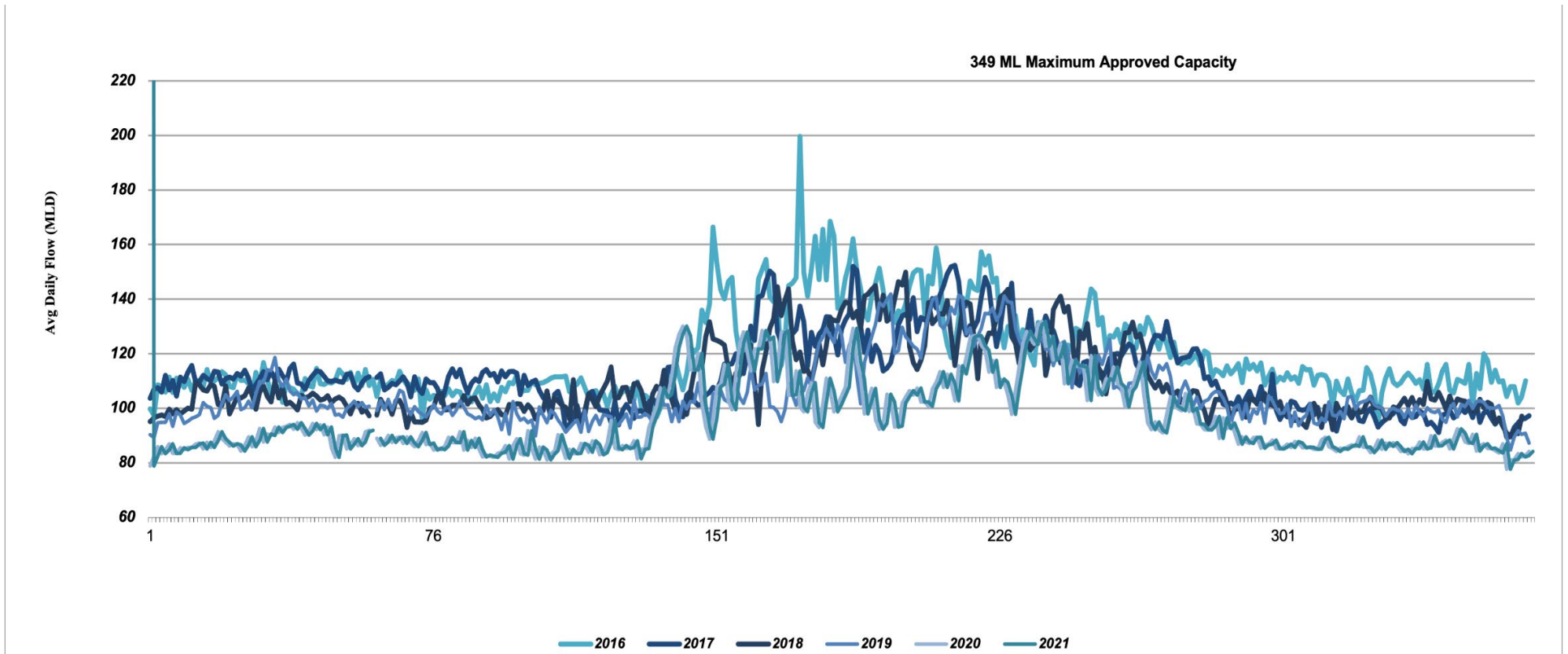
In the calendar year 2021, WUC complied fully with this section of the regulations.

Chart 3 (page 16) depicts WUC's average daily water flow for the 2016-2021 calendar years. Of particular note is the approved 349 ML daily maximum treatment capacity of WUC's treatment plants. As illustrated in the chart, WUC is operating well within the approved limits of its license and permit.



Treatment Equipment

Chart 3: 2016-2021 Volume of Approved Capacity
(349 ML Maximum Approved Capacity)



Operational Checks Sampling & Testing

O.Reg 170/03, Schedule 6 outlines:

- The frequency of sampling and equipment checks;
- The requirement for chlorine residual testing to be carried out at the time microbiological samples are collected;
- The location at which samples are to be collected;
- The form of sampling to be undertaken and the requirements for continuous monitoring equipment; and
- Clarification of how samples are to be handled and recorded, and the need for an appropriately accredited laboratory to carry out the sample analysis.

In the calendar year 2021, WUC complied fully with this section of the regulations.

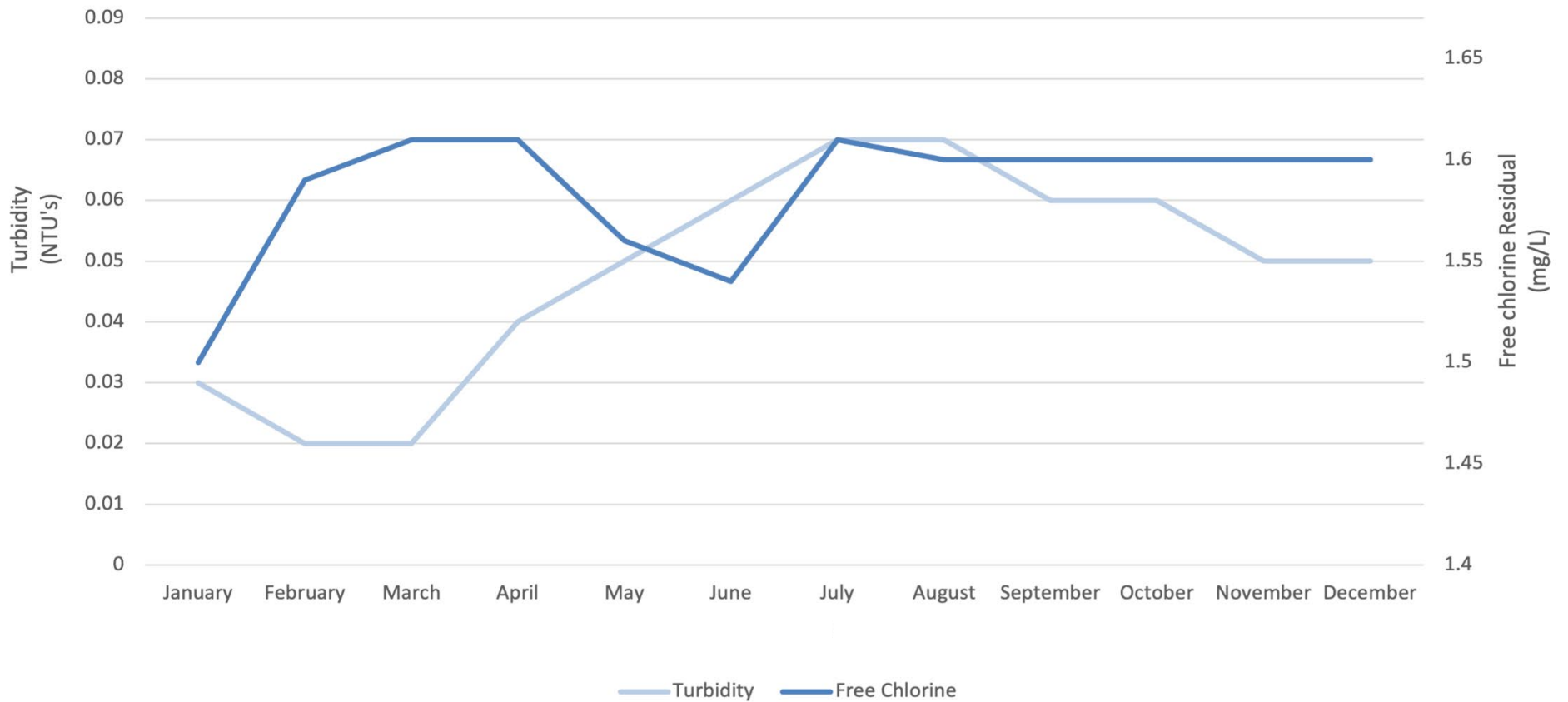
Operational Checks

O.Reg 170/03, Schedule 7 specifies the requirements for continuous monitoring of equipment for free chlorine residual and turbidity, and the required location for this equipment. The regulation dictates the requirement for regular collection and analysis of samples by an appropriately certified individual. Chart 4 (page 18) summarizes the results for the parameters mentioned above.

In the calendar year 2021, WUC complied fully with this section of the regulations.

Operational Checks Sampling & Testing

Chart 4: 2021 Operational Trends



Operational Checks Sampling & Testing

Microbiological Sampling and Testing

O.Reg 170/03, Schedule 10 provides the requirements for sampling and testing of microbiological parameters.

The schedule states that for large municipal systems serving a population of more than 100,000 people, the required monthly frequency of sampling is 100 distribution samples, plus one additional sample for every 10,000 people served, with at least three samples being taken in each week.

Each of these samples are to be tested for Escherichia Coli and total coliform, with a requirement that at least 25 per cent of the samples be tested for general bacteria population, expressed as colony counts on a heterotrophic plate count. Windsor's required sampling frequency is 130 samples monthly.

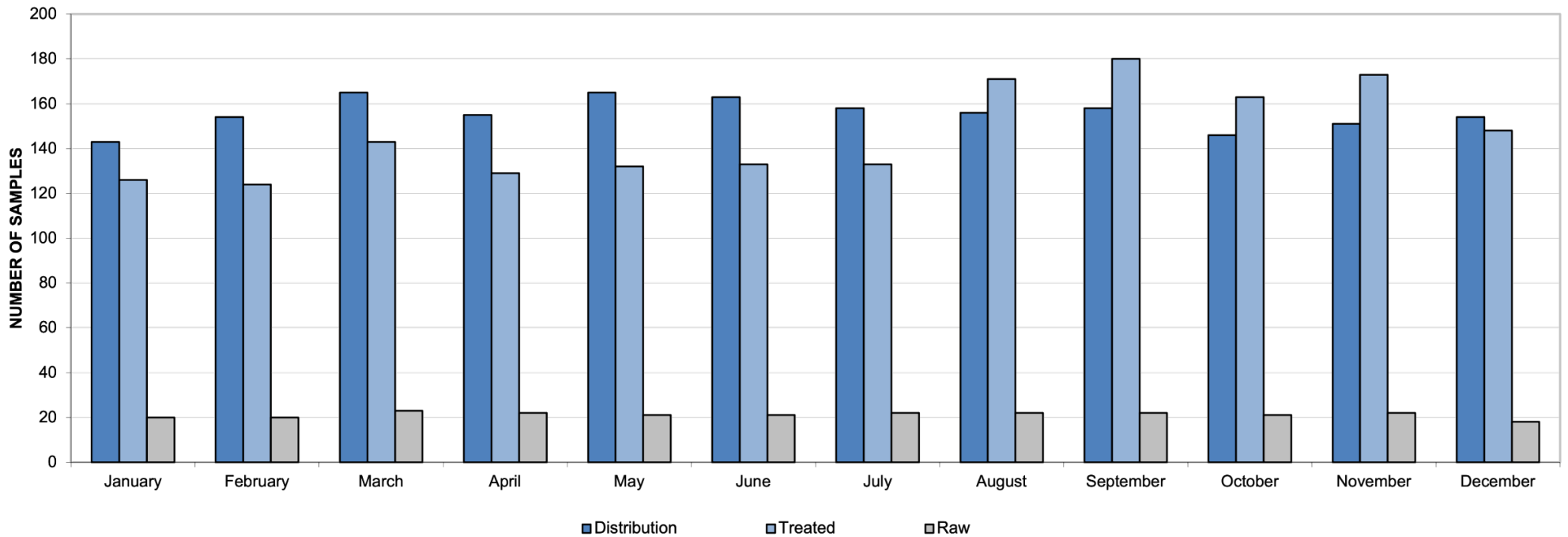
In 2021, 1,868 samples were collected and analyzed: an average of 156 samples per month. Approximately 49 per cent of the distribution samples were also analyzed for heterotrophic plate count. In addition, each sample was tested for free chlorine residual at the time the sample was taken.

Schedule 10 states that a treated water sample must be taken at least once per week and tested for Escherichia Coli, total coliform and general bacteria population, expressed as colony counts on a heterotrophic plate count. Windsor's treated water samples were generally collected on a daily basis and were tested by an accredited third-party laboratory.

The schedule further states that a raw water sample must be taken at least once per week, before any treatment is applied to the water, and that the sample be tested for Escherichia Coli and total coliform. Samples were collected and tested on average five days per week. Chart 5 (page 20) indicates the number of samples taken on a monthly basis.

Operational Checks Sampling & Testing

Chart 5: Microbiological Sample Count



Operational Checks Sampling & Testing

Chemical Sampling and Testing

O.Reg 170/04, Schedule 13 provides the requirements for sample collection and testing for a variety of chemical components in drinking water. Additionally, it lists the Maximum Acceptable Concentration (MAC) for each component. The requirements are outlined below, along with the status of Windsor's sampling program.

Inorganics

One sample must be collected and tested every 12 months if the source is surface water and tested for every parameter set out in Schedule 23. (See page 23 for Table 13.2).

In 2021, ENWIN, on behalf of WUC, collected and tested samples for every parameter set out in Schedule 23 on a quarterly basis.

Organics

One sample must be collected and tested every 12 months, if the source is surface water, and tested for every parameter set out in Schedule 24. (See pages 24-26 for Table 13.3)

In 2021, ENWIN, on behalf of WUC, ENWIN collected samples and tested for every parameter set out in Schedule 24 on a quarterly basis.

Trihalomethane (THM's)

For any system that provides chlorination, one distribution sample must be collected and tested for trihalomethanes every three months. (See pages 24-26 for Table 13.3)

ENWIN, on behalf of WUC, collected samples and tested for trihalomethanes on a quarterly basis.

