



Panorama Water Utility

Revenue Requirement & Rate Application for 2023 through to 2026

Submitted To:

Office of the Comptroller of Water Rights
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EXECUTIVE SUMMARY

Corix Multi-Utility Services Inc. (Corix) owns and operates the water utility providing service to Panorama Mountain Village. The water utility is regulated by the BC Comptroller of Water Rights (Comptroller). In this application Corix is applying to set rates for 2023 to 2026. The last rate application was approved by Order No. 2584 for the test years 2020 to 2022. Panorama rates were last changed on January 1, 2022.

In this Application Corix proposes a four-year test period from 2022 to 2026 with continuation of the Revenue Deficiency Deferral Account (RDDA) to smooth rates for customers. The RDDA mitigates the impact of the rate increase by smoothing rates over a number of years until the balance is fully recovered. Also, Corix proposes an RDDA true-up to actual for certain non-controllable items (see Section 7.3.1). The proposed rates are summarized in Section 9 of the Application.

Section 12 in the Application provides information on the bill impacts of all the proposed rate changes for customers with typical use. Corix proposes rate changes effective January 1st for each of the years from 2023 to 2026. The typical residential customer is anticipated to experience approximately a \$45 increase on their monthly bill in 2023. The average commercial customer is anticipated to experience a \$638 increase on their monthly bill in 2023.

The proposed residential annual bill increases are estimated at 43% in 2023, 6% in 2024, 5% in 2025, and 2% in 2026. The proposed commercial annual bill increases are estimated at 37% in 2024, 6% in 2025, 5% in 2026, and 2% in 2026.

Corix is applying for rates to be set effective January 1, 2023 as interim rates. Corix requests that the interim rates be subsequently adjusted if and as required based on the Comptroller's final decision when rendered on this Application, with any refund or additional charges to be accounted for with interest, retroactive to January 1, 2023.

The complete list of regulatory approvals sought is in Section 1.2 of the Application.

The main body of the Application consists of the following sections:

Section 1 provides an introduction to Corix, relevant contact information, the regulatory approvals being sought as part of this Application and a discussion regarding stakeholder notification;

Section 2 provides an overview of past directives from the Comptroller of Water Rights relevant to this Application;

Section 3 provides details of the operating and maintenance expenses that form part of the revenue requirement;

Section 3.4 provides details of the corporate and regional services cost allocation methodology and the allocated costs;

Section 4 provides details of the capital costs included in the financial model;

Section 5 provides details of rate base, financing assumptions and depreciation. It also includes the proposed treatment of potential changes arising from a BCUC decision on return on equity and capital structure for thermal energy utilities;

Section 6 provides details on rate base including GSDP project costs;

Section 7 provides details of the revenue requirements, income tax, and the revenue deficiency deferral account;

Section 8 provides details of customer count and consumption;

Section 9 presents the proposed rates, and RDDA recovery period scenarios;

Section 10 provides details of the Consumption Deferral Account and the associated rate rider ending in 2022;

Section 11 provides analysis of the Contribution in Aid of Construction;

Section 12 presents estimated customer bill impacts based on the proposals in this Application; and

Section 13 includes the tariff housekeeping amendments proposed in the Application.

The relevant Financial Schedules are included in the Application following the sections outlined above. The proposed tariff pages are included in Appendix 1 and 2.

1. INTRODUCTION AND BACKGROUND

1.1 APPLICANT

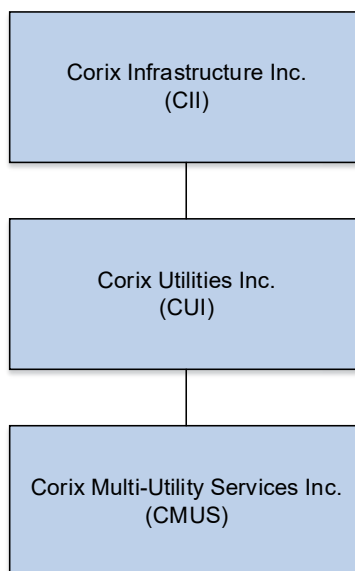
1.1.1 Corix Multi-Utility Services Inc.

Corix Multi-Utility Services Inc. (“**Corix**”) owns and operates the water utility (“**Utility**”) providing service to Panorama Mountain Village (“**Panorama**”). In addition to the water utility, Corix also owns and operates the propane and wastewater utilities at Panorama.

Corix is regulated under the *Water Utility Act*, the *Utilities Commission Act* and the *Water Sustainability Act* by the Comptroller of Water Rights (“**Comptroller**”). The Comptroller regulates all private water utilities in British Columbia to protect the public interest. The Comptroller ensures that these utilities provide safe and adequate water service at rates that are fair, reasonable and sufficient to operate their water systems sustainably.

Corix is a wholly-owned subsidiary of a privately held corporation, Corix Infrastructure Inc., owned by the British Columbia Investment Management Corporation (“**BCI**”). The ownership structure of Corix is depicted in Figure 1 below.

Figure 1: Corix Ownership Organizational Chart



Corix Infrastructure Inc.

Corix Infrastructure Inc. (“**CII**”) is a fully integrated, leading provider of utility infrastructure solutions, including water, wastewater and energy utilities for small to medium-sized communities across North America. CII’s operations include over 1,300 water and wastewater systems and over 12 thermal energy utilities across 3 Canadian provinces and 19 US states. These water and wastewater systems include water treatment, water distribution, wastewater collection, wastewater treatment, greywater re-use, rainwater harvesting, and stormwater management infrastructure. CII has the financial capacity to fund utility systems, and the experience required to operate utility systems under a variety of delivery,

governance and regulatory models. Combined, CII's utility systems (water, wastewater and energy) has approximately \$2 billion in assets and provides service to over one million end users across North America.

CII is a privately held corporation owned by the British Columbia Investment Management Corporation ("BCI"). BCI is one of the largest institutional investors in Canada, with gross assets under management of \$211.1 billion¹. In addition to core holdings such as Corix, BCI has an active direct infrastructure investment program including water utilities, electric and gas utilities, energy and power companies, liquids transportation pipelines, and rapid transit infrastructure. BCI is a corporation owned by the Province of British Columbia and is not rated by credit rating agencies.

1.1.2 Merger with CII and SouthWest Water

On August 29, 2022, CII and SouthWest Water Company ("SouthWest Water") announced that they had entered into a definitive agreement under which SouthWest Water and Corix's water and wastewater businesses will combine in a merger of equals to create a leading regulated water and wastewater utility.^{2, 3}

The combined company will have more than 1,300 employees serving more than 1.3 million people across 20 U.S. states and two Canadian provinces (BC and AB). The increased scale and enhanced financial foundation of the combined company will facilitate long-term investments required to continue to grow and provide water and wastewater services in these communities. These investments, together with the leveraging of prudent practices and operating expertise of both companies, will support the safe, reliable and sustainable delivery of water and wastewater services and will enhance the customer experience.

The transaction is expected to close by the end of 2023, subject to the satisfaction of all required regulatory approvals and customary closing conditions. This includes a regulatory application to the Comptroller seeking the relevant approvals associated with the merger, which was submitted to the Comptroller on November 16, 2022.

1.1.3 Contact Information

All communications with respect to this application should be addressed to Corix's Regulatory Affairs email Address: RegulatoryAffairs.Canada@corix.com.

¹ As at March 31, 2022 (unaudited).

² <https://www.corix.com/news/detail/2022/08/29/corix-and-southwest-water-to-combine-water-and-wastewater-assets-in-merger-of-equals>

³ https://www.corix.com/docs/default-source/corporate/corix-sww-water-merger-infographic.pdf?sfvrsn=15536b5d_0

1.2 REGULATORY APPROVALS SOUGHT

With this Application, Corix Multi-Utility Services Inc. requests the following, pursuant to Sections 59 to 61 and Sections 89 and 90 of the *Utilities Commission Act* (“UCA”):

- 1) Approval of the proposed revenue requirements for test years 2023, 2024, 2025 and 2026 as described in the Application. These are based on:
 1. The operating and maintenance expenses presented in Section 3 of the Application;
 2. The rate base as presented in Section 6;
 3. The revenue requirements for the test years 2023 to 2026 as provided in Section 7;
 4. A deemed capital structure of 57.5% debt and 42.5% equity as discussed in Section 5.1.1;
 5. Long term debt financing costs estimated at 4.98% per annum as calculated in Section 5.1.2;
 6. A return on equity (ROE) of 9.5%, as discussed in Section 5.1.3; and
 7. The depreciation rates as outlined in Section 5.2.

- 2) Approval of Customer rates as shown below in Table 1:

Table 1: Proposed Customer Rates: Test Years 2023 to 2026

	Effective January 1, 2023	Effective January 1, 2024	Effective January 1, 2025	Effective January 1, 2026
Residential Metered Rate per bed unit per month	\$13.55	\$14.33	\$15.08	\$15.39
Residential Fixed Charge per cubic meter	\$8.24	\$8.71	\$9.17	\$9.36
Commercial Metered Rate per bed unit per month	\$15.04	\$15.91	\$16.74	\$17.08
Commercial Fixed Charge per cubic meter	\$8.63	\$9.13	\$9.61	\$9.81

- 3) That the rates applied for in Table 1 to be set effective January 1, 2023 as interim rates. Corix requests that the interim rates be subsequently adjusted if and as required based on the Comptroller’s final decision when rendered on this application, with any refund or additional charges to be accounted for with interest, retroactive to January 1, 2023.

- 4) Approval:
 - a. to continue the Revenue Deficiency Deferral Account (“RDDA”) to smooth rates and for the recovery of the RDDA;

- b. that the RDDA be trued-up to actual for the four test years (2023 to 2026) for certain non-controllable items that include deemed interest expense, revenue variances arising from customer consumption differences, and taxes;
- c. that the RDDA be trued-up during the test years (2023 to 2026) for potential changes to how the BCUC sets the cost of capital for thermal energy systems, regarding the flow through of potential return on equity and capital structure differences from approved test years, commencing on January 1, 2023 for the entire test year period; and
- d. to file the RDDA compliance filing for actual year end results.

Details are discussed in Sections 5.1.4 and 7.3 of the Application.

- 5) Approval of the tariff housekeeping amendments to amend the terms and conditions of the tariff with regard to adding a back-billing provision and clarifying Schedule F as outlined in Section 13 of this Application.
- 6) That existing Water Tariff No. 5 for water service at Panorama, with effective January 1, 2022 be updated to Water Tariff No. 6, with rates effective January 1, 2023 based on the approvals regarding the proposals within this Application.

1.3 STAKEHOLDER NOTIFICATION

Documents related to this proceeding will be made available to the public through the Regulatory Affairs webpage of the Utility's website.

In order to inform stakeholders, Corix prepared a draft Customer Notification Letter document that is being submitted to the Water Comptroller simultaneously with this Application. Once the Water Comptroller accepts this Application as complete and has reviewed the additional documents, Corix will:

- 1) Send out the Customer Notification Letter document to all customers in the mail;
- 2) Place the Customer Notification Letter document on the Utility's website⁴; and
- 3) Place a notice regarding the regulatory review of the Application in the News and Notices section of the Utility's website.

Corix believes that this approach will adequately inform stakeholders of the Application, its potential impacts and other important information.

⁴ <https://www.corix.com/panorama-mountain-resort/regulatory-affairs>

2. RELEVANT HISTORY

2.1 2020 TO 2022 REVENUE REQUIREMENTS & RATE APPLICATION

On February 28, 2020, Corix filed a Revenue Requirement & Rates Application for 2020 through to 2022 (“**2020 to 2022 Rates Application**”). The 2020 to 2022 Rates Application was submitted with a request for rate increases meant to cover increases in the cost to serve customers and to establish a Revenue Deficiency Deferral Account (RDDA) that allowed rate increases to be smoothed over a longer period following in-service commissioning of the new water supply and water treatment infrastructure.

The Comptroller established a written public review process which provided stakeholders the opportunity to make submissions and ask questions throughout the process. Following one round of information requests and submissions from Corix and registered interveners, the Comptroller issued Orders No. 2578 and No. 2584 which approved the 2020 to 2022 Rates Application with amendments directed by the Comptroller.

The relevant directives from Order No. 2578 are as follows:

1. **Contribution in Aid of Construction:** “The proposed inflationary increase to the CIAC is approved effective the date of this Decision. The CIAC charge is to be set at \$1,585 per bed unit. In the next revenue requirement application, Corix is to complete a more detailed cost analysis to determine whether the \$1,585 per bed unit is appropriate.”⁵

Action Taken:

Section 11 of this Application provides the cost analysis.

2. **Consumption Deferral Account discontinuance:** “The Deputy Comptroller accepts Scenario E (updated) as a reasonable balance between rate increase phase in and a reasonable period of time to return the RDDA balance to zero. It is accepted that the proposed 2020 and 2021 rate increases are required to maintain the RDDA balance at a reasonable level. The RDDA will carry the revenue differences from the approved revenue requirement.

With the RDDA in place the Consumption Deferral Account is no longer required.

In its next Revenue Requirements filing in 2022 for rates commencing in 2023, the Utility is directed to consider further phase in options.”⁶

Actions Taken:

Section 10 of this Application provides the details of the Consumption Deferral Account.

Section 9.2 of this Application describes the RDDA scenarios and phase-in options.

⁵ Appendix A to Order No. 2578, Reasons for Decision, Section 5.0 Contribution in Aid of Future Construction (CIAC), p. 17.

⁶ Appendix A to Order No. 2578, Reasons for Decision, Section 7.0 Revenue Deficiency Deferral Account (RDDA), p. 20.

2.2 GROUNDWATER SOURCE DEVELOPMENT PROGRAM

The Comptroller determined the Groundwater Source Development Program (“**GSDP**”) Project to be in the public interest and approved the GSDP project and the use of rate base/rate of return regulation for the Utility through Order No. 2498, dated October 5, 2017. Through Order No. 2531, dated July 30, 2018, the Comptroller approved construction of the project.

In the March 2021 Compliance Filing pursuant to Order 2578, the Utility provided the GSDP Final Cost estimate⁷ (October 2020 Update) to be \$7,630,017.⁸ Subsequently, the Comptroller of Water Rights approved the Compliance Filing in Order No. 2584.

⁷ Total GSDP Project Costs (before reserve fund withdrawals and excluding AFUDC)

⁸ March 2021 Compliance Filing, Table 1: Total GSDP Project Costs (before reserve fund withdrawals and excluding AFUDC), p. 3

3. OPERATING AND MAINTENANCE EXPENSES

A utility's Operating and Maintenance ("O&M") expenses is an integral part of its revenue requirements and accounts for the typical costs incurred in operating and maintaining the utility throughout the year. This section provides information on the O&M expenses for the Utility. Table 2 shows the historical O&M expenses from Projected 2022, and the forecast for 2023 to 2026.

Table 2: Operating and Maintenance Expenses

Line No.	Operating and Maintenance Costs	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	Cost of Goods Sold					
2	Chlorine and Supplies	\$9,000	\$9,270	\$9,548	\$9,739	\$9,934
3	Contracting	0	0	0	0	0
4	Billing & Customer Care	0	0	0	0	0
5	Water testing	4,239	4,366	4,497	4,587	4,679
6	Wages - Operators	121,695	136,442	142,056	146,416	150,808
7	Utilities	47,100	48,042	49,339	50,326	51,332
8	Total Cost of Goods Sold	\$182,034	\$198,120	\$205,440	\$211,068	\$216,753
9						
10	Selling, General and Admin Expenses					
11	Advertising	\$0	\$0	\$0	\$0	\$0
12	Accounting	0	0	0	0	0
13	Vehicles/Travel	18,500	22,194	22,860	23,317	23,783
14	Freight	4,930	5,078	5,230	5,335	5,442
15	Insurance	18,379	22,350	23,021	23,481	23,951
16	Wages - Administration	0	0	0	0	0
17	Licenses and Permits	2,000	2,129	2,193	2,237	2,281
18	Hydrant maintenance	0	0	0	0	0
19	Repairs and maintenance	50,000	21,003	21,633	22,065	22,507
20	Office expenses	4,663	4,803	4,947	5,046	5,147
21	Shop supplies	5,772	4,619	4,758	4,853	4,950
22	Training	0	0	0	0	0
23	Bad Debt	1,500	0	0	0	0
24	Corporate and Regional Services	231,330	249,034	255,792	261,368	266,596
25	Common Admin Allocation (Previously Allocations from Panorama & Kootenay Ops	118,889	105,891	109,172	112,073	114,314
26	Regulatory Costs	1,941	7,000	0	0	0
27	Total SG&A	\$457,905	\$444,100	\$449,605	\$459,775	\$468,970
28						
29	Total Operating and Maintenance Expenses	\$639,939	\$642,220	\$655,045	\$670,843	\$685,724

Schedule 2 in the Financial Schedules contains O&M expenses from 2020 to 2026.

3.1 GENERAL INPUTS AND ASSUMPTIONS

In the financial model Corix relies on three cost escalators to allow for flexibility within the model and to tailor cost escalation to unique escalators. Details about the three escalators are included below:

1. Consumer Price Index (“CPI”)

Corix has used target inflation⁹ to forecast most of the O&M costs in the test period. The Bank of Canada (“**BOC**”) aims to keep inflation at the 2 per cent midpoint of an inflation-control target range of 1 to 3 per cent.¹⁰ In 2022, inflation exceeds BOC’s target inflation rate. However, in its latest monetary policy report, dated October 26, 2022, the BOC stated that “[t]he Bank expects inflation to decline to around 3% in late 2023 and return to 2% by the end of 2024.”¹¹ Consistent with the latest information from the BOC, Corix used an inflation escalator of:

- 3% in 2023;
- 3% in 2024;
- 2% in 2025; and
- 2% in 2026.

2. Electricity Cost increases

Corix has used an escalator for the cost of electricity based on the British Columbia Hydro and Power Authority (“**BC Hydro**”) Fiscal 2023 to Fiscal 2025 Revenue Requirements Application (“**2023-2025 RRA**”). When the rate changes and deferral account rate rider changes are combined, BC Hydro forecasts the following net bill impacts:

- 2022 – A net bill decrease of 1.4;
- 2023 – A net bill increase of 2.0%; and
- 2024 – A net bill increase of 2.7%.¹²

BC Hydro’s 2023-2025 RRA is currently being reviewed by the British Columbia Utilities Commission (“**BCUC**”). Corix anticipates that this review will conclude at some point in 2023. For 2025 and 2026, the Utility has used 2% to forecast the increase in BC Hydro costs.

3. Wages and Salaries

Labour-related costs are escalated based on Corix’s senior leadership’s direction regarding the workforce budgets. The annual escalation is 4.3% in 2023, and 3% each year thereafter. Given the challenges that Corix and the market as a whole have experienced in attracting and retaining qualified staff, this figure was determined to be a reasonable increase to encourage staff

⁹ The inflation target is expressed as the year-over-year increase in the total consumer price index (CPI).

¹⁰ Bank of Canada Website, Inflation, <https://www.bankofcanada.ca/core-functions/monetary-policy/inflation/>.

¹¹ Bank of Canada Monetary Policy Report July 2022 (<https://www.bankofcanada.ca/2022/10/mpr-2022-10-26/>), p. 1.

¹² BC Hydro 2023-2025 RRA, Exhibit B-2, p. 1-2

retention and maintain a level higher than the target inflation rate, while minimizing increases to fixed costs for Corix.

Details for each of the expenses are provided below, including an explanation for any cost that was forecasted without the use of the CPI.

3.2 COST OF GOODS SOLD

1. Chlorine and Supplies

The costs for chlorine and chemical supplies used in the treatment of the water. These supplies are typically purchased in bulk five to seven times a year which results in costs that fluctuate from year to year due to the timing of the purchases. The annual increases for these chemicals and supplies are forecast by applying the inflation escalator for each year in the test period.

2. Contracting

Corix is not forecasting any contracting costs for 2022 onwards. Panorama is now utilizing its own labour workforce to complete tasks that previously needed to be contracted out (ie. servicing of PRV's, electrical, etc.).

3. Billing & Customer Care

The costs for billing services and customer care include the service of the monthly billing to customers, receipt of payment, and receipt and application of the payment along with replying and addressing customer inquiries. Due to an organizational restructure, from 2022 onwards this is included in the Corporate Services allocation.

4. Water Testing

The costs for the various tests undertaken, both on-site and off-site, to ensure the safety of the drinking water supply and to meet Interior Health Authority requirements. Daily on-site testing is done for chlorine residual and turbidity levels at several locations. In addition to these tests, three water samples are sent to a third-party environmental testing laboratory (ALS Laboratory) on a biweekly basis. The annual increases for water testing are forecast by applying the inflation escalator for each year in the test period.

5. Wages - Operators

Beginning in 2021, the “Wages - Operators” expense category reflects the labour costs associated with operations staff required to operate the water utility. Costs related to the Area Manager and Administrator are included in the Common admin allocation category explained below. The six full-time operators that work in the Kootenay area split their time operating and maintaining:

- All three utilities at Panorama (water, wastewater, propane)
- All two utilities at Columbia Ridge (water, wastewater)
- Kootenay area Operations and Maintenance contract utilities

The above staff do tend to rotate working on all utilities in the area to allow for a wide area of operations expertise available to all utilities under the region which includes a qualified electrician, thus reducing electrical contracting costs, and a local Senior operator which provides maintenance services that would otherwise be contracted (eg. Fire hydrant and PRV maintenance). As a result, only a portion of their time and associated costs are charged to the Panorama Water utility. The Full-time Equivalent (“FTE”) charged to the Utility is forecasted at 1.35 FTE. If Panorama Water was a standalone utility, it would require a minimum of 2 headcount to operate. Panorama Water utility benefits from labour resources utilized across the three utilities. The annual increases for Wages - Operators are forecast by applying the labour escalator for each year in the test period.

6. Utilities - Electric

This represents the portion of electric utility expenses associated with the provision of water to customers of the Utility. These electricity costs are incurred to run water pumps and the water treatment plant (e.g. instrumentation, heat/light, UV disinfection, controls). These costs are escalated using the electricity cost escalator, described in Section 3.1, which is tied to BC Hydro’s requested rate increases.

3.3 SELLING, GENERAL AND ADMINISTRATIVE COSTS

1. Accounting

The costs for the annual audit of the Annual Report for the Water Comptroller. Before 2021, there was a requirement for an annual audit issued to the previous owners of this utility and this requirement was transferred to Corix. Due to the extensive time requirements on this audit and in effort to reduce costs to the utility, it was requested by Corix that this requirement be removed and this was granted; therefore, Corix has not forecasted any costs in this category after 2020.

2. Vehicles/Travel

All operator hours spent working at the Utility have associated vehicle costs. Vehicle time is charged at a standard rate per hour based on labour hours charged to the utility. The increases in 2024 and 2025 are forecast by applying the inflation escalator for each year.

3. Freight

General Freight and courier costs associated with deliveries of chlorine and chemicals, lab testing samples and other miscellaneous supplies. The increases in are forecast by applying the inflation escalator for each year.

4. Insurance

Corix has one insurance policy that covers the assets and operations for all of its utilities. The total insurance cost is then allocated to each utility based on the underlying cost drivers (i.e. Replacement cost of the assets for Property Insurance, Revenue for liability insurance, etc.). Insurance premiums have increased over time due to increases in insurance markets worldwide. Corix and most utilities only insure above-ground assets for water and wastewater utilities due to the increases in premium associated with insuring a significant amount of underground assets, which are typically lower risk. If Corix were to insure all underground assets at all utilities, insurance premiums would increase significantly, driving up annual operating costs. Corix's 2023 forecast for insurance is derived by the corporate insurance department, factoring the elements mentioned above. The increases thereafter are derived by applying the inflation escalator for each year.

5. Licenses and Permits

Annual licensing and permit fees for the operation of the water system. This comprises an Interior Health Authority Permit and a license to use the water from the Ministry of Forestry, Lands, Natural Resource Operations and Rural Development for the water system, and license costs for operations and groundwater supply. The increases are forecasted by applying the inflation escalator for each year.

6. Repairs and Maintenance

The costs for this expense are associated with system cleaning, routine maintenance on distribution system, Programmable Logic Control (PLC) systems, Supervisory Control & Data Acquisition (SCADA) monitoring and repair, hydrant maintenance, and other miscellaneous repairs. 2022 includes additional cost related to the repair of a vertical turbine water pump, which is not a routine maintenance cost; therefore, the cost, less the turbine repair, has been escalated using the inflation escalators to forecast the subsequent years.

7. Office expenses

These are office expenses including bank fees and telecom costs directly related to the Panorama Water Utility that is not a shared cost from the Common admin allocation described below. The increases are forecast by applying the inflation escalator for each year.

