



# Panorama Water Utility

## Revenue Requirement & Rate Application for 2023 through to 2026: Errata

### Submitted To:

**Office of the Comptroller of Water Rights**  
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Attention:

Chris McMillan  
Secretary to the Comptroller of Water Rights

### Submitted By:

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# PANORAMA WATER REVENUE REQUIREMENT & RATE APPLICATION FOR 2023 THROUGH TO 2026: ERRATA

Corix wishes to bring to the Comptroller’s attention four errata matters regarding the Panorama Water Rate Application filed on December 30, 2022. The four errata matters are:

- 1) Proposed customer rates presentation;
- 2) Revenue Deficiency Deferral Account (RDDA) balance presentation;
- 3) Projected 2022 Corporate and Regional Services Costs; and
- 4) GSDP Final Cost Estimate, December 2022 presentation.

### Matter #1: Proposed customer rates presentation

Corix wishes to note that Table 1 and Table 24 Proposed Customer Rates: Test Years 2023 to 2026 has a typographical error. The first and third rows should be labelled “Fixed Charge”. The second and third lines should be labelled “Metered Rate”. Schedule 11 Customer Rates in the Financial Schedules and proposed Water Tariff rates for Schedule C Residential Rates and Schedule D Commercial Rates in Appendix 1 and 2 remain correct. Corix regrets any confusion this typographical error may have caused.

**Table 1 and 24 (Corrected): Proposed Customer Rates: Test Years 2023 to 2026**

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

The proposed tariff rates for Water Tariff No. 6 shown below remain unchanged. The Schedule C Residential Rates and the Schedule D Commercial Rates are shown below.

**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
<b>A Fixed Charge</b> per bed unit per month	<b>\$13.55</b>	<b>\$14.33</b>	<b>\$15.08</b>	<b>\$15.39</b>
<b>A Metered Rate</b> per cubic meter	<b>\$8.24</b>	<b>\$8.71</b>	<b>\$9.17</b>	<b>\$9.36</b>

**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
<b>A Fixed Charge</b> per bed unit per month	<b>\$15.04</b>	<b>\$15.91</b>	<b>\$16.74</b>	<b>\$17.08</b>
<b>A Metered Rate</b> per cubic meter	<b>\$8.63</b>	<b>\$9.13</b>	<b>\$9.61</b>	<b>\$9.81</b>

**Matter #2: Revenue Deficiency Deferral Account (RDDA) balance presentation**

The Revenue Deficiency Deferral Account (RDDA) is presented correctly in Schedule 10 Continuity of Deferred Charges. For Forecast 2023 the ending RDDA balance on line 10 is shown as \$1,213,006. This amount includes the \$53,820 line 7 Transfer of Consumption Deferral Account that was outstanding as of December 31, 2022.

However, Schedule 6 the Revenue Deficiency Deferral Account table for Forecast 2023 incorrectly shows an ending balance of \$1,159,186 when it should be \$1,213,006. The difference is the \$53,820 CDA Deferral Account transfer that should have been included in this schedule. This presentation issue does not affect the requested rates or Forecast RDDA balances outside this Schedule 6. The rate model is correctly relying on the figures presented in Schedule 10. This presentation issue has been corrected in

the Evidentiary update filed in response to Comptroller Information Request #1, Question 13.1. This RDDA balance presentation does not affect the financial model and its calculations.

### Matter #3: Projected 2022 Corporate and Regional Services Costs

In the Application on page 20 in Table 8: Total Corporate and Regional Services Costs allocated to the Corix Panorama Water Utility presented the following:

- In Schedule 2, line 24 Corporate and Regional Services Corix reported \$231,330 for Projected 2022. This \$231,330 was also reported in Table 2, line 24; and Table 8 Total line.
- However, Corix stated in Table 8, the details were \$129,948 Corporate and \$99,682 for Regional. This actually totals \$229,630 for Projected 2022. The \$231,330 is overstated by \$1,700. The error occurs in Schedule 2, Table 2, and Table 8. The impact of this error is that the December 31, 2022 Projected RDDA is overstated by this additional expense. This issue doesn't affect requested increases for 2023 to 2026 but the RDDA balances from 2023 to 2026 as presented in the Application would have been over-stated by approximately the \$1,700.
- This error in the model has been addressed in the Evidentiary Update filed with the response to Comptroller Information Request #1, Question 13.1 for 2022 Actuals in Attachment 13.1.

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

Line No.	Actual 2020	Actual 2021	Projected 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	<b>Cost of Goods Sold</b>						
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	<b>\$211,448</b>	<b>\$146,931</b>	<b>\$182,034</b>	<b>\$198,120</b>	<b>\$205,440</b>	<b>\$211,068</b>	<b>\$216,753</b>
9							
10	<b>Selling, General and Administration Expenses</b>						
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	229,630	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	<b>\$262,565</b>	<b>\$266,972</b>	<b>\$456,205</b>	<b>\$444,100</b>	<b>\$449,605</b>	<b>\$459,775</b>	<b>\$468,970</b>
28							
29	<b>\$474,013</b>	<b>\$413,903</b>	<b>\$638,239</b>	<b>\$642,220</b>	<b>\$655,045</b>	<b>\$670,843</b>	<b>\$685,724</b>

**Table 2 (Corrected): Operating and Maintenance Expenses**

Line No.	Operating and Maintenance Costs	Projecte 2022	Forecast 2023	Forecast 2024	Forecast 2025	Forecast 2026
1	<b><u>Cost of Goods Sold</u></b>					
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	<b>Total Cost of Goods Sold</b>	<b>\$182,034</b>	<b>\$198,120</b>	<b>\$205,440</b>	<b>\$211,068</b>	<b>\$216,753</b>
9						
10	<b><u>Selling, General and Admin Expenses</u></b>					
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	229,630	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	<b>Total SG&amp;A</b>	<b>\$456,205</b>	<b>\$444,100</b>	<b>\$449,605</b>	<b>\$459,775</b>	<b>\$468,970</b>
28						
29	<b>Total Operating and Maintenance</b>	<b>\$638,239</b>	<b>\$642,220</b>	<b>\$655,045</b>	<b>\$670,843</b>	<b>\$685,724</b>

**Table 3 (Corrected): 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
	<b>Total</b>	<b>\$229,630</b>	<b>\$249,034</b>	<b>\$255,792</b>	<b>\$261,368</b>	<b>\$266,596</b>

**Matter #4: GSDP Final Cost Estimate, December 2022 presentation**

Corix response to Trappers Way Information Request #1, Question 14.1 acknowledges that Table 12 (Application page 24) should have the GSDP Final Cost estimate, December 2022 at \$7,755,151. It was incorrectly shown as \$7,751,151. The difference of \$125,134 shown in Table 12 was correct. This typographical error in Table 12 has no effect on the proposed rates and the financial model.

**Table 4 (Corrected): 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	\$7,755,151
<b>Difference</b>	<b>\$125,134</b>

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