



Reference: Hans Heringa P. Eng Letter dated October 15, 2015

Request:

We have some real objections and concerns.

1. We certainly object if these new rates would apply to the further subdivision of properties or parcels that are already connected to an Epcor water connection, and have a previous CPCN entitlement, or a CPCN application underway prior to September 1st 2015, or would apply to a completion of a subdivision property with a history of entitlement.

Specifically, the Lost Lake Properties Ltd amendment application of August 20th 2015, must be exempt from this Notice and application.

2. We do object, and insist that Epcor Water (West) Inc., first recognizes and allows all existing Developers to assign any and all of their past Credits with any of their existing surplus waters, to other Companies and/or projects in the Epcor service area, or else be able to sell the surplus connections back to Epcor Water (West) Inc. for these same market rates.

Specifically, my Company Lost Lake Properties Ltd., wishes to have the ability to hold or to assign its 1 + 4 = 5 extra residential water services at Sumar Lane to H & F Ventures Ltd., Lot 2 Lee Road, French Creek, or to any other property already in the Epcor Water (West) Inc. Service area.

3. In my separate opinion, the Epcor Water (West) Inc. Service area ought not to be expanded, or extended, at all. The RDN should step in to be the new, alternate public water provider instead, for all RDN Service areas that are presently not yet serviced by



Epcor. The RDN is “not for profit”, whereas Epcor Water (West) Inc is. Government Water Utilities also appear to qualify for Provincial and Federal Grants and Funding, whereas Private Utilities do not.

4. Alternatively, it needs first to be clearly defined exactly as to which areas and properties should still be serviced by Epcor Water (West) Inc., and which areas ought to be serviced by the RDN. (Are such plans available? Can we get one?) And the Public and the RDN should have input into exactly who services which areas.

5. Property owners of large parcels should always still be able to provide their own water supply for development, if adequate groundwaters are available on their properties.

Response:

1. EWW confirms that the Contribution In Aid of Construction charge for applications filed prior to September 1, 2015 will be \$8,500 per lot. EWW understands that Mr. Heringa or an affiliated company has filed an application prior to September 1, 2015. This application relates to the proposed subdivision of Lots 26-31, District Lot 28, Nanoose District, Plan VIP79152.

EWW notes that Mr. Heringa has a variety of other concerns dating back to 1995 which are out of the scope of EWW’s CIAC application. EWW expects that addressing these concerns may indirectly impact the amount that EWW will ultimately collect but notes that the Contribution In Aid of Construction charge applied to the above referenced lots will be \$8,500.

2. EWW does not agree that the \$19,000 CIAC charge establishes a market rate. Rather, it is the amount required by EWW to recover costs incurred to expand water supply in the service area.
EWW currently has enough extra capacity to service existing and new ratepayers through to 2027 and is not currently examining the possibility of purchasing existing water rights. Please also see EWW’s response to HH-EWW-1(5).



3. Mr. Heringa's opinion related to the RDN is out of the scope of EWW's CIAC application. The intent of the current CIAC application is to determine what a fair and reasonable rate should be for recovery of EWW's costs for its current capital growth projects.

4. Refer to ODCA-EWW-1(3) Attachment 1 for a copy of the French Creek 2014 Master Plan Update and ODCA-EWW-1 (1) Attachment 1: Certificate of Public Convenience and Necessity for a description of EWW's water service area.

5. In Order No. 2221 dated February 25, 2010 the Comptroller confirmed that it is EWW's responsibility for constructing, developing, and monitoring all wells within the service area. The prior practice of allowing developers to provide a source of supply with EWW responsible for integration of the well was not aligned with a system-wide planning approach.