8. Shop supplies

These are plant supplies and tools required to operate the water treatment plant (e.g. consumables). The annual increases for shop supplies are forecast using the inflation escalator for each year in the test period.

9. Bad Debt Expense

A cost to take into consideration any outstanding customer receivables. This expense is decreased once receivables are paid. Corix has not forecast bad debt during the test period.

10. Corporate and Regional Services Cost

This line item represents the total corporate and regional services costs that have been allocated to the Utility. Please refer to Section 3.4 for a detailed discussion surrounding the cost allocations for corporate services costs for 2023. Section 3.4 also includes a detailed discussion regarding the regional services cost allocations for 2023 through to 2026 inclusive.

11. Common Admin Allocation (Previously Allocations from Panorama and Kootenay Ops)

As discussed in the introductory paragraphs for this section, this SG&A expense item encompasses cost allocations from the cost centre shared between Corix's utilities located in the Kootenay region. Common Admin costs are shared administrative costs incurred for Corix's Kootenay business unit within British Columbia to provide operational services specifically for utilities and operations within that area. These include Corix's:

- Panorama Water Utility
- Panorama Sewer Utility
- Panorama Propane Utility
- Columbia Ridge Water Utility
- Columbia Ridge Sewer Utility
- Kootenay Operations and Maintenance contract department

Historically these costs existed, and the above utilities and operations received administrative services, but the allocation was given based on different factors. Prior to 2021, an allocation of 25.7% was applied to shared costs, but the area was split into two cost centres at that time; therefore, some shared costs were omitted from the calculation. For 2021, the allocations to Panorama Water for shared costs were based on the expected time the shared resources would be working on Panorama Water activities relative to the expected time that they will be working on activities for other utilities or operations. This resulted in an allocation percentage of 13.75% of a combined cost centre for the entire region. In 2022, following an organizational restructuring, and to be consistent with standard cost causation and cost recovery practices, Corix began allocating the Common Admin costs according to a consistent allocation methodology as used in all other allocations across the business. This individual line item in operating expenses will receive one allocation encompassing all shared administrative costs for the Kootenay business unit. This approach reduces the administrative burden by streamlining processes within the accounting department.

The following items are allocated from this shared cost centre, unless incurred specifically and solely for the Panorama Water Utility:

- Salaries and benefits for 1 Area Manager and 0.5 Administrator along with any operator safety and development training time.

- Office Expenses – shared costs including office supplies and equipment, computer expenses, rent, building expenses, communications, postage and others;
- Shop and safety supplies commonly used for all operations within the Kootenay area;
- Education, training, memberships and dues; and
- Travel and vehicles costs not fully charged to a utility.
- Common assets allocation - operating costs related to capital equipment that provides support to the operating units.

The Area Manager and Area Administrator do work for all the utilities in the Kootenay area. As a result, only a portion of their time and associated costs are charged to the Panorama Water utility. Below, Corix provides a breakdown of the FTE charged to the Utility beginning in the year of 2023.

- Of the 1 Area Manager, 0.30 FTE is charged to the Utility.
- Of the 0.5 Administrator, 0.15 FTE is charged to the Utility.

A total of 0.45 FTE is included in the Common Admin Allocation, along with the other shared Common Admin costs described above.

Common Admin Allocation Forecast

As shown in Table 3 below the Common Admin Costs are allocated from the cost centre to each utility and operations within the area based on the same allocations developed for the Corporate Services Costs as outlined below. Corix considers this a reasonable approach to fairly allocate these costs that are shared between all utilities in the area. Kootenay Admin Cost Centre costs are escalated in future years using the labour escalator for the labour component and a 3% inflation escalator for all other costs. Table 3 shows that the Panorama Water Utility typically receives 30% of the total Common Admin costs.

Table 3: Common Admin Costs and Allocation to Panorama Water Utility

	2022P	2023F	2024F	2025F	2026F
Total Kootenay Admin Cost Centre (\$)	440,330	352,970	363,907	373,577	381,047
Common Admin Cost allocated to Panorama Water Utility (\$)	118,889	105,891	109,172	112,073	114,314
Percentage allocated to Panorama Water Utility	27%	30%	30%	30%	30%

12. Regulatory Costs

For 2023, Corix has forecasted costs of:

- \$7,000 in consulting costs for any consultant the Comptroller’s office hires for the review of this application.

3.4 CORPORATE AND REGIONAL SERVICES COSTS

The following subsections provide information on the background and the methodology that supports the final corporate and regional services cost allocations to the Utility. The Corporate and Regional Service Costs were reviewed in the 2020 to 2022 Rates Application and approved by Orders No. 2578 and No. 2584.

3.4.1 Corporate Services Costs

Corporate Services Costs are shared costs incurred at the corporate level in order to provide a wide variety of services for CII’s business units. Table 4 below summarizes the types of costs incurred, grouping them by the responsible executive, and provides a description of the associated functions.

Table 4: Summary of Corporate Services

Line No.	Type of Cost	Functions
1	Executive Management	Set overall direction and enterprise strategy; provide guidance to operational leadership; ensure the organization is acting with honesty, integrity, transparency, and accountability to customers.
2	Finance Accounting Financial Planning & Analysis Corporate Development Tax	Ensure financial integrity and secure debt and equity financing; perform all accounting activities, prepare external and internal financial reports; oversee the preparation of the budget and analysis of plan/actual spending; perform tax accounting and compliance.
3	Regulatory Support Customer Experience Capital Project Review/Oversight Operational Technology	Oversee state and provincial regulatory policies and compliance; manage all aspects of the customer care; capital project review, approval and implementation oversight.
4	Human Resources Information Technology (“IT”) Accounts Payable/Purchasing Customer Billing Fleet Corporate Communication	Deliver human resources services including payroll, wage and salary administration, benefit plan administration and performance management; operate the enterprise business applications and IT network and computing infrastructure; manage payment of outside contractors and service providers; manage customer billing and collection; provide fleet management services; provide enterprise-wide internal and external communications; manage the

	Continuous Improvement Support Services Management	enterprise-wide continuous improvement program to enhance service quality and realize cost efficiencies.
5	Risk Management Internal Audit Legal Health, Safety & Environment	Identify, report on and develop plans for managing/mitigating significant risks to the enterprise; conduct audits to identify compliance with corporate policies and procedures; provide legal advice and services to the enterprise; ensure compliance with HSE requirements.
6	Business Development	Pursue opportunities to grow the enterprise through acquisitions and internal growth and safety programs; Third party services for safety assessments, surveys, training, and audits

Corporate Services Cost Allocation Methodology

Corix continues to use the same corporate services cost allocation methodology approved by the Comptroller in the last rate application proceeding. CII’s Corporate Service Costs are first categorized into homogenous categories/services; and then allocated using the Massachusetts Formula with a Composite Allocator. Table 5 shows the Composite Allocator used by CII, which remains unchanged from the previous rate application.

Table 5: Composite Allocator used by CII

	Factor	Weight
Composite Allocator	Gross Revenue ¹³	33.33%
	Headcount	33.33%
	Gross Property, Plant & Equipment	33.33%
	Total	100%

Corporate Services Cost Allocations to Panorama Water

Table 6 below provides the Corporate Services Costs categories and the forecast allocation to Panorama Water for 2023. Though Business Development costs are incurred as shown in Table 4 above, they are excluded from the Corporate Services Costs allocated to Panorama Water. These figures represent an allocation of less than 1% of CII’s total Corporate Services Costs to Panorama Water.

¹³ Trailing Twelve-Month (TTM) Gross Revenue.

Table 6: 2023 Forecast Corporate Cost Allocations to Panorama Water

Item	Corporate Service Cost Categories	2023F Allocation to Panorama Water
1	Executive Management	\$11,605
2	Customer Experience	14,058
3	Regulatory Support and Operational Technology	10,435
4	Corporate Finance and FP&A	10,887
5	Accounting and Tax	12,882
6	Human Resources	10,581
7	Corporate Communication	3,102
8	Information Technology	61,130
9	Accounts Payable	3,349
10	Support Services Management	6,390
11	Customer Billing	4,890
12	Procurement	1,643
13	Fleet	5,932
14	Continuous Improvement	2,926
15	Health, Safety & Environment	5,178
16	Legal and Risk Management	11,053
17	Internal Audit	947
	Total	\$176,988

The figures in table above are based on Composite Allocator figures as at June 30, 2022. Due to the unpredictability of the approval of future capital projects, the timing of completion of capital projects previously approved and future acquisitions/dispositions, CII produces a forecast for Corporate Services Cost allocations based on data at a specific point in time each year (June 30th). These forecasts are updated annually in a consistent manner to account for new information since the last update.

The 2024, 2025 and 2026 corporate services cost allocations to Panorama Water were forecast by applying escalators of 3%, 2% and 2% respectively.

Approval of the Corporate Services Costs

Corix requests approval of the Corporate Services Cost Allocations as calculated, with \$176,988, \$182,297, \$185,943 and \$189,662 in 2023, 2024, 2025 and 2026 respectively. The Corporate Services cost allocations to the Utility should be approved as being just and reasonable based on the cost allocation methodology described above and based on the reasonability of the resulting amounts. Panorama Water receives highly specialized services that include, but are not limited to, accounting, finance, human resources, health and safety, and legal to support operations of the utility. The Utility is receiving a vast array of specialized corporate services at a price that is less than it would incur if it were to obtain all of these services on a standalone basis. In addition, the methodology being used to allocate the Corporate Services Costs has previously been approved for the utility by the Comptroller.

3.4.2 Regional Services Costs

Regional Services Costs are shared costs incurred for the Canadian business unit to provide operational services specifically for utilities within Canada. These costs reside in the Canadian Utilities cost centre and consist of:

- Salaries and benefits for support staff responsible for the Canadian region. This will include the Director of operations, financial planning & analysis, project management office, governance & compliance, health & safety compliance and administration, Geographic Information System (GIS) analysis, business operations support, and regulatory). From 2023 onwards, staff related to the Canadian District Energy Business have been omitted.
- Office building costs, equipment, telephone, travel, training, and vehicle expenses that are not directly charged to a specific utility and mostly related to support staff mentioned above.
- External consulting costs.
- Depreciation costs associated with common assets shared amongst the Canadian Utilities group and not directly charged to a specific utility. (For example, computers, furniture, equipment, supplies).

Business Development costs incurred at the regional level have been excluded from Regional Services Costs.

As shown in Table 7 below, Regional Services Costs are allocated from the Canadian utilities cost centre to each utility based on the same allocations developed for the Corporate Services Costs as outlined.

Table 7: Regional Services Costs and Allocation to Panorama Water Utility

	2022P	2023F	2024F	2025F	2026F
Total Regional Services Cost	4,187,899	1,637,230	1,670,162	1,714,020	1,748,500
Regional Services Cost allocated to Panorama Water (\$)	99,682	72,046	73,495	75,425	76,934
Percentage allocated to Panorama Water	2.37%	4.40%	4.40%	4.40%	4.40%

3.4.3 Total Corporate and Regional Service Cost Allocations

Table 8 below shows the total Corporate Services Cost and Regional Services Cost allocations to the Utility.

Table 8: Total Corporate and Regional Services Costs allocated to the Corix Panorama Water Utility

Item	Corporate and Regional Services Costs	Allocation to Panorama Water Utility				
		2022P	2023F	2024F	2025F	2026F
1.	Corporate Services Costs	\$129,948	\$176,988	\$182,297	\$185,943	\$189,662
2.	Regional Services Costs	\$99,682	\$72,046	\$73,495	\$75,425	\$76,934
	Total	\$231,330	\$249,034	\$255,792	\$261,368	\$266,596

Corix requests approval of these allocations supported by the allocation methodology described above. This approach is a just, reasonable and non-discriminatory method of systematically allocating shared costs to the relevant business units in a consistent manner. Furthermore, the Massachusetts Formula is widely used within the industry and has been approved in British Columbia by both the Comptroller and the BCUC in other applications.

4. CAPITAL COSTS

4.1 PROJECTED AND FORECAST CAPITAL COSTS

The capital additions to plant included in this Application comprise of the following:

Table 9: Capital Additions Summary

	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
Capital Additions	\$120,312	\$79,900	\$39,957	\$38,414	\$23,475

4.1.1 Projected 2022 Capital Additions

Table 10 below shows the Projected 2022 Capital Additions.

Table 10: Projected 2022 Capital Additions

	Projected 2022
GSDP Related Capital Additions	\$81,533
Non-GSDP Capital Additions:	
WTP Treatment Equipment	7,216
Distribution Mains	31,563
Total	\$120,312

In 2022, GSDP related capital projects included the completion and connection of Well 20-03 to the raw water main and SCADA related upgrades. Other capital additions not related to GSDP were the replacement of a leaking service connection (1772 Greywolf Drive – estimated to be losing ~2 liters/second), the purchase of portable instruments (colorimeter and turbidimeter), and replacement of a shaft seal for a vertical turbine pump.

4.1.2 Forecast 2023 to 2026 Capital Additions

Table 11 below shows the Forecast 2023 to 2026 Capital Additions.

Table 11: Forecast 2023 to 2026 Capital Additions

Capital Additions	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
Distribution Mains	\$30,000	\$30,000	\$30,000	\$15,000
Meters and Meter Installations	21,900	9,957	8,414	8,475
Miscellaneous T&D	28,000	0	0	0
Total	\$79,900	\$39,957	\$38,414	\$23,475

Capital has been forecasted at \$30,000 per year in anticipation of replacing leaking distribution service lines (Distribution Mains). Meter costs have been estimated at 3 replacements per year plus new customer additions anticipated based on the new development along with 1 additional new meter per year. Further capital has been budgeted to replace commercial water meters in 2023 which have reached, or exceeded, their service life.

Installation of a water distribution system flushpoint (Miscellaneous T&D) has been deferred from 2022 to 2023. The flushpoint is to provide the ability to adequately remove sediment from the distribution system due to the abandonment of a redundant PRV station.

4.2 HARD WATER AT PANORAMA

Hard Water Supply

Panorama Water is supplying hard water, which is water that has a high concentration of dissolved minerals such as calcium and magnesium. Continued use of hard water leads to issues such as incrustation and scaling within hot water pipes and industrial, commercial and domestic appliances that heat water or use hot water. Some customers requested that Corix provide a solution to this issue, stating that they are facing increased costs due to increases in maintenance and equipment replacement due to the formation of scale in heating and other infrastructure.

Hard water has historically been supplied to the community. Previously, water was supplied from Taynton Creek which had hard water and was subject to seasonal turbidity and boil water advisories. Presently with the new water system the water source are deep wells not subject to seasonal turbidity. However, the source water continues to be hard.

Health Canada Drinking Water Guidelines

Health Canada’s Guidelines for the Canadian Drinking Water Quality recommend hardness levels between 80 and 100 mg/L as CaCO₃ to provide acceptable balance between corrosion and incrustation.

Prior to the 2019 water upgrade, the total hardness from the Taynton Creek source was 205 mg/L. The current well is 274 mg/L. Based on Health Canada Guidelines water over 180 mg/L is classified as “Very Hard”.

While the hardness levels result in what can be considered poor water quality, the Guidelines for Canadian Drinking Water Quality document¹⁴ indicates that it is of no direct public health concern to utility customers. Furthermore, there is no direction from Interior Health Authority to reduce water hardness.

Public Outreach

In March of this year, Corix provided a Panorama Water Hardness Update to stakeholders in the community. Corix explained the current situation and explored a Community Water Softening Solution. Four options were explored with the nano-filtration membrane softening as the most promising. At that time the project would cost \$1.5 million, and the rate impact would be an increase of 18% on existing bills. Subsequently, customers were invited to provide their letters on whether they supported the water softening solution. Most customer letters were in support, one customer group was opposed, some stratas had mixed support, and some other customers were undecided and needed additional information.

Risk and Cost Pressures

Corix has further evaluated the water softening options and particularly the nano-filtration solution and its operational requirements. Given recent high inflation and supply chain bottlenecks the selected solution is subject to higher cost escalation and a longer implementation schedule due to supply shortages.

Water Softening Project Assessment

Given the uncertainty Corix has decided not to request approval for the capital project in this rate application. The high cost of the water softening project, the accumulated RDDA balance, and the proposed rate increases would increase customer bills to higher levels that would unfavourably impact residential customers. Given all this, Corix concludes that customers seeking a water softening solution should consider a point of use solution that would provide a better balance of costs and desired water softness level.

¹⁴ Guidelines for Canadian Drinking Water Quality, <https://www.canada.ca/en/health-canada/services/environmental-workplace-health/reports-publications/water-quality/guidelines-canadian-drinking-water-quality-summary-table.html>

4.3 GSDP PROJECT COSTS

The GSDP project was anticipated to be completed by the end of 2020. However, due to delays in the drilling of the second operational well, commissioning, restoration, and other project related matters the completion was further delayed to 2022.

Comptroller Order No. 2578 accepted a final cost estimate of \$7,630,017 for the GSDP Project Costs. Based on project costs to December 31, 2022, Corix is currently anticipating a final total project cost of \$7,755,151. This variance amount of \$125,134 is 1.64% over the approved project budget.

The GSDP Project has come to a completion, and Corix does not expect any material changes to the total project costs of \$7,755,151. Corix is still in the process of receiving outstanding invoices.

Table 12 below shows the final cost estimate for the completion of the GSDP project in this Application.

Table 12: Total GSDP Project Costs (before reserve fund withdrawals and excluding AFUDC)

	Total GSDP Project Cost*
Approved by Water Comptroller Order No. 2578	\$7,630,017
Final Cost estimate, December 2022	\$7,751,151
Difference	\$125,134

* - Before approved reserve funds withdrawals and before Allowance for Funds Used During Construction (“AFUDC”)

Table 13 below provides the total GSDP Project costs after the reserve fund withdrawals.

Table 13: Total GSDP Project Costs (after reserve fund withdrawals and excluding AFUDC)

	Total GSDP Project Cost*
Final Cost estimate, December 2022	\$7,755,151
Less reserve fund withdrawals	(\$974,434)
GSDP Project Costs after reserve fund withdrawals	\$6,780,717

* - After reserve funds withdrawals and before AFUDC

4.4 TOTAL GSDP PROJECT COSTS

Table 14 below provides the total GSDP Project costs after reserve fund withdrawals and including AFUDC.

Table 14: Total GSDP Project Costs (after reserve fund withdrawals and including AFUDC)

	Total GSDP Project Cost
Final Cost estimate, December 2022	\$7,755,151
Less reserve fund withdrawals	(\$974,434)
GSDP Project Costs after reserve fund withdrawals	\$6,780,717
Plus AFUDC	\$299,051
Total GSDP Project Costs incurred by Corix	\$7,079,768

4.5 ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION

There are no projects planned in 2022 to 2026 that attract AFUDC.

5. RATE BASE ASSUMPTIONS

The Utility’s use of a rate base model was initially approved through Comptroller Order No. 2498. Subsequently, the Comptroller approved water rates based on rate base for the years 2020 to 2022 in Order No. 2584. This section presents the underlying assumptions that support Corix’s calculations in the rate base model.

5.1 FINANCING ASSUMPTIONS

5.1.1 Capital Structure

In this Application Corix proposes the same deemed capital structure as was approved in the last rate application through Orders No. 2578 and No. 2584. The capital structure consists of and 57.5% debt and 42.5% equity. This capital structure is equal to the minimum default capital structure approved in the BCUC’s Generic Cost of Capital (“**GCO**”) Proceeding Stage 2 decision which, according to the BCUC, “represents a reasonable balance”.¹⁵

5.1.2 Deemed Interest Rate

The deemed interest rate on debt financing was determined using the credit spread that reflects BBB or BBB (low) rated debt relative to the 10-year Government of Canada (“**GOC**”) bond yield, consistent with the approach outlined for calculating a default debt component for small Thermal Energy System (“**TES**”) utilities from the BCUC’s GCO Stage 2 proceeding decision.¹⁶ The 10-Year bond yield was calculated based on a 12 month rolling average as of November 2022. This method is the same as the method used for the approved Test Years of 2020 to 2022 in Orders No. 2578 and No. 2584. Table 15 below provides the calculation of the deemed interest rate on debt financing for the test years 2023 to 2026.

Table 15: Debt Financing

	Rate
GOC 10-Year Bond Yield (<i>Nov 2022</i>)	2.65%
BBB-BBB(low) Premium	2.08%
Issuance Fee	0.25%
Deemed Interest Rate	4.98%

The Comptroller in Order No. 2578, page 15 stated “The methodology used to calculate a deemed interest rate off of the GOC 10-year bond yield plus a premium for a BBB-BBB(low)rated debt is approved. The proposed mechanism to true-up monthly deemed interest rates is also approved.” Corix in its March 2021 Amended Application and Compliance Filing implemented Order No. 2578 by re-

¹⁵ BCUC Generic Cost of Capital Proceeding Stage 2 Decision associated with Order G-47-17, p. 124.

¹⁶ BCUC Generic Cost of Capital Proceeding Stage 2 Decision associated with Order G-47-17, p. 123.

calculating the interest rate for 2020 to be 3.22% based on actual figures. The 3.22% was also used for test years 2021 and 2022. The actual interest for 2021 was 3.15% and this lower interest rate was reflected in the 2021 RDDA Compliance Filing.

The methodology approved in the last rate application now yields an interest rate of 4.98% (November 2022) which is higher than the 2022 Test Year Deemed Interest rate of 3.22% approved in the last application. This higher interest is due to a very aggressive monetary response by the Bank of Canada to raise interest rates. On March 2, 2022, the Bank of Canada commenced its monetary tightening doubling the overnight rate from 0.25% to 0.50%. The policy interest rate since that time has risen dramatically with the last 50 basis point increase on December 7, 2022 to currently at 4.25%. The current policy interest rate is 4.00% higher than the start of 2022. These sharply higher overnight interest rate changes have impacted the yields of all bonds.

Consistent with the methodology from the last approved rate application, Corix proposes to true-up the actual interest for each of the test years (2023 to 2026) based on actual deemed interest in its RDDA Compliance Filings for each respective year.

5.1.3 Return on Equity

Corix proposes in this Application a return on equity (“ROE”) of 9.5% which is unchanged from the last rate application approved by Orders No. 2578 and No. 2584. The Comptroller in the last rate application approved the 9.5% ROE based on the approved ROE for the benchmark low-risk utility as determined by the BCUC from time to time, currently set at 8.75%, plus a minimum default equity risk premium above the benchmark utility’s return. Corix incorporates a minimum default equity risk premium of 75 basis points, equal to the equity risk premium approved by the BCUC for small TES utilities.

5.1.4 Potential BCUC Changes to the Benchmark Utility and Small Utility Cost of Capital

The BCUC currently has a Generic Cost of Capital proceeding underway (“**BCUC 2021 GCOC proceeding**”). BCUC Order G-156-21 approved the scope of the proceeding into two stages as set out in the order’s Appendix B.¹⁷ Stage 1’s scope includes determination of a Benchmark Utility, if any, and of the allowed return on equity (ROE) and deemed capital structure of the Benchmark Utility. Stage 2’s scope includes (a) the groupings of public utilities for cost of capital determinations and the establishment of the cost of capital for public utilities, and (b) whether the determination of a deemed interest rate is warranted and the determination of such interest rate.

Corix anticipates that the BCUC will issue a decision on Stage 1 of the BCUC 2021 GCOC proceeding around Summer of 2023. Stage 1 would set the effective date of the change which may occur during 2023 (for example, January 1st or July 1st) for the Benchmark Utility and its cost of capital. Stage 2 would commence after the final decision is issued on Stage 1 and may possibly conclude in 2024. Corix

¹⁷ BCUC 2021 Generic Cost of Capital Proceeding, Order G-156-21, https://docs.bcuc.com/Documents/Proceedings/2021/DOC_62743_A-4-G-156-21-Scope-FurtherRegTimetable-with-Reasons.pdf

anticipates a January 1, 2025 effective date for the determinations that arise from Stage 2 of the proceeding.

The BCUC 2021 GCOC proceeding may amend the approach taken in the BCUC GCOC Stage 2 Decision associated with Order G-47-17 which decided on the default equity risk premium of 75 basis points and the capital structure of a TES project. The upcoming Stage 2 decision may also change the approach in setting the deemed interest rate. The BCUC decisions regarding thermal energy systems' ROE, deemed interest rate, and capital structure are relevant to this water Application since the Comptroller has relied on these BCUC determinations to set the cost of capital for water utilities.

