

January 2022

**NOTICE OF APPLICATION BY:  
 CORIX MULTI-UTILITY SERVICES INC.  
 TO ACQUIRE COLUMBIA RIDGE WATERWORKS LTD.  
 WATER UTILITY ASSETS**

Notice is hereby given that Corix Multi-Utility Services Inc. (Corix) has filed a confidential application to the Comptroller of Water Rights for an amended Certificate of Public Convenience and Necessity, pursuant to section 45 of the *Utilities Commission Act (UCA)*, for the transfer of the Water Utility assets from Columbia Ridge Waterworks Ltd. (CRWL) to Corix. Corix also requests approval under sections 59 to 61 of the UCA to change from the Operating Margin methodology to a Rate Base methodology to set rates for the Water Utility under Corix ownership and approval for deferred recovery of acquisition costs contemplated to begin with future customer growth anticipated for 2025. The full details of the Regulatory Approvals Sought can be found in Section 1.2 of the Application.

The Public version of the Application and other related materials can be found at the following web page:

<https://www.corix.com/columbia-ridge>

The Public version has the confidential information from the Application removed or redacted. All non-confidential documents related to the Columbia Ridge Application will be made available to the public at the above web page.

In Section 5 of the Application Corix explains its request to change the methodology from Operating Margin to Rate Base for the setting of rates. To support the proposed change from Operating Margin to Rate Base, Corix has modelled in Section 10 of the Application rate scenarios to assess the impact of the proposed change in methodology to set customer rates. Table 5 on page 37 of the Application provides a comparison of the Rate Scenarios with the indicative rate changes. Table 5 is shown below.

**Table 5: Rate Scenarios: High Level Comparison**

Rate Scenarios	Cumulative Rate Increase over a 3 Year Period	Lump Sum Assessment per customer
#1 Corix Ownership – Operating Margin	69%	\$1,309
#2 Corix Ownership – Rate Base	27%	\$0
#3 Current Ownership – Operating Margin	48%	\$1,309

Corix is not proposing any changes to existing rates in this Application. If the Comptroller approves this Application, Corix as the new owner of the Water Utility will make a subsequent rate application for any change in customer rates. However, as discussed in Application Section 4.2 Customer Rates and Tariff, Corix is proposing a new tariff Schedule I: Untreated Irrigation Service Flat Rates which will allow the water utility to charge for service that will bring in additional revenue for the benefit of ratepayers.

Any person wishing further information in connection with the Application or reasons for the proposals should write to:

**Errol South, Director, Regulatory Affairs, Corix Multi-Utility Services Inc.**  
Email: [RegulatoryAffairs.Canada@corix.com](mailto:RegulatoryAffairs.Canada@corix.com)

At this time the Comptroller of Water Rights has not yet commenced a formal public hearing process on the Application. **You may write to the Comptroller of Water Rights providing your comments, concerns and questions on the Application.** This correspondence should be submitted as follows.

Addressed to: **Chris McMillian, Secretary to the Comptroller of Water Rights, and sent by email to [Chris.McMillan@gov.bc.ca](mailto:Chris.McMillan@gov.bc.ca) on or before February 15, 2022** with Reference No. 7832.

Copied to: Corix at [RegulatoryAffairs.Canada@corix.com](mailto:RegulatoryAffairs.Canada@corix.com).

Your input regarding the Application will inform the Comptroller on next steps in its review process of the Application which may include intervention, information requests, and comments. More information on a public hearing process can be found at Water Utilities Information Bulletins located on the BC Government's website at [www2.gov.bc.ca/gov/content/environment/air-land-water/water/water-licensing-rights/private-water-utilities/water-utilities-information-bulletins](http://www2.gov.bc.ca/gov/content/environment/air-land-water/water/water-licensing-rights/private-water-utilities/water-utilities-information-bulletins).