Operational Checks Sampling & Testing

Bromates

For the system that provide ozonation, as primary disinfection, one treated water sample must be collected monthly, from each Water Treatment Plant. (See below for Table 13.1)

Table 13.1 – Bromate Sample Results – Annual Report

Table 13.2 – Inorganics, Lead, Nitrates, and Sodium Sample Results – Annual Report

Lead

One sample must be collected and tested every 12 months for Lead. (See page 23 for Table 13.2)

In 2021, ENWIN, on behalf of WUC, collected samples and tested for lead in a treated water sample and a distribution sample on a quarterly basis.

Table 13.1 – Bromate Sample Results

Date of legal instrument issued	Parameter	Date Sampled	Running Annual Average Result	Unit of Measure
MDWL 025-101	Bromate - Treated	1-Jan-21 to 31-Dec-21	0.006	mg/L
MDWL 025-101	Bromate - Distribution	1-Jan-21 to 31-Dec-21	0.005	mg/L

Operational Checks Sampling & Testing

Nitrates and Nitrites

The owner of a drinking water system (WUC) and the operating authority for the system (ENWIN) must ensure that at least one water sample is taken every three months and tested for nitrate and nitrite. (See right for Table 13.2)

In 2021, ENWIN, on behalf of WUC, collected samples and tested for nitrates and nitrites on a quarterly basis.

Sodium

Schedule 13 stipulates that at least one water sample is taken every 60 months and tested for sodium. (See right for Table 13.2)

In 2021, ENWIN, on behalf of WUC, last collected and sampled for sodium on January 6, 2021.

Table 13.2 - Inorganics, Lead, Nitrates, and Sodium Sample Results

Parameter	Sample Date	Result Value	Unit of Measure	Exceedence
Antimony	13-Oct-21	0.00050 <MDL	mg/L	NO
Arsenic	13-Oct-21	0.0010 <MDL	mg/L	NO
Barium	13-Oct-21	0.019	mg/L	NO
Boron	13-Oct-21	0.013	mg/L	NO
Cadmium	13-Oct-21	0.000090 <MDL	mg/L	NO
Chromium	13-Oct-21	0.0050 <MDL	mg/L	NO
*Lead	13-Oct-21	0.0005 <MDL	mg/L	NO
Mercury	13-Oct-21	0.00010 <MDL	mg/L	NO
Selenium	13-Oct-21	0.0020 <MDL	mg/L	NO
Sodium	6-Jan-21	8.12	mg/L	NO
Uranium	13-Oct-21	0.00010 <MDL	mg/L	NO
Fluoride	6-Jan-21	0.07	mg/L	NO
Nitrite	13-Oct-21	0.010 <MDL	mg/L	NO
Nitrate	13-Oct-21	0.69	mg/L	NO

Operational Checks Sampling & Testing

Table 13.3 - Organics, THM's and HAA's Sample Results

Parameter	Sample Date	Result Value	Unit of Measure	Exceedence
Alachlor	13-Oct-21	0.00050 <MDL	mg/L	NO
Atrazine + N-dealkylated metabolites	13-Oct-21	0.001 <MDL	mg/L	NO
Azinphos-methyl	13-Oct-21	0.0020 <MDL	mg/L	NO
Benzene	13-Oct-21	0.0001 <MDL	mg/L	NO
Benzo(a)pyrene	13-Oct-21	0.0000050 <MDL	mg/L	NO
Bromoxynil	13-Oct-21	0.00050 <MDL	mg/L	NO
Carbaryl	13-Oct-21	0.005 <MDL	mg/L	NO
Carbofuran	13-Oct-21	0.005 <MDL	mg/L	NO
Carbon Tetrachloride	13-Oct-21	0.00010 <MDL	mg/L	NO
Chlorpyrifos	13-Oct-21	0.001 <MDL	mg/L	NO
Diazinon	13-Oct-21	0.001 <MDL	mg/L	NO
Dicamba	13-Oct-21	0.001 <MDL	mg/L	NO
1,2-Dichlorobenzene	13-Oct-21	0.00020 <MDL	mg/L	NO
1,4Dichlorobenzene	13-Oct-21	0.00020 <MDL	mg/L	NO
1,2-Dichloroethane	13-Oct-21	0.00020 <MDL	mg/L	NO
1,1-Dichloroethylene (vinylidene chloride)	13-Oct-21	0.00010 <MDL	mg/L	NO
Dichloromethane	13-Oct-21	0.00050 <MDL	mg/L	NO
2,4-Dichlorophenol	13-Oct-21	0.00025 <MDL	mg/L	NO
2,4-Dichlorophenoxy acetic acid (2,4-D)	13-Oct-21	0.001 <MDL	mg/L	NO
Diclofop-methyl	13-Oct-21	0.00090 <MDL	mg/L	NO

Operational Checks Sampling & Testing

Table 13.3 - Organics, THM's and HAA's Sample Results

Parameter	Sample Date	Result Value	Unit of Measure	Exceedence
Dimethoate	13-Oct-21	0.0025 <MDL	mg/L	NO
Diquat	13-Oct-21	0.007 <MDL	mg/L	NO
Diuron	13-Oct-21	0.010 <MDL	mg/L	NO
Glyphosate	13-Oct-21	0.010 <MDL	mg/L	NO
Haloacetic Acids (HAA5)	13-Oct-21	Avg.	mg/L	NO
(Note: show latest running annual average)				
Q1 2021 = <0.0053 mg/L	6-Jan-21	<0.0050		
Q2 2021 = <0.0050 mg/L	7-Apr-21			
Q3 2021 = <0.0050 mg/L	8-Jul-21			
Q4 2021 = <0.0050 mg/L	13-Oct-21			
Malathion	13-Oct-21	0.0050 <MDL	mg/L	NO
MCPA	13-Oct-21	0.010 <MDL	mg/L	NO
Metolachlor	13-Oct-21	0.00050 <MDL	mg/L	NO
Metribuzin	13-Oct-21	0.0050 <MDL	mg/L	NO
Monochlorobenzene	13-Oct-21	0.00010 <MDL	mg/L	NO
Paraquat	13-Oct-21	0.001 <MDL	mg/L	NO
Pentachlorophenol	13-Oct-21	0.00050 <MDL	mg/L	NO

Operational Checks Sampling & Testing

Table 13.3 - Organics, THM's and HAA's Sample Results

Parameter	Sample Date	Result Value	Unit of Measure	Exceedence
Phorate	13-Oct-21	0.00050 <MDL	mg/L	NO
Picloram	13-Oct-21	0.0050 <MDL	mg/L	NO
Polychlorinated Biphenyls (PCB)	13-Oct-21	0.00005 <MDL	mg/L	NO
Prometryne	13-Oct-21	0.00025 <MDL	mg/L	NO
Simazine	13-Oct-21	0.0010 <MDL	mg/L	NO
THM		Avg.		
(Note: show latest running annual average)				
Q1 2021 = 0.0052 mg/L	6-Jan-21	0.0095	mg/L	NO
Q2 2021 = 0.00835 mg/L	7-Apr-21			
Q3 2021 = 0.0105 mg/L	8-Jul-21			
Q4 2021 = 0.0138 mg/L	13-Oct-21			
Terbofos	13-Oct-21	0.00050 <MDL	mg/L	NO
Tetrachlorethylene	13-Oct-21	0.00010 <MDL	mg/L	NO
2,3,4,6-Tetrachlorophenol	13-Oct-21	0.00050 <MDL	mg/L	NO
Triallate	13-Oct-21	0.0010 <MDL	mg/L	NO
Trichloroethylene	13-Oct-21	0.00010 <MDL	mg/L	NO
2,4,6-Trichlorophenol	13-Oct-21	0.00050 <MDL	mg/L	NO
Trifluralin	13-Oct-21	0.0010 <MDL	mg/L	NO
Vinyl Chloride	13-Oct-21	0.00020 <MDL	mg/L	NO

Operational Checks Sampling & Testing

Sample & Testing: Lead

The Municipal Drinking Water License requires 60 samples annually to monitor corrosion control effectiveness. Sample locations include private, non-private and distribution. Each of these samples are to be tested for lead.

A total of 145 lead sample locations were collected and tested in 2021: 81 private and non-private samples and 53 samples in distribution. Due to COVID-19, lead samples were collected from an outside tap. The change to collect from an outside tap instead of the kitchen tap has been approved by the Ministry of Environment, Conservations and Parks (MECP). This change has been incorporated in our Municipal Drinking Water Licence.

In the calendar year 2021, WUC complied fully with the requirements of the License.

Reporting Test Results

If a sample collected and tested indicates an adverse result, as outlined in the regulations, the owner of a drinking water system must report the result to the Medical Officer of Health (MOH) and the Spills Action Centre (SAC) of the Ministry of Environment, Conservations and Parks (MECP). If an observation other than an adverse test result indicates that a drinking water system is directing water that may not be adequately disinfected to users of the water system, the observation must be reported to the MOH and the SAC.

If a report is required under this section, a verbal report must be provided to the MOH by speaking directly to a person at the Windsor Essex County Health Unit (WECHU) or the designated on-call representative. In addition, a verbal report must be provided to the Ministry by contacting the SAC.

These verbal reports of adverse water conditions must be verified by written notice within 24 hours to the MOH and the SAC specifying the nature of the adverse result, actions being taken or observation and what corrective action is being taken. Within seven days of resolution of a problem, a follow up written notice is to be provided outlining the resolution that gave rise to the adverse result report.

In 2021, there was one adverse incident requiring notification of the MOH and the SAC. Details are as follows:

- Total Coliform result of 1 CFU/100mL at George Avenue Pumping Station.
- Notification was made to the MOH and the SAC.
- Chart 6 (page 29) presents the number of Adverse Water Quality Incidents from 2012-2021.

Operational Checks Sampling & Testing

Corrective Action

This schedule outlines required corrective action to be followed with the determination of an adverse result requiring notification.

In all cases, the required corrective action was followed, as directed by the Medical Officer of Health.

Summary Report for Municipalities

Not later than March 31 of each year, a summary report must be prepared for the preceding calendar year and submitted to members of municipal council and members of a municipal services board, if one exists.

The submission of this report fulfills the requirement for this section of the regulations.

Summarizing tables are attached for review:

Table 1 - 2021 Treated Water Volume (page 34)

Table 2 – 2021 Volume as a Percentage of Approved Plant Capacity (pages 35-36)

Table 3 - 2021 Microbiological Sample Count (page 37)

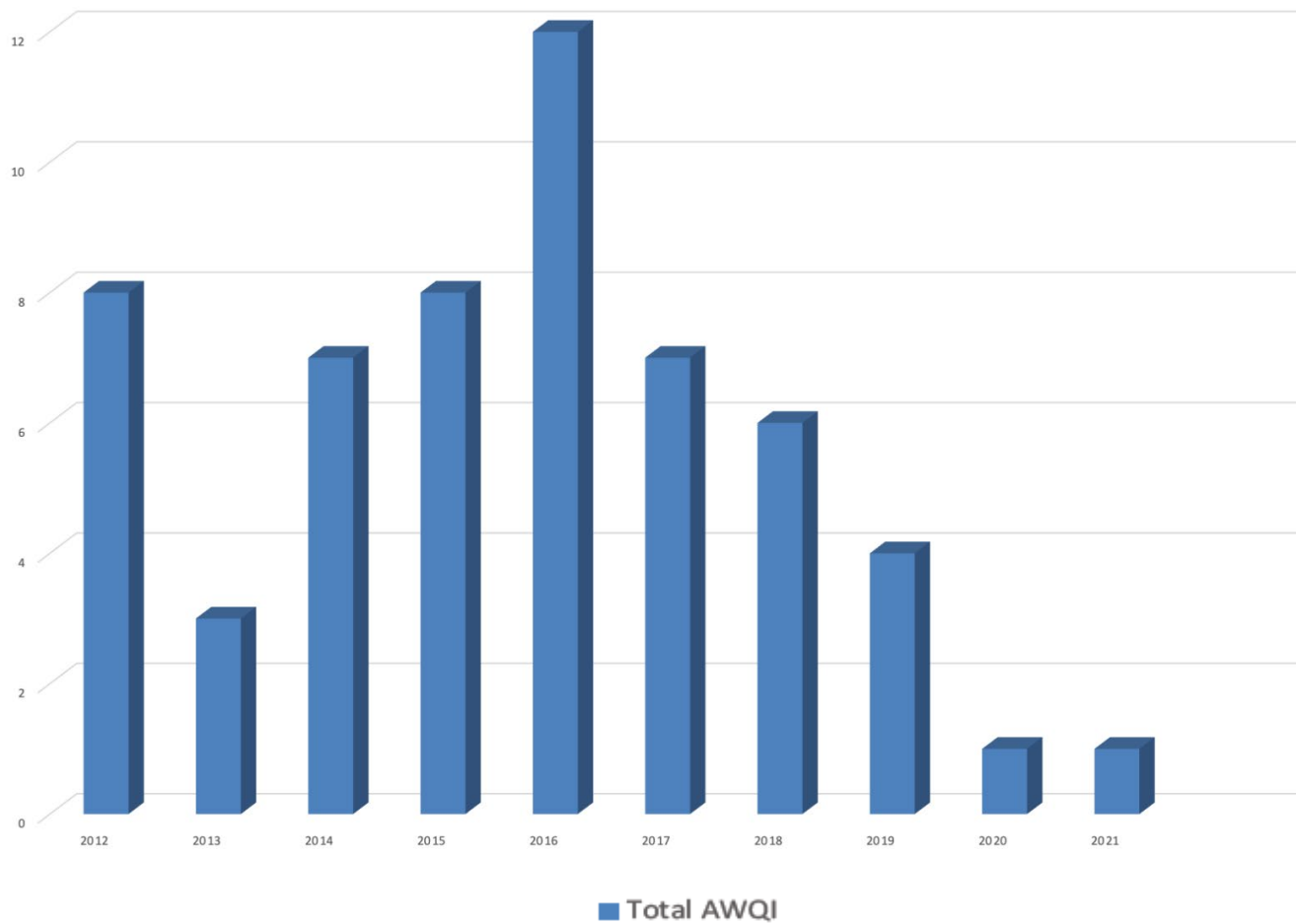
Table 4 - 2021 Distribution Chlorine Residuals (page 38-39)

Table 5 - 2021 Operational Parameters (page 40-41)

A copy of Schedule 23 (Inorganic Test Parameters) and Schedule 24 (Organic Test Parameters) are attached for information, as previously submitted and as required by the regulation. (pages 42-43)

Operational Checks Sampling & Testing

Chart 6: Adverse Water Quality Incidents



Capital Renewal Program

Water Meter Replacement Program

The goal of WUC's Water Meter Replacement Program is to replace all damaged, frozen, defective, aging and obsolete water meters, in residential and industrial, commercial and institutional (ICI) settings.