Proposal for RDDA to Capture BCUC Changes to Cost of Capital

Given the potential timing for the changes to how the BCUC sets the cost of capital for thermal energy systems, Corix proposes in this Application for the flow through of potential return on equity and capital structure differences from approved test years, commencing on January 1, 2023 for the entire test period into the RDDA. If the BCUC approves a different ROE and/or capital structure for thermal energy systems, Corix will calculate the differences from the Panorama Water approved test years for the same parameters and flow through those changes in the actual RDDA true-up. For example, if the Comptroller approves a 9.5% ROE, 57.5% debt / 42.5% equity capital structure and the BCUC subsequently approves a different ROE percentage and a different capital structure for small utilities, Corix will settle the re-calculated shortfall or surplus into the RDDA true-up for each year of the test period for which it is applicable.

As outlined in the subsection above, Corix anticipates that there could be:

- changes to the approved Benchmark Utility ROE effective during 2023; and
- changes to the equity risk premium and deemed capital structure for small TES utilities effective January 1, 2025.

Based on these dates, Corix's proposal ensures that the BCUC's determinations on a fair and reasonable ROE and capital structure applicable to small utilities would be applied to Panorama Water during the test period in a manner that increases regulatory efficiency by eliminating the need for one or two more applications during the test period.

For additional clarity, Corix proposes that the Deemed Interest Rate Methodology as discussed in Section 5.1.2 is not subject to further changes from a future BCUC decision, once the Comptroller sets the deemed interest rate and approves the methodology in this Application. Consistent with the last Comptroller decision, Corix will true-up the deemed interest rates to actual results for the RDDA in each test year based on the approved deemed interest rate methodology.

The reasons for using the currently established deemed interest rate methodology include:

- a) the Comptroller has approved the interest rate methodology in the last rate application and continuation is reasonable;
- b) the deemed interest rate method is objective and transparent where the rate reasonably reflects the actual cost of borrowing in the financial market; and

- c) Corix tracks the methodology throughout the year to enable re-calculation of the actual deemed interest rate. If the BCUC decides to depart from the established methodology, Corix may not be able to re-calculate the 2023 actual deemed interest rate retrospectively since Corix may not have the data to compute an alternate interest rate methodology, if the BCUC were to approve such a departure from established practice.

5.1.5 Weighted Average Cost of Capital

The financing assumptions made above yield a weighted average cost of capital (“WACC”) of 6.13%. This WACC is used in calculating AFUDC for the GSDP capital costs incurred prior to the project being placed into service.

5.2 DEPRECIATION AND CAPITAL COST ALLOWANCE

The Utility has categorized the assets based on the Comptroller’s Depreciation Schedule template, Schedule A to the Comptroller’s Financial Guidelines for Certificate of Public Convenience and Necessity (“CPCN”) Applications for private water utilities in B.C. These categories were then used to determine the appropriate service life and associated depreciation rate for the Utility’s assets going forward. In addition, the categories were mapped to Capital Cost Allowance (“CCA”) classes for tax calculations. Table 16 below summarizes the fixed asset categories, service lives, depreciation rates and CCA classes and rates used in Corix’s financial model for the Utility. Only asset categories with capital costs in the financial model are displayed in the table below.

Table 16: Asset Categories, Service Lives and Depreciation Rates

Major Category	Subcategory	Service Life	Depreciation Rate	CCA Class	CCA Rate
Source of Supply Plant	Structures and Improvements	50	2.00%	1	4%
	Wells and Springs	40	2.50%	1	4%
	Supply Mains	75	1.33%	1	4%
	Other Misc. Water Source Plant	25	4.00%	1	4%
Pumping Plant	Pumping Equipment	25	4.00%	1	4%
Water Treatment Plant	Structures and Improvements	50	2.00%	1	4%
	Treatment Equipment	25	4.00%	1	4%
	Other Misc. Treatment Plant	25	4.00%	1	4%
Trans. & Dist. Plant	Transmission and Distribution Mains	75	1.33%	1	4%
	Services	50	2.00%	1	4%
	Meters and Meter Installations	25	4.00%	1	4%
	Distribution Reservoirs	50	2.00%	1	4%
	Other Misc. Trans. & Dist. Plant	25	4.00%	1	4%
General Plant	Structures and Improvements	50	2.00%	1	4%
	Vehicles	7	14.29%	10.1	30%
	Communication Equipment	10	10.00%	50	55%
	Communication Equipment - SCADA	10	10.00%	50	55%

Depreciation is calculated on a straight-line basis with the mid-year rule being applied for the first year of depreciation for assets that have gone into service that same year.

6. RATE BASE

Table 17 below presents the mid-year rate base from 2022 through to 2026. This table shows Corix’s use of mid-year figures for:

- Plant in Service;
- Accumulated Depreciation;
- Contributions in Aid of Construction (“CIAC”) representing RRTF and DCTF withdrawals; and
- Accumulated Amortization of CIAC.

Rate Base also includes the balance of the RDDA, which is explained in detail in Section 7.3, and an allowance for Working Capital. Corix calculates Working Capital as 12.5% of O&M expenses (representing 6 weeks). The debt and equity portions of the rate base financing is shown in Schedule 8 of the Financial Schedules and were calculated based on the capital structure discussed in Section 5.1.1 of this Application.

Table 17: Forecast Rate Base for the Utility

Line No.	Rate Base	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	<u>Plant in Service</u>					
2	Balance at beginning of year	\$8,031,434	\$8,151,746	\$8,231,646	\$8,271,603	\$8,310,017
3	Balance at end of year	8,151,746	8,231,646	8,271,603	8,310,017	8,333,492
4	Mid-Year Plant in Service	8,091,590	8,191,696	8,251,624	8,290,810	8,321,754
5						
6	<u>Accumulated Depreciation</u>					
7	Balance at beginning of year	(304,184)	(481,447)	(662,516)	(845,381)	(1,029,214)
8	Balance at end of year	(481,447)	(662,516)	(845,381)	(1,029,214)	(1,213,835)
9	Mid-Year Accumulated Depreciation	(392,815)	(571,981)	(753,948)	(937,298)	(1,121,525)
10	Mid-Year Plant in Service , net of Acc. Depr.	\$7,698,774	\$7,619,714	\$7,497,676	\$7,353,512	\$7,200,229
11						
12	<u>Contributions in aid of construction (CIAC)</u>					
13	Balance at beginning of year	(\$974,434)	(\$974,434)	(\$974,434)	(\$974,434)	(\$974,434)
14	Balance at end of year	(974,434)	(974,434)	(974,434)	(974,434)	(974,434)
15	Mid-Year CIAC	(974,434)	(974,434)	(974,434)	(974,434)	(974,434)
16						
17	<u>Accumulated Amortization</u>					
18	Balance at beginning of year	35,015	54,114	73,212	92,311	111,410
19	Balance at end of year	54,114	73,212	92,311	111,410	130,509
20	Mid-Year Accumulated Amortization	44,564	63,663	82,762	101,861	120,960
21	Mid-Year CIAC, net of Acc. Amor.	(\$920,320)	(\$901,222)	(\$882,123)	(\$863,024)	(\$843,925)
22						
23	Mid-Year Net Plant in Service	\$6,778,454	\$6,718,493	\$6,615,553	\$6,490,488	\$6,356,304
24	Mid-Year Deferral Accounts	1,172,638	1,355,381	1,153,965	915,704	685,534
25	Working Capital	79,992	80,277	81,881	83,855	85,715
26	Mid-Year Rate Base	\$8,031,084	\$8,154,152	\$7,851,399	\$7,490,047	\$7,127,554

6.1 GSDP PROJECT COSTS IN RATE BASE

Table 18 below shows the Total GSDP Project Costs to completion including Decommissioning costs. The table shows the impact of 2022 GSDP capital expenditures (\$81,533) added to plant and the impact of 2022 GSDP Decommissioning costs (\$4,906) added to the Decommissioning deferral account.

Table 18: GSDP Projects Costs in Rate Base

	Total GSDP Project Cost
GSDP Plant In-Service	
GSDP spend to December 31, 2021 incl. AFUDC	\$7,889,476
GSDP capital expenditures in 2022 to completion	\$81,533
Total Gross GSDP Plant In-Service	\$7,971,009
Contributions in aid of construction	(\$974,434)
Total Gross GSDP Plant In-Service after CIAC	\$6,996,575
Decommissioning costs in deferral account	\$83,193
Total GSDP Project Costs in Rate Base	\$7,079,768

As shown below in Table 19, the inclusion of 2022 GSDP capital expenditures and 2022 GSDP Decommissioning costs result in an increase in the overall costs projected to completion of \$125,134, which represents a 1.64% increase from the October 2020 estimate.

Table 19: GSDP Projects Comparison to Approved

	Total GSDP Project Cost	Approved Order No. 2578 October 2020 Cost Estimate	Difference
GSDP Plant In-Service			
GSDP capital expenditures prior to March 1, 2020 incl. AFUDC	\$7,561,749	\$7,853,730	(\$21,981)
GSDP capital expenditure on or after March 1, 2020 to December 31, 2021	\$327,727	\$232,899	\$94,828
GSDP capital expenditures in 2022 to completion	\$81,533	\$--	\$81,533
Total Gross GSDP Plant In-Service	\$7,971,009	\$7,816,629	\$154,380
Contributions in aid of construction	(\$974,434)	(\$974,434)	\$--
Total Gross GSDP Plant In-Service after CIAC	\$6,996,575	\$6,842,195	\$154,380
2021 Decommissioning costs in deferral account	\$78,287	\$112,439	(\$34,152)
2022 Decommissioning costs in deferral account	\$4,906	\$--	\$4,906
Total GSDP Project Costs in Rate Base	\$7,079,768	\$6,954,634	\$125,134

Corix estimates the total variance from the October 2020 cost estimate to be \$125,134. This increase is due to inflation pressures, PST on SCADA software, and additional costs for the well consultant for the testing and commissioning of the well.

In 2021, work was completed on fabrication and installation of an additional down tube, installation of a standpipe to facilitate the proof testing of the well. Specifically, the well was not connected to the raw watermain to eliminate the risk of contaminating the water treatment system with elevated levels of turbidity.

For 2022, the remaining portion of the project was executed, and this included proof testing and connection of Well 20-03 to the raw water line. Proof testing was completed in April 2022. The well connection was also completed with turbidity within a relevant acceptable level.

7. REVENUE REQUIREMENTS

Table 20 below presents the forecast revenue requirement for each year from 2023 through to 2026. The O&M Expenses were discussed in Section 3 of the Application. The depreciation expense was calculated based on the service life and depreciation rates presented in Section 5.2. The amortization of CIAC represents a reduction to the revenue requirement due to the amortization of RRTF and DCTF withdrawals. The interest on debt and return on equity are calculated based on the information presented in Sections 5.1.2 and 5.1.3 of this Application. Corix has forecasted no income tax expense until 2025, when its current income tax loss carry-forward is fully depleted. Income tax is further discussed in Section 7.2. The revenue and associated shortfall/surplus are discussed in Section 7.3.

Table 20: Forecast Revenue Requirements for the Utility

Line No.	Revenue Requirement	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	Operating and Maintenance Expenses	\$642,220	\$655,045	\$670,843	\$685,724
2	Depreciation Expense	181,069	182,866	183,833	184,621
3	Amortization of CIAC	(19,099)	(19,099)	(19,099)	(19,099)
4	Amortization of Deferred Decommissioning Costs	3,328	3,328	3,328	3,328
5	Interest on Debt	233,494	224,825	214,478	204,098
6	Return on Equity	329,224	317,000	302,411	287,775
7	Income Tax Expense (Recovery)	0	0	149,307	172,113
8	Revenue Requirement	\$1,370,235	\$1,363,965	\$1,505,100	\$1,518,559
9	Revenue	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528
10	Surplus (Shortfall)	\$137,024	\$259,153	\$210,714	\$242,969

7.1 DECOMMISSIONING COST DEFERRAL ACCOUNT

The Comptroller approved \$112,438.80 of Decommissioning Costs through Order No. 2531. These decommissioning costs are related to the costs of the previous assets in service and also related to the GSDP Project. By Orders No. 2578 and No. 2584, the Comptroller approved a 25 year amortization of these costs.

Total Decommissioning cost incurred to date is \$83,193 (\$78,287 in 2020 and \$4,906 in 2022). This represents a favourable variance of \$29,246 compared to the approved decommissioning costs of \$112,439.

7.2 INCOME TAX

The forecast income tax for the Utility is presented in Table 21 below. Corix forecasts that the accumulated tax loss carry forward will be used up in 2025. Therefore, the Utility will be a taxable basis for income tax in 2025. Schedule 9 in the Financial Schedules provides the figures from 2020 to 2026.

Table 21: Forecast Income Tax Calculations for the Utility

Line No.	Income Tax	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1					
2	Revenue	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528
3	Rate Rider 1 Revenue (CDA)	0	0	0	0
4	Operating and Maintenance Expenses	(642,220)	(655,045)	(670,843)	(685,724)
5	Decommissioning Expense	0	0	0	0
6	Interest on Debt	(233,494)	(224,825)	(214,478)	(204,098)
7	CCA	(275,020)	(257,407)	(244,624)	(234,252)
8	Taxable income before LCF	\$356,524	\$485,841	\$585,870	\$637,455
9	Tax Loss Carryforward (Utilized)	(356,524)	(485,841)	(32,881)	0
10	Taxable Income	\$0	\$0	\$552,989	\$637,455
11	Tax Rate	27%	27%	27%	27%
12	Current Income Tax	\$0	\$0	\$149,307	\$172,113
13					
14	Tax Loss Carryforward (LCF)				
15	Opening Balance	\$875,246	\$518,722	\$32,881	\$0
16	Additions	0	0	0	0
17	Losses Utilized	(356,524)	(485,841)	(32,881)	0
18	Closing Balance	\$518,722	\$32,881	\$0	\$0

7.3 REVENUE DEFICIENCY DEFERRAL ACCOUNT

Ideally a utility would recover all of its annual revenue requirement in the year the costs are incurred. However, due to the size of the GSDP capital project, current customer rates, and the current number of customers, Corix proposed the use of a RDDA to phase-in and smooth the GSDP related rate increase over several years. This leads to a revenue requirement shortfall in the initial years of operation, followed by surplus revenue in later years to reduce the balance of the RDDA. In order to smooth GSDP related rate increases Corix targets a percentage of the total calculated revenue requirement for each year for recovery from customer rates. If the percentage is less than 100%, then the shortfall (or revenue deficiency) would be added to the RDDA. If the percentage is greater than 100%, then the surplus would be used to reduce the balance in the RDDA. Corix sets the target percentage based on:

- i. the impact to customer rates and the total bill impact for an average customer; and

- ii. forecast revenue that would allow the RDDA be reduced to a zero balance by the end of 2028. This means that starting in 2029, Corix would be in a position to set annual rates to recover 100% of its annual revenue requirements, thereby reducing financing costs to the Utility and its customers. Financing costs occur due to the addition of the RDDA balance to the Utility’s rate base to account for the Utility having to finance the revenue requirement shortfall until it is recovered in the later years.

The RDDA was approved in Comptroller Orders No. 2578 and No. 2584. The RDDA balance is included in rate base each year, as seen in Schedule 7, line 24 Mid-Year Deferral Accounts, to reflect the cost to Corix of financing the revenue shortfall.

This Application requests the approval of rates for the years 2023 to 2026. Table 22 below presents the forecast RDDA balance based on a revenue target of:

- 110% of the total 2023 revenue requirement;
- 119% of the total 2024 revenue requirement;
- 114% of the total 2025 revenue requirement; and
- 116% of the total 2026 revenue requirement.

Table 22: Revenue Deficiency Deferral Account Balances by Year

Line No.	Revenue Deficiency Deferral Account	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	<u>Revenue Deficiency Deferral Account</u>				
2	Opening Balance	\$1,296,210	\$1,159,186	\$900,033	\$689,319
3	Revenue Required	1,370,235	1,363,965	1,505,100	1,518,559
4	Revenue Received	1,507,259	1,623,118	1,715,814	1,761,528
5	Revenue deficiency (surplus)	(\$137,024)	(\$259,153)	(\$210,714)	(\$242,969)
6					
7	Ending Balance	\$1,159,186	\$900,033	\$689,319	\$446,349

7.3.1 RDDA True-up to Actual for Certain Non-Controllable Items

In the last rate application for test year 2020 to 2023 the RDDA was approved in Order No. 2578 with a true-up to actual for each of the test years for all variances including O&M, deemed interest, return on equity, plant, and revenues (consumption on metered rates).

Corix proposes in this Application that the RDDA be trued-up to actual for the four test years (2023 to 2026) for certain non-controllable items that include deemed interest expense, revenue variances arising from customer consumption differences, and taxes. Revenue variances occur because of differences in forecast consumption due to customer count and customer use. Corix proposes that the RDDA true-up be for the four test years 2023 to 2026.

In this Application, Corix is not proposing to true-up for any differences from approved for O&M expense and plant balances including plant additions and consequential depreciation expense as these expenses are considered to be controllable.

Please refer to Section 5.1.4 that includes a proposal regarding the use of the RDDA for potential ROE and capital structure differences from approved test years (2023 to 2026) arising from how the BCUC sets the cost of capital for thermal energy systems.

7.3.2 RDDA Compliance Filing for Actual Year-End Results

Similar to the approval in the last rate application, Corix proposes to calculate the test year's true-up for certain non-controllable items, a true-up for potential ROE and capital structure differences arising from a BCUC decision on changes to cost of capital, and the RDDA balances when it files its Annual Report to the Comptroller in the following year on April 30th. For example, for the 2023 test year ending December 31, 2023, Corix will file the actual results for 2023 and calculate the actual December 31, 2023 RDDA adjusted balance. The actual year-end RDDA balance is filed with the Comptroller for acceptance.

8. CUSTOMER COUNT AND CONSUMPTION

Schedule 1 in the Financial Schedules provides the average number of customers; the average number of bed units and the annual consumption by customer class, as well as sales and other revenue for each year from 2020 through 2026.

As shown in Schedule 1 from 2020 through 2026 the number of bed units for residential customers grows from 2,068 to 2,355. For residential customers, Corix has forecasted the following growth in customer count: 1, 21, 17, and 17 for years 2023, 2024, 2025 and 2026, respectively. This customer growth reflects one customer per year for the conversion of an existing standby customer to a connected customer. Also, this customer growth forecast includes 52 new townhouses from 2024 to 2026 for which a CPCN Amendment Application has been filed with the Comptroller. In the bed unit forecast, Corix assumes that each conversion to connected residential customer represents 10 bed units, while each new connected townhouse residential customer represents 4 bed units.

As shown in Schedule 1, for commercial customers the number of bed units has decreased from 2,429 in 2020 to 2,383 in 2021, due to a commercial customer changing its meter from 2" to 1", which resulted in a bed unit reduction of 55. The current commercial 2,383 bed units are expected to remain constant in the near term as Corix forecasts no changes to commercial customer count or the number of bed units during the forecast period.

Table 23 below presents the summary forecast number of customers, number of bed units and consumption for the Utility. Corix considers that this approach reasonably forecasts consumption, while accounting for a possible reduction in consumption due to the proposed increase in customer rates.

In this Application, the Utility has based the 2023 average customer bed unit consumption on the 2022 results. However, the Utility recognizes that the proposed rate increases could lead to a change in consumption patterns due to conservation. Therefore, the Utility applied a reduction factor to the forecast consumption per bed unit, for both residential and commercial customers, of 1% per year from 2023 to 2026. For example, if the 2022 bed unit usage was 10 cubic metres, then in order to calculate the 2023 forecast use it is multiplied by 99% to account for a 1% reduction. This can be seen in the following table where the consumption per bed unit decreases by 1% per year.

Table 23: Utility Customers and Consumption

	Actual	Projected	Forecast	Forecast	Forecast	Forecast
	2021	2022	2023	2024	2025	2026
<u>Residential</u> ⁽¹⁾						
No. of Customers	293	295	296	317	334	351
No. of bed units (bu)	2,091	2,107	2,117	2,207	2,281	2,355
Consumption per bed unit (m ³ /bu)	14.30	13.31	13.17	13.04	12.91	12.78
Consumption (m ³)	29,904	28,036	27,887	28,782	29,450	30,101
<u>Commercial</u>						
No. of Customers	37	37	37	37	37	37
No. of bed units (bu)	2,383	2,383	2,383	2,383	2,383	2,383
Consumption per bed unit (m ³ /bu)	23.03	24.35	24.11	23.87	23.63	23.40
Consumption (m ³)	54,890	58,038	57,457	56,883	56,314	55,751

- (1) The number of residential customers excludes Standby residential customers.
- (2) The number of bed units represents the annual average.
- (3) Consumption per bed unit is represented by an annual figure in this table. In the financial model this is calculated and forecast on a monthly basis.

9. CUSTOMER RATES

In this section Corix provides the proposed rates for customers for each year from 2023 to 2026.

9.1 PROPOSED RATES

Table 24 below are the proposed rates for the residential and commercial customers.

Table 24: Proposed Customer Rates: Test Years 2023 to 2026

	Effective January 1, 2023	Effective January 1, 2024	Effective January 1, 2025	Effective January 1, 2026
Residential Metered Rate per bed unit per month	\$13.55	\$14.33	\$15.08	\$15.39
Residential Fixed Charge per cubic meter	\$8.24	\$8.71	\$9.17	\$9.36
Commercial Metered Rate per bed unit per month	\$15.04	\$15.91	\$16.74	\$17.08
Commercial Fixed Charge per cubic meter	\$8.63	\$9.13	\$9.61	\$9.81

The Consumption Deferral Account rate rider was continued at the end of 2022 as per Orders No. 2578 and No. 2584. Therefore, the proposed rates for 2023 to 2026 reflect the rate rider removal.

9.2 PROPOSED RATE CHANGES

The proposed rates shown in the above table reflect the following rate changes: 58% in 2023, 6% in 2024, 5% in 2025, and 2% in 2026. After the discontinuance of the CDA Rate rider at the end of 2022, the rate changes result in residential bill changes of 43% in 2023, 6% in 2024, 5% in 2025, and 2% in 2026 which is further discussed in Section 12.

Table 25 below provides the estimated drivers of the 2023 residential bill change.

Table 25: 2023 Residential Bill Change Estimated Drivers

Bill Change Estimated Drivers	%
Higher Interest Rates	9%
Higher O&M	18%
CDA Rider Discontinuance	-10%
Lower Commercial Consumption	6%
Higher Residential Consumption	-1%
RDDA Recovery in 2023 @ 110% Target	15%
Higher Plant Assets (Depreciation and ROE)	4%
Other	1%
2023 Residential Bill Change	43%

The largest drivers of the 2023 bill change are from higher interest rates and higher O&M in the 2023 revenue requirement. The CDA Rider discontinuance was approved in the last rate application. Since the last rate application, Commercial customer consumption is down significantly which increases the unit rates charged. Higher Residential consumption has mitigated some of the lower Commercial consumption. Details of consumption changes can be found in Schedule 1 of the Financial Schedules.

Given the deficit balance in the RDDA the 2023 rates reflect the recovery of the balance by setting the revenues at 110% of the calculated revenue requirement in 2023 increases rates by 15%. This shown in Scenario A line 7 in Schedule 14 of the Financial Schedules. Currently, the RDDA is on track for full recovery by 2028.

Other smaller increases are from higher plant assets (depreciation expenses and return on equity).

9.3 PROPOSED RATES: RDDA BALANCES

Based on customer and consumption forecasts, existing rates are insufficient to pay down the accumulated Revenue Deficiency Deferral Account (RDDA) balance (\$1.295 million end of 2022). The higher RDDA balance in 2022 is from higher O&M expenses; consumption; and much higher interest expenses. Schedule 6, line 8 in the Financial Statement shows the revenue requirements from 2020 to 2026. The combination of a higher RDDA balance and higher revenue requirements from 2022 necessitates a rate increase in 2023.

In order to smooth, or phase-in, rate increases, the Utility proposes the continued use of the Revenue Deficiency Deferral Account (“**RDDA**”). This was discussed in Section 7.3 of this Application. Table 26 below presents the Utility’s proposed rate increases for 2023 to 2026 along with the indicative rate

increases for 2027 and 2028. The Utility is not requesting approval of the indicative rate increases for 2027 and 2028 at this time, as the Utility intends to submit another rate application based on updated information prior to 2028.

Table 26: Proposed Changes (Test Years 2023 to 2026) and Indicative for 2027 to 2028

	Forecast	Forecast	Forecast	Forecast	Indicative	Indicative
	2023	2024	2025	2026	2027	2028
Total Revenue Requirements (excl. CDA Rider 1)	\$1,370,235	\$1,363,965	\$1,505,100	\$1,518,559	\$1,505,704	\$1,468,009
Residential (<i>Fixed and Metered Charge</i>)	58%	6%	5%	2%	1%	-6%
Commercial (<i>Fixed and Metered Charge</i>)	58%	6%	5%	2%	1%	-6%
Target % Recovery of Total Rev. Req. (excl CDA)	110.0%	119.0%	114.0%	116.0%	117.0%	113.0%
Target Revenue Requirement	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528	\$1,761,673	\$1,658,389
RDDA Balance (\$)	\$1,159,186	\$900,033	\$689,319	\$446,349	\$190,380	\$0

Note: the CDA Rate Rider ends on December 31, 2022 therefore there is 100% reduction in the CDA rate in 2023.

