

CORIX MULTI-UTILITY SERVICES INC.

Water Utility Act

Water Tariff No. 2

**Water System
Terms and Conditions of Service
for
Cultus Lake Water**

CONTAINING


DEFINITIONS, TERMS AND CONDITIONS FOR SERVICE

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These terms and conditions of Service are available for public inspection at the offices of: Corix Multi-Utility Services Inc., 3175 Turner Street, Abbotsford, BC V2S 7T9

Accepted for Filing by the
Comptroller of Water Rights

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Secretary to the Comptroller

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PART A - DEFINITIONS

The following terms, wherever used in these terms and conditions, shall have the meaning set forth below:

- (a) “**Account Charge**” means the single initial set-up charge required to be paid by a Customer for Services in the amount specified in the Standard Fees and Charges Schedule.
- (b) “**Applicant**” means any Person applying for utility service from the Company subject to the terms and conditions set out herein.
- (c) “**Basic Charge**” means the fixed charge required to be paid by a Customer for Services during a prescribed period in the amount specified in the Rate Schedule.
- (d) “**Collection Charge**” means the charge required to be paid by a Customer each time a Company representative attends the Customer’s Premise to disconnect Services following issuance of a disconnect notice, in the amount specified in the Standard Fees and Charges Schedule.
- (e) “**Commercial Service**” means the provision of Service supplied to commercial, institutional or small industrial operations.
- (f) “**Company**” means Corix Multi-Utility Services Inc. or any division or affiliate of Corix Multi-Utility Services Inc. carrying on the business of a water utility, and their respective duly authorized officers, agents and employees.
- (g) “**Comptroller**” means the Comptroller of Water Rights under the Water Act R.S.B.C. 1996 c. 483 and includes a deputy comptroller or a person appointed by the minister as acting comptroller.
- (h) “**Connection Charge**” means the charge required to be paid by the Applicant/Customer for the costs incurred by the Company of installing a Service Connection from the water main to a curb stop and, if required, a meter at the property line of the Applicant/Customer’s Premises or in the building, in the amount specified in Schedule “A” of the Water System Tariff.
- (i) “**CPCN**” means the Certificate of Public Convenience and Necessity issued by the Comptroller to the Company in respect of the Water System.
- (j) “**Customer**” means a Person who is an owner or occupant of a Premise which receives Services from the Company.
- (k) “**Customer Water Service Line**” means the potable water distribution system located on the Customer’s side of the property line and connected to the Water System.
- (l) “**Deferred Capacity Reserve Fund**” means a reserve fund set up by the Company as required by the Comptroller pursuant to the Water Utility Act R.S.B.C. 1996, c. 485 and the Utilities Commission Act, Section 57, and managed by the Comptroller into which new Applicants/Customers are required to make a financial contribution in aid of future construction as set out in Schedule “B” of the Water System Tariff for future expansion of the Water System as approved by the Comptroller. Subject to agreement from the Comptroller, the fund may also be used for Water System improvements.

- (m) **“Late Payment Charge”** means the charge required to be paid by a Customer for any bill that has not been paid in full on or before the due date shown on such bill, in the amount specified in the Standard Fees and Charges Schedule.
- (n) **“Metered Unit Charge”** means the charge required to be paid by a Customer for Services during a prescribed period in the amount specified in the Rate Schedule.
- (o) **“Person”** means any individual, corporation, partnership, cooperative, association or other entity.
- (p) **“Premise”** means a single lot or piece of ground including improvements thereon, to which Service is or will be provided by the Company, and which is entitled to and authorized for service in accordance with a CPCN.
- (q) **“Rate Schedule”** means the schedule(s) in the Water System Tariff and attached to and forming part of these terms and conditions, which sets out the charges for Service and certain other related charges in connection with the provision of Services.
- (r) **“Reactivation Charge”** means the charge required to be paid by a Customer for reactivation of Services, in the amount specified in the Standard Fees and Charges Schedule.
- (s) **“Replacement Reserve Fund”** means a reserve fund set up by the Company as required by the Comptroller pursuant to the Water Utility Act R.S.B.C. 1996, c. 485 and the Utilities Commission Act, Section 57, and managed by the Comptroller into which a portion of the charges for services set out in the Rate Schedule forming part of the Water System Tariff collected by the Company will be deposited for the purpose of funding emergency work, repairs and Water System replacement.
- (t) **“Residential Premise”** means the Premise of a single Customer, whether single family dwelling, separately metered single-family townhouse, row house, apartment, or single-metered apartment blocks with four or less apartments.
- (u) **“Residential Service”** means the provision of Service provided to a Residential Premise.
- (v) **“Returned Cheque Charge”** means the charge required to be paid by a Customer if a cheque received by the Company from a Customer in payment of any account is returned by the Customer’s bank, trust company or financial institution for any reason other than a clerical error.
- (w) **“Services”** means the provision of water utility services supplied by the Company to a Premise by the Water System and includes the operation and maintenance of the Water System.
- (x) **“Services Agreement”** means either an oral or written application for Services of a Customer which has been approved by the Company and which is deemed to include the terms and conditions set out herein or an agreement for Services in a form determined by the Company and signed by the Customer.
- (y) **“Service Connection”** means, in respect of any component of the Water System provided to a building, the connection point representing the demarcation between the service infrastructure owned by the Company and the equipment owned by the Customer or owner of the Premise. The Service Connection is generally located at the property line.