New meters provide benefits that include:

- Increased accuracy in billing for our customers;
- Improved efficiency in meter reading, as reads can be obtained via radio frequency (RF); and
- Enhanced ability to identify the sources and manage the causes of non-revenue water, thereby limiting revenue loss for both WUC and its ratepayers.

WUC installed 1,177 new meters in 2021. A very small number of non-RF meters remained in the field at year end. The remaining meters are either located in vacant properties or conditions at the customer site require additional attention prior to replacement. These replacements will be coordinated with customers on a case-by-case basis going forward.

At year end, the average age of WUC's total meter population is four years. For ICIs only, the average age is 7.6.

All meter reading routes are now using the drive-by (RF) method to collect meter data. Aside from the exceptions noted, the Water Meter Replacement Program is now considered complete.

New water meter installation for residential homes.



Capital Renewal Program

Watermain Replacement Program

The 2021 WUC capital renewal program involved the replacement of approximately 16.3 km of existing cast and ductile iron watermain, as well as water services, with new PVC pipelines and polyethylene/copper tubing, respectively.

Water services are typically replaced from the new main to the property line. The projects included watermain that no longer provided adequate service, and which were deemed to have the highest risk to public health.

The MECP and Ontario Fire Codes (OFC) mandate minimum levels of performance required for hydrants throughout the water distribution system. In 2021, 108 water hydrants were installed.

WUC capital projects, such as renewal of cast iron watermain, are prioritized based on a scoring system algorithm. A point score is assigned to the seven criteria listed below to determine the priority of the project.

The higher the risk to public health and safety, the higher the score, hence, the higher the priority status assigned. The algorithm uses the following priority:

- Anticipated percentage or total number of lead services;
- Deficient hydrant spacing;
- Low fire flow;
- Pipe diameter;
- Breaks per 100m with an emphasis on recency;
- Disturbed water per 100m; and
- Age (life cycle of pipe type).



New water hydrant installation in the City of Windsor on Southwood Lakes Boulevard.

Capital Renewal Program

Reservoirs

Reservoir “D” Rehabilitation

Rehabilitation Engineering work was completed, and the project was tendered and awarded. Construction began midyear and was nearing completion at the end of 2021 with anticipated completion early in 2022. The rehabilitation work generally included concrete repairs on the interior and exterior, waterproofing and insulating of the roof, miscellaneous repairs and installation of interior baffles. Approximate capital expenditure \$3,800,000.

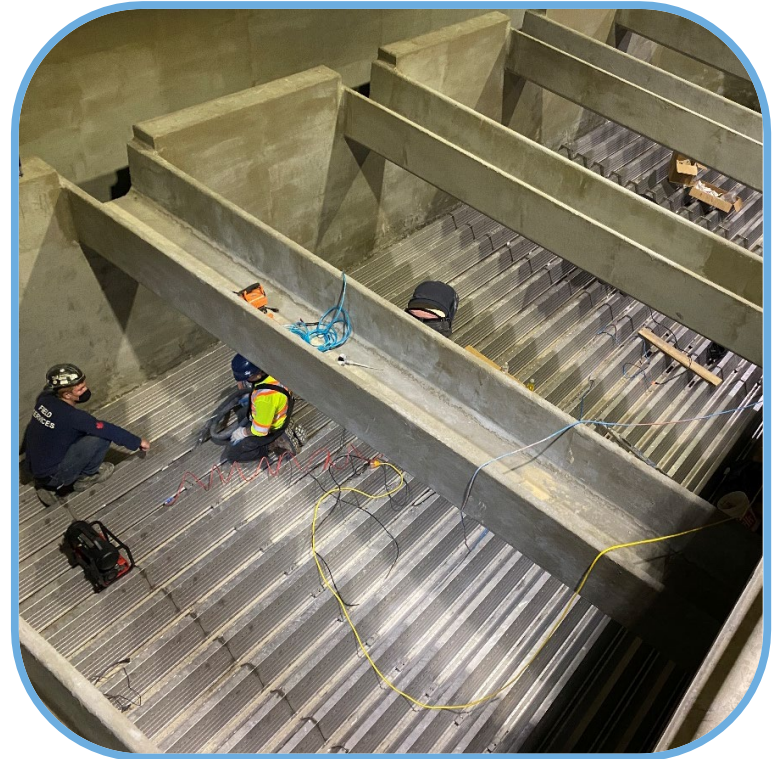
Reservoir D returned to service on February 16, 2022.

Filter Bed Rehabilitation - Filter #7 & Filter #8

ENWIN completed rehabilitation of Filter #7 in January 2021 and Filter #8 in April 2021 at the A.H. Weeks WTP including removal of the existing plastic underdrain system, waterproof coating of the filter beds and walls, installation of new stainless-steel underdrains and installation of new anthracite and sand filter media. The new underdrain system and media will increase the overall filter performance.

A.J. Brian and J.F. Cook Fuel System Upgrades

ENWIN removed the existing below grade diesel fuel tanks at both the A.J. Brian and J.F. Cook facilities and installed a new fuel system at J. F. Cook. The new system, replacing the existing outdated fuel system, and its safety measures, provides compliance with the current TSSA regulation and MECP recommendations. Construction was completed in early 2021.



Rehabilitation of Filter #8 at the A.H. Weeks Water Treatment Plant.

Capital Renewal Program

Fluoride Implementation - Pipe Loop Study

As part of the overall fluoride implementation project, ENWIN continued the fluoride pipe loop study utilizing the existing pipe loop at A. H. Weeks WTP with the goal of studying possible interference, if any, with the effectiveness of the existing corrosion control plan. The study will continue after fluoride is introduced into the distribution system for approximately 10 months for monitoring purposes. In early 2021, ENWIN contracted Jacobs Engineering for the detailed design of the permanent fluoride dosing system which is still underway. ENWIN also opted to construct a temporary dosing system to begin the dosing of fluoride into the distribution system ahead of completion of the permanent dosing system. The temporary dosing system began operating January 12, 2022.

Water SCADA Network Upgrade

ENWIN engaged the service of Rockwell for the design and implementation of an upgraded SCADA Network at the A. H. Weeks WTP. The project will update and improve the current SCADA network infrastructure adding increased security measures in line with current industry best practice. Installation of the new network was scheduled for 2021 but has been delayed due to supply chain shortages and is scheduled to be completed in summer 2022.

Ozone Power Supply Unit (PSU) Upgrade

ENWIN procured the services of Suez Water Technologies to begin the refurbishment of two of the Ozone Generator Power Supply Units (PSU). The current PSU components for Ozone Gen. #1 and #2 are at end of life and in need of replacement. Suez began design and procurement of the relevant components with expected delivery in early 2022. The refurbishment will take place once design is completed, and all components have been delivered in early 2022.



Temporary Fluoride Dosing System operational at the A.H. Weeks Water Treatment Plant.

Operational Charts

Windsor Utilities Commission
Table 1 – 2021 Treated Water Volume

MONTH	TOTAL PUMPED M.L. (Windsor / Las/Tec)	TOWN OF LASALLE M.L.	TOWN OF TECUMSEH M.L.	City of Windsor M.L.
JANUARY	2,673	120	206	2,346
FEBRUARY	2,536	210	188	2,138
MARCH	2,698	236	205	2,257
APRIL	2,544	242	213	2,089
MAY	3,120	269	291	2,560
JUNE	3,365	414	330	2,621
JULY	3,266	328	301	2,637
AUGUST	3,650	437	390	2,823
SEPTEMBER	3,173	328	387	2,458
OCTOBER	2,811	236	281	2,294
NOVEMBER	2,576	229	246	2,101
DECEMBER	2,659	253	231	2,175
TOTAL	35,072	3,303	3,269	28,500
AVERAGE	2,923	275	272	2,375

Note: Volumes reported in megalitres (ML)

Operational Charts

Table 2 - 2021 Volume as a Percentage of Approved Plant Capacity

Date	January										June	
	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %
1	78.9	23%	90.6	26%	88.9	25%	82.1	24%	87.4	25%	116.1	33%
2	82.4	24%	90.0	26%	86.5	25%	83.5	24%	95.5	27%	102.7	29%
3	85.9	25%	93.2	27%	87.6	25%	83.9	24%	85.3	24%	99.6	29%
4	83.4	24%	91.1	26%	90.0	26%	86.2	25%	84.8	24%	112.8	32%
5	84.7	24%	93.0	27%	87.4	25%	81.4	23%	86.3	25%	123.8	35%
6	86.9	25%	93.4	27%	89.1	26%	86.5	25%	85.3	24%	128.0	37%
7	83.5	24%	94.0	27%	89.6	26%	88.8	25%	85.6	25%	120.4	34%
8	83.5	24%	92.3	26%	87.0	25%	83.3	24%	88.1	25%	113.7	33%
9	85.5	25%	94.8	27%	89.6	26%	82.8	24%	81.4	23%	121.7	35%
10	84.8	24%	92.5	27%	87.3	25%	91.8	26%	85.0	24%	121.8	35%
11	85.6	25%	90.1	26%	85.9	25%	85.0	24%	85.2	24%	128.4	37%
12	85.6	25%	91.6	26%	88.2	25%	81.4	23%	92.9	27%	125.1	36%
13	86.8	25%	94.4	27%	91.1	26%	85.7	25%	96.8	28%	126.1	36%
14	87.3	25%	92.2	26%	86.6	25%	84.7	24%	100.7	29%	109.9	31%
15	85.1	24%	93.9	27%	87.3	25%	81.1	23%	107.6	31%	116.0	33%
16	87.5	25%	90.3	26%	84.7	24%	83.3	24%	103.9	30%	127.8	37%
17	85.7	25%	93.2	27%	85.4	24%	84.4	24%	105.1	30%	128.3	37%
18	88.0	25%	85.5	24%	84.8	24%	90.3	26%	111.9	32%	104.7	30%
19	91.3	26%	82.0	24%	86.1	25%	85.9	25%	122.2	35%	104.9	30%
20	88.8	25%	90.0	26%	89.4	26%	81.6	23%	127.2	36%	113.6	33%
21	87.5	25%	90.1	26%	87.5	25%	85.0	24%	130.1	37%	100.4	29%
22	86.2	25%	85.0	24%	87.3	25%	83.4	24%	126.6	36%	98.8	28%
23	86.9	25%	86.8	25%	91.3	26%	83.5	24%	114.1	33%	105.7	30%
24	86.6	25%	88.9	25%	84.7	24%	87.1	25%	114.1	33%	109.5	31%
25	84.3	24%	86.3	25%	88.1	25%	86.4	25%	120.2	34%	94.8	27%
26	86.6	25%	87.6	25%	85.6	25%	83.9	24%	101.7	29%	92.9	27%
27	89.5	26%	91.4	26%	89.0	26%	88.1	25%	93.2	27%	101.9	29%
28	86.0	25%	91.9	26%	85.0	24%	86.8	25%	88.7	25%	111.0	32%
29	88.1	25%			82.1	24%	83.0	24%	96.3	28%	106.4	30%
30	92.5	27%			82.8	24%	83.8	24%	107.8	31%	98.7	28%
31	87.6	25%			82.5	24%			108.9	31%		
MAX	92.5	27%	94.8	27%	91.3	26%	91.8	26%	130.1	37%	128.4	37%