Table 26 above does not present the estimated customer bill impact. The estimated customer bill impact is discussed in Section 12. A 58% tariff rate increase translates into a 43% increase for a residential customer’s bill because of the discontinuance of the Consumption Deferral Account Rate Rider at the end of 2022. The Consumption Deferral account and the associated rate rider is discussed in Section 10. For Test Years 2023 to 2026, the effective rate change is on January 1st of each respective year. Section 12 discusses the average annual rate impact on customer bill that is more reflective of the bills to customers.

9.1 INTERIM RATES

In this Application, Corix is proposing that the Comptroller set the rates interim effective January 1, 2023. Corix requests that the interim rates be subsequently adjusted if and as required based on the Comptrollers’ final decision when rendered on this application, with any refund or additional charges to be accounted for with interest, retroactive to January 1, 2023.

9.2 RDDA RECOVERY PERIOD SCENARIOS

Corix has considered three scenarios to recover the RDDA balance. Schedule 14 in the Financial Schedules presents the analysis. Scenarios A (as proposed in this Application) presents the recovery of the RDDA in 2028. Scenario B has an earlier recovery in 2027. Scenario C has a later recovery in 2030. The RDDA Recovery needs to take into account the rate impact to customers, the RDDA balance, expiration of the CDA rate rider at the end of 2022, and rate stability. With regards to rate stability a

rate increase in the first year, a rate decrease in the second year, and a rate increase in the third year is less desirable than a rate increase in the first year, no rate change in the second year, and nominal increase in the third year. Given that the CDA rate rider expires at the end of 2022, the revenue requirement (without CDA revenues) and a corresponding tariff rate change can be increased without changing customer bills. That is customer bills can be held steady as a tariff increase that matches the CDA rider can fully offset the CDA rider decrease.

Table 27 below models Scenario A with an RDDA recovery in 2027. Scenario A is proposed in this Application to set rates. The tariff rate changes are shown below along with the indicative rate changes for 2027 to 2030. The residential customer bill impact for test years 2023 to 2026 are 43%, 6%, 5%, and 2%.

Table 27: Scenario A: RDDA Recovery in 2028

Scenario A: RDDA Recovery in 2028	2023	2024	2025	2026	2027	2028	2029	2030
Total Revenue Requirements (excl. CDA Rider 1)	\$1,370,235	\$1,363,965	\$1,505,100	\$1,518,559	\$1,505,704	\$1,468,009	\$1,402,789	\$1,408,349
Rate Residential (Fixed and Metered Charge)	58%	6%	5%	2%	1%	-6%	-15%	1%
Rate Commercial (Fixed and Metered Charge)	58%	6%	5%	2%	1%	-6%	-15%	1%
Target % Recovery of Total Rev. Req. (excl CDA)	110.0%	119.0%	114.0%	116.0%	117.0%	113.0%	100.0%	100.0%
Target Revenue Requirement	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528	\$1,761,673	\$1,658,389	\$1,402,789	\$1,408,349
RDDA Balance (\$)	\$1,159,186	\$900,033	\$689,319	\$446,349	\$190,380	\$0	\$0	\$0
Residential Bill Impact	43%	6%	5%	2%	1%	-6%	-15%	1%
Commercial Bill Impact	37%	6%	5%	2%	1%	-6%	-15%	1%

Table 28 below models Scenario B with an RDDA recovery in 2027. In Scenario B the revenue requirements are smoothed with the RDDA reducing at a faster rate. The tariff rate changes are shown below along with the indicative rate changes for 2027 to 2030. The residential customer bill impact in Scenario B for test years 2023 to 2026 would be 47%, 8%, 4%, and 0%.

Table 28: Scenario B: RDDA Recovery in 2027

Scenario B: RDDA Recovery in 2027	2023	2024	2025	2026	2027	2028	2029	2030
Total Revenue Requirements (excl. CDA Rider 1)	\$1,368,823	\$1,382,485	\$1,522,149	\$1,516,637	\$1,498,030	\$1,389,604	\$1,402,789	\$1,408,349
Rate Residential (Fixed and Metered Charge)	62%	8%	4%	0%	0%	-22%	1%	1%
Rate Commercial (Fixed and Metered Charge)	62%	8%	4%	0%	0%	-22%	1%	1%
Target % Recovery of Total Rev. Req. (excl CDA)	113.0%	123.0%	116.5%	118.0%	118.4%	100.0%	100.0%	100.0%
Target Revenue Requirement	\$1,546,770	\$1,700,456	\$1,773,304	\$1,789,631	\$1,774,172	\$1,389,604	\$1,402,789	\$1,408,349
RDDA Balance (\$)	\$1,118,263	\$800,291	\$549,137	\$276,142	\$0	\$0	\$0	\$0
Residential Bill Impact	47%	8%	4%	0%	0%	-22%	1%	1%
Commercial Bill Impact	40%	8%	4%	0%	0%	-22%	1%	1%

Table 29 below models Scenario C with an RDDA recovery in 2030. In Scenario C the revenue requirements are smoothed with the RDDA reducing at a slower rate. The tariff rate changes are shown below along with the indicative rate changes for 2027 to 2030. The residential customer bill impact in Scenario B for test years 2023 to 2026 would be 40%, 6%, 3%, and 3%.

Table 29: Scenario C: RDDA Recovery in 2030

Scenario C: RDDA Recovery in 2030	2023	2024	2025	2026	2027	2028	2029	2030
Total Revenue Requirements (excl. CDA Rider 1)	\$1,371,178	\$1,367,010	\$1,477,591	\$1,511,227	\$1,507,753	\$1,483,130	\$1,455,078	\$1,429,687
Rate Residential (Fixed and Metered Charge)	55%	6%	3%	3%	2%	-3%	-6%	-5%
Rate Commercial (Fixed and Metered Charge)	55%	6%	3%	3%	2%	-3%	-6%	-5%
Target % Recovery of Total Rev. Req. (excl CDA)	108.0%	116.5%	112.0%	113.0%	115.0%	113.0%	108.0%	103.6%
Target Revenue Requirement	\$1,480,873	\$1,592,567	\$1,654,901	\$1,707,687	\$1,733,916	\$1,675,936	\$1,571,484	\$1,481,499
RDDA Balance (\$)	\$1,186,515	\$960,959	\$783,648	\$587,188	\$361,025	\$168,219	\$51,812	\$0
Residential Bill Impact	41%	6%	3%	3%	2%	-3%	-6%	-5%
Commercial Bill Impact	34%	6%	3%	3%	2%	-3%	-6%	-5%

Scenarios Analysis and Conclusion

The results indicate that the rate smoothing Scenario B is similar to Scenario A. Scenario B has a slighter higher rate increases in the second and third years to achieve a full recovery of the RDDA in 2027 instead of 2028.

Scenario C extends the recovery period to 2030 but it only achieves modestly lower rates in 2023 to 2026 compared to Scenario A.

Corix concludes that Scenario A (the proposed rates in this Application) provides the most optimal balance of reducing the RDDA balances, mitigating the rate increases each year, and provides for a reasonable period to fully recover the RDDA in 2028.

10. CONSUMPTION DEFERRAL ACCOUNT AND RATE RIDER

As part of the 2020 to 2022 Rate Application the Comptroller by Order No. 2578 approved the disposition of the Consumption Deferral Account (CDA). The CDA rate rider was set at \$1.19 per cubic metre from 2019 to 2021. Effective January 1, 2022 the CDA rate rider was set at \$1.46 per cubic metre. Any remaining balance on December 31, 2022 would be transferred to RDDA and the CDA closed. Corix projects the CDA balance to be \$53,820 by December 31, 2022 (before transfer to the RDDA). This unamortized amount will be transferred to the RDDA.

For additional clarity, for Test Years 2023 to 2026, there is no applicable CDA rate rider in the customer rates. However, since the CDA rider ends on December 31, 2022, from a bill perspective this rider removal will reduce the 2023 customer bill when all other bill factors remain the same.

Table 30 below shows the 2022 CDA activity and estimated unamortized balance of \$53,820 that is transferred to the RDDA at the beginning of 2023, so that the CDA account is cleared by the end of 2022.

Table 30: Consumption Deferral Account

	Projected 2022
<u>Consumption Deferral Account</u>	
Beginning Balance	\$179,488
Additions/Deductions	(\$53,820)
Amortization	(\$125,667)
Ending Balance	<u>\$0</u>

Further details of the CDA balances can be found in Schedule 12 of the Financial Schedules.

11. CONTRIBUTION IN AID OF CONSTRUCTION

The Comptroller in the last rate application approved in Order No. 2578 a change in Schedule “B” Contribution in Aid of Future Construction. The Comptroller approved in Tariff No. 5 for each domestic service premises qualifying as authorized premises a \$1,585 per bed unit charge. The prior \$1,300 per bed unit was last approved in Water Tariff No. 3 effective March 1, 2010. Corix proposed to escalate the \$1,300 per bed unit at a compounding rate of 2% per year for 10 years to yield a figure of \$1,585 per bed unit for the 2020 test year.

In Appendix A to Order No. 2578, Reasons for Decision, Section 5.0 Contribution in Aid of Future Construction (CIAC) on page 17 it stated: “The proposed inflationary increase to the CIAC is approved effective the date of this Decision. The CIAC charge is to be set at \$1,585 per bed unit. In the next revenue requirement application, Corix is to complete a more detailed cost analysis to determine whether the \$1,585 per bed unit is appropriate.”

11.1 ANALYSIS

The December 31, 2023 Gross Plant is \$8,231,646 (Schedule 4 (2023): Utility Plant in Service Dec 31, 2023, line 37 in the Financial Schedules). The vast majority of these costs are related to the GSDP project that included water supply, water treatment, and reservoir upgrades. This plant amount is a good approximation of supply infrastructure costs for capacity since the GSDP project was recently completed. Since the change to rate base regulation, the plant schedules include the GSDP projects costs and some smaller amounts for non-GSDP related to distribution mains. Corix submits this is a good proxy for the capacity used by new future customers since the available capacity in the water supply, water treatment plant, and reservoir is available for many years to the build-out of the resort.

In any new development with the expansion of new water customers, the Developer is responsible for all costs of any new subdivision including service lines and mains in the subdivision development. The Developer is also responsible for any capacity upgrades to connect the new development if the existing capacity is not large enough to accommodate the new customer demand. Since there is spare capacity in the Panorama water supply, water treatment, and reservoir no upgrades by the Developer are required in the near term. However, these new customers should be paying for its fair share of costs for these upstream supply infrastructure costs that were previously paid for by existing customers. The Contribution in Aid of Construction (CIAC) is the mechanism to accomplish this. Developers are required to pay the CIAC amount and the monies are deposited into the Deferred Capacity Trust Fund. The DCTF is utilized when an actual project for existing customers are needed in the future.

In 2023 there are a total of 4,500 bed units (see Schedule 11, line 10 in the Financial Schedules). Table 31 below computes the Gross Plant per Bed Unit.

Table 31: Infrastructure Supply Plant and Bed Units

	Projected 2022
2023 Total gross plant	\$8,231,646
	divided by
2023 Total bed units	4,500
Gross plant per bed unit	<u>\$1,829</u>

11.2 ANALYSIS CONCLUSION

The computed \$1,829 Gross plant per bed unit shown in the above table yields a good reasonableness check that the currently approved \$1,585 CIAC per bed unit is set at a reasonable rate. Therefore, Corix submits the existing \$1,585 per bed unit charge is appropriate for adding new customers who utilize the existing supply infrastructure, and it makes a reasonable contribution for these existing assets.

12. CUSTOMER BILL IMPACT ANALYSIS

12.1 TOTAL CUSTOMER BILL IMPACT

Financial Schedule 13, summarized in Tables 32 and 33 below, present the total bill impact for the residential and commercial rate proposals in this Application based on typical residential and commercial customers characterized by the number of bed units and usage.

Table 32: Total Bill Impact for Residential Customers

Residential Customers ^{(1), (2), (3)}		Proposed	Proposed	Proposed	Proposed
	2022	2023	2024	2025	2026
Fixed Charge (\$ / bed unit / month)	\$8.57	\$13.55	\$14.33	\$15.08	\$15.39
Metered Rate (\$ / m ³)	\$5.21	\$8.24	\$8.71	\$9.17	\$9.36
CDA Rider 1 (\$ / m ³)	\$1.46	\$0.00	\$0.00	\$0.00	\$0.00
Typical Annual Bill (\$)	\$1,278	\$1,828	\$1,933	\$2,035	\$2,076
Typical Monthly Bill (\$)	\$107	\$152	\$161	\$170	\$173
Total Annual Bill Change (\$)	--	\$550	\$105	\$101	\$41
Total Annual Bill Change (%)	--	43%	6%	5%	2%

(1) The typical residential number of bed units is 7.0 for the comparison period.

(2) The typical residential consumption usage is 83.7 cubic meters for the comparison period.

(3) The Proposed tariff rates are to be effective January 1 for each respective year. For 2022 the bill is based on the existing rates effective January 1, 2022 including the CDA rate rider. The bills from 2023 to 2026 do not include the CDA rate rider.

Table 33: Total Bill Impact for Commercial Customers

Commercial Customers ^{(1), (2), (3)}		Proposed	Proposed	Proposed	Proposed
	2022	2023	2024	2025	2026
Fixed Charge (\$ / bed unit / month)	\$9.51	\$15.04	\$15.91	\$16.74	\$17.08
Metered Rate (\$ / m ³)	\$5.46	\$8.63	\$9.13	\$9.61	\$9.81
CDA Rider 1 ⁽³⁾ (\$ / m ³)	\$1.46	\$0.00	\$0.00	\$0.00	\$0.00
Typical Annual Bill (\$)	\$20,773	\$28,428	\$30,068	\$31,642	\$32,285
Typical Monthly Bill (\$)	\$1,731	\$2,369	\$2,506	\$2,637	\$2,690
Total Annual Bill Increase (\$)	--	\$7,655	\$1,640	\$1,574	\$643
Total Annual Bill Increase (%)	--	37%	6%	5%	2%

(1) The typical commercial number of bed units is 65.9 for the comparison period.

(2) The typical commercial consumption usage is 1,915.1 cubic meters for the comparison period.

(3) The Proposed tariff rates are to be effective January 1 for each respective year. For 2022 the bill is based on the existing rates effective January 1, 2022 including the CDA rate rider. The bills from 2023 to 2026 do not include the CDA rate rider.

13. TARIFF HOUSEKEEPING AMENDMENTS

13.1 TARIFF AMENDMENT: BACK-BILLING

Corix proposes to add a new section (Section 26) in the Panorama Water Tariff No. 6 tariff to include back-billing. The proposed wording will be substantially identical to the wording previously approved by the Comptroller and included in the current Water Tariff No. 2 for Corix's Cultus Lake Water Utility¹⁸, except for the use of the word "Utility" in place of "Company" which connotes the same meaning. The proposed Panorama Water Tariff No. 6 contains the new Section 26 Back-Billing provision based on Section 17 (Back-Billing) from the Cultus Lake Water Utility Water Tariff No. 2.

Back-billing means the re-billing by the company for services rendered to a customer because the original billings were discovered to be either too high (over-billed) or too low (under-billed). The discovery may be made by either the customer or the company and may result from the conduct of an inspection. The cause of the billing error may include any of the following non-exhaustive reasons or combination thereof:

- a. the application of an incorrect rate; and
- b. fraud, theft or any other criminal act.

The addition of the back-billing term:

- Provides the ability to address billing errors (over-billing or under-billing) whether from the application of an incorrect rate, fraud, theft or any other criminal act;
- Improves accountability, which enhances trust between Corix and customers;
- Provides clarity to customers and utility staff by defining back-billing and clearly outlining the approach used to addressing back-billing when it is required; and
- Increases standardization across Corix's regulated water utilities in BC, which in turn improves operational efficiencies.

While Corix does not anticipate any material billing errors, the absence of a back-billing term in the tariff restricts Corix's ability to address billing errors, which can be to the detriment of customers (over-billing) or to the detriment of the Utility (under-billing).

For the reasons outlined above, Corix submits that this request should be approved as it is just and reasonable.

¹⁸ Cultus Lake Water Utility Water Tariff No. 2 https://www.corix.com/docs/default-source/communities/system-specific/cultus-lake-water/cultus-lake-water-tariff-no-2---2017-07-01.pdf?sfvrsn=9266b5d_2

13.1.1 Tariff Housekeeping Back-Billing Approval Sought

Corix requests approval, pursuant to Sections 59 to 61 of the *Utilities Commission Act* (“UCA”), to amend the terms and conditions of the tariff as outlined in Section 13.1 of this Application, to become effective on the 1st of the month following the issuance of the final Order associated with this review process.

13.2 TARIFF AMENDMENT: SCHEDULE F

In this Application, Corix has made a clarification to Schedule F Availability of Service Charge as per Rent Charge Agreement(s) by including a note to clarify that the annual rent charge is billed monthly as per Section 2 Billing and Payment. This tariff housekeeping clarification does not change the current practice of billing monthly for Schedule F.

13.3 TARIFF COPIES

The current Water Tariff No. 5, with existing rates effective January 1, 2022, was accepted for filing by the Comptroller of Water Rights on April 22, 2021.

A clean copy of the proposed Water Tariff No. 6 is included in Appendix 2 and a legal blackline version, compared to the existing tariff, is included in Appendix 1. The proposed Water Tariff includes the housekeeping amendments discussed above as well as the proposed residential and commercial rates for 2023 to 2026.

FINANCIAL SCHEDULES

Schedule 1	Historical Revenue, Customer Count and Usage
Schedule 2	Operating & Maintenance (O&M) Expenses
Schedule 3	Corporate and Regional Services Allocation
Schedule 4	Utility Plant in Service (2020 to 2026)
Schedule 5	Capital Cost Allowance (CCA)
Schedule 6	Revenue Requirements
Schedule 7	Rate Base
Schedule 8	Cost of Capital
Schedule 9	Income Tax
Schedule 10	Continuity of Deferred Charges
Schedule 11	Customer Rates
Schedule 12	Consumption Deferral Account (CDA)
Schedule 13	Estimated Customer Bill Impact
Schedule 14	Rate Scenarios

Corix Multi-Utility Services Inc.
Panorama Water Utility
Customer Count, Consumption and Historical Revenue
Schedule 1

Line No.		Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	Number of Customers (Average per year)							
2	Residential - metered	292	293	295	296	317	334	351
3	Commercial	29	29	29	29	29	29	29
4	Commercial - Irrigation	8	8	8	8	8	8	8
5	Total metered customers	329	330	332	333	354	371	388
6	Residential Standby Customers	29	28	26	25	56	39	22
7	Total Customers	358	358	358	358	410	410	410
8								
9	Average Annual Number of bed units (bu)							
10	Residential bu	2,068	2,091	2,107	2,117	2,207	2,281	2,355
11	Commercial bu	2,429	2,383	2,383	2,383	2,383	2,383	2,383
12	Total Annual bu	4,497	4,474	4,490	4,500	4,590	4,664	4,738
13								
14	Annual Consumption (cu. m)							
15	Annual Consumption - Residential	30,351	29,904	28,036	27,887	28,782	29,450	30,101
16	Annual Consumption - Commercial	61,707	54,890	58,038	57,457	56,883	56,314	55,751
17	Total Annual Consumption	92,058	84,794	86,073	85,344	85,665	85,763	85,852
18								
19	Sales Revenue							
20	Residential - Basic Charge (excl. accruals)	\$76,675	\$165,369	\$216,684	\$344,281	\$379,621	\$412,886	\$434,949
21	Residential - Usage (excl. accruals)	\$57,060	\$119,915	\$146,067	\$229,759	\$250,811	\$270,060	\$281,646
22	Residential Sales Revenue (excl. accruals)	\$133,735	\$285,285	\$362,751	\$574,040	\$630,432	\$682,947	\$716,595
23								
24	Commercial - Basic Charge (excl. accruals)	\$99,971	\$209,323	\$271,948	\$430,047	\$454,854	\$478,662	\$488,395
25	Commercial - Usage (excl. accruals)	\$121,563	\$230,538	\$316,885	\$496,097	\$519,468	\$541,191	\$546,673
26	Commercial Sales Revenue (excl. accruals)	\$221,534	\$439,861	\$588,833	\$926,144	\$974,321	\$1,019,853	\$1,035,068
27								
28	Accruals - Residential	(\$1,101)	(\$3,657)	(\$6,186)	\$0.00	\$0.00	\$0.00	\$0.00
29	Accruals - Commercial	(\$3,904)	(\$28,822)	\$5,000	\$0.00	\$0.00	\$0.00	\$0.00
30	Total Accruals (see note 1)	(\$5,005)	(\$32,480)	(\$1,186)	\$0.00	\$0.00	\$0.00	\$0.00
31								
32	Total Sales Revenue (incl. Accruals)	\$350,264	\$692,666	\$950,398	\$1,500,184	\$1,604,753	\$1,702,799	\$1,751,663
33								
34	Other Revenue							
35	Residential - Availability of Service (Rent) Charges	\$7,934	\$6,474	\$8,138	\$6,750	\$12,240	\$9,090	\$5,940
36	Residential Connection Fees	\$2,065	\$1,125	\$500	\$225	\$6,025	\$3,825	\$3,825
37	Other Income	\$436	\$0	\$0	\$100	\$100	\$100	\$100
38	Total Sales Revenue (incl. Other Revenue)	\$360,699	\$700,265	\$959,036	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528
39	Replacement Revenue Trust Fund (RRTF) Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	Total Sales Revenue to Corix (excludes Rate Rider)	\$360,699	\$700,265	\$959,036	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528

**Corix Multi-Utility Services Inc.
Panorama Water Utility
Schedule of Operating and Maintenance Expenses
Schedule 2**

Line No.	Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	<u>Cost of Goods Sold</u>						
2	\$8,319	\$2,230	\$9,000	\$9,270	\$9,548	\$9,739	\$9,934
3	1,945	3,175	0	0	0	0	0
4	10,211	12,700	0	0	0	0	0
5	5,158	5,742	4,239	4,366	4,497	4,587	4,679
6	132,854	89,279	121,695	136,442	142,056	146,416	150,808
7	52,961	33,805	47,100	48,042	49,339	50,326	51,332
8	\$211,448	\$146,931	\$182,034	\$198,120	\$205,440	\$211,068	\$216,753
9							
10	<u>Selling, General and Administration Expenses</u>						
11	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	9,000	0	0	0	0	0	0
13	16,576	11,135	18,500	22,194	22,860	23,317	23,783
14	3,089	3,450	4,930	5,078	5,230	5,335	5,442
15	30,599	21,183	18,379	22,350	23,021	23,481	23,951
16	0	0	0	0	0	0	0
17	1,232	1,438	2,000	2,129	2,193	2,237	2,281
18	0	0	0	0	0	0	0
19	11,524	8,867	50,000	21,003	21,633	22,065	22,507
20	3,408	3,479	4,663	4,803	4,947	5,046	5,147
21	5,879	4,178	5,772	4,619	4,758	4,853	4,950
22	0	0	0	0	0	0	0
23	0	3,566	1,500	0	0	0	0
24	127,258	148,612	231,330	249,034	255,792	261,368	266,596
25	36,000	53,421	118,889	105,891	109,172	112,073	114,314
26	18,000	7,644	1,941	7,000	0	0	0
27	\$262,565	\$266,972	\$457,905	\$444,100	\$449,605	\$459,775	\$468,970
28							
29	\$474,013	\$413,903	\$639,939	\$642,220	\$655,045	\$670,843	\$685,724

Corix Multi-Utility Services Inc.
Panorama Water Utility
Corporate Services Cost Allocations
Schedule 3

Line No.	Function	2023 Forecast CAD\$	2023 Forecast % Breakdown
1	Executive Management	\$11,605	7%
2	Customer Experience	14,058	8%
3	Regulatory Support and Operational Technology	10,435	6%
4	Corporate Finance and FP&A	10,887	6%
5	Accounting and Tax	12,882	7%
6	Human Resources	10,581	6%
7	Corporate Communication	3,102	2%
8	Information Technology	61,130	35%
9	Accounts Payable	3,349	2%
10	Support Services Management	6,390	4%
11	Customer Billing	4,890	3%
12	Procurement	1,643	1%
13	Fleet	5,932	3%
14	Continuous Improvement	2,926	2%
15	Health, Safety & Environment	5,178	3%
16	Legal and Risk Management	11,053	6%
17	Internal Audit	947	1%
18	Total Allocation (CAD\$)	\$176,988	100%

Notes

(1) All Business Development costs are excluded from cost recovery.

