



CANTON MUNICIPAL UTILITIES

"Where Utilities Power Possibilities"

October 31, 2025

CMU Public Statement

Many CMU sewer customers, including all those outside the City of Canton and many located inside the City, have their wastewater transported by CMU for treatment by a regional wastewater authority known as Madison County Wastewater Authority, or MCWA. As part of CMU's 2025 Public Service Commission-approved rate change, all customers whose wastewater is treated by the MCWA system are charged two separate volumetric rates: one that covers CMU's cost of providing wastewater service to the customer, and one called a "MCWA Pass-Through" to cover CMU's required payments to MCWA. It is important to note that this is true of customers of all utilities which utilize the MCWA system.

As of earlier this year, CMU is a member of MCWA with a seat on its Board. However, when MCWA passed its current sewer rates in October and November of 2024, CMU was not yet a member. In setting the MCWA Pass-Through rate, CMU relied on the rate reflected in MCWA's October and November 2024 minutes: an operating rate of \$3.72 per thousand gallons (or \$2.78 per CCF, the unit by which CMU bills its customers) and an administrative fee of \$1.05 per thousand gallons (\$0.79 per CCF), for a total of \$4.77 per thousand gallons (\$3.57 per CCF). Again, this rate was reflected in both the October 2024 and November 2024 MCWA minutes. Since CMU began charging its new rates, the MCWA Pass-Through has therefore been set at \$4.77 per thousand gallons (\$3.57 per CCF).

At the MCWA board meeting on 10/28/2025, a resolution was passed to amend and correct the language of both the October and November 2024 minutes. The correction states the \$1.05 administrative fee was meant to be charged per customer, per month – not per thousand gallons, as previously stated. Accordingly, all future CMU invoices that include the MCWA Pass-Through will be adjusted to charge \$3.72 per thousand gallons (\$2.78 per CCF) and \$1.05 per customer, per month.

While CMU reasonably based its original MCWA Pass-Through rate on the clear language of MCWA's minutes approving the rate, we understand this adjustment may create some confusion. Our customers may rest assured that as part of the Public Service Commission's order approving CMU's rate change, the Mississippi Public Utilities Staff "will perform an annual true-up report of the sewer treatment pass-through charges" to ensure CMU has not charged its customers more than CMU has been charged by MCWA. MCWA also performs its own annual true-up report for each of its customers and members, including CMU.

CMU is committed to transparency and, in conjunction with MCWA and the Public Utilities Staff, will continue to ensure that the MCWA Pass-Through charge is collected only for the purpose of paying MCWA's sewer rates and does not exceed those rates.