Operational Charts

Table 2 - 2021 Volume as a Percentage of Approved Plant Capacity

Date	July		August		September		October		November		December	
	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %
1	101.4	29%	102.7	29%	117.7	34%	105.4	30%	85.4	24%	85.2	24%
2	104.6	30%	115.5	33%	115.6	33%	98.8	28%	85.8	25%	87.6	25%
3	107.8	31%	112.6	32%	115.4	33%	100.1	29%	85.6	25%	85.1	24%
4	122.0	35%	119.0	34%	115.0	33%	94.3	27%	85.0	24%	85.4	24%
5	129.2	37%	125.8	36%	102.8	29%	94.1	27%	85.1	24%	89.9	26%
6	117.2	34%	126.6	36%	119.3	34%	92.1	26%	88.4	25%	86.2	25%
7	110.5	32%	126.7	36%	107.6	31%	92.0	26%	89.3	26%	86.3	25%
8	97.8	28%	123.0	35%	104.9	30%	93.5	27%	85.9	25%	87.5	25%
9	102.9	29%	121.2	35%	106.7	31%	97.0	28%	85.3	24%	88.3	25%
10	107.2	31%	113.2	32%	110.9	32%	88.9	25%	84.2	24%	85.1	24%
11	95.8	27%	117.6	34%	110.2	32%	96.4	28%	85.4	24%	88.8	25%
12	92.3	26%	107.7	31%	115.1	33%	92.5	27%	85.0	24%	92.5	26%
13	94.4	27%	110.7	32%	109.2	31%	94.5	27%	85.9	25%	91.0	26%
14	105.1	30%	109.3	31%	107.8	31%	91.0	26%	86.6	25%	87.7	25%
15	102.3	29%	104.7	30%	100.5	29%	86.9	25%	86.1	25%	87.1	25%
16	93.1	27%	97.8	28%	106.2	30%	89.5	26%	89.5	26%	90.4	26%
17	93.5	27%	106.8	31%	107.9	31%	87.7	25%	85.8	25%	84.3	24%
18	101.9	29%	114.9	33%	112.4	32%	87.1	25%	85.7	25%	86.2	25%
19	104.2	30%	123.8	35%	117.0	34%	89.2	26%	83.8	24%	87.0	25%
20	106.5	31%	128.2	37%	104.9	30%	89.4	26%	85.2	24%	85.2	24%
21	104.8	30%	125.5	36%	94.7	27%	85.4	24%	88.3	25%	85.3	24%
22	107.4	31%	123.4	35%	92.1	26%	86.6	25%	85.0	24%	84.4	24%
23	102.3	29%	130.7	37%	95.0	27%	86.9	25%	87.3	25%	83.6	24%
24	102.4	29%	131.8	38%	92.0	26%	88.3	25%	86.0	25%	86.9	25%
25	100.7	29%	122.8	35%	91.0	26%	85.3	24%	87.4	25%	77.7	22%
26	107.1	31%	126.5	36%	97.8	28%	85.0	24%	85.9	25%	81.0	23%
27	109.5	31%	117.6	34%	104.2	30%	85.7	25%	84.2	24%	81.3	23%
28	113.3	32%	118.8	34%	100.8	29%	86.8	25%	85.0	24%	83.4	24%
29	107.7	31%	123.8	35%	99.9	29%	85.6	25%	83.3	24%	82.1	24%
30	112.5	32%	109.0	31%	99.1	28%	87.7	25%	85.2	24%	82.7	24%
31	108.9	31%	112.3	32%			87.3	25%			84.1	24%
MAX	129.2	37%	131.8	38%	119.3	34%	105.4	30%	89.5	26%	92.5	26%

Operational Charts

Table 3 - 2021 Microbiological Sample Count

Table 3 - 2021 Microbiological Sample Count												
Month	January	February	March	April	May	June	July	August	September	October	November	December
DISTRIBUTION	143	154	165	155	165	163	158	156	158	146	151	154
TREATED	126	124	143	129	132	133	133	171	180	163	173	148
RAW	20	20	23	22	21	21	22	22	22	21	22	18
TOTAL	289	298	331	306	318	317	313	349	360	330	346	320

Operational Charts

Table 4 – 2021 Distribution Chlorine Residuals

JANUARY TO MARCH 2021

		D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11	D12	D13	D14	D15	D16	D17	D18	D20	D21	D22
Jan	LOW	1.39	1.18	1.18	1.07	0.86	1.22	0.96	1.16	1.15	1.43	1.01	1.16	1.15	1.15	1.22	1.14	1.32	1.12	1.22	1.08	1.02
	HIGH	1.53	1.34	1.28	1.30	1.21	1.43	1.27	1.38	1.33	1.69	1.39	1.34	1.36	1.34	1.43	1.33	1.43	1.54	1.34	1.34	1.21
	AVG	1.45	1.27	1.22	1.20	1.06	1.35	1.12	1.28	1.22	1.53	1.22	1.26	1.28	1.27	1.28	1.28	1.36	1.40	1.28	1.20	1.14
Feb	LOW	1.34	1.12	1.02	0.93	0.79	1.18	0.94	1.07	1.08	1.34	1.17	1.14	1.23	1.00	1.14	1.26	1.24	1.30	1.01	0.89	1.04
	HIGH	1.59	1.46	1.39	1.52	1.34	1.57	1.31	1.59	1.43	1.72	1.46	1.47	1.52	1.53	1.43	1.54	1.52	1.51	1.47	1.43	1.34
	AVG	1.44	1.34	1.21	1.22	1.04	1.38	1.13	1.31	1.22	1.55	1.28	1.33	1.32	1.28	1.29	1.41	1.37	1.40	1.26	1.13	1.15
Mar	LOW	1.33	0.97	0.95	1.03	0.84	1.22	0.94	1.17	1.08	1.43	1.16	1.16	1.00	1.13	1.19	1.15	1.19	1.38	1.12	0.90	0.96
	HIGH	1.55	1.30	1.29	1.30	1.15	1.43	1.21	1.42	1.33	1.73	1.33	1.34	1.28	1.37	1.33	1.48	1.45	1.58	1.32	1.34	1.17
	AVG	1.44	1.21	1.16	1.15	1.03	1.31	1.07	1.29	1.18	1.56	1.26	1.24	1.19	1.25	1.25	1.35	1.29	1.43	1.24	1.17	1.10
Quarterly Avg		1.45	1.27	1.20	1.19	1.04	1.35	1.10	1.29	1.21	1.55	1.26	1.28	1.26	1.27	1.27	1.34	1.34	1.41	1.26	1.17	1.13

NOTE: All values in mg/l unless otherwise stated

APRIL TO JUNE 2021

		D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11	D12	D13	D14	D15	D16	D17	D18	D20	D21	D22
Apr	LOW	1.31	1.08	1.14	1.09	0.94	1.23	0.96	1.20	1.08	1.37	1.11	1.12	1.12	1.13	1.11	1.04	1.16	1.20	1.06	1.02	1.06
	HIGH	1.56	1.33	1.30	1.39	1.25	1.53	1.17	1.52	1.29	1.66	1.43	1.50	1.37	1.37	1.42	1.45	1.42	1.54	1.41	1.25	1.23
	AVG	1.42	1.27	1.20	1.24	1.13	1.37	1.05	1.32	1.21	1.50	1.29	1.30	1.25	1.25	1.27	1.30	1.30	1.39	1.24	1.17	1.15
May	LOW	1.05	0.95	1.00	0.99	0.99	1.03	0.90	1.18	1.08	1.26	1.01	1.10	1.04	1.13	1.03	1.07	1.14	1.26	1.14	1.05	1.02
	HIGH	1.45	1.33	1.24	1.36	1.22	1.51	1.15	1.40	1.37	1.58	1.34	1.42	1.55	1.33	1.34	1.32	1.34	1.44	1.31	1.27	1.22
	AVG	1.28	1.16	1.08	1.16	1.08	1.31	1.05	1.29	1.16	1.43	1.22	1.23	1.20	1.24	1.22	1.21	1.22	1.36	1.21	1.17	1.12
Jun	LOW	1.29	1.01	1.09	1.11	0.97	1.22	0.89	1.19	1.14	1.38	1.09	1.00	1.10	1.06	1.06	1.14	1.21	1.11	0.96	0.90	1.05
	HIGH	1.54	1.44	1.37	1.36	1.27	1.74	1.18	1.45	1.42	1.62	1.43	1.38	1.48	1.33	1.46	1.39	1.44	1.41	1.35	1.44	1.28
	AVG	1.41	1.24	1.23	1.20	1.11	1.42	1.09	1.33	1.21	1.46	1.23	1.19	1.20	1.19	1.20	1.28	1.31	1.30	1.17	1.18	1.12
Quarterly Avg		1.37	1.22	1.17	1.20	1.11	1.37	1.06	1.31	1.19	1.46	1.25	1.24	1.22	1.23	1.23	1.26	1.27	1.35	1.21	1.17	1.13

NOTE: All values in mg/l unless otherwise stated

Operational Charts

Table 4 – 2021 Distribution Chlorine Residuals

JULY TO SEPTEMBER 2021

		D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11	D12	D13	D14	D15	D16	D17	D18	D20	D21	D22
Jul	LOW	1.02	0.95	0.87	0.85	0.83	1.14	0.87	1.02	0.94	1.13	0.97	0.88	1.08		0.92	1.02	0.92	1.19	0.96	0.92	0.86
	HIGH	1.42	1.20	1.08	1.16	0.98	1.43	1.04	1.19	1.24	1.54	1.24	1.21	1.20		1.27	1.30	1.28	1.51	1.10	1.11	0.99
	AVG	1.28	1.12	0.98	1.04	0.92	1.25	0.94	1.12	1.04	1.34	1.17	1.11	1.14		1.13	1.17	1.16	1.34	1.05	1.00	0.91
Aug	LOW	1.21	1.02	0.81	0.94	0.87	1.12	0.73	1.01	0.92	1.20	0.97	0.98	0.78		0.93	0.89	1.05	0.98	0.79	0.84	0.75
	HIGH	1.39	1.17	1.11	1.18	1.15	1.33	1.04	1.30	1.24	1.68	1.30	1.38	1.31		1.26	1.47	1.32	1.56	1.13	1.22	1.10
	AVG	1.29	1.11	0.97	1.05	0.94	1.26	0.88	1.15	1.03	1.45	1.15	1.16	1.06		1.15	1.20	1.17	1.35	1.01	1.08	0.90
Sep	LOW	1.28	0.99	0.95	0.95	0.87	1.11	0.80	0.95	0.72	1.42	1.00	1.02	0.99		0.99	1.11	1.06	1.17	0.95	0.96	0.78
	HIGH	1.45	1.47	1.10	1.26	1.15	1.41	1.04	1.41	1.24	1.77	1.19	1.28	1.28		1.33	1.35	1.30	1.56	1.26	1.26	0.98
	AVG	1.38	1.18	1.02	1.14	0.96	1.29	0.94	1.20	1.04	1.57	1.12	1.16	1.11		1.17	1.24	1.16	1.42	1.09	1.09	0.89
Quarterly Avg		1.32	1.14	0.99	1.08	0.94	1.26	0.92	1.16	1.04	1.45	1.15	1.15	1.10		1.15	1.20	1.16	1.37	1.05	1.06	0.90

NOTE: All values in mg/l unless otherwise stated

OCTOBER TO DECEMBER 2021

		D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11	D12	D13	D14	D15	D16	D17	D18	D20	D21	D22
Oct	LOW	1.13	1.04	0.79	0.89	0.72	1.08	0.84	0.94	0.96	1.38	0.98	1.02	0.90		0.99	1.02	0.92	1.09	0.88	0.98	0.57
	HIGH	1.41	1.22	1.00	1.01	0.90	1.40	1.24	1.41	1.09	1.60	1.27	1.21	1.37		1.19	1.38	1.24	1.40	1.16	1.19	0.98
	AVG	1.25	1.11	0.89	0.97	0.83	1.26	1.00	1.18	1.01	1.48	1.12	1.11	1.09		1.09	1.21	1.09	1.26	1.01	1.05	0.82
Nov	LOW	1.12	1.00	0.76	0.95	0.64	1.12	0.97	1.09	0.81	1.49	1.04	0.93	0.99	0.80	1.01	1.12	1.10	1.32	0.91	0.89	0.67
	HIGH	1.43	1.22	1.14	1.35	1.12	1.28	1.08	1.23	1.24	1.67	1.28	1.18	1.25	1.56	1.27	1.36	1.34	1.48	1.30	1.28	0.88
	AVG	1.31	1.10	0.97	1.08	0.91	1.22	1.03	1.16	1.07	1.58	1.19	1.05	1.11	1.09	1.12	1.26	1.20	1.40	1.09	1.05	0.80
Dec	LOW	1.27	0.91	0.85	0.81	0.87	1.00	0.86	1.01	1.00	1.43	1.21	1.17	1.12	1.19	1.17	1.00	1.20	1.14	0.96	0.89	0.92
	HIGH	1.54	1.34	1.14	1.29	1.09	1.48	1.28	1.37	1.20	1.66	1.31	1.27	1.28	1.44	1.39	1.40	1.29	1.56	1.34	1.23	1.06
	AVG	1.40	1.09	0.99	1.02	0.97	1.30	1.08	1.22	1.10	1.56	1.26	1.23	1.20	1.27	1.28	1.30	1.25	1.34	1.14	1.10	0.98
Quarterly Avg		1.32	1.10	0.95	1.02	0.90	1.26	1.03	1.19	1.06	1.54	1.19	1.13	1.13		1.16	1.26	1.18	1.33	1.08	1.07	0.87

NOTE: All values in mg/l unless otherwise stated

(0.05 mg/L - minimum standard per Ministry of Environment)
 (0.20 mg/L - minimum WUC standard)

Operational Charts

Table 5 – Operational Parameters

		JANUARY			FEBRUARY			MARCH			PLANT PARAMETERS		MINISTRY MAC	
		HIGH	LOW	AVG.	HIGH	LOW	AVG.	HIGH	LOW	AVG.	HIGH LOW VALUES	HIGH ⁽¹⁾	LOW	
COLOUR ⁽²⁾	TCU	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	5.00	0.00	N/A	
ALUMINUM ⁽³⁾	µg/l	14	8	11	14	8	10	26	8	15	100.0	0.0	N/A	
pH ⁽²⁾		7.16	7.00	7.08	7.12	6.94	7.06	7.09	6.94	7.02	7.30	6.50	N/A	
TURBIDITY ⁽¹⁾	NTU	0.04	0.02	0.03	0.02	0.01	0.02	0.05	0.02	0.02	1.00	0.00	1.00	0.00
HARDNESS ⁽²⁾	mg/L	140	100	112	128	100	108	166	98	110	100	80	N/A	
TEMPERATURE	°C	3.6	1.7	2.6	3.0	1.7	2.2	9.0	2.2	5.4			N/A	
ODOUR/TASTE		(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	in-offensive		N/A	
ALKALINITY ^(2 and 3)	mg/L	100	78	85	92	78	84	118	78	85	500	30	N/A	
CHLORINE RESIDUAL ⁽¹⁾	mg/L	1.63	1.39	1.50	1.75	1.42	1.58	1.81	1.45	1.62	1.50	0.80	N/A	0.05