(2) Forecast based on Gross Revenue, Headcount and Gross PPE as at June 30, 2022.

Corix Multi-Utility Services Inc.
Panorama Water Utility
Schedule 4: Utility Plant in Service
For the Period Ending December 31, 2020 (Actual)

Line No.	Account	COST			ACCUMULATED DEPRECIATION			NET BOOK VALUE	
		Balance as at Mar 1, 2020	Additions	Dec 31, 2020	Balance as at Mar 1, 2020	Depreciation Provision	Balance as at Dec 31, 2020	Balance as at Mar 1, 2020	Balance as at Dec 31, 2020
1	A. Source of Supply								
2	304.2 Supply-Structures and Improvements	\$416,041		\$416,041	\$0	\$6,585	\$6,585	\$416,041	\$409,456
3	307 Supply-Wells and Springs	\$193,307	\$184,302	\$377,609	\$0	\$5,258	\$5,258	\$193,307	\$372,351
4	309 Supply-Mains	\$99,728	\$12,503	\$112,231	\$0	\$1,142	\$1,142	\$99,728	\$111,089
5	339.2 Supply-Other Misc Water Source Plant	\$25,110		\$25,110	\$0	\$0	\$0	\$25,110	\$25,110
6									
7	Total Source of Supply	\$734,186	\$196,805	\$930,991	\$0	\$12,985	\$12,985	\$734,186	\$918,006
8									
9	B. Pumping Plant								
10	311 Pumping Equipment	\$107,485		\$107,485	\$0	\$3,403	\$3,403	\$107,485	\$104,082
11									
12	Total Pumping Plant	\$107,485	\$0	\$107,485	\$0	\$3,403	\$3,403	\$107,485	\$104,082
13									
14	C. Water Treatment Plant								
15	304.3 WTP-Structures and Improvements	\$1,886,627		\$1,886,627	\$0	\$30,072	\$30,072	\$1,886,627	\$1,856,555
16	320 WTP-Treatment Equipment	\$206,499	\$10,911	\$217,410	\$0	\$6,719	\$6,719	\$206,499	\$210,691
17	339.3 WTP-Other Misc. Treatment Plant	\$135,773		\$135,773	\$0	\$4,351	\$4,351	\$135,773	\$131,422
18									
19	Total Water Treatment Plant	\$2,228,899	\$10,911	\$2,239,810	\$0	\$41,142	\$41,142	\$2,228,899	\$2,198,668
20									
21	D. Transmission and Distribution Plant								
22	331 TD-Mains	\$896,304	\$35,627	\$931,931	\$0	\$9,763	\$9,763	\$896,304	\$922,168
23	333 TD-Services	\$97,374	\$120,130	\$217,504	\$0	\$1,541	\$1,541	\$97,374	\$215,963
24	330 TD-Distribution Reservoirs	\$2,342,809		\$2,342,809	\$0	\$37,553	\$37,553	\$2,342,809	\$2,305,256
25	339.4 TD-Other Misc T&D Plant	\$87,905		\$87,905	\$0	\$2,802	\$2,802	\$87,905	\$85,103
26									
27	Total Water Treatment Plant	\$3,424,392	\$155,757	\$3,580,149	\$0	\$51,660	\$51,660	\$3,424,392	\$3,528,489
28									
29	E. General Plant								
30	304.5 GP-Structures and Improvements	\$985,275		\$985,275	\$0	\$16,043	\$16,043	\$985,275	\$969,232
31	346.1 GP-Comm Equip SCADA	\$81,512	\$10,752	\$92,264	\$0	\$6,899	\$6,899	\$81,512	\$85,365
32									
33	Total Water Treatment Plant	\$1,066,787	\$10,752	\$1,077,539	\$0	\$22,942	\$22,942	\$1,066,787	\$1,054,597
34									
35									
36	TOTAL PLANT	\$7,561,749	\$374,225	\$7,935,974	\$0	\$132,131	\$132,131	\$7,561,749	\$7,803,843
37									
38									
39	Contributions in Aid of Construction								
40	271.1 CIAC	(\$974,434)	\$0	(\$974,434)	\$0	(\$15,916)	(\$15,916)	(\$974,434)	(\$958,518)
41									
42	TOTAL CIAC	(\$974,434)	\$0	(\$974,434)	\$0	(\$15,916)	(\$15,916)	(\$974,434)	(\$958,518)
43									
44									
45	TOTAL NET PLANT	\$6,587,315	\$374,225	\$6,961,540	\$0	\$116,216	\$116,216	\$6,587,315	\$6,845,325

Corix Multi-Utility Services Inc.
Panorama Water Utility
Schedule 4: Utility Plant in Service
For the Period Ending December 31, 2021 (Actual)

Line No.	Account	COST			ACCUMULATED DEPRECIATION			NET BOOK VALUE	
		Balance as at Dec 31, 2020	Additions	Balance as at Dec 31, 2021	Balance as at Dec 31, 2020	Depreciation Provision	Balance as at Dec 31, 2021	Balance as at Dec 31, 2020	Balance as at Dec 31, 2021
1	A. Source of Supply								
2	304.2 Supply-Structures and Improvements	\$416,041		\$416,041	\$6,585	\$8,328	\$14,913	\$409,456	\$401,128
3	307 Supply-Wells and Springs	377,609	71,391	449,000	5,258	10,943	16,201	372,351	432,799
4	309 Supply-Mains	112,231	1,190	113,421	1,142	1,526	2,668	111,089	110,753
5	339.2 Supply-Other Misc Water Source Plant	25,110		25,110	0	0	0	25,110	25,110
6									
7	Total Source of Supply	930,991	72,580	1,003,571	12,985	20,797	33,782	918,006	969,789
8									
9	B. Pumping Plant								
10	311 Pumping Equipment	107,485		107,485	3,403	4,307	7,709	104,082	99,776
11									
12	Total Pumping Plant	107,485	0	107,485	3,403	4,307	7,709	104,082	99,776
13									
14	C. Water Treatment Plant								
15	304.3 WTP-Structures and Improvements	1,886,627		1,886,627	30,072	37,760	67,832	1,856,555	1,818,795
16	320 WTP-Treatment Equipment	217,410		217,410	6,719	8,711	15,429	210,691	201,980
17	339.3 WTP-Other Misc. Treatment Plant	135,773		135,773	4,351	5,438	9,789	131,422	125,984
18									
19	Total Water Treatment Plant	2,239,810	0	2,239,810	41,142	51,909	93,051	2,198,668	2,146,759
20									
21	D. Transmission and Distribution Plant								
22	331 TD-Mains	931,931	649	932,580	9,763	12,447	22,210	922,168	910,370
23	333 TD-Services	217,504	21,827	239,331	1,541	3,079	4,620	215,963	234,711
24	330 TD-Distribution Reservoirs	2,342,809		2,342,809	37,553	46,887	84,440	2,305,256	2,258,369
25	339.4 TD-Other Misc T&D Plant	87,905		87,905	2,802	3,644	6,446	85,103	81,459
26									
27	Total Water Treatment Plant	3,580,149	22,476	3,602,625	51,660	66,057	117,716	3,528,489	3,484,909
28									
29	E. General Plant								
30	304.5 GP-Structures and Improvements	985,275	403	985,678	16,043	19,719	35,763	969,232	949,916
31	346.1 GP-Comm Equip SCADA	92,264		92,264	6,899	9,264	16,163	85,365	76,101
32									
33	Total Water Treatment Plant	1,077,539	403	1,077,942	22,942	28,983	51,925	1,054,597	1,026,017
34									
35									
36	TOTAL PLANT	\$7,935,974	\$95,459	\$8,031,434	\$132,131	\$172,053	\$304,184	\$7,803,843	\$7,727,249
37									
38									
39	Contributions in Aid of Construction								
40	271.1 CIAC	(\$974,434)		(\$974,434)	(\$15,916)	(\$19,099)	(\$35,015)	(\$958,518)	(\$939,419)
41									
42	TOTAL CIAC	(\$974,434)	\$0	(\$974,434)	(\$15,916)	(\$19,099)	(\$35,015)	(\$958,518)	(\$939,419)
43									
44									
45	TOTAL NET PLANT	\$6,961,540	\$95,459	\$7,057,000	\$116,216	\$152,954	\$269,169	\$6,845,325	\$6,787,830

Corix Multi-Utility Services Inc.
Panorama Water Utility
Schedule 4: Utility Plant in Service
For the Period Ending December 31, 2022 (Projected)

Line No.	Account	COST			ACCUMULATED DEPRECIATION			NET BOOK VALUE	
		Balance as at Dec 31, 2021	Additions	Balance as at Dec 31, 2022	Balance as at Dec 31, 2021	Depreciation Provision	Balance as at Dec 31, 2022	Balance as at Dec 31, 2021	Balance as at Dec 31, 2022
1	A. Source of Supply								
2	304.2 Supply-Structures and Improvements	\$416,041		\$416,041	\$14,913	\$8,321	\$23,234	\$401,128	\$392,807
3	307 Supply-Wells and Springs	449,000	51,704	500,704	16,201	11,871	28,073	432,799	472,631
4	309 Supply-Mains	113,421	824	114,245	2,668	1,518	4,185	110,753	110,059
5	339.2 Supply-Other Misc Water Source Plant	25,110		25,110	0	1,004	1,004	25,110	24,106
6									
7	Total Source of Supply	1,003,571	52,528	1,056,099	33,782	22,714	56,496	969,789	999,603
8									
9	B. Pumping Plant								
10	311 Pumping Equipment	107,485		107,485	7,709	4,299	12,009	99,776	95,476
11									
12	Total Pumping Plant	107,485	0	107,485	7,709	4,299	12,009	99,776	95,476
13									
14	C. Water Treatment Plant								
15	304.3 WTP-Structures and Improvements	1,886,627		1,886,627	67,832	37,733	105,565	1,818,795	1,781,062
16	320 WTP-Treatment Equipment	217,410	7,216	224,626	15,429	8,841	24,270	201,980	200,356
17	339.3 WTP-Other Misc. Treatment Plant	135,773		135,773	9,789	5,431	15,220	125,984	120,553
18									
19	Total Water Treatment Plant	2,239,810	7,216	2,247,026	93,051	52,004	145,055	2,146,759	2,101,971
20									
21	D. Transmission and Distribution Plant								
22	331 TD-Mains	932,580	450	933,029	22,210	12,437	34,648	910,370	898,382
23	333 TD-Services	239,331	31,563	270,894	4,620	5,102	9,722	234,711	261,171
24	334 Meters and Meter Installations	0		0	0		0	0	0
25	330 TD-Distribution Reservoirs	2,342,809		2,342,809	84,440	46,856	131,296	2,258,369	2,211,513
26	339.4 TD-Other Misc T&D Plant	87,905		87,905	6,446	3,516	9,963	81,459	77,942
27									
28	Total Water Treatment Plant	3,602,625	32,012	3,634,637	117,716	67,912	185,628	3,484,909	3,449,009
29									
30	E. General Plant								
31	304.5 GP-Structures and Improvements	985,678	869	986,547	35,763	19,722	55,485	949,916	931,062
32	346.1 GP-Comm Equip SCADA	92,264	27,687	119,951	16,163	10,611	26,773	76,101	93,177
33									
34	Total Water Treatment Plant	1,077,942	28,555	1,106,498	51,925	30,333	82,258	1,026,017	1,024,239
35									
36									
37	TOTAL PLANT	\$8,031,434	\$120,312	\$8,151,746	\$304,184	\$177,263	\$481,447	\$7,727,249	\$7,670,299
38									
39									
40	Contributions in Aid of Construction								
41	271.1 CIAC	(\$974,434)		(\$974,434)	(\$35,015)	(\$19,099)	(\$54,114)	(\$939,419)	(\$920,320)
42									
43	TOTAL CIAC	(\$974,434)	\$0	(\$974,434)	(\$35,015)	(\$19,099)	(\$54,114)	(\$939,419)	(\$920,320)
44									
45									
46	TOTAL NET PLANT	\$7,057,000	\$120,312	\$7,177,312	\$269,169	\$158,164	\$427,333	\$6,787,830	\$6,749,978

Corix Multi-Utility Services Inc.
Panorama Water Utility
Schedule 4: Utility Plant in Service
For the Period Ending December 31, 2023 (Forecast)

Line No.	Account	COST			ACCUMULATED DEPRECIATION			NET BOOK VALUE	
		Balance as at Dec 31, 2022	Additions	Balance as at Dec 31, 2023	Balance as at Dec 31, 2022	Depreciation Provision	Balance as at Dec 31, 2023	Balance as at Dec 31, 2022	Balance as at Dec 31, 2023
1	A. Source of Supply								
2	304.2 Supply-Structures and Improvements	\$416,041		\$416,041	\$23,234	\$8,321	\$31,555	\$392,807	\$384,486
3	307 Supply-Wells and Springs	500,704		500,704	28,073	12,518	40,590	472,631	460,114
4	309 Supply-Mains	114,245		114,245	4,185	1,523	5,709	110,059	108,536
5	339.2 Supply-Other Misc Water Source Plant	25,110		25,110	1,004	1,004	2,009	24,106	23,101
6									
7	Total Source of Supply	1,056,099	0	1,056,099	56,496	23,366	79,862	999,603	976,237
8									
9	B. Pumping Plant								
10	311 Pumping Equipment	107,485		107,485	12,009	4,299	16,308	95,476	91,177
11									
12	Total Pumping Plant	107,485	0	107,485	12,009	4,299	16,308	95,476	91,177
13									
14	C. Water Treatment Plant								
15	304.3 WTP-Structures and Improvements	1,886,627		1,886,627	105,565	37,733	143,297	1,781,062	1,743,330
16	320 WTP-Treatment Equipment	224,626		224,626	24,270	8,985	33,255	200,356	191,371
17	339.3 WTP-Other Misc. Treatment Plant	135,773		135,773	15,220	5,431	20,651	120,553	115,122
18									
19	Total Water Treatment Plant	2,247,026	0	2,247,026	145,055	52,149	197,204	2,101,971	2,049,823
20									
21	D. Transmission and Distribution Plant								
22	331 TD-Mains	933,029		933,029	34,648	12,440	47,088	898,382	885,941
23	333 TD-Services	270,894	30,000	300,894	9,722	5,718	15,440	261,171	285,454
24	334 Meters and Meter Installations	0	21,900	21,900	0	438	438	0	21,462
25	330 TD-Distribution Reservoirs	2,342,809		2,342,809	131,296	46,856	178,152	2,211,513	2,164,657
26	339.4 TD-Other Misc T&D Plant	87,905	28,000	115,905	9,963	4,076	14,039	77,942	101,866
27									
28	Total Water Treatment Plant	3,634,637	79,900	3,714,537	185,628	69,529	255,157	3,449,009	3,459,380
29									
30	E. General Plant								
31	304.5 GP-Structures and Improvements	986,547		986,547	55,485	19,731	75,216	931,062	911,331
32	346.1 GP-Comm Equip SCADA	119,951		119,951	26,773	11,995	38,768	93,177	81,182
33									
34	Total Water Treatment Plant	1,106,498	0	1,106,498	82,258	31,726	113,984	1,024,239	992,513
35									
36									
37	TOTAL PLANT	\$8,151,746	\$79,900	\$8,231,646	\$481,447	\$181,069	\$662,516	\$7,670,299	\$7,569,130
38									
39									
40	Contributions in Aid of Construction								
41	271.1 CIAC	(\$974,434)		(\$974,434)	(\$54,114)	(\$19,099)	(\$73,212)	(\$920,320)	(\$901,222)
42									
43	TOTAL CIAC	(\$974,434)	\$0	(\$974,434)	(\$54,114)	(\$19,099)	(\$73,212)	(\$920,320)	(\$901,222)
44									
45									
46	TOTAL NET PLANT	\$7,177,312	\$79,900	\$7,257,212	\$427,333	\$161,970	\$589,303	\$6,749,978	\$6,667,909

Corix Multi-Utility Services Inc.
Panorama Water Utility
Schedule 4: Utility Plant in Service
For the Period Ending December 31, 2024 (Forecast)

Line No.	Account	COST			ACCUMULATED DEPRECIATION			NET BOOK VALUE	
		Balance as at Dec 31, 2023	Additions	Balance as at Dec 31, 2024	Balance as at Dec 31, 2023	Depreciation Provision	Balance as at Dec 31, 2024	Balance as at Dec 31, 2023	Balance as at Dec 31, 2024
1	A. Source of Supply								
2	304.2 Supply-Structures and Improvements	\$416,041		\$416,041	\$31,555	\$8,321	\$39,875	\$384,486	\$376,166
3	307 Supply-Wells and Springs	500,704		500,704	40,590	12,518	53,108	460,114	447,596
4	309 Supply-Mains	114,245		114,245	5,709	1,523	7,232	108,536	107,013
5	339.2 Supply-Other Misc Water Source Plant	25,110		25,110	2,009	1,004	3,013	23,101	22,097
6									
7	Total Source of Supply	1,056,099	0	1,056,099	79,862	23,366	103,228	976,237	952,871
8									
9	B. Pumping Plant								
10	311 Pumping Equipment	107,485		107,485	16,308	4,299	20,608	91,177	86,877
11									
12	Total Pumping Plant	107,485	0	107,485	16,308	4,299	20,608	91,177	86,877
13									
14	C. Water Treatment Plant								
15	304.3 WTP-Structures and Improvements	1,886,627		1,886,627	143,297	37,733	181,030	1,743,330	1,705,597
16	320 WTP-Treatment Equipment	224,626	0	224,626	33,255	8,985	42,240	191,371	182,386
17	339.3 WTP-Other Misc. Treatment Plant	135,773		135,773	20,651	5,431	26,082	115,122	109,691
18									
19	Total Water Treatment Plant	2,247,026	0	2,247,026	197,204	52,149	249,352	2,049,823	1,997,674
20									
21	D. Transmission and Distribution Plant								
22	331 TD-Mains	933,029		933,029	47,088	12,440	59,528	885,941	873,501
23	333 TD-Services	300,894	30,000	330,894	15,440	6,318	21,758	285,454	309,136
24	334 Meters and Meter Installations	21,900	9,957	31,857	438	1,075	1,513	21,462	30,344
25	330 TD-Distribution Reservoirs	2,342,809		2,342,809	178,152	46,856	225,008	2,164,657	2,117,801
26	339.4 TD-Other Misc T&D Plant	115,905		115,905	14,039	4,636	18,675	101,866	97,230
27									
28	Total Water Treatment Plant	3,714,537	39,957	3,754,494	255,157	71,326	326,483	3,459,380	3,428,011
29									
30	E. General Plant								
31	304.5 GP-Structures and Improvements	986,547		986,547	75,216	19,731	94,947	911,331	891,600
32	346.1 GP-Comm Equip SCADA	119,951		119,951	38,768	11,995	50,763	81,182	69,187
33									
34	Total Water Treatment Plant	1,106,498	0	1,106,498	113,984	31,726	145,710	992,513	960,787
35									
36									
37	TOTAL PLANT	\$8,231,646	\$39,957	\$8,271,603	\$662,516	\$182,866	\$845,381	\$7,569,130	\$7,426,221
38									
39									
40	Contributions in Aid of Construction								
41	271.1 CIAC	(\$974,434)		(\$974,434)	(\$73,212)	(\$19,099)	(\$92,311)	(\$901,222)	(\$882,123)
42									
43	TOTAL CIAC	(\$974,434)	\$0	(\$974,434)	(\$73,212)	(\$19,099)	(\$92,311)	(\$901,222)	(\$882,123)
44									
45									
46	TOTAL NET PLANT	\$7,257,212	\$39,957	\$7,297,169	\$589,303	\$163,767	\$753,070	\$6,667,909	\$6,544,099

Corix Multi-Utility Services Inc.
Panorama Water Utility
Schedule 4: Utility Plant in Service
For the Period Ending December 31, 2025 (Forecast)

Line No.	Account	COST			ACCUMULATED DEPRECIATION			NET BOOK VALUE	
		Balance as at Dec 31, 2024	Additions	Balance as at Dec 31, 2025	Balance as at Dec 31, 2024	Depreciation Provision	Balance as at Dec 31, 2025	Balance as at Dec 31, 2024	Balance as at Dec 31, 2025
1	A. Source of Supply								
2	304.2 Supply-Structures and Improvements	\$416,041		\$416,041	\$39,875	\$8,321	\$48,196	\$376,166	\$367,845
3	307 Supply-Wells and Springs	500,704		500,704	53,108	12,518	65,625	447,596	435,078
4	309 Supply-Mains	114,245		114,245	7,232	1,523	8,755	107,013	105,489
5	339.2 Supply-Other Misc Water Source Plant	25,110		25,110	3,013	1,004	4,018	22,097	21,092
6									
7	Total Source of Supply	1,056,099	0	1,056,099	103,228	23,366	126,594	952,871	929,505
8									
9	B. Pumping Plant								
10	311 Pumping Equipment	107,485		107,485	20,608	4,299	24,907	86,877	82,578
11									
12	Total Pumping Plant	107,485	0	107,485	20,608	4,299	24,907	86,877	82,578
13									
14	C. Water Treatment Plant								
15	304.3 WTP-Structures and Improvements	1,886,627		1,886,627	181,030	37,733	218,762	1,705,597	1,667,865
16	320 WTP-Treatment Equipment	224,626	0	224,626	42,240	8,985	51,225	182,386	173,401
17	339.3 WTP-Other Misc. Treatment Plant	135,773		135,773	26,082	5,431	31,513	109,691	104,260
18									
19	Total Water Treatment Plant	2,247,026	0	2,247,026	249,352	52,149	301,501	1,997,674	1,945,526
20									
21	D. Transmission and Distribution Plant								
22	331 TD-Mains	933,029		933,029	59,528	12,440	71,969	873,501	861,061
23	333 TD-Services	330,894	30,000	360,894	21,758	6,918	28,676	309,136	332,218
24	334 Meters and Meter Installations	31,857	8,414	40,271	1,513	1,443	2,956	30,344	37,315
25	330 TD-Distribution Reservoirs	2,342,809		2,342,809	225,008	46,856	271,865	2,117,801	2,070,944
26	339.4 TD-Other Misc T&D Plant	115,905		115,905	18,675	4,636	23,311	97,230	92,594
27									
28	Total Water Treatment Plant	3,754,494	38,414	3,792,908	326,483	72,293	398,776	3,428,011	3,394,132
29									
30	E. General Plant								
31	304.5 GP-Structures and Improvements	986,547		986,547	94,947	19,731	114,678	891,600	871,869
32	346.1 GP-Comm Equip SCADA	119,951		119,951	50,763	11,995	62,758	69,187	57,192
33									
34	Total Water Treatment Plant	1,106,498	0	1,106,498	145,710	31,726	177,436	960,787	929,061
35									
36									
37	TOTAL PLANT	\$8,271,603	\$38,414	\$8,310,017	\$845,381	\$183,833	\$1,029,214	\$7,426,221	\$7,280,802
38									
39									
40	Contributions in Aid of Construction								
41	271.1 CIAC	(\$974,434)		(\$974,434)	(\$92,311)	(\$19,099)	(\$111,410)	(\$882,123)	(\$863,024)
42									
43	TOTAL CIAC	(\$974,434)	\$0	(\$974,434)	(\$92,311)	(\$19,099)	(\$111,410)	(\$882,123)	(\$863,024)
44									
45									
46	TOTAL NET PLANT	\$7,297,169	\$38,414	\$7,335,583	\$753,070	\$164,734	\$917,804	\$6,544,099	\$6,417,778

Corix Multi-Utility Services Inc.
Panorama Water Utility
Schedule 4: Utility Plant in Service
For the Period Ending December 31, 2026 (Forecast)

