

IN THE MATTER between **SH**, Applicant, and **TC and CG**, Respondents;

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter R-5
(the "Act");

AND IN THE MATTER of a hearing before **Jerry Vanhantsaeme**, Rental Officer, regarding
a rental premises located within the **city of Yellowknife in the Northwest Territories**;

BETWEEN:

SH

Applicant/Landlord

-and-

TC AND CG

Respondents/Tenants

REASONS FOR DECISION

<u>Date of the Hearing:</u>	November 27, 2024
<u>Place of the Hearing:</u>	Yellowknife, Northwest Territories
<u>Appearances at Hearing:</u>	KS, representing the Applicant
<u>Date of Decision:</u>	November 29, 2024

REASONS FOR DECISION

An application to a rental officer made by DPM on behalf of SH as the Applicant/Landlord against TC and CG as the Respondents/Tenants was filed by the Rental Office June 5, 2024. The application was made regarding a residential tenancy agreement for a rental premises located in Yellowknife, Northwest Territories. The filed application was served by email on the Respondent TC and deemed served on July 25, 2024.

The Applicant alleged the Respondents vacated the rental premises leaving outstanding rental arrears, failed to pay utilities and fuel prior to vacating. An order was sought for payment of rental arrears, utility and fuel costs.

A hearing was scheduled for August 14, 2024, KS appeared representing the Applicant. Respondent TC appeared, CG did not attend. The Rental Officer questioned representation for the Respondents. TC acknowledged he handled the household expenses and could speak on behalf of CG. The Rental Officer noted the Applicant had the ability to serve both Respondents but chose to only serve one. The Rental Officer adjourned the hearing and directed the Applicant to serve CG as they had the ability to do so as part of the application. The hearing was to be rescheduled upon confirmation of service of the application on CG.

The hearing was rescheduled for November 14, 2024. Upon request of the Applicant was rescheduled a second time. The hearing proceeded on November 27, 2024, by three-way teleconference. KS appeared representing the Applicant. The Respondents did not appear, nor did anyone on their behalf. As the Respondents were served notice of the rescheduled hearing by email on November 4, 2024, the hearing proceeded in their absence pursuant to subsection 80(2) of the *Residential Tenancies Act (Act)*. I reserved my decision to for the Applicant to provided proof of claims being made were paid and to further review the evidence and testimony.

Tenancy agreement

Evidence and testimony provided established a tenancy agreement between the parties starting March 13, 2020 and ending on April 22, 2023. The tenancy agreement was signed by all parties. I am satisfied a valid tenancy agreement is in place in accordance with the Act.

From this point forward the Applicant will be known as the Landlord and the Respondents known as the Tenants.

Security deposit

The Landlord entered into evidence the statement of the Security Deposit being applied to the outstanding tenancy account. The statement indicated \$2,500.00 had been retained as the security deposit. The statement did not indicate the interest earned on the security deposit. The Rental Officer questioned why interest was not calculated, reported to the Tenants and applied to the rent account. The Landlord's representative testified it was their error and would calculate and adjust the Tenants' statement accordingly.

An updated Tenant Statement indicated the interest earned was \$1.65. The total security deposit being retained by the Landlord was \$2,501.65.

Cleaning

The Landlord entered into evidence a cleaning invoice for the rental premises in the amount of \$126.00. To support the claim was an email to the Tenants dated July 22, 2023 included copy of the move out cleaning charge, and statement of the Security Deposit indicating the cleaning charge had been calculated into the balance owing.

After deducting the cleaning charge from the security deposit, there is zero balance for cleaning. The remaining \$2,375.65 of the security deposit was put towards the rental arrears.

Rental arrears

The Landlord entered into evidence a "Tenant Statement" representing the Landlord's account of the monthly assessed rents and payments received against the Respondents rent account for the term of the tenancy. The statement indicated the monthly rent was \$2,500.00. The statement indicated the Tenants were consistently maintaining an arrears balance and at the end of the tenancy accumulated \$15,833.33 in rental arrears, equating to more than 6.25 months of unpaid rent.