		APRIL			MAY			JUNE			PLANT PARAMETERS		MINISTRY MAC	
		HIGH	LOW	AVG.	HIGH	LOW	AVG.	HIGH	LOW	AVG.	HIGH LOW VALUES	HIGH ⁽¹⁾	LOW	
COLOUR ⁽²⁾	TCU	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	5.00	0.00	N/A	
ALUMINUM ⁽³⁾	µg/l	63	15	26	52	21	33	216	41	73	100.0	0.0	N/A	
pH ⁽²⁾		7.16	6.98	7.04	7.11	6.95	7.04	7.11	6.97	7.05	7.30	6.50	N/A	
TURBIDITY ⁽¹⁾	NTU	0.06	0.02	0.04	0.07	0.04	0.05	0.09	0.05	0.06	1.00	0.00	1.00	0.00
HARDNESS ⁽²⁾	mg/L	120	98	107	120	90	103	110	90	100	100	80	N/A	
TEMPERATURE	°C	12.1	7.7	10.2	12.1	7.0	14.0	22.3	90.0	100.1			N/A	
ODOUR/TASTE		(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	in-offensive		N/A	
ALKALINITY ^(2 and 3)	mg/L	100	78	86	100	78	86	96	80	82	500	30	N/A	
CHLORINE RESIDUAL ⁽¹⁾	mg/L	1.77	1.51	1.62	1.77	1.51	1.62	1.78	1.31	1.51	1.50	0.80	N/A	0.05

Operational Charts

Table 5 – Operational Parameters

		JULY			AUGUST			SEPTEMBER			PLANT PARAMETERS		MINISTRY MAC	
		HIGH	LOW	AVG.	HIGH	LOW	AVG.	HIGH	LOW	AVG.	HIGH	LOW	HIGH ⁽¹⁾	LOW
COLOUR ⁽²⁾	TCU	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	5.00	0.00	N/A	
ALUMINUM ⁽³⁾	µg/l	153	51	85	370	63	130	114	37	79	100.0	0.0	N/A	
pH ⁽²⁾		7.18	6.95	7.07	7.33	6.64	7.00	7.13	6.91	7.03	7.30	6.50	N/A	
TURBIDITY ⁽¹⁾	NTU	0.09	0.04	0.07	0.17	0.05	0.07	0.09	0.05	0.06	1.00	0.00	1.00	0.00
HARDNESS ⁽²⁾	mg/L	106	86	96	108	86	96	106	80	95	100	80	N/A	
TEMPERATURE	°C	24.4	3.9	22.0	26.0	6.7	24.3	24.6	9.4	20.5			N/A	
ODOUR/TASTE		(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	in-offensive		N/A	
ALKALINITY ^(2 and 3)	mg/L	118	76	82	84	70	79	108	76	7	500	30	N/A	
CHLORINE RESIDUAL ⁽¹⁾	mg/L	1.74	1.45	1.61	1.78	1.47	1.60	1.81	1.40	1.63	1.50	0.80	N/A	0.05

		OCTOBER			NOVEMBER			DECEMBER			PLANT PARAMETERS		MINISTRY MAC	
		HIGH	LOW	AVG.	HIGH	LOW	AVG.	HIGH	LOW	AVG.	HIGH	LOW	HIGH ⁽¹⁾	LOW
COLOUR ⁽²⁾	TCU	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	5.00	0.00	N/A	
ALUMINUM ⁽³⁾	µg/l	63	28	44	35	13	23	55	10	17	100.0	0.0	N/A	
pH ⁽²⁾		7.16	6.95	7.04	7.21	6.91	7.05	7.12	6.90	7.03	7.30	6.50	N/A	
TURBIDITY ⁽¹⁾	NTU	0.07	0.05	0.06	0.23	0.03	0.05	0.19	0.03	0.05	1.00	0.00	1.00	0.00
HARDNESS ⁽²⁾	mg/L	132	90	106	162	96	115	140	100	116	100	80	N/A	
TEMPERATURE	°C	20.3	5.1	16.3	24.6	6.2	10.8	25.3	3.8	5.6			N/A	
ODOUR/TASTE		(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	(---)	in-offensive		N/A	
ALKALINITY ^(2 and 3)	mg/L	108	80	89	140	76	99	120	80	96	500	30	N/A	
CHLORINE RESIDUAL ⁽¹⁾	mg/L	1.73	1.43	1.59	1.83	1.46	1.58	1.76	1.43	1.57	1.50	0.80	N/A	0.05

(¹) MAC - Maximum Allowable Concentration
(²) Health Canada Operational Guideline (O.G.)
(³) Recommended in coagulant treated drinking water

Operational Charts

Schedule 23 Inorganic Parameters

Item	Parameter
1	Antimony
2	Arsenic
3	Barium
4	Boron
5	Cadmium
6	Chromium
7	Mercury
8	Selenium
9	Uranium

Operational Charts

Schedule 24 Organic Parameters

Item	Parameter
1	Alachlor
2	Atrazine + N-dealkylated metabolites
3	Azinphos-methyl
4	Benzene
5	Benzo(a)pyrene
6	Bromoxynil
7	Carbaryl
8	Carbofuran
9	Carbon Tetrachloride
10	Chlorpyrifos
11	Diazinon
12	Dicamba
13	1,2-Dichlorobenzene
14	1,4-Dichlorobenzene
15	1,2-dichloroethane
16	1,1-Dichloroethylene (vinylidene chloride)
17	Dichloromethane
18	2,4-Dichlorophenol
19	2,4-Dichlorophenoxy acetic acid (2,4-D)
20	Dicofop-methyl
21	Dimethoate
22	Diquat

Item	Parameter
23	Diuron
24	Glyphosate
25	Malathion
26	2-Methyl-4-chlorophenoxyacetic acid
27	Metolachlor
28	Metribuzin
29	Monochlorobenzene
30	Paraquat
31	Pentachlorophenol
32	Phorate
33	Picloram
34	Polychlorinated Biphenyls (PCB)
35	Prometryne
36	Simazine
37	Terbufos
38	Tetrachloroethylene (perchloroethylene)
39	2,3,4,6-Tetrachlorophenol
40	Triallate
41	Trichloroethylene
42	2,4,6-Trichlorophenol
43	Trifluralin
44	Vinyl Chloride

Report of the Audit and Finance Committee: Management Responsibility for Financial Reporting

The accompanying Consolidated Financial Statements have been prepared by management of ENWIN Utilities Ltd. on behalf of the Windsor Utilities Commission (the "Commission"), who are responsible for the integrity, consistency and reliability of the information presented. The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards.

The preparation of the Consolidated Financial Statements necessarily involves the use of estimates and assumptions based on management's judgements, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods. Estimates and assumptions are based on historical experience, current conditions and various other assumptions believed to be reasonable in the circumstances, with critical analysis of the significant accounting policies followed by the Commission as described in Note 3 to the Consolidated Financial Statements. The preparation of the Consolidated Financial Statements includes information regarding the estimated impact of future events and transactions. Actual results in the future may differ materially from the present assessment of this information because future events and circumstances may not occur as expected. The Consolidated Financial Statements have been prepared within reasonable limits of materiality in light of information available up to April 27, 2022.

In meeting its responsibility for the reliability of financial information, management maintains and relies on a comprehensive system of internal controls and internal audit, which is designed to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that the Commission's assets are safeguarded and transactions are properly authorized and executed. The system includes formal policies and procedures and appropriate delegation of authority and segregation of responsibilities within the organization. An internal audit function evaluates the effectiveness of these internal controls and reports its findings to management and the Audit Committee of the Commission, as required.

The Board of Commissioners, through its Audit Committee, is responsible for overseeing management in the performance of its financial reporting and internal controls. The Audit Committee meets periodically with management, the internal auditors and the external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each group has properly discharged its respective responsibility and to review the Consolidated Financial Statements before recommending approval by the Board of Commissioners. The Audit Committee also considers, for review and approval by the Board of Commissioners, the appointment of the external auditors. The external auditors have direct and full access to the Audit Committee, with and without the presence of management, to discuss their audit and their findings as to the integrity of the financial reporting and the effectiveness of the system of internal controls.

The Consolidated Financial Statements were reviewed by the Audit Committee, and on their recommendation, were approved by the Board of Commissioners. The Consolidated Financial Statements have been examined by KPMG LLP, independent external auditors appointed by the City of Windsor. The external auditors' responsibility is to express their opinion on whether the Consolidated Financial Statements are fairly presented in accordance with International Financial Reporting Standards. The attached Independent Auditors' Report outlines the scope of their examination and their opinion.

On behalf of the Windsor Utilities Commission and ENWIN management:



Egidio Sovran
Chair, WUC Audit & Finance Committee
MBA, CPA, CA
Owner, E L Sovran Professional Corp.



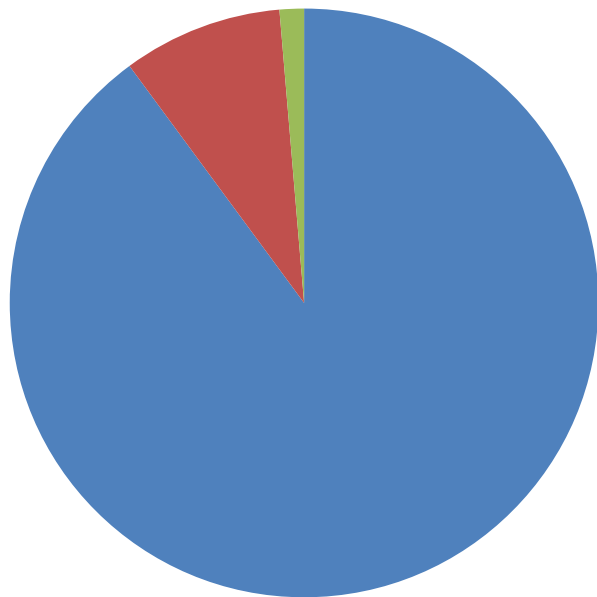
Matt Carlini
ENWIN Vice President
Corporate Services & CFO
CPA, CA, MBA

Success = Highlights

(in thousands of dollars)	2021	2020	2019	2018	2017
Operations					
Total Revenue	62,605	67,892	64,833	64,146	62,237
Water Distribution Revenue	56,277	55,213	53,653	52,193	50,792
Operating Expenses (excluding depreciation)	25,141	35,735	36,559	37,439	37,128
EBITDA	32,262	32,157	28,274	26,707	25,109
Depreciation	10,388	10,214	9,639	8,556	8,715
Net Income	35,603	20,400	17,317	16,410	14,735
Balance Sheet					
Cash and Investments	50,329	31,934	24,461	25,181	28,854
Property, Plant and Equipment	341,212	329,706	312,697	297,680	279,242
Total Assets	410,505	374,907	350,074	334,326	319,511
Long-term Debt	52,000	52,000	52,000	52,000	52,000
Equity	328,615	292,816	272,682	254,501	237,680
Cash Flows					
Operating	30,494	30,601	23,352	21,543	26,134
Investment in Infrastructure	26,431	22,895	23,981	25,094	29,509

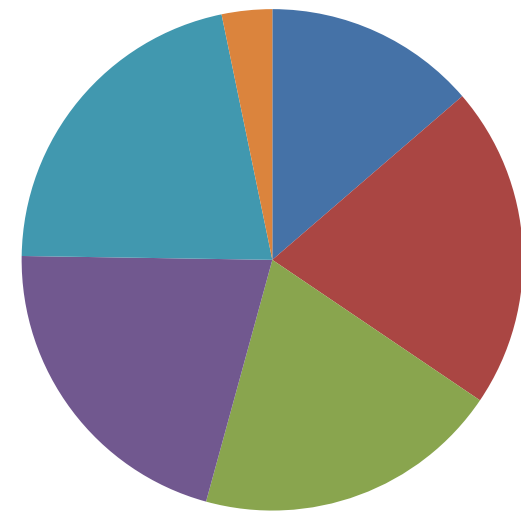
Success = Highlights

Revenue by Type



- Water distribution revenue
- District energy sales (partial year)
- Other revenues

Expenses by Type



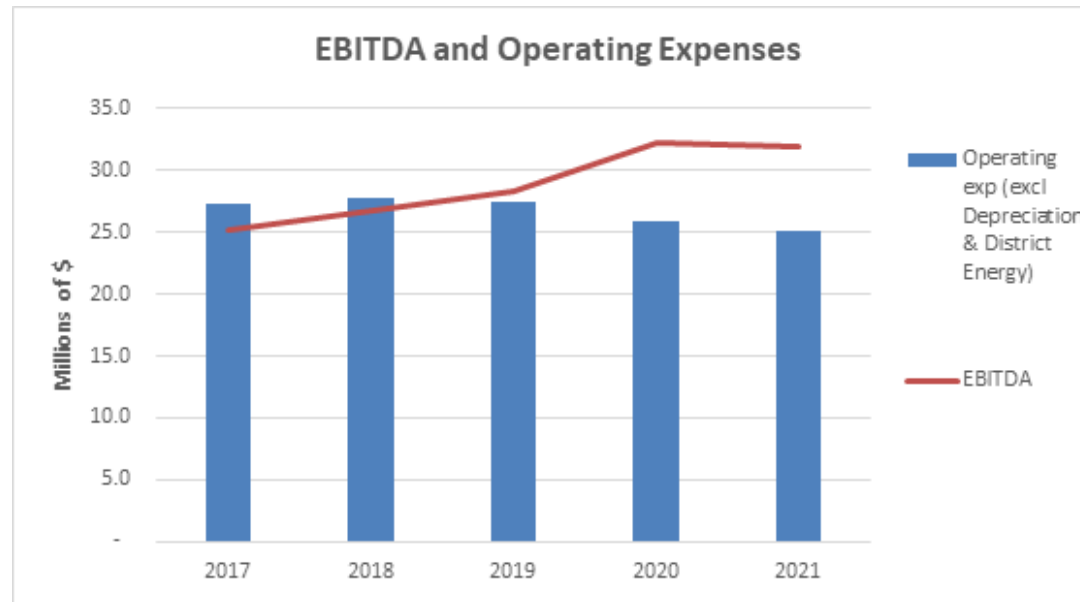
- Cost of water
- District Energy (partial year)
- Distribution
- Administration
- Depreciation
- Interest (net)

Success = Results

Net income in 2021 was \$35.6 million. Excluding district energy activities, the normalized net income was \$20.7 million which compares to the net income of \$19.4 million (excluding district energy) in 2020. The \$1.3 million improvement in earnings is primarily due to higher levels of water distribution revenue in 2021 compared to 2020. Distribution revenue increased \$1.1 million from \$55.2 million in 2020 to \$56.3 million in 2021.