Line No.	Account	COST			ACCUMULATED DEPRECIATION			NET BOOK VALUE	
		Balance as at Dec 31, 2025	Additions	Balance as at Dec 31, 2026	Balance as at Dec 31, 2025	Depreciation Provision	Balance as at Dec 31, 2026	Balance as at Dec 31, 2025	Balance as at Dec 31, 2026
1	A. Source of Supply								
2	304.2 Supply-Structures and Improvements	\$416,041		\$416,041	\$48,196	\$8,321	\$56,517	\$367,845	\$359,524
3	307 Supply-Wells and Springs	500,704		500,704	65,625	12,518	78,143	435,078	422,561
4	309 Supply-Mains	114,245		114,245	8,755	1,523	10,279	105,489	103,966
5	339.2 Supply-Other Misc Water Source Plant	25,110		25,110	4,018	1,004	5,022	21,092	20,088
6									
7	Total Source of Supply	1,056,099	0	1,056,099	126,594	23,366	149,961	929,505	906,139
8									
9	B. Pumping Plant								
10	311 Pumping Equipment	107,485		107,485	24,907	4,299	29,206	82,578	78,279
11									
12	Total Pumping Plant	107,485	0	107,485	24,907	4,299	29,206	82,578	78,279
13									
14	C. Water Treatment Plant								
15	304.3 WTP-Structures and Improvements	1,886,627		1,886,627	218,762	37,733	256,495	1,667,865	1,630,132
16	320 WTP-Treatment Equipment	224,626		224,626	51,225	8,985	60,210	173,401	164,416
17	339.3 WTP-Other Misc. Treatment Plant	135,773		135,773	31,513	5,431	36,944	104,260	98,829
18									
19	Total Water Treatment Plant	2,247,026	0	2,247,026	301,501	52,149	353,649	1,945,526	1,893,377
20									
21	D. Transmission and Distribution Plant								
22	331 TD-Mains	933,029		933,029	71,969	12,440	84,409	861,061	848,620
23	333 TD-Services	360,894	15,000	375,894	28,676	7,368	36,044	332,218	339,850
24	334 Meters and Meter Installations	40,271	8,475	48,746	2,956	1,780	4,736	37,315	44,010
25	330 TD-Distribution Reservoirs	2,342,809		2,342,809	271,865	46,856	318,721	2,070,944	2,024,088
26	339.4 TD-Other Misc T&D Plant	115,905		115,905	23,311	4,636	27,947	92,594	87,958
27									
28	Total Water Treatment Plant	3,792,908	23,475	3,816,383	398,776	73,081	471,857	3,394,132	3,344,526
29									
30	E. General Plant								
31	304.5 GP-Structures and Improvements	986,547		986,547	114,678	19,731	134,409	871,869	852,138
32	346.1 GP-Comm Equip SCADA	119,951		119,951	62,758	11,995	74,753	57,192	45,197
33									
34	Total Water Treatment Plant	1,106,498	0	1,106,498	177,436	31,726	209,162	929,061	897,335
35									
36									
37	TOTAL PLANT	\$8,310,017	\$23,475	\$8,333,492	\$1,029,214	\$184,621	\$1,213,835	\$7,280,802	\$7,119,656
38									
39									
40	Contributions in Aid of Construction								
41	271.1 CIAC	(\$974,434)		(\$974,434)	(\$111,410)	(\$19,099)	(\$130,509)	(\$863,024)	(\$843,925)
42									
43	TOTAL CIAC	(\$974,434)	\$0	(\$974,434)	(\$111,410)	(\$19,099)	(\$130,509)	(\$863,024)	(\$843,925)
44									
45									
46	TOTAL NET PLANT	\$7,335,583	\$23,475	\$7,359,058	\$917,804	\$165,522	\$1,083,326	\$6,417,778	\$6,275,731

**Corix Multi-Utility Services Inc.
Panorama Water Utility
Capital Cost Allowance (CCA)
Schedule 5**

Line No.			Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	Capital Cost Allowance								
2	UCC Pools								
3	Additions								
4	Class 1	4%	\$6,879,479	\$95,459	\$92,626	\$79,900	\$39,957	\$38,414	\$23,475
5	Class 8	20%	0	0	0	0	0	0	0
6	Class 10.1	30%	0	0	0	0	0	0	0
7	Class 14	5%	0	0	0	0	0	0	0
8	Class 14.1	5%	0	0	0	0	0	0	0
9	Class 50	55%	82,061	0	27,687	0	0	0	0
10	Subtotal		\$6,961,540	\$95,459	\$120,312	\$79,900	\$39,957	\$38,414	\$23,475
11									
12	CCA Deductions								
13	Class 1	4%	\$137,590	\$271,585	\$264,483	\$257,354	\$249,457	\$241,046	\$232,642
14	Class 8	20%	\$0	0	0	0	0	0	0
15	Class 10.1	30%	\$0	0	0	0	0	0	0
16	Class 14	5%	\$0	0	0	0	0	0	0
17	Class 14.1	5%	\$0	0	0	0	0	0	0
18	Class 50	55%	\$22,567	32,722	22,339	17,666	7,950	3,577	1,610
19	Subtotal		\$160,156	\$304,307	\$286,822	\$275,020	\$257,407	\$244,624	\$234,252
20									
21	UCC Balance								
22	Class 1	4%	\$6,741,889	\$6,565,764	\$6,393,906	\$6,216,452	\$6,006,952	\$5,804,320	\$5,595,152
23	Class 8	20%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	Class 10.1	30%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	Class 14	5%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	Class 14.1	5%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	Class 50	55%	\$59,494	\$26,772	\$32,120	\$14,454	\$6,504	\$2,927	\$1,317
28	Subtotal		\$6,801,384	\$6,592,536	\$6,426,027	\$6,230,906	\$6,013,456	\$5,807,246	\$5,596,469

**Corix Multi-Utility Services Inc.
Panorama Water Utility
Revenue Requirements and Revenue Deficiency Deferral Account
Schedule 6**

Line No.	Revenue Requirement	Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	Operating and Maintenance Expenses	\$474,013	\$413,903	\$639,939	\$642,220	\$655,045	\$670,843	\$685,724
2	Depreciation Expense	132,131	172,053	177,263	181,069	182,866	183,833	184,621
3	Amortization of CIAC	(15,916)	(19,099)	(19,099)	(19,099)	(19,099)	(19,099)	(19,099)
4	Amortization of Deferred Decommissioning Costs	1,305	3,131	3,230	3,328	3,328	3,328	3,328
5	Interest on Debt	109,782	139,342	229,970	233,494	224,825	214,478	204,098
6	Return on Equity	239,397	310,610	324,255	329,224	317,000	302,411	287,775
7	Income Tax Expense (Recovery)	0	0	0	0	0	149,307	172,113
8	Revenue Requirement	\$940,712	\$1,019,940	\$1,355,557	\$1,370,235	\$1,363,965	\$1,505,100	\$1,518,559
9	Revenue	\$360,699	\$700,265	\$959,036	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528
10	Surplus (Shortfall)	(\$580,013)	(\$319,675)	(\$396,521)	\$137,024	\$259,153	\$210,714	\$242,969
11								
12								
13	Revenue Deficiency Deferral Account	Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
14								
15	<u>Revenue Deficiency Deferral Account</u>							
16	Opening Balance	\$0	\$580,013	\$899,688	\$1,296,210	\$1,159,186	\$900,033	\$689,319
17	Revenue Required	940,712	1,019,940	1,355,557	1,370,235	1,363,965	1,505,100	1,518,559
18	Revenue Received	360,699	700,265	959,036	1,507,259	1,623,118	1,715,814	1,761,528
19	Revenue deficiency (surplus)	\$580,013	\$319,675	\$396,521	(\$137,024)	(\$259,153)	(\$210,714)	(\$242,969)
20								
21	Ending Balance	\$580,013	\$899,688	\$1,296,210	\$1,159,186	\$900,033	\$689,319	\$446,349

Corix Multi-Utility Services Inc.
Panorama Water Utility
Rate Base
Schedule 7

Line No.	Rate Base	Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	<u>Plant in Service</u>							
2	Balance at beginning of year	\$7,561,749	7,935,974	\$8,031,434	\$8,151,746	\$8,231,646	\$8,271,603	\$8,310,017
3	Balance at end of year	7,935,974	8,031,434	8,151,746	8,231,646	8,271,603	8,310,017	8,333,492
4	Mid-Year Plant in Service	6,457,385	7,983,704	8,091,590	8,191,696	8,251,624	8,290,810	8,321,754
5								
6	<u>Accumulated Depreciation</u>							
7	Balance at beginning of year	0	(132,131)	(304,184)	(481,447)	(662,516)	(845,381)	(1,029,214)
8	Balance at end of year	(132,131)	(304,184)	(481,447)	(662,516)	(845,381)	(1,029,214)	(1,213,835)
9	Mid-Year Accumulated Depreciation	(55,055)	(218,158)	(392,815)	(571,981)	(753,948)	(937,298)	(1,121,525)
10	Mid-Year Plant in Service , net of Acc. Depr.	\$6,402,330	\$7,765,546	\$7,698,774	\$7,619,714	\$7,497,676	\$7,353,512	\$7,200,229
11								
12	<u>Contributions in aid of construction (CIAC)</u>							
13	Balance at beginning of year	(\$974,434)	(\$974,434)	(\$974,434)	(\$974,434)	(\$974,434)	(\$974,434)	(\$974,434)
14	Balance at end of year	(974,434)	(974,434)	(974,434)	(974,434)	(974,434)	(974,434)	(974,434)
15	Mid-Year CIAC	(812,028)	(974,434)	(974,434)	(974,434)	(974,434)	(974,434)	(974,434)
16								
17	<u>Accumulated Amortization</u>							
18	Balance at beginning of year	0	15,916	35,015	54,114	73,212	92,311	111,410
19	Balance at end of year	15,916	35,015	54,114	73,212	92,311	111,410	130,509
20	Mid-Year Accumulated Amortization	6,632	25,465	44,564	63,663	82,762	101,861	120,960
21	Mid-Year CIAC, net of Acc. Amor.	(\$796,113)	(\$939,419)	(\$920,320)	(\$901,222)	(\$882,123)	(\$863,024)	(\$843,925)
22								
23	Mid-Year Net Plant in Service	5,606,217	\$6,826,127	\$6,778,454	\$6,718,493	\$6,615,553	\$6,490,488	\$6,356,304
24	Mid-Year Deferral Accounts	273,748	815,268	1,172,638	1,355,381	1,153,965	915,704	685,534
25	Working Capital	49,376	51,738	79,992	80,277	81,881	83,855	85,715
26	Mid-Year Rate Base	\$5,929,342	\$7,693,132	\$8,031,084	\$8,154,152	\$7,851,399	\$7,490,047	\$7,127,554

Corix Multi-Utility Services Inc.
Panorama Water Utility
Capital Structure and Cost of Capital
Schedule 8

Line No.	Rate Base Financing	Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	Capital Structure							
2	Debt	57.5%	57.5%	57.5%	57.5%	57.5%	57.5%	57.5%
3	Equity	42.5%	42.5%	42.5%	42.5%	42.5%	42.5%	42.5%
4	Total Capital Structure	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
5								
6	Cost of Capital							
7	Deemed Interest Rate	3.22%	3.15%	4.98%	4.98%	4.98%	4.98%	4.98%
8	Return on Equity	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%
9								
10								
11	Rate Base Financing							
12	Debt	\$3,409,372	\$4,423,551	\$4,617,873	\$4,688,637	\$4,514,554	\$4,306,777	\$4,098,344
13	Equity	2,519,970	3,269,581	3,413,211	3,465,515	3,336,845	3,183,270	3,029,211
14	Rate Base Financing	\$5,929,342	\$7,693,132	\$8,031,084	\$8,154,152	\$7,851,399	\$7,490,047	\$7,127,554
15								
16	Cost of Capital							
17	Interest on Debt	\$109,782	\$139,342	\$229,970	\$233,494	\$224,825	\$214,478	\$204,098
18	Return on Equity	239,397	310,610	324,255	329,224	317,000	302,411	287,775
19	Return on Rate Base	\$349,179	\$449,952	\$554,225	\$562,718	\$541,825	\$516,888	\$491,873

**Corix Multi-Utility Services Inc.
Panorama Water Utility
Income Tax
Schedule 9**

Line No.	Income Tax	Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1								
2	Revenue	\$360,699	\$700,265	\$959,036	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528
3	Rate Rider 1 Revenue (CDA)	106,917	96,867	125,667	0	0	0	0
4	Operating and Maintenance Expenses	(474,013)	(413,903)	(639,939)	(642,220)	(655,045)	(670,843)	(685,724)
5	Decommissioning Expense	(78,287)	0	(4,906)	0	0	0	0
6	Interest on Debt	(109,782)	(139,342)	(229,970)	(233,494)	(224,825)	(214,478)	(204,098)
7	CCA	(160,156)	(304,307)	(286,822)	(275,020)	(257,407)	(244,624)	(234,252)
8	Taxable income before LCF	(\$354,623)	(\$60,419)	(\$76,933)	\$356,524	\$485,841	\$585,870	\$637,455
9	Tax Loss Carryforward (Utilized)	354,623	60,419	76,933	(356,524)	(485,841)	(32,881)	0
10	Taxable Income	\$0	\$0	\$0	\$0	\$0	\$552,989	\$637,455
11	Tax Rate	27%	27%	27%	27%	27%	27%	27%
12	Current Income Tax	\$0	\$0	\$0	\$0	\$0	\$149,307	\$172,113
13								
14	<u>Tax Loss Carryforward (LCF)</u>							
15	Opening Balance	\$383,272	\$737,895	\$798,314	\$875,246	\$518,722	\$32,881	\$0
16	Additions	354,623	60,419	76,933	0	0	0	0
17	Losses Utilized	0	0	0	(356,524)	(485,841)	(32,881)	0
18	Closing Balance	\$737,895	\$798,314	\$875,246	\$518,722	\$32,881	\$0	\$0

Notes

- (1) The \$383,272 is the actual Consumption Deferral Account balance as of December 31, 2019.
(2) Decommissioning expenses are not eligible for CCA and treated as a current period expense.

**Corix Multi-Utility Services Inc.
Panorama Water Utility
Continuity of Deferred Charges
Schedule 10**

Line No.	Deferral Accounts	Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1								
2	Total Mid-Year Deferred Charges in Rate Base	\$273,748	\$815,268	\$1,172,638	\$1,355,381	\$1,153,965	\$915,704	\$685,534
3								
4								
5	Revenue Deficiency Deferral Account							
6	Opening Balance	\$0	\$580,013	\$899,688	\$1,296,210	\$1,213,006	\$953,853	\$743,139
7	Transfer of Consumption Deferral Account				\$53,820			
8	Adjusted Opening Balance				\$1,350,030			
9	Revenue deficiency (surplus)	580,013	319,675	396,521	(137,024)	(259,153)	(210,714)	(242,969)
10	Closing Balance - RDDA	\$580,013	\$899,688	\$1,296,210	\$1,213,006	\$953,853	\$743,139	\$500,170
11	Mid-Year Rate Base Balance	\$241,672	\$739,851	\$1,097,949	\$1,281,518	\$1,083,430	\$848,496	\$621,654
12								
13								
14	Decommissioning Costs Deferral Account							
15	<u>Gross</u>							
16	Opening Balance	\$0	\$78,287	\$78,287	\$83,193	\$83,193	\$83,193	\$83,193
17	Additions	78,287	0	4,906	0	0	0	0
18	Closing Balance	\$78,287	\$78,287	\$83,193	\$83,193	\$83,193	\$83,193	\$83,193
19								
20	<u>Accumulated Amortization</u>							
21	Opening Balance	\$0	(\$1,305)	(\$4,436)	(\$7,666)	(\$10,994)	(\$14,321)	(\$17,649)
22	Amortization	(1,305)	(3,131)	(3,230)	(3,328)	(3,328)	(3,328)	(3,328)
23	Closing Balance	(\$1,305)	(\$4,436)	(\$7,666)	(\$10,994)	(\$14,321)	(\$17,649)	(\$20,977)
24								
25	Net Closing Balance - Decommissioning	\$76,983	\$73,851	\$75,527	\$72,199	\$68,872	\$65,544	\$62,216
26	Mid Year Rate Base Balance	\$32,076	\$75,417	\$74,689	\$73,863	\$70,536	\$67,208	\$63,880
27								
28								
29								
30	Non-Rate Base Deferral Account:							

Corix Multi-Utility Services Inc.
Panorama Water Utility
Continuity of Deferred Charges
Schedule 10

Line No.	Deferral Accounts	Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
31	Consumption (CDA)							
32	Beginning Balance	\$383,272	\$276,355	\$179,488	\$0	\$0	\$0	\$0
33	Additions/Deductions	\$0	\$0					
34	Amortization	(\$106,917)	(\$96,867)	(\$125,667)	\$0			
35	Transfer of Closing Balance to RDDA			(\$53,820)				
36	Ending Balance	\$276,355	\$179,488	\$0	\$0	\$0	\$0	\$0
37								
38	Note:							
39	2020 Mid-year balance adjusted for rate base commencing on March 1, 2020							

**Corix Multi-Utility Services Inc.
Panorama Water Utility
Customer Rates
Schedule 11**

Line No.		Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	Total Revenue Requirement excluding CDA		\$1,370,235	\$1,363,965	\$1,505,100	\$1,518,559
2						
3	Percentage Recovery of Revenue Requirement		110%	119%	114%	116%
4	Total Revenue Requirement to be recovered		\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528
5	Total Revenue Requirement to be recovered (net of Rent Charge)		\$1,500,184	\$1,604,753	\$1,702,799	\$1,751,663
6						
7	<u>Bed Units</u>					
8	Number of bed units - Residential (bu)	2,107	2,117	2,207	2,281	2,355
9	Number of bed units - Commercial (bu)	2,383	2,383	2,383	2,383	2,383
10	Total Annual bu	4,490	4,500	4,590	4,664	4,738
11						
12	<u>Annual Usage (cu. meter)</u>					
13	Annual Usage - Residential	28,036	27,887	28,782	29,450	30,101
14	Annual Usage - Commercial	58,038	57,457	56,883	56,314	55,751
15	Total Annual Usage	86,073	85,344	85,665	85,763	85,852
16						
17	<u>Proposed Revenues</u>					
18	Availability of Service (Rent) Charge Revenue	\$8,138	\$6,750	\$12,240	\$9,090	\$5,940
19						
20	<u>Residential Sales Revenue</u>					
21	Fixed Charges	\$216,684	\$344,281	\$379,621	\$412,886	\$434,949
22	Variable Charges	\$146,067	\$229,759	\$250,811	\$270,060	\$281,646
23	Total Residential Sales Revenue	\$362,751	\$574,040	\$630,432	\$682,947	\$716,595
24						
25	<u>Commercial Sales Revenue</u>					
26	Fixed Charges	\$271,948	\$430,047	\$454,854	\$478,662	\$488,395
27	Variable Charges	\$316,885	\$496,097	\$519,468	\$541,191	\$546,673
28	Total Commercial Sales Revenue	\$588,833	\$926,144	\$974,321	\$1,019,853	\$1,035,068

Corix Multi-Utility Services Inc.
Panorama Water Utility
Customer Rates
Schedule 11

Line No.		Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
29	Other Revenue	\$500	\$325	\$6,125	\$3,925	\$3,925
30	Total Proposed Revenue excluding CDA	\$960,222	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528
31						
32	Consumption Deferral Account Rider 1	\$125,667	\$0	\$0	\$0	\$0
33	Total Proposed Revenue including CDA	\$1,085,889	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528
34						
48	Total Revenue at Prior Year Rates excluding Rent Charge		\$948,669	\$1,517,232	\$1,618,105	\$1,716,755
49	Target Revenue excluding Rent Charge		\$1,500,184	\$1,604,753	\$1,702,799	\$1,751,663
50	Revenue Surplus/(Deficiency)		(\$551,515)	(\$87,522)	(\$84,694)	(\$34,908)
51	Rate Change Required Increase/(Decrease)		58.1%	5.8%	5.2%	2.0%

**Corix Multi-Utility Services Inc.
Panorama Water Utility
Customer Rates
Schedule 11**

Line No.		Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
52						
53	Tariff Rates					
54						
55	<u>Proposed Customer Rates</u>					
56	Residential Basic service charge per bed unit (bu) per month	\$8.57	\$13.55	\$14.33	\$15.08	\$15.39
57	Residential Metered Usage Rate (per cu. meter)	\$5.21	\$8.24	\$8.71	\$9.17	\$9.36
58	Commercial Basic service charge per bu per month	\$9.51	\$15.04	\$15.91	\$16.74	\$17.08
59	Commercial Metered Usage Rate (per cu. meter)	\$5.46	\$8.63	\$9.13	\$9.61	\$9.81
60	Availability of Service (Rent) Charge (per bu per annum)	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
61	Consumption Deferral Account (CDA) Rate Rider	\$1.46	\$0.00	\$0.00	\$0.00	\$0.00
62						
63	<u>Customer Rates at Prior Year/Existing Rates</u>					
64	Residential Basic service charge per bed unit (bu) per month	\$6.59	\$8.57	\$13.55	\$14.33	\$15.08
65	Residential Metered Usage Rate (per cu. meter)	\$4.01	\$5.21	\$8.24	\$8.71	\$9.17
66	Commercial Basic service charge per bu per month	\$7.32	\$9.51	\$15.04	\$15.91	\$16.74
67	Commercial Metered Usage Rate (per cu. meter)	\$4.20	\$5.46	\$8.63	\$9.13	\$9.61
68	Availability of Service (Rent) Charge (per bu per annum)	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
69	Consumption Deferral Account (CDA) Rate Rider	\$1.46	\$0.00	\$0.00	\$0.00	\$0.00
70						
71	<u>Annual Rate Increase</u>					
72	Residential Basic service charge per bed unit (bu) per month	30%	58%	6%	5%	2%
73	Residential Metered Usage Rate (per cu. meter)	30%	58%	6%	5%	2%
74	Commercial Basic service charge per bu per month	30%	58%	6%	5%	2%
75	Commercial Metered Usage Rate (per cu. meter)	30%	58%	6%	5%	2%
76	Availability of Service (Rent) Charge (per bu per annum)	0%	0%	0%	0%	0%
77	Consumption Deferral Account (CDA) Rate Rider	21%	-100%			

**Corix Multi-Utility Services Inc.
Panorama Water Utility
Consumption Deferral Account and Rate Rider
Schedule 12**

Line No.		Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026	
	CDA Rate Rider and Deferral Account								
1	<u>CDA Rate Rider (Rider 1) (\$/cu. M)</u>								
2	Rider 1 - Approved by Order No. 2584	\$1.21	\$1.21	\$1.46	\$0.00				
3									
4	<u>Consumption Deferral Account</u>								
5	Beginning Balance	\$383,272	\$276,355	\$179,488	\$0	\$0	\$0	\$0	
6	Additions/Deductions*	0	0	(53,820)	0	0	0	0	
7	Amortization	(106,917)	(96,867)	(125,667)	0	0	0	0	
8	Ending Balance	\$276,355	\$179,488	\$0	\$0	\$0	\$0	\$0	
9									
10	* Note: The Consumption Deferral Account is discontinued after December 31, 2022.								
11	Any remaining balance in the CDA at the end of 2022 is transferred to the RDDA as per Order No. 2584.								

Corix Multi-Utility Services Inc.
Panorama Water Utility
Estimated Bill Impact - Residential and Commercial
Schedule 13

Line No.	Typical Residential Customer	2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	Average No. of Bed Units per month	7.0	7.0	7.0	7.0	7.0
2	Average Consumption per year (cu. m)	83.7	83.7	83.7	83.7	83.7
3	Basic Service Charge (\$ per bu per month)	\$8.57	\$13.55	\$14.33	\$15.08	\$15.39
4	Metered Usage Charge (\$ per cu. m)	\$5.21	\$8.24	\$8.71	\$9.17	\$9.36
5	CDA Rate Rider (\$ per cu. m)	\$1.46	\$0.00	\$0.00	\$0.00	\$0.00
6						
7	<u>Annual Bill</u>					
8	Fixed Charge	\$720	\$1,138	\$1,204	\$1,267	\$1,293
9	Variable Charge	436	690	729	768	783
10	CDA Rate Rider	122	0	0	0	0
11	Typical Annual Bill (Incl. Rate Rider)	\$1,278	\$1,828	\$1,933	\$2,035	\$2,076
12	Typical Monthly Bill (Incl. Rate Rider)	\$107	\$152	\$161	\$170	\$173
13						
14	Annual bill increase (incl. rate rider) (\$)		\$550	\$105	\$101	\$41
15	Annual bill increase (incl. rate rider) (%)		43%	6%	5%	2%
16						
17						
18						
19	Typical Commercial Customer	2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
20	Average No. of Bed Units per month	65.9	65.9	65.9	65.9	65.9
21	Average Consumption per year (cu. m)	1,915.1	1,915.1	1,915.1	1,915.1	1,915.1
22	Basic Service Charge (\$ per bu per month)	\$9.51	\$15.04	\$15.91	\$16.74	\$17.08
23	Metered Usage Charge (\$ per cu. m)	\$5.46	\$8.63	\$9.13	\$9.61	\$9.81
24	CDA Rate Rider (\$ per cu. m)	\$1.46	\$0.00	\$0.00	\$0.00	\$0.00
25						
26	<u>Annual Bill</u>					
27	Fixed Charge	\$7,521	\$11,893	\$12,579	\$13,237	\$13,506
28	Variable Charge	10,456	16,535	17,489	18,405	18,779
29	CDA Rate Rider	2,796	0	0	0	0
30	Typical Annual Bill (Incl. Rate Rider)	\$20,773	\$28,428	\$30,068	\$31,642	\$32,285
31	Typical Monthly Bill (Incl. Rate Rider)	\$1,731	\$2,369	\$2,506	\$2,637	\$2,690
32						
33	Annual bill increase (incl. rate rider) (\$)		\$7,655	\$1,640	\$1,574	\$643
34	Annual bill increase (incl. rate rider) (%)		37%	6%	5%	2%
35						

**Corix Multi-Utility Services Inc.
Panorama Water Utility
Rate Scenarios
Schedule 14**

Line No.

