



**Reference:** Oceanside Development & Construction Association Letter dated October 2, 2015

**Request:**

The Oceanside Development & Construction Association would like to comment on the application by EPCOR to increase its Contribution in Aid of Construction Charge from \$8,500 to \$19,000 by posing the following questions and comments:

1. Please forward the order by the Comptroller of Water Rights that permits EPCOR to develop and expand the current system for future water users.
2. Where can we obtain copies of project sheets showing how EPCOR determined the share of costs between The Trust Fund for Deferred Capacity and current EPCOR users?
3. Where can we obtain a copy of EPCOR's Resource Management Plan and was this plan made available to the public?
4. The Province of BC has a best practices guide outlining how DCC's are to be calculated and the steps necessary to consult with the public and stakeholders prior to declaring a change in DCC collection. Should EPCOR not be required to follow the same procedures?
5. The Province of BC has rules under Section 933 of the Local Government Act on how DCC's are to be calculated should EPCOR not be required to follow the same procedures?
6. Is there an appeal process similar to one in the Local Government Act that allows stakeholders to request a decision by the Lieutenant Governor?
7. We would like to request a hearing be held so our concerns can be heard.
8. We believe this increase by such a huge amount is unprecedented in BC and that \$19,000 for water DCC's will make it the "highest in BC." Is this true? Increasing the charge this much will likely cause a further reduction in lots created which will reduce the developer contributions.

**Response:**

1. Please see ODCA-EWW-1 (1) Attachment 1: Certificate of Public Convenience and Necessity No. 1236 granting EWW the right to acquire the assets, rights, and licenses of Breakwater Enterprises Ltd, the former owner of the water system.



2. Please see ODCA-EWW-1(2) Attachment 1, 2 and 3: Project Justification Sheets included as part of EWW's Revenue Requirement Applications (RRA) for test periods 2009-2011, 2012-2014 and 2015-2017.
3. The French Creek 2014 Master Plan Update which was prepared in December, 2014, was included in the 2015 – 2017 RRA. EWW confirms that the 2015-2017 RRA was a public process. Please see ODCA-EWW-1(3) Attachment 1.
4. No, the best practices outlined in the Development Cost Charge Best Practices Guide, were created to “encourage local governments to adopt standard practices for the formulation and administration of DCC bylaws.” EWW is a privately held utility without the ability to create bylaws, therefore the best practices delineated for local governments are inapplicable to EWW. Please see ODCA-EWW-1(4) Attachment 1, The Development Cost Charge Best Practices Guide.
5. No, the Local Government Act does not apply to EWW as the utility is a privately held corporation and is not able to impose development cost charges via bylaw. The relevant legislation regulating the affairs of EWW is the Water Utility Act which is managed by the Comptroller of Water Rights. EWW's CIAC application complies with this Act and the directions of the Comptroller of Water Rights.
6. Decisions of the Comptroller are subject to an appeal process. The details of the appeal process are set out in ODCA-EWW-1(6) Attachment 1.
7. EWW believes that the written hearing process, previously directed by the Comptroller, is a reasonable and cost effective approach for allowing the concerns of all interested stakeholders to be heard.
8. No.



EWW has determined that in 2012 115 local governments within the province of British Columbia utilized Development Cost Charges, see attached, to develop infrastructure within their communities. 13 communities have DCC charges that are greater than \$15,000 per Residential Single Family unit. EWW's proposed CIAC rate would not be the highest in British Columbia. 6 of these communities had CIAC rates that were higher than \$19,000. Specifically, Abbotsford (\$29,621), Chilliwack (\$23,121), Coquitlam (\$23,588), Cumberland (\$19,915), Langley District (\$21,635), Richmond (\$24,848), Surrey (\$26,081).