Operating expenses excluding depreciation of \$25.1 million was \$0.7 million lower than 2020. By controlling operating expenses at or below historical levels for the past 5 years (2021 = \$25.1 million, 2017 = \$27.2 million), WUC has been able to grow Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) from \$25.1 million in 2017 to \$32.3 million in 2021.

That improved EBITDA has allowed WUC to increase reinvestment in infrastructure and the water systems. In 2021, WUC invested \$26.4 million in property, plant and equipment to ensure the sustainability of the drinking water system.



Success = Results



Left to right: Dr. Saad Jasim, President of the International Ozone Association, with Garry Rossi, VP Water Operations, celebrate 20 years of ozone disinfection in Windsor at the A.H. Weeks Water Treatment Plant.

Financial Statements of

**WINDSOR UTILITIES
COMMISSION**

And Independent Auditors' Report thereon

Year ended December 31, 2021



KPMG LLP
618 Greenwood Centre
3200 Deziel Drive
Windsor ON N8W 5K8
Canada
Tel 519-251-3500
Fax 519-251-3530

INDEPENDENT AUDITORS' REPORT

To the Members of Windsor Utilities Commission

Opinion

We have audited the financial statements of Windsor Utilities Commission (the Entity), which comprise:

- the balance sheet as at December 31, 2021
- the statement of income for the year then ended
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



Page 2

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



Page 3

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Windsor, Canada

April 27, 2022

WINDSOR UTILITIES COMMISSION

Table of Contents

December 31, 2021

Financial statements:	
Balance Sheet	54
Statement of Income	55
Statement of Comprehensive Income	56
Statement of Changes in Equity	57
Statement of Cash Flows	58
Notes to Financial Statements	59 – 87

WINDSOR UTILITIES COMMISSION

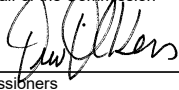
Balance Sheet
(In thousands of Canadian dollars)

December 31, 2021, with comparative information for 2020

	Notes	2021	2020
Assets			
Current assets:			
Cash and cash equivalents	4	\$ 11,919	\$ 9,881
Investment	9	12,109	10,829
Accounts receivable	5	11,514	12,556
Inventory	7	799	623
Other assets		322	88
		36,663	33,977
Non-current assets:			
Property, plant and equipment	8	341,212	329,706
Investment, sinking fund	9	26,301	11,224
Notes receivable	6	6,329	-
		373,842	340,930
Total assets		\$ 410,505	\$ 374,907
Liabilities			
Current liabilities:			
Accounts payable and accruals	10	\$ 6,872	\$ 5,799
Due to related parties	18	3,780	5,613
Current portion of customer deposits	11	108	96
		10,760	11,508
Non-current liabilities:			
Long-term payable to corporations under common control	18	-	411
Customer deposits	11	260	278
Deferred revenue - customer contributions	12	15,132	13,832
Due to related party - revolving credit agreement	18	51,414	51,397
Employee future benefits	13	4,324	4,665
		71,130	70,583
Total liabilities		81,890	82,091
Equity			
Contributed surplus		61,854	61,854
Retained earnings		266,032	230,429
Accumulated other comprehensive income		729	533
		328,615	292,816
Commitments and contingencies	20		
Total liabilities and equity		\$ 410,505	\$ 374,907

The accompanying notes are an integral part of these financial statements.

On behalf of the Commission


Commissioners


Commissioners

WINDSOR UTILITIES COMMISSION

Statement of Income
(In thousands of Canadian dollars)

Year ended December 31, 2021, with comparative information for 2020

	Notes	2021	2020
Revenues:			
Revenue from distribution of water	14	\$ 56,277	\$ 55,213
Other income	15	838	1,301
		57,115	56,514
Operating expenses:			
Cost of water production		6,348	6,497
Distribution, transmission and operation expenses		10,168	9,400
Administration expenses		8,625	9,966
Depreciation and amortization	8	10,100	9,722
		35,241	35,585
Income from operating activities		21,874	20,929
Finance expense (income):			
Finance income	17	(1,017)	(681)
Finance expense	17	2,217	2,224
		1,200	1,543
Net income from continuing operations		20,674	19,386
Net income from discontinued operations	16	14,929	1,014
Income for the year		\$ 35,603	\$ 20,400

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

Statement of Comprehensive Income

(In thousands of Canadian dollars)

Year ended December 31, 2021, with comparative information for 2020

	Notes	2021	2020
Income for the year		\$ 35,603	\$ 20,400
Other comprehensive gain:			
Items that will not be reclassified to the statement of income:			
Remeasurement of defined benefit obligation gain (loss)	13	196	(266)
Other comprehensive gain (loss)		196	(266)
Total comprehensive income for the year		\$ 35,799	\$ 20,134

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

Statement of Changes in Equity
(In thousands of Canadian dollars)

Year ended December 31, 2021, with comparative information for 2020

	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total
Balance at January 1, 2020	\$ 61,854	\$ 210,029	\$ 799	\$ 272,682
Income for the year	-	20,400	-	20,400
Other comprehensive (loss)				
Remeasurement of defined benefit obligation	-	-	(266)	(266)
Balance at December 31, 2020	\$ 61,854	\$ 230,429	\$ 533	\$ 292,816
Income for the year	-	35,603	-	35,603
Other comprehensive gain				
Remeasurement of defined benefit obligation	-	-	196	196
Balance at December 31, 2021	\$ 61,854	\$ 266,032	\$ 729	\$ 328,615

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

Statement of Cash Flows
(In thousands of Canadian dollars)

Year ended December 31, 2021, with comparative information for 2020

	Notes	2021	2020
Cash flows from operating activities:			
Comprehensive income from continuing operations		\$ 20,870	\$ 19,120
Adjustments for:			
Depreciation and amortization	8	10,100	9,722
Amortization of deferred revenue customer contribution		(206)	(203)
Amortization of debt issuance costs		17	16
Actuarial (loss) gain on employee future benefits		(196)	266
Gain on investments		(800)	(589)
Net finance costs	17	1,183	1,527
Loss on disposal of property, plant and equipment	15	15	92
		<u>30,983</u>	<u>29,951</u>
Changes in:			
Accounts receivable		1,604	(650)
Inventory		(176)	155
Other assets		(234)	144
Accounts payable and accruals		1,073	(2,729)
Accounts payable due to related parties		(1,422)	4,081
Customer deposits		(6)	(87)
Employee future benefits		(145)	(238)
		<u>694</u>	<u>676</u>
Interest received		1,017	681
Interest paid		(2,200)	(2,208)
		<u>30,494</u>	<u>29,100</u>
Cash flows from investing activities:			
Acquisition of investment		(24,313)	(3,225)
Proceeds from investments		8,756	1,100
Proceeds on disposal of property, plant and equipment		133	-
Acquisition of property, plant and equipment	8	(26,431)	(22,895)
		<u>(41,855)</u>	<u>(25,020)</u>
Cash flows from financing activities:			
Decrease in amount owing to corporations under common control	18	(822)	(822)
		<u>(822)</u>	<u>(822)</u>
Increase in cash and cash equivalents from continuing operations		(12,183)	3,258
Increase in cash and cash equivalents from discontinued operations (net)	16	14,221	1,501
Cash and cash equivalents at January 1		9,881	5,122
Cash and cash equivalents at December 31		<u>\$ 11,919</u>	<u>\$ 9,881</u>

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

Table of Contents to Notes to the Financial Statements

Year ended December 31, 2021

	Page
1. Reporting entity	60
2. Basis of preparation	60
3. Significant accounting policies	62
4. Cash and cash equivalents	72
5. Accounts receivable	72
6. Notes receivable	72
7. Inventory	72
8. Property, plant and equipment	73
9. Investment	74
10. Accounts payable and accruals	74
11. Customer deposits	75
12. Deferred revenue – customer contributions	75
13. Employee future benefits	75
14. Revenue	77
15. Other income	77
16. Discontinued operations	78
17. Finance expense (income)	79
18. Related party transactions	79
19. Financial instruments and risk management	83
20. Commitments and contingencies	87
21. Comparative figures	87

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements
(in thousands of Canadian dollars)

Year ended December 31, 2021

1. Reporting entity:

The Windsor Utilities Commission (the "Commission") is the public utility that owns the water treatment and distribution system that serves the City of Windsor (the "City"). The Commission was established in 1935 under the City of Windsor Amalgamation Act. The Commission is a local board of the City pursuant to the Municipal Act. The address of the Commission's registered office is 4545 Rhodes Drive, Windsor, Ontario, Canada. The Commission has more than 75,000 residential and commercial customers in Windsor and two neighbouring municipal bulk water customers, the Town of LaSalle and the Town of Tecumseh.

On November 6, 2012, the Commission and ENWIN Utilities Ltd. ("ENWIN") entered into a Water System Operating Agreement ("WSOA"), whereby ENWIN agreed to provide services to the Commission with respect to operating the water treatment and distribution system. The services include: management, administrative services, construction operations, and maintenance services. ENWIN is responsible for providing all personnel required to operate the water system. Pursuant to the terms of the WSOA and the associated Employee Arrangement Agreement, also dated November 6, 2012, the Commission transferred all non-unionized employees and all unionized employees of the Commission to ENWIN. ENWIN is indirectly 100% owned by the City.

2. Basis of preparation:

(a) Statement of compliance:

The Commission's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the International Accounting Standards Board ("IASB").

(b) Approval of the financial statements:

The financial statements were approved by the Commission on April 27, 2022.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

2. Basis of preparation (continued):

(c) Basis of measurement:

The financial statements have been prepared on the historical cost basis except for the following:

- (i) Where held, financial instruments at fair value through profit or loss, are measured at fair value.
- (ii) The accrued benefit related to the Commission's unfunded defined benefit plan is actuarially determined and is measured at the present value of the defined benefit obligation.

(d) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Commission's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand dollars.

(e) Use of estimates and judgements:

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty that have the most significant effect on the amounts recognized in these financial statements, include:

- (i) Note 3(h) – Determination of the performance obligation for deferred revenue – contributions from customers and the related amortization period
- (ii) Note 5 – Unbilled revenue: measurement of revenues not yet billed
- (iii) Note 8 – Property, plant and equipment: useful lives and the identification of significant components of property, plant and equipment
- (iv) Note 13 – Employee future benefits: measurement of the defined benefit obligation

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

2. Basis of preparation (continued):

(e) Use of estimates and judgements (continued):

(v) Note 19 – Financial instruments and risk management: valuation of financial instruments

Information about critical judgements in applying policies that have the most significant effect on the amounts recognized in the financial statements, include:

(i) The Commission's determination that they are acting as a principal or agent to a transaction and their presentation of the transaction on a gross or net basis.

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

(a) Cash and cash equivalents:

Cash and cash equivalents consist of balances with banks and investments with a maturity of approximately three months or less at the date of purchase, unless they are held for investment rather than liquidity purposes, in which case they are classified as an investment.

(b) Financial instruments:

All financial assets and liabilities of the Commission are classified into one of the following categories: amortized cost; fair value through other comprehensive income; or fair value through income or loss.

The Commission has classified its financial instruments as follows:

Cash and cash equivalents	Amortized cost
Investment	Fair value through income or loss
Accounts receivable	Amortized cost
Investment, sinking fund	Fair value through income or loss
Accounts payable and accruals	Amortized cost
Due to related party – revolving credit agreement	Amortized cost

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

3. Significant accounting policies (continued):

(b) Financial instruments (continued):

Financial instruments are recognized initially at amortized cost plus any directly attributable transaction costs.

Subsequent to initial recognition, financial instruments classified as fair value through income and loss are measured at fair value.

The Commission does not use derivative instruments.

The Commission derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

The Commission derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

(c) Fair value:

Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly; and

Level 3: inputs for assets and liabilities that are based on observable market value.

(d) Inventory:

Inventory is measured at the lower of cost and net realizable value. The cost of inventory is determined on a weighted average basis and includes expenditures incurred in acquiring the material and supplies and other costs incurred in bringing them to their existing location and condition.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

3. Significant accounting policies (continued):

(e) Property, plant and equipment:

(i) Recognition and measurement:

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Commission and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of income as incurred.

(iii) Depreciation:

Depreciation is recognized in income or loss on a straight-line basis over the estimated useful life of each part or component of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives for the current and comparative years are as follows:

Buildings	10 to 60 years
Distribution and metering equipment	7 to 75 years
Plant and water treatment equipment	15 to 60 years

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized within other income in the statement of income.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

3. Significant accounting policies (continued):

(f) Impairment:

(i) Financial assets:

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

All impairment losses are recognized in the statement of income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in the statement of income.

(ii) Non-financial assets:

The carrying amounts of the Commission's non-financial assets, other than inventory and supplies, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss was recognized.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

3. Significant accounting policies (continued):

(f) Impairment (continued):

(ii) Non-financial assets (continued):

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of income and are allocated to reduce the carrying amount of the assets in the cash-generating unit on a pro-rata basis.