1	Scenario A: RDDA Recovery in 2028	2023	2024	2025	2026	2027	2028	2029	2030
2									
3	Total Revenue Requirements (excl. CDA Rider 1)	\$1,370,235	\$1,363,965	\$1,505,100	\$1,518,559	\$1,505,704	\$1,468,009	\$1,402,789	\$1,408,349
4	Rate Residential (Fixed and Metered Charge)	58%	6%	5%	2%	1%	-6%	-15%	1%
5	Rate Commercial (Fixed and Metered Charge)	58%	6%	5%	2%	1%	-6%	-15%	1%
6									
7	Target % Recovery of Total Rev. Req. (excl CDA)	110.0%	119.0%	114.0%	116.0%	117.0%	113.0%	100.0%	100.0%
8	Target Revenue Requirement	\$1,507,259	\$1,623,118	\$1,715,814	\$1,761,528	\$1,761,673	\$1,658,389	\$1,402,789	\$1,408,349
9									
10	RDDA Balance (\$)	\$1,159,186	\$900,033	\$689,319	\$446,349	\$190,380	\$0	\$0	\$0
11									
12	Residential Bill Impact	43%	6%	5%	2%	1%	-6%	-15%	1%
13	Commercial Bill Impact	37%	6%	5%	2%	1%	-6%	-15%	1%

16	Scenario B: RDDA Recovery in 2027	2023	2024	2025	2026	2027	2028	2029	2030
17									
18	Total Revenue Requirements (excl. CDA Rider 1)	\$1,368,823	\$1,382,485	\$1,522,149	\$1,516,637	\$1,498,030	\$1,389,604	\$1,402,789	\$1,408,349
19	Rate Residential (Fixed and Metered Charge)	62%	8%	4%	0%	0%	-22%	1%	1%
20	Rate Commercial (Fixed and Metered Charge)	62%	8%	4%	0%	0%	-22%	1%	1%
21									
22	Target % Recovery of Total Rev. Req. (excl CDA)	113.0%	123.0%	116.5%	118.0%	118.4%	100.0%	100.0%	100.0%
23	Target Revenue Requirement	\$1,546,770	\$1,700,456	\$1,773,304	\$1,789,631	\$1,774,172	\$1,389,604	\$1,402,789	\$1,408,349
24									
25	RDDA Balance (\$)	\$1,118,263	\$800,291	\$549,137	\$276,142	\$0	\$0	\$0	\$0
26									
27	Residential Bill Impact	47%	8%	4%	0%	0%	-22%	1%	1%
28	Commercial Bill Impact	40%	8%	4%	0%	0%	-22%	1%	1%

29

Corix Multi-Utility Services Inc.
Panorama Water Utility
Rate Scenarios
Schedule 14

	2023	2024	2025	2026	2027	2028	2029	2030
Scenario C: RDDA Recovery in 2030								
Total Revenue Requirements (excl. CDA Rider 1)	\$1,371,178	\$1,367,010	\$1,477,591	\$1,511,227	\$1,507,753	\$1,483,130	\$1,455,078	\$1,429,687
Rate Residential (Fixed and Metered Charge)	55%	6%	3%	3%	2%	-3%	-6%	-5%
Rate Commercial (Fixed and Metered Charge)	55%	6%	3%	3%	2%	-3%	-6%	-5%
Target % Recovery of Total Rev. Req. (excl CDA)	108.0%	116.5%	112.0%	113.0%	115.0%	113.0%	108.0%	103.6%
Target Revenue Requirement	\$1,480,873	\$1,592,567	\$1,654,901	\$1,707,687	\$1,733,916	\$1,675,936	\$1,571,484	\$1,481,499
RDDA Balance (\$)	\$1,186,515	\$960,959	\$783,648	\$587,188	\$361,025	\$168,219	\$51,812	\$0
Residential Bill Impact	41%	6%	3%	3%	2%	-3%	-6%	-5%
Commercial Bill Impact	34%	6%	3%	3%	2%	-3%	-6%	-5%

APPENDIX 1: PROPOSED UPDATED TARIFF PAGES (LEGAL BLACKLINE)

WATER UTILITY ACT

WATER TARIFF NO. 6

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**TERMS AND CONDITIONS
for
WATER SERVICE
at**

**Panorama Village
by**

**Corix Multi-Utility Services Inc.
Panorama Water**

Box 36, Panorama, British Columbia V0A 1T0

**Contact Person:
Andrew Cradduck, Operations Manager**

This Tariff is available for public inspection at:

**Company Office
2120 Toby Creek Road, Panorama, BC**

Accepted for Filing by the
Comptroller of Water Rights

Deleted: April 22, 2021

Effective: January 1, 2023

Deleted: 2021

Secretary to the Comptroller

Definitions

In this tariff the following definitions shall apply:

- (a) "Authorized Premises" means premises which are entitled to, and authorized for, service in accordance with the Certificate of Public Convenience and Necessity of the Utility;
- (b) "Bed Unit" is a unit of measurement used to determine the relative number of occupants and is based on the floor area typically required to provide overnight accommodation for one person. The following Bed Units are assigned:
 - i. residential single family dwelling = 10 Bed Units (beginning January 2011) unless notification received by Utility stating indicting smaller residence qualifying for 6 Bed Units
 - ii. residential condominium or townhouse:
 - (i) up to 55 square meters = 2 Bed Units
 - (ii) between 56 and 100 square meters = 3 Bed Units
 - (iii) in excess of 100 square meters = 4 Bed Units
 - iii. commercial customers according to size of water meter:
 - (i) 5/8" meter = 10 bed units
 - (ii) 1" meter = 25 bed units
 - (iii) 1 1/2" meter = 50 bed units
 - (iv) 2" or larger meter = 80 bed units
- (c) "Comptroller" means the Comptroller of Water Rights under the *Water Act* and includes a deputy comptroller or a person appointed by the minister as acting comptroller;
- (d) "Customer" means any person who is the owner or lessee of an authorized premises;
- (e) "Domestic Service" means in-house use plus lawn & garden sprinkling to a maximum area of 1/10 of an acre;
- (f) "Premises" means land and buildings thereon;
- (g) "Rate" includes:

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i. a general, individual or joint rate, fee, charge, rental or other compensation of the Utility

ii. a schedule or tariff respecting a rate;

(h) “Rate Schedule” means the schedule(s) in the Water System Tariff and attached to and forming part of these terms and conditions, which sets out the charges for service and certain other related charges in connection with the provision of services.

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(i) “Service” shall include:

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i. the supply of water provided by the Utility to the customer,

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¶
(h)

ii. the plant, equipment, apparatus, appliances, property and facilities employed by or in connection with the utility in providing the supply of water to the property line of the premise.

(i) “Unit” means a building of accommodation occupied separately or to be occupied separately by an owner or lessee and, which either separately or jointly with other units, receives service from a connection to the Utility’s waterworks and, without restricting the generality of the foregoing, includes the separate units of accommodation in all dwellings.

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(k) “Utility” means Corix Multi-Utility Services Inc. Panorama Water, and its respective duly authorized officers, agents and employees.

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Terms and Conditions

1. Application for Service

For authorized premises, charges for service are intended to recover the Utility’s costs. The following charges are applicable depending upon the circumstances:

(a) At the time an application is made for service to premises which had not previously been connected for service, the applicable charge shown in Schedule "A(a)" for residential service or "A(b)" for commercial service of this tariff shall be paid by the applicant.

(b) A turn-on fee of \$50.00 shall be applicable when:

(i) a turn-on of a valve at an existing curb-stop is made at a date after the service connection was installed;

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(ii) a customer becomes re-connected after service has been shut-off at the request of the customer, for non-payment of rates, or for violation of these terms and conditions.

(c) There is no charge for service shut-off.

(d) At the time an application for service is made by a new customer, an administration charge of \$25.00 shall apply. This charge is not only applicable for a new connection, but also when a new customer, either owner or lessee of the premises, commences receiving service to an existing authorized premises.

2. Billing and Payment

All bills are issued monthly and are due and payable within fifteen days of the date of issue. For metered rates, excess consumption is billed in arrears. If the amount due on any bill has not been paid in full within (30) thirty days from the date of issue a further bill will be rendered to include the overdue amount plus a late payment charge of 1.5% per month.

If a cheque is returned by the customer's financial institution an administration fee of \$25.00 will be charged.

3. Service Shut-Off due to Non-Payment

When an account becomes one month overdue service may be shut off upon 15 days written notice. A notice mailed to the last known postal address of the customer shall be deemed good and sufficient notice. A collection charge of \$30.00 shall be paid each time a Utility representative attends a customer's premises to disconnect service, following the issuance of a shut-off notice but, on attending, the customer pays the representative the full amount due.

Service will not be turned on until all outstanding charges against the service, including the collection charge have been paid.

4. Discontinuance of Service

(a) Customers must give at least two working days' notice in writing at the office of the Utility when requesting discontinuance of service and shall be liable for payment for all service until such service has been discontinued.

(b) Any customer who desires to discontinue the use of water for any of the purposes stated in his application for service shall give notice of his intention, in writing, at the office of the Utility, and shall further show that any fittings used for the supply of water for such purposes have been disconnected.

(c) The Utility may discontinue service to any customer who contravenes the terms and conditions contained in this tariff. In the event of further contravention of the tariff, the Utility may detach the service connection from the customer's premises and, upon re-application for service the customer shall be liable to pay the Utility's cost of performing the said detachment and re-connection in addition to other applicable rates and charges.

5. Access to Premises

The Utility shall have the right of access to the customer's premises at all reasonable times for the purposes of making connections, reading meters, inspecting pipes and appurtenances, checking on the use or waste of water or determining compliance with these terms and conditions.

6. Interruption of Service

The Utility intends to maintain at all times an adequate and continuous supply of water to the Customer at suitable pressures but accepts no liability for interruptions due to circumstances beyond its control. However, for the interruptions in excess of 48 hours, a proportionate rebate will be allowed to a Customer served on flat rates. The Utility accepts no liability for any claims, losses, costs, damages or expenses which may be due to an interruption of Service, unless the interruption of Service is due to the negligent or willful misconduct of the Utility or its employees. In cases of negligent or willful misconduct on the part of the Utility or its employees, liability will be limited to direct physical damage and shall not include inconvenience, mental anguish, loss of profits, loss of earnings, or any other financial loss arising out of or in any way connected to the interruption of Service.

7. Restriction of Use of Water

The Utility may restrict or prohibit the use of water for gardening, sprinkling, air conditioning, the filling of swimming pools, or other purposes when, in its opinion, such action is necessary to conserve the water supply or to maintain water pressure. A customer who contravenes water use restrictions may receive one warning notice per calendar year before a fine for contravention applies. A notice delivered to the customer's premises shall be deemed good and sufficient notice of a contravention. For each subsequent contravention during the calendar year, a \$50.00 fine is applicable.

8. Limits on Water Use and Water Meters

No customer shall sell or dispose of any water or permit same to be carried away, or use water or allow it to be used in premises, or for purposes other than those stated in the customer's application for service.

A condition of receiving water service is the requirement of the installation of a water meter including remote readout equipment in the service line at a location specified by the Utility and the cost of the installation will be the customer's responsibility. Upon inspection and acceptance of the installation the water meter and its associated remote readout equipment shall become the property of the utility. The utility will then be responsible for the ordinary maintenance, repair and replacement of the meter equipment. The utility also reserves the right to supply and install the water meter and associate remote readout equipment, in which case the customer shall pay the associated cost to the utility.

9. Multiple Dwellings

In the case of apartment houses, duplexes or houses containing one or more suites, each such accommodation, whether or not self-contained, shall not be considered as a separate customer unless it is so specified in a schedule of this Tariff.

10. Connections, Alterations and Tampering with utility Equipment

No person, who is not an agent or employee of the Utility, shall make any connections with or alterations to or tamper with any of the Utility's waterworks, including any water meter and associated readout equipment belonging to the Utility, nor turn on or off any valve or curb stop of the Utility, without prior authorization by the Utility in writing. Any person who is found tampering with the utility's works may upon receiving written notice have their water service terminated until such time as the works are restored to the utility's satisfaction.

11. Minimum Size of Services

The minimum size of pipe used to serve any one premises shall be 3/4" (19mm) nominal diameter. The type and diameter of pipe used on the customer's premises should be selected with due consideration of pressure losses from friction.

12. Minimum Earth Cover Over Services

All services on the customer's premises shall be buried below the maximum depth of frost penetration but in any event at a minimum depth of 7 (seven) feet below the surface of the ground.

13. Ownership of Service

All water service pipes and fittings carrying water from the main to the customer's property line shall be the property of the Utility.

14. Stop Cock

The customer shall provide a shut-off valve (stop cock) inside each of the customer's buildings in which water is used, for the use of the customer in case of leaky or defective pipes or fixtures, or in case the premises is vacated.

15. Customer's Service Pipes

Service connection materials installed on the customer's premises shall be rated by the manufacturer to sustain a minimum working pressure of 160 psi (1100 kilopascals). No service pipe or fitting shall be covered until they have been inspected and approved by the Utility.

16. Dangerous Cross-Connections

The customer shall not permit the plumbing on their premises to be connected to any source of water supply other than the Utility's, or to any potential source of contamination, without first obtaining the Utility's permission in writing. Any back-flow prevention devices deemed necessary by the Utility to prevent the entry of contaminants shall be installed at the customer's expense.

17. Condition of Customer's Pipes and Fixtures

All customers at their own risk and expense shall keep their pipes, stop cocks and other fixtures in good working order and shall protect them from frost and other damage. The Utility shall, within a reasonable time notify the customer of any leaky pipes and fixtures that are evident on the premises. If the necessary repairs are not made within two (2) working days after such notice has been given, or when the condition of the pipes or fixtures is such as to cause damage to property or material waste of water or damage to property, then without further notice the Utility may shut off the water supply. The water shall not be turned on again until such repairs have been made to the satisfaction of the Utility, and the charges paid as provided by clauses 1 and 4(c) of this tariff. No person whose water supply is shut off pursuant to this section shall have any claim against the Utility for discontinuance of supply.

18. Notice of Service Shut-off

The Utility shall have the right at all times to shut off the water supply temporarily to any premises in order to make repairs, replacements, alterations and extensions to the Utility's waterworks as shall, in the opinion of the Utility, be deemed necessary. Whenever possible the Utility will give reasonable advance notice of shut-off, and, in all cases where the Utility expects service to be interrupted for 24 hours or more, the Utility shall give advance notice to its customers.

19. Application for Extension of Service

For lots not authorized for service, all applications for extension of water service shall be made in writing, by the owner or lessee of the premises to which the application refers, or by the owner's duly authorized agent. All applications for service shall state:

- (a) the purpose(s) for which the service is to be used (i.e. domestic, commercial, irrigation, etc.);
- (b) the legal description of the property;
- (c) the number and location of the premises to be served.

Charges for extension of service are intended to recover the Utility's costs. For each application, an initial deposit of \$200 is required to be paid at the time of application. Additional costs incurred by the Utility for legal, engineering and other fees, including Utility staff time, will be payable by the applicant and may require further deposits prior to undertaking certain aspects of the application process.

Each application for extension of service requires an amendment to the Utility's Certificate of Public Convenience & Necessity (CPCN) to include the lot(s) within its authorized service area. In response to each application, the Utility will detail the terms and conditions of service including all rates and charges applicable. Prior to the issuance of an amended CPCN, confirmation is required that either a deposit into the Utility's Deferred Capacity Trust Fund under Schedule B of this tariff has been made or that additional works have been constructed and contributed to the Utility by the applicant as required by the Comptroller of Water Rights.

Once the amended CPCN is issued, and while the lot(s) are not receiving service, availability of service charges under Schedule G of this tariff will be applicable.

Additional applications shall be made for all extensions of service to additional premises and for additional purposes.

20. Water Main Extensions

General Provisions

- 20.1 Any waterworks installed pursuant to an application for extension of service shall be the sole property of the Utility
- 20.2 The size, type, quality of materials, and their location will be specified by the Utility and the actual construction will be done by the Utility or by a construction agency acceptable to it.

- 20.3 In arriving at the length of the main extension necessary to render service to any point, the distance from such point to the nearest distribution main shall be considered along lines of proper construction and common practice in the location of public waterworks, due consideration being given to the general layout of the Utility's system. The length of the extension shall be measured along the lines of proper construction from the nearest distribution main to the middle of the furthest property to be served.
- 20.4 The Utility will not be required to make extensions where road grades have not been brought to those established by public authority.
- 20.5 Where an extension must comply with a law, statute, bylaw, ordinance, regulation, specification or order of a public authority, the estimated cost of the extension shall be based upon the waterworks required to comply therewith.

Method of Allocating Advances and Refunds

- 20.6 Advances by original applicants:
When more than one applicant is involved and an advance is required in payment for a main extension the amount of the advance shall be divided equally or as otherwise agreed among the applicants are made known to the Utility.
- 20.7 Advances by subsequent customers:
An extension charge equal to a pro-rata share of the original cost of the main extension shall be collected by the Utility from each additional customer who connects to the original main extension within five years. The extension charge collected above shall be refunded equally or as otherwise agreed to the customers who already have advances deposited with the Utility as a result of connection to the extension, so that in the result all subscribers will have paid their pro-rata share or as otherwise agreed by them and made known to the Utility.
- 20.8 Advances which may be required from applicants in payment for extensions will be held by the Utility without interest. Refunds will be made in accordance with these rules and no *person* will have refunded to them an amount in excess of the amount of their advance. Refunds will be paid to the current registered owners of the properties on account of which the deposits were received. Any amount not used by the Utility for construction of the extension and not refunded at the end of five years from the date the advance was received by the Utility from the original applicant or applicants will be retained by the Utility and transferred to the "Deferred Capacity Trust Fund" account. Thereafter additional customers will be connected without being required to pay the extension charge.

21. Winter Construction

The Utility reserves the right to refuse to make extensions and install service pipe to a customer's property line under frost conditions in the winter months that would make the undertaking impractical or in the Utility's opinion, excessively costly.

22. Amendments to Tariff

The rates and charges recorded in this tariff are the only lawful, enforceable and collectable rates and charges of the Utility, and shall not be amended without the consent of the Comptroller. The Comptroller, on his own motion, or on complaint of the Utility or other interested persons that the existing rates in effect and collected or any rates charged or attempted to be charged for service by the Utility are unjust, unreasonable, insufficient, unduly discriminatory or in contravention of the Water Utility Act, regulations or law, may, after investigation, determine the just, reasonable and sufficient rates to be observed and in force, and shall, by order, fix the rates.

The Utility may submit to the Comptroller, by letter of application together with full supporting documentation, proposed amendments to rates and charges, and other terms and conditions of service. After initial review of the application, the Comptroller may require the Utility to give an acceptable form of notice of the application to its customers and other interested persons. The notice will state a specific time period within which any interested persons may submit objections to the application to the Comptroller. After investigation of the application and any objections thereto, the Comptroller will decide the matter and notify all interested persons of his decision.

23. Liability

The Utility shall not be liable for any claims, losses, costs, damages or expenses incurred by the Customer or any other person arising out of the performance by the Utility of the Service, including without limitation any failure to perform the Service except to the extent that such claims, losses, costs, damages or expenses are caused by the negligent or willful misconduct of the Utility or its employees. In cases of negligent or willful misconduct on the part of the Utility or its employees, liability will be limited to direct physical damage and shall not include inconvenience, mental anguish, loss of profits, loss of earnings, or any other financial loss arising out of or in any way connected to the failure by the Utility to perform the Service.

24. Responsibility of Customer

The Customer shall be responsible and shall pay for any damage to property owned by the Utility and located on the Customer Premises when such damage is caused by the Customer or anyone permitted by the Customer to be on the Customer Premises.

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25 Disputes

In case of disagreement or dispute regarding the application of any provision of these terms and conditions, or in circumstances where the application of the terms and conditions appears impracticable or unjust to either party, the Utility, or the applicant or applicants, may refer the matter to the Comptroller for adjudication.

26 Back-Billing

26.1 The Utility, in the circumstances specified herein, may charge, demand, collect or receive from its customers in respect of services rendered, a greater or lesser compensation than that specified in the subsisting rate schedules of the Utility applicable to those services. In the case of a minor adjustment to a customer's bill, such adjustments do not require back-billing treatment to be applied.

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26.2 Back-billing means the re-billing by the Utility for services rendered to a customer because the original billings were discovered to be either too high (over-billed) or too low (under-billed). The discovery may be made by either the customer or the Utility and may result from the conduct of an inspection. The cause of the billing error may include any of the following non- exhaustive reasons or combination thereof:

(a) the application of an incorrect rate; and

(b) fraud, theft or any other criminal act.

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26.3 If there are reasonable grounds to believe that a customer has tampered with or otherwise used the Utility's Water System or the services in an unauthorized way, or evidence of fraud, theft or other criminal act exists, then the extent of back-billing will be for the duration of the unauthorized use, subject to the applicable limitation period provided by law, and the provisions of Sections 26.8, 26.9, 26.10, and 26.11 below do not apply.

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26.4 In addition, the customer is liable for the direct administrative costs incurred by the Utility in the investigation of any incident of tampering, including the direct costs of repair, or replacement of equipment.

26.5 Under-billing resulting from circumstances described above will bear interest at the rate normally charged by the Utility on unpaid accounts from the date of the original under-billed invoice until the amount under-billed is paid in full.

26.6 In every case of under-billing or over-billing, the cause of the error will be remedied without delay, and the customer will be promptly notified of the error and of the effect upon the customer's on-going bill.

26.7 In every case of over-billing, the Utility will refund to the customer all money incorrectly collected for the duration of the error, subject to the applicable limitation period provided by law. Simple interest, computed at the short-term bank loan rate applicable to the Utility on a monthly basis, will be paid to the customer.

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26.8 Subject to Section 26.3 above, in every case of under-billing, the Utility will back-bill the customer for the shorter of the duration of the error and:

- (a) six months for customers receiving Residential service or Commercial service; or
- (b) one year for all other customers or as set out in a special or individually negotiated services Agreement with the Utility.

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26.9 Subject to Section 26.3 above, in every case of under-billing, the Utility will offer the customer reasonable terms of repayment. If requested by the customer, the repayment term will be equivalent in length to the back-billing period. The repayment will be interest free and in equal installments corresponding to the normal billing cycle. However, delinquency in payment of such installments will be subject to the usual late payment charges.

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26.10 Subject to Section 26.3 above, if a customer disputes a portion of a back-billing due to under-billing based upon either consumption, demand or duration of the error, the Utility will not threaten or cause the discontinuance of services for the customer's failure to pay that portion of the back-billing, unless there are no reasonable grounds for the customer to dispute that portion of the back-billing. The undisputed portion of the bill shall be paid by the customer and the Utility may discontinue services if such undisputed portion of the bill is not paid.

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26.11 Subject to Section 26.3 above, in all instances of back-billing where changes of occupancy have occurred, the Utility will make a reasonable attempt to locate the former customer. If, after a period of one year, such customer cannot be located, the over-billing or under-billing applicable to them will be cancelled.

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Schedule "A" - Water Service Connection

The charges shown below apply to connections to a main (see page 2, section 1(a)).

The connection charge recovers the cost incurred by the Utility, and not otherwise recovered, of a meter with accompanying fittings, pressure regulating device and backflow prevention device. Cost herein includes any administrative overhead incurred.

- | | | |
|-----|-------------------------------|----------|
| (a) | Residential Connection Charge | \$225.00 |
| (b) | Commercial Connection Charge | at cost |

Schedule “B” - Contribution in Aid of Future Construction

Where as a result of premises becoming qualified as authorized premises a greater number of units require or may require service from the utility, thus utilizing waterworks capacity presently or in the future, then, upon application for an extension of service, in addition to the connection charge and any main extension costs, the charge shown below shall be paid.

For each domestic service premises qualifying as authorized premises	\$1,585 per bed unit
---	----------------------

Note: A bed unit is defined in the Definitions section.

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Schedule “C” - Residential Rates

Applicability: To residential customers receiving domestic service, including single family dwellings, condominiums, duplexes and single family townhouses.