The Tenant Statement also indicated past due propane bills (\$2,704.00), outstanding water bill (\$696.87) and cleaning charge (\$126.00) totalling \$3,526.87. These charges are not considered arrears.

After removing utility charges and cleaning costs and applying the security deposit, I find the Tenants accrued rental arrears in the amount of \$12,507.68.

I am satisfied the Tenant Statement accurately reflects the current status of the Tenant's rent account. I find the Tenants repeatedly failed to pay rent in full when due and accumulated rental arrears in the amount of \$12,507.68.

Utilities' arrears

Section 45(1) of the *Act* specifies a tenant shall comply with the obligations under the tenancy agreement and with the rules of the landlord that are reasonable in all circumstances. Section 21 of the tenancy agreement specifies the tenant is responsible for utilities related to the property. Propane and water bill are considered utilities.

Propane

Entered into evidence were two propane invoices related to the rental premises. An invoice for \$1,884.20 was in the name of the Tenants and the second invoice for \$819.74 was in the Landlord's name. The Landlord's representative is claiming the Tenants are responsible for propane. The Rental Officer questioned why the Landlord is claiming the costs for the account in the Tenant's name. The representative testified, the supplier refused to fill the tank until the outstanding bill was paid and in order to avoid damage to the rental premises due to heat loss, they were required to pay the outstanding propane bill. The Rental Officer also questioned the second charge under the name of the Landlord. The Landlord's representative confirmed when the Tenant's took possession of the rental premises the propane tank was full as the property was just purchased. The second charge was the top-up at the end of the tenancy.

I reserved my decision upon verification of propane invoices being paid by the Landlord. Proof of payment was provided. I am satisfied the Tenants are liable to the Landlord for the costs of the unpaid propane account and top-up in the amount of \$2,704.00.

Water

Entered into evidence was an email from the City of Yellowknife advising no payment had been received from the Tenants with regards to an outstanding \$696.87 water bill. The Landlord's representative testified the charge would be added to the Landlord's tax account. The deposit statement also indicated the past due bill has interest being applied by the city.

The Rental Officer requested verification the water bill had been paid by the Landlord. The representative provided a notice letter dated October 30, 2023 the utilities account was in arrears in the amount of \$722.18 and would be applied to the city tax account at the end of the year.

On November 3, 2024, the Landlord's representative entered into evidence a notice of direct deposit from September 20, 2024 in the amount of in the \$100.00. The Landlord's representative testified the payment was put towards the water bill.

At the end of the tenancy, the Tenants had an outstanding water charge with the city in the amount of \$696.87. The updated Tenant Statement indicated the water charge had increases to \$722.18. City of Yellowknife utility accounts are unique to each customer. A Tenant may hold an account but should default occur, city bylaw allows nonpayment of fees and charges and interest to be applied to the tax roll for the property like that of municipal taxes. A January 28, 2024 email from the Tenants to the Landlord's representative acknowledged the water bill.

I reserved my decision for verification of water charge being paid by the Landlord. Proof of payment was not provided in the time line agreed to with the Landlord's representative. However, evidence was provided from the city substantiating the Landlord's claim. Also to support the claim was the January 28, 2024 email acknowledging the outstanding water charge. After deducting the \$100.00 payment from the \$722.18 water charge, I find the total outstanding water utilities arrears in the amount of \$622.18.

I am satisfied the Tenants breached their obligations to maintain their utility accounts in accordance with section 21 of the tenancy agreement and accumulated utility arrears in the amount of \$3,326.18.

Orders

an order will be issued:

- requiring the Tenants to pay to the Landlord rental arrears and utility arrears in the total amount of \$15,833.86(p. 41(4)(a), p. 45(4)(d)).

Jerry Vanhantsaeme
Rental Officer