(g) Employee future benefits:

(i) Pension plan:

The Commission provides a pension plan for all its retirees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer, contributory, defined benefit pension plan established in 1962 by the Province of Ontario for employees of municipalities, local boards and school boards in Ontario. Both participating employers and employees are required to make plan contributions based on participating employees' contributory earnings.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension assets and liabilities information by individual employer, there is not sufficient information to enable the Commission to account for the plan as a defined benefit plan. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in income or loss when they are due. At December 31, 2021, the OMERS plan is in a deficit position.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

3. Significant accounting policies (continued):

(g) Employee future benefits (continued):

(ii) Employee future benefits, other than pension:

The Commission pays certain health, dental and life insurance benefits, under unfunded defined benefit plans, on behalf of its retired employees. These benefits are provided through a group defined benefit plan. The Commission is the legal sponsor of the plan. There is a policy in place to allocate the net defined benefit cost to the entities participating in the group plan. The allocation is based on the obligation attributable to the plan participants. The Commission has reflected its share of the defined benefit costs and related liabilities, as calculated by the actuary, in these financial statements.

The Commission accrues the cost of these retiree future benefits over the periods in which the employees earn the benefits. The accrued benefit obligations are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in other comprehensive income. The Commission determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit liability at the beginning of the annual period, taking into account any changes in the net benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in the statement of income.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

3. Significant accounting policies (continued):

(h) Deferred revenue:

Certain customers and developers are required to contribute towards the capital cost of construction in order to provide a new service. These contributions fall within the scope of IFRS 15 *Revenue from Contracts with Customers*. The contributions are received to obtain a connection to the distribution system in order to receive ongoing access to water. The Commission has concluded that the performance obligation is the supply of water over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes water. Cash contributions are initially recorded as current liabilities. Once the distribution system asset is completed or modified as outlined in the terms of the contract, the contribution amount is transferred to a customers' capital contribution account.

When an asset is received as a capital contribution, the asset is initially recognized at its fair value, with the corresponding amount recognized in the customers' capital contribution account.

The customers' capital contribution account, which represents the Commission's obligation to provide the customers access to water, is reported as deferred revenue and is amortized to income on a straight-line basis over the economic useful life of the acquired or contributed asset.

(i) Revenue:

IFRS 15 *Revenue from Contracts with Customers* establishes a comprehensive framework for determining whether, how much and when revenue is recognized.

Revenue for the Commission is recognized when the Commission satisfies the performance obligations within the contract(s) for conditions of service, which is when the delivery of water is achieved or specific services are performed.

Revenue is measured at the fair value of the consideration received or receivable, net of any taxes which may be applicable.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

3. Significant accounting policies (continued):

(i) Revenue (continued):

Revenue from distribution of water - revenue attributable to the delivery of water is based upon Commission approved distribution rates and includes the amounts billed to customers for connection and consumption. Revenue is recognized as water is delivered and consumed by customers. Revenue includes an estimate of unbilled revenue. Unbilled revenue represents an estimate of water consumed by customers since the date of each customer's last meter reading. Actual water usage could differ from those estimates.

Other income – work performed is recorded on a net basis as the Commission is acting as an agent for this revenue stream. All other amounts in other income are recorded on a gross basis and are recognized when services are rendered.

(j) Finance income and finance costs:

Finance income is recognized as it accrues in the statement of income, using the effective interest method.

Finance costs comprise interest expense on borrowings and amortizing of the discount rate on provisions.

(k) Set-off and reporting on a net basis:

Assets and liabilities and income and expenses are not offset and reported on a net basis unless required or permitted by IFRS. For financial assets and financial liabilities, offsetting is permitted when, and only when, the Commission has a legally enforceable right to set-off and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(l) Discontinued operation:

A discontinued operation is a component of the Commission's business, the operations and cash flows of which can be clearly distinguished from the rest of the Commission and which:

-represent a separate major line of business;

-is part of a single co-ordinated plan to dispose of a separate major line of business.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of income is re-presented as if the operation had been discontinued from the start of the comparative year.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

3. Significant accounting policies (continued):

(m) New standards and interpretations not yet adopted:

The following standards which are not yet effective for the year ended December 31, 2021, have not been applied in preparing these financial statements.

Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)

On May 14, 2020, the IASB issued *Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)*.

The amendments are effective for annual periods beginning on or after January 1, 2022. Early adoption is permitted.

The amendments provide guidance on the accounting for sale proceeds and the related production costs for items a company produces and sells in the process of making an item of property, plant and equipment (“PPE”) available for its intended use. Specifically, proceeds from selling items before the related item of PPE is available for use should be recognised in profit or loss, together with the costs of producing those items.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

On May 14, 2020, the IASB issued *Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)*.

The amendments are effective for annual periods beginning on or after January 1, 2022 and apply to contracts existing at the date when the amendments are first applied. Early adoption is permitted.

IAS 37 does not specify which costs are included as a cost of fulfilling a contract when determining whether a contract is onerous. The IASB’s amendments address this issue by clarifying that the ‘costs of fulfilling a contract’ comprise both:

- the incremental costs – e.g. direct labour and materials; and
- an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of PPE used in fulfilling the contract.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

On January 23, 2020, the IASB issued amendments to IAS 1 *Presentation of Financial Statements*, to clarify the classification of liabilities as current or non-current. On July 15, 2020, the IASB issued an amendment to defer the effective date by one year.

The amendments are effective for annual periods beginning on or after January 1, 2023. Early adoption is permitted.

For the purposes of non-current classification, the amendments removed the requirement for a right to defer settlement or roll over of a liability for at least twelve months to be

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

3. Significant accounting policies (continued):

(m) New standards and interpretations not yet adopted (continued):

unconditional. Instead, such a right must have substance and exist at the end of the reporting period.

Definition of Accounting Estimates (Amendments to IAS 8)

On February 12, 2021, the IASB issued *Definition of Accounting Estimates (Amendments to IAS 8)*.

The amendments are effective for annual periods beginning on or after January 1, 2023. Early adoption is permitted.

The amendments introduce a new definition of accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

Disclosure initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

On February 12, 2021, the IASB issued *Disclosure Initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 Making Materiality Judgements)*.

The amendments are effective for annual periods beginning on or after January 1, 2023. Early adoption is permitted.

The amendments help companies provide useful accounting policy disclosures. The key amendments include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The Commission has assessed the potential impacts on its financial statements and determined that the future pronouncements will not have a material impact on the Commission.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

4. Cash and cash equivalents:

	2021	2020
Cash and cash equivalents	\$ 11,919	\$ 9,881
Cash and cash equivalents	\$ 11,919	\$ 9,881

The Commission has an agreement with a Canadian chartered bank for an operating line of credit in the amount of \$6,000 (2020 - \$6,000) bearing interest at prime minus 0.25%. The line of credit is unsecured.

5. Accounts receivable:

	2021	2020
Trade receivables	\$ 6,333	\$ 7,491
Unbilled revenue	5,197	5,120
Allowance for doubtful accounts	(16)	(55)
Accounts receivable	\$ 11,514	\$ 12,556

The Commission's exposure to credit risk and impairment losses related to trade receivables is disclosed in Note 19.

6. Notes receivable:

On July 29, 2021 the Commission entered into an arrangement whereby the assets of District Energy were sold, proceeds and a note receivable were received for the assets. The Note receivable has structured payments to be received on the anniversary date for the next 12 years. The note receivable has been recorded at a discounted value using an interest rate of 2%. Interest revenue will be recognized over 12 years and recorded under Finance income. Additional details relating to the sale of District Energy assets are disclosed in Note 16.

7. Inventory:

Inventory consists of parts and supplies acquired for internal construction, consumption or recoverable work.

The amount of inventory consumed by the Commission and recognized as an expense during 2021 was \$1,279 (2020 - \$1,304).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

8. Property, plant and equipment:

(a) Cost:

	Land and buildings	Distribution and metering equipment	Plant and water treatment equipment	District energy system	Construction -in-progress	Total
Balance at January 1, 2020	\$ 3,690	\$ 284,136	\$ 78,800	\$ 8,588	\$ 2,405	\$ 377,619
Additions	98	25,067	285	285	1,580	27,315
Disposals/retirements	-	(176)	-	-	-	(176)
Balance at December 31, 2020	\$ 3,788	\$ 309,027	\$ 79,085	\$ 8,873	\$ 3,985	\$ 404,758
Balance at January 1, 2021	\$ 3,788	\$ 309,027	\$ 79,085	\$ 8,873	\$ 3,985	\$ 404,758
Additions	289	18,850	2,962	917	5,092	28,110
Disposals/retirements	-	(314)	-	(9,790)	-	(10,104)
Balance at December 31, 2021	\$ 4,077	\$ 327,563	\$ 82,047	\$ -	\$ 9,077	\$ 422,764

The Commission receives certain non-cash customer contributions for subdivision and infrastructure projects, the total amount received by the Commission for the year ending December 31, 2021 was \$1,679 (2020 - \$4,420) and is included in additions.

(b) Accumulated depreciation:

	Land and buildings	Distribution and metering equipment	Plant and water treatment equipment	District energy system	Construction -in-progress	Total
Balance at January 1, 2020	\$ 431	\$ 42,301	\$ 19,242	\$ 2,948	\$ -	\$ 64,922
Depreciation charge for the year	93	6,072	3,557	492	-	10,214
Disposals/retirements	-	(84)	-	-	-	(84)
Balance at December 31, 2020	\$ 524	\$ 48,289	\$ 22,799	\$ 3,440	\$ -	\$ 75,052
Balance at January 1, 2021	\$ 524	\$ 48,289	\$ 22,799	\$ 3,440	\$ -	\$ 75,052
Depreciation charge for the year	95	6,561	3,444	291	-	10,391
Disposals/retirements	-	(160)	-	(3,731)	-	(3,891)
Balance at December 31, 2021	\$ 619	\$ 54,690	\$ 26,243	\$ -	\$ -	\$ 81,552

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

8. Property, plant and equipment (continued):

(c) Carrying amounts:

	Land and buildings	Distribution and metering equipment	Plant and water treatment equipment	District energy system	Construction -in-progress	Total
December 31, 2020	\$ 3,264	\$ 260,738	\$ 56,286	\$ 5,433	\$ 3,985	\$ 329,706
December 31, 2021	\$ 3,458	\$ 272,873	\$ 55,804	\$ -	\$ 9,077	\$ 341,212

9. Investment:

In 2014, a sinking fund was established with the intent to ensure sufficient funds are available to settle the long-term borrowings of the Commission issued November 6th, 2012 with a maturity date of November 6th, 2042 in the amount of \$52,000. Annual payments are expected to be completed to satisfy the obligation.

Investments are recorded at fair value as of December 31, 2021, and are invested in fixed income and equity markets as established by the Commission's investment policy.

	2021			2020		
	Fixed Income	Equity	Total	Fixed Income	Equity	Total
Investment	\$ 12,109	\$ -	\$ 12,109	\$ 10,829	\$ -	\$ 10,829
Investment, sinking fund	15,350	10,951	26,301	8,325	2,899	11,224
	\$ 27,459	\$ 10,951	\$ 38,410	\$ 19,154	\$ 2,899	\$ 22,053

10. Accounts payable and accruals:

	2021	2020
Trade payables	\$ 5,342	\$ 4,062
Accrued expenses	1,530	1,737
	\$ 6,872	\$ 5,799

Information about the Commission's exposure to currency and liquidity risk is included in Note 19.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

11. Customer deposits:

Customer deposits represent cash deposits from water distribution commercial customers.

Customer deposits comprise:

	2021	2020
Customer deposits	\$ 368	\$ 374
Less: current portion	(108)	(96)
	\$ 260	\$ 278

12. Deferred revenue – customer contributions:

Deferred revenue relates to the capital contributions received from customers and others. The amount of deferred revenue from customers is \$15,132 (2020 - \$13,832). Deferred revenue is recognized as revenue on a straight-line basis over the life of the asset for which the contribution was received.

13. Employee future benefits:

The Commission pays certain health, dental and life insurance benefits on behalf of its retired employees. Significant assumptions underlying the actuarial valuation include the Commission's best estimate of the interest (discount) rate, expected health and dental care costs, on the advice of the actuaries.

The Commission measures its accrued benefit liability for accounting purposes as at December 31 each year. A valuation date of December 31, 2019, with extrapolation to December 31, 2021, has been used to calculate the current liability.

The Commission's employee future benefit liability consists of the following:

	2021	2020
Defined benefit liability	\$ 4,254	\$ 4,579
Workers compensation liability	70	86
Employee future benefits, end of year	\$ 4,324	\$ 4,665

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

13. Employee future benefits (continued):

Information about the Commission's unfunded defined benefit plan is as follows:

Changes in the present value of the defined benefit liability:

	2021	2020
Defined benefit liability, beginning of year	\$ 4,579	\$ 4,431
Defined benefit expense	116	134
Actuarial (gain) loss on liability recognized in other comprehensive income	(196)	266
Benefits paid for the year	(245)	(252)
Defined benefit liability, end of year	\$ 4,254	\$ 4,579

Components of defined benefit expense recognized are as follows:

	2021	2020
Interest cost	\$ 116	\$ 134
Defined benefit expense	\$ 116	\$ 134

The main actuarial assumptions underlying the valuation are as follows:

(a) Health care cost trend rates:

The health care cost trend for prescription drugs is estimated to increase at 6.26% in 2022 grading down to 4.0% by 2041. Other health expenses are estimated to increase at 4.90% grading down to 4.0% by 2041. Dental expenses are estimated to increase at 4.0% per year.