	<u>Effective January 1, 2023</u>	<u>Effective January 1, 2024</u>	<u>Effective January 1, 2025</u>	<u>Effective January 1 2026</u>	
<u>A Fixed Charge per bed unit per month</u>	<u>\$13.55</u>	<u>\$14.33</u>	<u>\$15.08</u>	<u>\$15.39</u>	Deleted: As of January 1, 2021:¶ A Fixed Charge \$6.59 per bed unit per month¶ A Metered Rate \$4.01 per cubic meter¶ Rider 1 \$1.21 per cubic meter¶ ¶ As of January 1, 2022:¶ A Fixed Charge \$8.57 per bed unit per month¶ A Metered Rate \$5.21 per cubic meter¶ Rider 1 \$1.46 per cubic meter¶
<u>A Metered Rate per cubic meter</u>	<u>\$8.24</u>	<u>\$8.71</u>	<u>\$9.17</u>	<u>\$9.36</u>	

Notes

1) Rates are billed monthly (Page 2, Section 2).

Deleted: <#>**Rider 1:** Consumption Deferral Account – Four-year rate rider approved through Order No. 2548 beginning January 1, 2019. The Rider 1 rate will change each January 1st based on annual forecast consumption. ¶

Deleted: 2021

Deleted: 5

Schedule “D” - Commercial Rates

Applicability: To all commercial customers receiving service.

	<u>Effective January 1, 2023</u>	<u>Effective January 1, 2024</u>	<u>Effective January 1, 2025</u>	<u>Effective January 1, 2026</u>
<u>A Fixed Charge per bed unit per month</u>	<u>\$15.04</u>	<u>\$15.91</u>	<u>\$16.74</u>	<u>\$17.08</u>
<u>A Metered Rate per cubic meter</u>	<u>\$8.63</u>	<u>\$9.13</u>	<u>\$9.61</u>	<u>\$9.81</u>

Deleted: As of January 1, 2021:¶
A Fixed Charge \$7.32 per bed unit per month¶
A Metered Rate \$4.20 per cubic meter¶
Rider 1 \$1.21 per cubic meter¶
¶
As of January 1, 2022:¶
A Fixed Charge \$9.51 per bed unit per month¶
A Metered Rate \$5.46 per cubic meter¶
Rider 1 \$1.46 per cubic meter¶

Notes

1) Rates are billed monthly (Page 2, Section 2).

Deleted: <#>Rider 1: Consumption Deferral Account – Four-year rate rider approved through Order No. 2548 beginning January 1, 2019. The Rider 1 rate will change each January 1st based on annual forecast consumption. ¶

Deleted: 2021

Deleted: 5

**Schedule “E” - Fire Hydrant & Standpipe Rates
Per Fire Protection Agreement**

Applicability: Within that portion of the utility’s authorized service area in the RDEK fire protection district or other recognized local fire protection authority.

Rates:

Hydrants	included in rates
Standpipes/Blow-Offs	included in rates

Deleted: 2021

**Schedule "F" - Availability of Service Charge as per
Rent Charge Agreement(s)**

Applicability: To the owners all of lots that have a Rent Charge Agreement registered on title.

As of March 1, 2010

1. A fixed **Rent Charge** \$ **45** per bed unit per annum¹

Note 1: Consistent with Section 2 (Billing and Payment) of the Terms and Conditions, the Rent Charge is billed monthly.

APPENDIX 2: PROPOSED UPDATED TARIFF PAGES (CLEAN)

WATER UTILITY ACT

WATER TARIFF NO. 6

**TERMS AND CONDITIONS
for
WATER SERVICE
at**

**Panorama Village
by**

**Corix Multi-Utility Services Inc.
Panorama Water**

Box 36, Panorama, British Columbia V0A 1T0

**Contact Person:
Andrew Craddock, Operations Manager**

This Tariff is available for public inspection at:

**Company Office
2120 Toby Creek Road, Panorama, BC**

Accepted for Filing by the
Comptroller of Water Rights

Effective: January 1, 2023

Secretary to the Comptroller

Definitions

In this tariff the following definitions shall apply:

- (a) "Authorized Premises" means premises which are entitled to, and authorized for, service in accordance with the Certificate of Public Convenience and Necessity of the Utility;
- (b) "Bed Unit" is a unit of measurement used to determine the relative number of occupants and is based on the floor area typically required to provide overnight accommodation for one person. The following Bed Units are assigned:
 - i. residential single family dwelling = 10 Bed Units (beginning January 2011) unless notification received by Utility stating indicting smaller residence qualifying for 6 Bed Units
 - ii. residential condominium or townhouse:
 - (i) up to 55 square meters = 2 Bed Units
 - (ii) between 56 and 100 square meters = 3 Bed Units
 - (iii) in excess of 100 square meters = 4 Bed Units
 - iii. commercial customers according to size of water meter:
 - (i) 5/8" meter = 10 bed units
 - (ii) 1" meter = 25 bed units
 - (iii) 1 1/2" meter = 50 bed units
 - (iv) 2" or larger meter = 80 bed units
- (c) "Comptroller" means the Comptroller of Water Rights under the *Water Act* and includes a deputy comptroller or a person appointed by the minister as acting comptroller;
- (d) "Customer" means any person who is the owner or lessee of an authorized premises;
- (e) "Domestic Service" means in-house use plus lawn & garden sprinkling to a maximum area of 1/10 of an acre;
- (f) "Premises" means land and buildings thereon;
- (g) "Rate" includes:

- i. a general, individual or joint rate, fee, charge, rental or other compensation of the Utility
 - ii. a schedule or tariff respecting a rate;
- (h) "Rate Schedule" means the schedule(s) in the Water System Tariff and attached to and forming part of these terms and conditions, which sets out the charges for service and certain other related charges in connection with the provision of services.
- (i) "Service" shall include:
- i. the supply of water provided by the Utility to the customer,
 - ii. the plant, equipment, apparatus, appliances, property and facilities employed by or in connection with the utility in providing the supply of water to the property line of the premise.
- (j) "Unit" means a building of accommodation occupied separately or to be occupied separately by an owner or lessee and, which either separately or jointly with other units, receives service from a connection to the Utility's waterworks and, without restricting the generality of the foregoing, includes the separate units of accommodation in all dwellings.
- (k) "Utility" means Corix Multi-Utility Services Inc. Panorama Water, and its respective duly authorized officers, agents and employees.

Terms and Conditions

1. Application for Service

For authorized premises, charges for service are intended to recover the Utility's costs. The following charges are applicable depending upon the circumstances:

- (a) At the time an application is made for service to premises which had not previously been connected for service, the applicable charge shown in Schedule "A(a)" for residential service or "A(b)" for commercial service of this tariff shall be paid by the applicant.
- (b) A turn-on fee of \$50.00 shall be applicable when:
 - (i) a turn-on of a valve at an existing curb-stop is made at a date after the service connection was installed;

(ii) a customer becomes re-connected after service has been shut-off at the request of the customer, for non-payment of rates, or for violation of these terms and conditions.

(c) There is no charge for service shut-off.

(d) At the time an application for service is made by a new customer, an administration charge of \$25.00 shall apply. This charge is not only applicable for a new connection, but also when a new customer, either owner or lessee of the premises, commences receiving service to an existing authorized premises.

2. Billing and Payment

All bills are issued monthly and are due and payable within fifteen days of the date of issue. For metered rates, excess consumption is billed in arrears. If the amount due on any bill has not been paid in full within (30) thirty days from the date of issue a further bill will be rendered to include the overdue amount plus a late payment charge of 1.5% per month.

If a cheque is returned by the customer's financial institution an administration fee of \$25.00 will be charged.

3. Service Shut-Off due to Non-Payment

When an account becomes one month overdue service may be shut off upon 15 days written notice. A notice mailed to the last known postal address of the customer shall be deemed good and sufficient notice. A collection charge of \$30.00 shall be paid each time a Utility representative attends a customer's premises to disconnect service, following the issuance of a shut-off notice but, on attending, the customer pays the representative the full amount due.

Service will not be turned on until all outstanding charges against the service, including the collection charge have been paid.

4. Discontinuance of Service

(a) Customers must give at least two working days' notice in writing at the office of the Utility when requesting discontinuance of service and shall be liable for payment for all service until such service has been discontinued.

(b) Any customer who desires to discontinue the use of water for any of the purposes stated in his application for service shall give notice of his intention, in writing, at the office of the Utility, and shall further show that any fittings used for the supply of water for such purposes have been disconnected.

(c) The Utility may discontinue service to any customer who contravenes the terms and conditions contained in this tariff. In the event of further contravention of the tariff, the Utility may detach the service connection from the customer's premises and, upon re-application for service the customer shall be liable to pay the Utility's cost of performing the said detachment and re-connection in addition to other applicable rates and charges.

5. Access to Premises

The Utility shall have the right of access to the customer's premises at all reasonable times for the purposes of making connections, reading meters, inspecting pipes and appurtenances, checking on the use or waste of water or determining compliance with these terms and conditions.

6. Interruption of Service

The Utility intends to maintain at all times an adequate and continuous supply of water to the Customer at suitable pressures but accepts no liability for interruptions due to circumstances beyond its control. However, for the interruptions in excess of 48 hours, a proportionate rebate will be allowed to a Customer served on flat rates. The Utility accepts no liability for any claims, losses, costs, damages or expenses which may be due to an interruption of Service, unless the interruption of Service is due to the negligent or willful misconduct of the Utility or its employees. In cases of negligent or willful misconduct on the part of the Utility or its employees, liability will be limited to direct physical damage and shall not include inconvenience, mental anguish, loss of profits, loss of earnings, or any other financial loss arising out of or in any way connected to the interruption of Service.

7. Restriction of Use of Water

The Utility may restrict or prohibit the use of water for gardening, sprinkling, air conditioning, the filling of swimming pools, or other purposes when, in its opinion, such action is necessary to conserve the water supply or to maintain water pressure. A customer who contravenes water use restrictions may receive one warning notice per calendar year before a fine for contravention applies. A notice delivered to the customer's premises shall be deemed good and sufficient notice of a contravention. For each subsequent contravention during the calendar year, a \$50.00 fine is applicable.

8. Limits on Water Use and Water Meters

No customer shall sell or dispose of any water or permit same to be carried away, or use water or allow it to be used in premises, or for purposes other than those stated in the customer's application for service.

A condition of receiving water service is the requirement of the installation of a water meter including remote readout equipment in the service line at a location specified by the Utility and the cost of the installation will be the customer's responsibility. Upon inspection and acceptance of the installation the water meter and its associated remote readout equipment shall become the property of the utility. The utility will then be responsible for the ordinary maintenance, repair and replacement of the meter equipment. The utility also reserves the right to supply and install the water meter and associate remote readout equipment, in which case the customer shall pay the associated cost to the utility.

9. Multiple Dwellings

In the case of apartment houses, duplexes or houses containing one or more suites, each such accommodation, whether or not self-contained, shall not be considered as a separate customer unless it is so specified in a schedule of this Tariff.

10. Connections, Alterations and Tampering with utility Equipment

No person, who is not an agent or employee of the Utility, shall make any connections with or alterations to or tamper with any of the Utility's waterworks, including any water meter and associated readout equipment belonging to the Utility, nor turn on or off any valve or curb stop of the Utility, without prior authorization by the Utility in writing. Any person who is found tampering with the utility's works may upon receiving written notice have their water service terminated until such time as the works are restored to the utility's satisfaction.

11. Minimum Size of Services

The minimum size of pipe used to serve any one premises shall be 3/4" (19mm) nominal diameter. The type and diameter of pipe used on the customer's premises should be selected with due consideration of pressure losses from friction.

12. Minimum Earth Cover Over Services

All services on the customer's premises shall be buried below the maximum depth of frost penetration but in any event at a minimum depth of 7 (seven) feet below the surface of the ground.

13. Ownership of Service

All water service pipes and fittings carrying water from the main to the customer's property line shall be the property of the Utility.

14. Stop Cock

The customer shall provide a shut-off valve (stop cock) inside each of the customer's buildings in which water is used, for the use of the customer in case of leaky or defective pipes or fixtures, or in case the premises is vacated.

15. Customer's Service Pipes

Service connection materials installed on the customer's premises shall be rated by the manufacturer to sustain a minimum working pressure of 160 psi (1100 kilopascals). No service pipe or fitting shall be covered until they have been inspected and approved by the Utility.

16. Dangerous Cross-Connections

The customer shall not permit the plumbing on their premises to be connected to any source of water supply other than the Utility's, or to any potential source of contamination, without first obtaining the Utility's permission in writing. Any back-flow prevention devices deemed necessary by the Utility to prevent the entry of contaminants shall be installed at the customer's expense.

17. Condition of Customer's Pipes and Fixtures

All customers at their own risk and expense shall keep their pipes, stop cocks and other fixtures in good working order and shall protect them from frost and other damage. The Utility shall, within a reasonable time notify the customer of any leaky pipes and fixtures that are evident on the premises. If the necessary repairs are not made within two (2) working days after such notice has been given, or when the condition of the pipes or fixtures is such as to cause damage to property or material waste of water or damage to property, then without further notice the Utility may shut off the water supply. The water shall not be turned on again until such repairs have been made to the satisfaction of the Utility, and the charges paid as provided by clauses 1 and 4(c) of this tariff. No person whose water supply is shut off pursuant to this section shall have any claim against the Utility for discontinuance of supply.

18. Notice of Service Shut-off

The Utility shall have the right at all times to shut off the water supply temporarily to any premises in order to make repairs, replacements, alterations and extensions to the Utility's waterworks as shall, in the opinion of the Utility, be deemed necessary. Whenever possible the Utility will give reasonable advance notice of shut-off, and, in all cases where the Utility expects service to be interrupted for 24 hours or more, the Utility shall give advance notice to its customers.

19. Application for Extension of Service

For lots not authorized for service, all applications for extension of water service shall be made in writing, by the owner or lessee of the premises to which the application refers, or by the owner's duly authorized agent. All applications for service shall state:

- (a) the purpose(s) for which the service is to be used (i.e. domestic, commercial, irrigation, etc.);
- (b) the legal description of the property;
- (c) the number and location of the premises to be served.

Charges for extension of service are intended to recover the Utility's costs. For each application, an initial deposit of \$200 is required to be paid at the time of application. Additional costs incurred by the Utility for legal, engineering and other fees, including Utility staff time, will be payable by the applicant and may require further deposits prior to undertaking certain aspects of the application process.

Each application for extension of service requires an amendment to the Utility's Certificate of Public Convenience & Necessity (CPCN) to include the lot(s) within its authorized service area. In response to each application, the Utility will detail the terms and conditions of service including all rates and charges applicable. Prior to the issuance of an amended CPCN, confirmation is required that either a deposit into the Utility's Deferred Capacity Trust Fund under Schedule B of this tariff has been made or that additional works have been constructed and contributed to the Utility by the applicant as required by the Comptroller of Water Rights.

Once the amended CPCN is issued, and while the lot(s) are not receiving service, availability of service charges under Schedule G of this tariff will be applicable.

Additional applications shall be made for all extensions of service to additional premises and for additional purposes.

20. Water Main Extensions

General Provisions

20.1 Any waterworks installed pursuant to an application for extension of service shall be the sole property of the Utility

20.2 The size, type, quality of materials, and their location will be specified by the Utility and the actual construction will be done by the Utility or by a construction agency acceptable to it.

- 20.3 In arriving at the length of the main extension necessary to render service to any point, the distance from such point to the nearest distribution main shall be considered along lines of proper construction and common practice in the location of public waterworks, due consideration being given to the general layout of the Utility's system. The length of the extension shall be measured along the lines of proper construction from the nearest distribution main to the middle of the furthest property to be served.
- 20.4 The Utility will not be required to make extensions where road grades have not been brought to those established by public authority.
- 20.5 Where an extension must comply with a law, statute, bylaw, ordinance, regulation, specification or order of a public authority, the estimated cost of the extension shall be based upon the waterworks required to comply therewith.

Method of Allocating Advances and Refunds

- 20.6 Advances by original applicants:
When more than one applicant is involved and an advance is required in payment for a main extension the amount of the advance shall be divided equally or as otherwise agreed among the applicants are made known to the Utility.
- 20.7 Advances by subsequent customers:
An extension charge equal to a pro-rata share of the original cost of the main extension shall be collected by the Utility from each additional customer who connects to the original main extension within five years. The extension charge collected above shall be refunded equally or as otherwise agreed to the customers who already have advances deposited with the Utility as a result of connection to the extension, so that in the result all subscribers will have paid their pro-rata share or as otherwise agreed by them and made known to the Utility.
- 20.8 Advances which may be required from applicants in payment for extensions will be held by the Utility without interest. Refunds will be made in accordance with these rules and no *person* will have refunded to them an amount in excess of the amount of their advance. Refunds will be paid to the current registered owners of the properties on account of which the deposits were received. Any amount not used by the Utility for construction of the extension and not refunded at the end of five years from the date the advance was received by the Utility from the original applicant or applicants will be retained by the Utility and transferred to the "Deferred Capacity Trust Fund" account. Thereafter additional customers will be connected without being required to pay the extension charge.

21. Winter Construction

The Utility reserves the right to refuse to make extensions and install service pipe to a customer's property line under frost conditions in the winter months that would make the undertaking impractical or in the Utility's opinion, excessively costly.

22 Amendments to Tariff

The rates and charges recorded in this tariff are the only lawful, enforceable and collectable rates and charges of the Utility, and shall not be amended without the consent of the Comptroller. The Comptroller, on his own motion, or on complaint of the Utility or other interested persons that the existing rates in effect and collected or any rates charged or attempted to be charged for service by the Utility are unjust, unreasonable, insufficient, unduly discriminatory or in contravention of the Water Utility Act, regulations or law, may, after investigation, determine the just, reasonable and sufficient rates to be observed and in force, and shall, by order, fix the rates.

The Utility may submit to the Comptroller, by letter of application together with full supporting documentation, proposed amendments to rates and charges, and other terms and conditions of service. After initial review of the application, the Comptroller may require the Utility to give an acceptable form of notice of the application to its customers and other interested persons. The notice will state a specific time period within which any interested persons may submit objections to the application to the Comptroller. After investigation of the application and any objections thereto, the Comptroller will decide the matter and notify all interested persons of his decision.

23 Liability

The Utility shall not be liable for any claims, losses, costs, damages or expenses incurred by the Customer or any other person arising out of the performance by the Utility of the Service, including without limitation any failure to perform the Service except to the extent that such claims, losses, costs, damages or expenses are caused by the negligent or willful misconduct of the Utility or its employees. In cases of negligent or willful misconduct on the part of the Utility or its employees, liability will be limited to direct physical damage and shall not include inconvenience, mental anguish, loss of profits, loss of earnings, or any other financial loss arising out of or in any way connected to the failure by the Utility to perform the Service.

24 Responsibility of Customer

The Customer shall be responsible and shall pay for any damage to property owned by the Utility and located on the Customer Premises when such damage is caused by the Customer or anyone permitted by the Customer to be on the Customer Premises.

25 Disputes

In case of disagreement or dispute regarding the application of any provision of these terms and conditions, or in circumstances where the application of the terms and conditions appears impracticable or unjust to either party, the Utility, or the applicant or applicants, may refer the matter to the Comptroller for adjudication.

26 Back-Billing

- 26.1 The Utility, in the circumstances specified herein, may charge, demand, collect or receive from its customers in respect of services rendered, a greater or lesser compensation than that specified in the subsisting rate schedules of the Utility applicable to those services. In the case of a minor adjustment to a customer's bill, such adjustments do not require back-billing treatment to be applied.
- 26.2 Back-billing means the re-billing by the Utility for services rendered to a customer because the original billings were discovered to be either too high (over-billed) or too low (under-billed). The discovery may be made by either the customer or the Utility and may result from the conduct of an inspection. The cause of the billing error may include any of the following non- exhaustive reasons or combination thereof:
- (a) the application of an incorrect rate; and
 - (b) fraud, theft or any other criminal act.
- 26.3 If there are reasonable grounds to believe that a customer has tampered with or otherwise used the Utility's Water System or the services in an unauthorized way, or evidence of fraud, theft or other criminal act exists, then the extent of back-billing will be for the duration of the unauthorized use, subject to the applicable limitation period provided by law, and the provisions of Sections 26.8, 26.9, 26.10, and 26.11 below do not apply.
- 26.4 In addition, the customer is liable for the direct administrative costs incurred by the Utility in the investigation of any incident of tampering, including the direct costs of repair, or replacement of equipment.
- 26.5 Under-billing resulting from circumstances described above will bear interest at the rate normally charged by the Utility on unpaid accounts from the date of the original under-billed invoice until the amount under-billed is paid in full.
- 26.6 In every case of under-billing or over-billing, the cause of the error will be remedied without delay, and the customer will be promptly notified of the error and of the effect upon the customer's on-going bill.
- 26.7 In every case of over-billing, the Utility will refund to the customer all money incorrectly collected for the duration of the error, subject to the applicable limitation period provided by law. Simple interest, computed at the short-term bank loan rate applicable to the Utility on a monthly basis, will be paid to the customer.

- 26.8 Subject to Section 26.3 above, in every case of under-billing, the Utility will back-bill the customer for the shorter of the duration of the error and;
- (a) six months for customers receiving Residential service or Commercial service; or
 - (b) one year for all other customers or as set out in a special or individually negotiated services Agreement with the Utility.
- 26.9 Subject to Section 26.3 above, in every case of under-billing, the Utility will offer the customer reasonable terms of repayment. If requested by the customer, the repayment term will be equivalent in length to the back-billing period. The repayment will be interest free and in equal installments corresponding to the normal billing cycle. However, delinquency in payment of such installments will be subject to the usual late payment charges.
- 26.10 Subject to Section 26.3 above, if a customer disputes a portion of a back-billing due to under-billing based upon either consumption, demand or duration of the error, the Utility will not threaten or cause the discontinuance of services for the customer's failure to pay that portion of the back-billing, unless there are no reasonable grounds for the customer to dispute that portion of the back-billing. The undisputed portion of the bill shall be paid by the customer and the Utility may discontinue services if such undisputed portion of the bill is not paid.
- 26.11 Subject to Section 26.3 above, in all instances of back-billing where changes of occupancy have occurred, the Utility will make a reasonable attempt to locate the former customer. If, after a period of one year, such customer cannot be located, the over-billing or under-billing applicable to them will be cancelled.

Schedule “A” - Water Service Connection

The charges shown below apply to connections to a main (see page 2, section 1(a)).

The connection charge recovers the cost incurred by the Utility, and not otherwise recovered, of a meter with accompanying fittings, pressure regulating device and backflow prevention device. Cost herein includes any administrative overhead incurred.

(a)	Residential Connection Charge	\$225.00
(b)	Commercial Connection Charge	at cost

Schedule “B” - Contribution in Aid of Future Construction

Where as a result of premises becoming qualified as authorized premises a greater number of units require or may require service from the utility, thus utilizing waterworks capacity presently or in the future, then, upon application for an extension of service, in addition to the connection charge and any main extension costs, the charge shown below shall be paid.

For each domestic service premises qualifying as authorized premises	\$1,585 per bed unit
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Note: A bed unit is defined in the Definitions section.

Schedule “C” - Residential Rates

Applicability: To residential customers receiving domestic service, including single family dwellings, condominiums, duplexes and single family townhouses.

	Effective January 1, 2023	Effective January 1, 2024	Effective January 1, 2025	Effective January 1, 2026
A Fixed Charge per bed unit per month	\$13.55	\$14.33	\$15.08	\$15.39
A Metered Rate per cubic meter	\$8.24	\$8.71	\$9.17	\$9.36

Notes

1) Rates are billed monthly (Page 2, Section 2).

Schedule “D” - Commercial Rates

Applicability: To all commercial customers receiving service.

	Effective January 1, 2023	Effective January 1, 2024	Effective January 1, 2025	Effective January 1, 2026
A Fixed Charge per bed unit per month	\$15.04	\$15.91	\$16.74	\$17.08
A Metered Rate per cubic meter	\$8.63	\$9.13	\$9.61	\$9.81

Notes

- 1) Rates are billed monthly (Page 2, Section 2).

**Schedule “E” - Fire Hydrant & Standpipe Rates
Per Fire Protection Agreement**

Applicability: Within that portion of the utility’s authorized service area in the RDEK fire protection district or other recognized local fire protection authority.

Rates:	Hydrants	included in rates
	Standpipes/Blow-Offs	included in rates

**Schedule “F” - Availability of Service Charge as per
Rent Charge Agreement(s)**

Applicability: To the owners all of lots that have a Rent Charge Agreement registered on title.

As of March 1, 2010

1. A fixed **Rent Charge** **\$ 45** per bed unit per annum¹

Note 1: Consistent with Section 2 (Billing and Payment) of the Terms and Conditions, the Rent Charge is billed monthly.