

Big White Water Utility is a regulated utility and as such has been working with the Comptroller of Water Rights' office for the last two years to amend the tariff, this is not an easy or quick process. It requires among other things an in-depth financial analysis by the provincial Comptroller's office to prove the rate increase is justified.

This proposed change to the consumption rate has been needed since 2016 when the Provincial Government reduced Big White Water Utility's percentage of the flat monthly fee. The change was 40% to 50% of the flat rate is now deposited into a Replacement Reserve Trust controlled by the Comptroller of Water Rights. This reduced revenue in BWWU operating budget at a time when new provincial and federal regulations and the Water Sustainability Act are increasing BWWU operating costs. The increase to the consumption rate provides a sustainable cash flow to operate the utility throughout the entire year.

The Powder Basin Water Treatment Plant has been placed on line to subsidize the daily water demand on the Rhonda Lake system. Big White Water Utility does not want to deplete the Rhonda Lake reservoir during the summer, this water doesn't regenerate until Spring and is needed for peak demands during the winter season. The requirements of the Regional District for residential homes to be sprinkled, means the capacity of the utility has had to increase more than in other jurisdictions (like the City of Kelowna, which does not have the requirement for single family homes to have sprinkler systems). Big White Ski Resort has added summer operations and village businesses now operate year-round. The village is also home to many more year-round residents than in prior years. Additional staff is required by the utility to cover holiday leave and daily rounds. Additional vehicles, parts replacement, fuel, hydro, chemicals, monitoring, third party contractors, IT support, diving maintenance, and operator training costs are now being incurred at higher and higher costs.

The increase is 70 cents per cubic meter, which is an average increase of:

- \$11/mo for a family of 4 living full time on-mountain in a unit without a hot-tub (Current Average Water Bill totals \$20.44)
- \$17.50/mo during the ski season for a 3 bed unit with a hot-tub, that is seasonally used (Current Winter Average Water Bill totals \$30.63)
- The average 6 person hot tub is has about 1200 litres or 1.2 cubic metres, this would be an additional 84 cents to fill

In comparison similar water utilities in BC charge \$1.82 per cubic metre (Silverstar), and \$1.55 per cubic metre (Sun Peaks) and have been for a number of years.

The water utility has not changed the consumption rate since January 1, 2002 and this change reflects about a 3.6% annualized increase over that time. During that time, we have made every effort to manage costs however it is not sustainable, and in order to maintain the quality, safety and adhere to the Ministry treatment guidelines, an increase to the consumption rate is required. The flat rates for the Demand Charge and the Replacement Reserve will remain the same.

Kind Regards,

Big White Water Utility