(b) Discount rate:

The liability at the period end and the present value of future liabilities were determined using a discount rate of 3.0% (2020 - 2.6%) representing an estimate of the yield on high quality corporate bonds as at the valuation date.

(c) Mortality decrement:

The rates applicable to public sector retirees in the 2014 Canadian Pensioners Mortality table produced by the Canadian Institute of Actuaries were used as the basis of these assumptions.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

13. Employee future benefits (continued):

A 1% or one-year change in actuarial assumptions, assuming all other factors remain constant, have the following impact on the defined benefit liability carrying amount:

	December 31, 2021		December 31, 2020	
	Increase	Decrease	Increase	Decrease
Health care trend rate (1% change)	\$ 506	\$ (428)	\$ 531	\$ (447)
Discount rate (1% change)	\$ (433)	\$ 518	\$ (491)	\$ 594
Mortality (1 year)	\$ 249	\$ (239)	\$ 259	\$ (247)

14. Revenue:

The Commission generates revenue primarily from the sale and distribution of water to its customers. Additional information is provided in Note 15 detailing the components of Other income.

In the following table, revenue from distribution of water is disaggregated by component:

	2021	2020
Fixed revenue	\$ 19,955	\$ 19,042
Consumption revenue	16,631	16,695
Suburban wholesale revenue	3,219	3,394
Water main levy	16,472	16,082
Total revenue from distribution of water	\$ 56,277	\$ 55,213

15. Other income:

Other income comprises:

	2021	2020
Water billing and customer care charges	\$ 125	\$ 108
Collection and late payment charges	119	61
Development and miscellaneous charges	609	1,224
Loss on disposal of property, plant and equipment	(15)	(92)
Total other income	\$ 838	\$ 1,301

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

16. Discontinued operations:

During the year, the Commission adopted a formal plan to dispose of the assets of the District Energy System. On July 29, 2021, the Commission completed the sale and received proceeds in the amount of \$13,700 along with a promissory note for additional payments to be received over 12 years in the amount \$7,800. Additional details about the note receivable are disclosed in Note 6. The Commission recognized a gain on the sale of \$14,367 which was recorded in Net income from discontinued operations.

In accordance with IFRS 5, the results related to the District Energy have been included within discontinued operations in the Commission's Statement of Income and Statement of Cash Flows. During 2021, the Commission recorded net income of \$14,929 (2020 - \$1,014).

A summary of discontinued operations is shown below.

	2021	2020
Revenue	\$ 5,490	\$ 11,373
Gain on sale	14,367	-
Deferred revenue depreciation	3	5
Cost of services	(4,640)	(9,872)
Depreciation	(291)	(492)
Net income from discontinued operations	\$ 14,929	\$ 1,014

A summary of the cash flow impact that discontinued operations had on the Commission is presented below:

	2021	2020
Revenue	\$ 5,490	\$ 11,373
Cost of services	(4,640)	(9,872)
Proceeds on disposal of property, plant and equipment	13,371	-
Net cash from discontinued operations	\$ 14,221	\$ 1,501

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

17. Finance expense (income):

	2021	2020
Finance income:		
Interest income on investment	\$ (859)	\$ (589)
Interest income on bank balances	(158)	(92)
	(1,017)	(681)
Finance expense:		
Interest expense on long-term borrowings	2,150	2,150
Discount on long-term borrowings	17	16
Interest paid to related parties	50	58
	2,217	2,224
Net finance expense	\$ 1,200	\$ 1,543

18. Related party transactions:

(a) Parent and ultimate controlling party:

The parent is the Corporation of the City of Windsor. The City produces financial statements that are available for public use.

(b) Key management personnel:

The key management personnel of the Commission has been defined as members of its Board of Commissioners. The executive management team members are employees of ENWIN and allocated to the Commission based on a shared services model. These allocated costs are disclosed in Note 18 (d).

Key management compensation:

	2021	2020
Salaries and other short-term benefits	\$ 70	\$ 65
	\$ 70	\$ 65

(c) Transactions with parent:

The City tenders and contracts for capital watermain projects and road repairs on behalf of the Commission. The total amount charged to the Commission for the year ending December 31, 2021 was \$10,092 (2020 - \$7,305).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

18. Related party transactions (continued):

(d) Transactions with entities under common control and parent company:

WSOA:

The Commission and ENWIN agreed under the WSOA, that ENWIN would provide all operational, management, administrative, maintenance and construction services for the Commission as required to operate the water distribution system. Under the WSOA, ENWIN prepares the Water System Financial Plans, operating expense plans and capital plans with respect to the Commission's business as required to operate, maintain, administer and invest in the Commission and its facilities. The Commission reviews the plans on the basis of whether ENWIN, upon executing the plan will be compliant with the terms and conditions of the Water System Financial Plan, the WSOA and applicable laws, permits and material contracts.

The Commission has agreed to reimburse ENWIN for all operational and capital expenses on a fully allocated cost basis. All employees required to operate the water distribution system as well as the key management employees are retained by ENWIN. The Commission incurs staffing costs associated with the allocation of these employees however does not have any employee obligations except the Commission's retirees and the long-term receivable for the past service costs related to post retirement benefits on the transfer of employees as established in the Employee Arrangement Agreement.

Under the WSOA, the total amount allocated and charged to the Commission for the year ended December 31, 2021 was \$18,569 (2020 - \$18,850).

The key management personnel allocated by the shared services model under the WSOA, to the Commission are executive management team members of ENWIN.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

18. Related party transactions (continued):

(d) Transactions with entities under common control and parent company (continued):

WSOA (continued):

Allocated key management compensation:

	2021	2020
Allocated salaries and other short-term benefits	\$ 605	\$ 629
Post-employment benefits	16	17
	\$ 621	\$ 646

(e) Amounts due to related parties:

Accounts payable due to related parties consist of:

	2021	2020
Due to company under common control:		
Due to ENWIN Utilities Ltd.	\$ 1,834	\$ 1,408
Due to Windsor Canada Utilities Ltd.	-	40
Due to parent:		
Due to the Corporation of the City of Windsor	1,946	4,165
	\$ 3,780	\$ 5,613

The amounts due to ENWIN, WCUL and the City are due on demand and are non-interest bearing.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

18. Related party transactions (continued):

(e) Amounts due to related parties (continued):

Long-term payable due to related parties consist of:

	2021	2020
Due to ENWIN Utilities Ltd.	\$ -	\$ 411
	\$ -	\$ 411

This long-term payable is non-interest bearing and resulted from the Employee Arrangement Agreement and is amortized over the estimated average remaining service life at the time of the agreement which was 9.5 years payable each November.

(f) Long-term borrowings:

	2021	2020
Revolving loan payable requiring interest payments only of \$2,150 until maturity on November 6, 2042. The loan is unsecured and bears interest at an effective interest rate of 4.134%.	\$ 52,000	\$ 52,000
Less: Unamortized debt issuance costs	(586)	(603)
	\$ 51,414	\$ 51,397

The revolving loan is due to Windsor Canada Utilities Ltd. ("WCUL"), a 100% owned subsidiary of the Corporation of the City of Windsor. On November 6, 2012, WCUL issued a \$103,000 debenture from which proceeds of \$52,000 were advanced to the Commission under this loan agreement. As a condition of the debentures issued by WCUL and loan to the Commission, the Commission provided a limited recourse guarantee in favour of the debenture holders in the amount of \$52,000. The Commission incurred interest expense in respect of the loan of \$2,150 (2020 - \$2,150).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

19. Financial instruments and risk management:

The carrying values of cash and cash equivalents, investments, accounts receivable, accounts payable and accruals approximate fair values because of the short maturity of these instruments. All fair values are categorized as Level 1 in the fair value hierarchy. No transfers have occurred during the year between levels of the fair value hierarchy.

The following table illustrates the classification of the Commission's financial instruments using the fair value hierarchy as at December 31:

Assets	2021			2020		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Investment	\$ -	\$ 12,109	\$ 12,109	\$ -	\$ 10,829	\$ 10,829
Investment, sinking fund	10,951	15,350	26,301	2,899	8,325	11,224
	\$ 10,951	\$ 27,459	\$ 38,410	\$ 2,899	\$ 19,154	\$ 22,053

The Commission's activities provide for a variety of financial risks, particularly credit risk, market risk, liquidity risk, currency and interest rate risk.

(i) Credit risk:

The aging of trade receivables at the reporting date was:

	2021	2020
Not past due	\$ 8,827	\$ 9,619
Past due 0 – 30 days	1,799	1,154
Past due 31 – 90 days	562	740
Greater than 90 days	342	1,098
	\$ 11,530	\$ 12,611

The carrying amount of the Commission's financial assets represent the maximum credit exposure.

Financial assets carry credit risk that a counter-party will fail to discharge an obligation which would result in a financial loss. Financial assets held by the Commission, such as accounts receivable, expose it to credit risk. The Commission earns its revenue from a broad base of customers located in the City of Windsor and two neighbouring municipalities. One customer accounted for 7% (2020 - 12%) of revenue. No other single customer in either year would account for revenue in excess of 5% of the respective reported balances.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

19. Financial instruments and risk management (continued):

(i) Credit risk (continued):

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in the statement of income and other comprehensive income. Subsequent recoveries of receivables previously provisioned are credited to the statement of income. The balance of the allowance for impairment at December 31, 2021, is \$16 (2020 - \$55). No customer accounted for greater than 10% of the accounts receivable at year end (2020 - two customers accounted for greater than 10%).

A continuity of the allowance for impairment amount is as follows:

	2021	2020
Balance, beginning of year	\$ 55	\$ 92
Accounts receivable balance write-offs	25	12
Change in provision for doubtful accounts	(64)	(49)
Balance, end of year	\$ 16	\$ 55

The Commission's credit risk associated with accounts receivable is primarily related to payments from customers for recoverable work. At December 31, 2021, approximately \$16 (2020 - \$58) is considered 90 days past due.

Credit risk is managed through collection of security deposits from contractors. As at December 31, 2021, the Commission holds security deposits in the amount of \$318 (2020 - \$331) and is included in accounts payable on the balance sheet.

(ii) Market risk:

Market risks primarily refer to the risk of loss that results from changes in commodity prices, foreign exchange rates, and interest rates. The Commission is exposed to market risks within the investment portfolio. A portion of the portfolio is invested in equities which are subject to market volatility. For sensitivity purposes, a 1% change would result in a change of \$110 (2020 - \$29) on the balance sheet and statement of income.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

19. Financial instruments and risk management (continued):

(iii) Liquidity risk:

Liquidity risk is the risk that the Commission will not be able to meet its obligations associated with financial liabilities. The Commission monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Commission's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest expense. The Commission has access to a line of credit and monitors cash balances to ensure that sufficient levels of liquidity are on hand to meet financial commitments as they come due.

The following are the contractual maturities of financial liabilities including estimated interest payments:

December 31, 2021	6 Months or less	6-12 Months	1-2 years	More than 2 years	Other non cash adjustments	Carrying amount
Accounts payable and accruals	\$ 6,872	\$ -	\$ -	\$ -	\$ -	\$ 6,872
Accounts payable to related parties	3,369	411	-	-	-	3,780
Customer deposits	27	27	54	260	-	368
Long-term payables to corporations under common control	-	-	-	-	-	-
Long-term borrowings	-	-	-	52,000	(586)	51,414
	\$ 10,268	\$ 438	\$ 54	\$ 52,260	\$ (586)	\$ 62,434

December 31, 2020	6 Months or less	6-12 Months	1-2 years	More than 2 years	Other non cash adjustments	Carrying amount
Accounts payable and accruals	\$ 5,799	\$ -	\$ -	\$ -	\$ -	\$ 5,799
Accounts payable to related parties	4,791	822	-	-	-	5,613
Customer deposits	24	24	48	278	-	374
Long-term payables to corporations under common control	-	-	411	-	-	411
Long-term borrowings	-	-	-	52,000	(603)	51,397
	\$ 10,614	\$ 846	\$ 459	\$ 52,278	\$ (603)	\$ 63,594

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

19. Financial instruments and risk management (continued):

(iv) Capital disclosures:

The main objectives of the Commission when managing capital are to ensure ongoing access to funding to maintain and improve the water distribution system and ensure adequate cost recovery.

The Commission's debt to equity ratio at the end of the reporting period was:

	2021	2020
Total liabilities	\$ 81,890	\$ 82,091
Total equity	328,615	292,816
Debt to equity ratio at December 31	0.25	0.28

The Commission has customary covenants typically associated with long-term debt. The Commission is in compliance with all credit agreement covenants and limitations associated with its long-term debt.

(v) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Commission is subject to variable interest rate cash flow risk with respect to its investments. The Commission has addressed this risk by entering into fixed interest rates on invested funds and debts.

(vi) Currency risk:

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in foreign exchange rates. The Commission is exposed to currency risk through its foreign currency denominated bank and investment accounts. A weakening or strengthening of the Canadian dollar can affect the cash flows. This risk is monitored by investment managers and the exposure is limited to these accounts. For sensitivity purposes, a 1% change in the Canadian dollar would result in a change of \$74 (2020 - \$17) on the balance sheet and the statement of income.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2021

20. Commitments and contingencies:

Commitments

Contractual Obligations

At year end, the Commission is committed to capital projects of approximately \$2,547 (2020 - \$3,974). These capital projects continue the investment in the Commission's watermain infrastructure throughout the City of Windsor. These project contracts were awarded in 2021 and will be completed during the next reporting period.

Contingencies

General

From time to time, the Commission is involved in various litigation matters arising in the ordinary course of its business. The Commission has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Commission's financial position, results of operations or its ability to carry on any of its business activities.

21. Comparative figures:

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. As a result, certain line items have been amended in the Statement of Income and the Statement of Cash Flows and the related notes to the financial statements. There was no impact on current or prior year's net income. Comparative figures have been adjusted to conform to the current year's presentation.