- (z) **“Standard Fees and Charges Schedule”** means the Standard Fees and Charges Schedule forming part of the Water System Tariff.
- (aa) **“Tenant”** means a Person who has the temporary use and occupation of real property owned by another person.
- (bb) **“Water System”** means all pipes, pumps, wells, intakes, dams, valves, reservoirs, manholes and appurtenances which constitute the system for supplying water to the Service Connections.
- (cc) **“Water System Tariff”** means the tariff as approved by the Comptroller.

PART B - GENERAL TERMS AND CONDITIONS

1. Application for Service

The Company provides Services to Customers solely in accordance with the terms and conditions set out herein and the Rate Schedules set out in the Water System Tariff attached hereto.

Every Person wishing to become a Customer shall apply to the Company for Services. Application for Services can be made in person, in writing, by phone call or e-mail. Applicants will be required by the Company to complete an application form or an agreement for Service in such form as determined by the Company from time to time. Applicants may be required to provide reference information and identification acceptable to the Company.

The application or agreement for Services will become a Services Agreement upon commencement of the provision of Services, and these terms and conditions will be part of said Services Agreement.

If an Applicant requests Services from the Company at more than one Premise, or for more than one separately operated business, the Applicant will be considered a separate Customer for each of the Premises and businesses. A new application for service is required for extensions of service to additional buildings or structures on the Premise and/or for additional purposes. The Company will determine whether or not any building contains one or more Premises or any business is separately operated.

The Company may refuse to provide Services to an Applicant if an occupant of the Applicant’s Premise has an unpaid account for Services incurred while the occupant previously occupied any Premise at the same time as the Applicant.

2. Extension of Service to Non-Serviced Lots

For Premises not authorized under the CPCN for the Services, applications for Service shall be made in writing, by the owner or lessee of the Premises to which the application refers, or by the owner's duly authorized agent. All applications for Service shall state:

- (a) the purpose(s) for which the Service is to be used (i.e. domestic, commercial, irrigation, etc.);
- (b) the legal description of the property; and
- (c) the number and location of the premises to be served.

For each application, an initial deposit of \$200 is required to be paid at the time of application. Costs incurred by the Company for legal, engineering and other fees, including Company staff time, will be

payable by the Applicant and the Company may require further deposits prior to undertaking certain aspects of the work involved in extending the service to the Premises. Charges for extension of service are intended to recover the Company's costs. In response to each application, the Company will provide details of the current terms and conditions of Service and all applicable rates and charges applicable.

The Applicant will be required to either make a financial contribution in aid of construction into the Deferred Capacity Reserve Fund as set out in Schedule "B" of the Water System Tariff or to construct at its own cost the portion of the Water System required to supply water to the Service Connection located on the Premises and transfer ownership of the infrastructure to the Company.

Each application for extension of service requires an amendment to the CPCN to include the new Premises within the service area authorized in the CPCN. Prior to the issuance of an amended CPCN, confirmation must be provided to the Comptroller that either a financial contribution has been made by the Applicant into the Deferred Capacity Reserve Fund or that additional works have been constructed and contributed to the Company by the Applicant as required by the Comptroller.

Once the amendment to the CPCN is issued, and while the Premises are yet not receiving Service, an availability of service charge as set out in Schedule "D" of Water System Tariff will be applicable.

Upon connection to the Water System, the Applicant will be required to pay the Connection Charge.

A new application for Service is required for extensions of service to additional buildings or structures on the Premise and/or for additional purposes.

3. Re-Application for Service

If a Customer's Services Agreement is terminated, whether or not there is a physical disconnection by the Company, and if that Customer or the spouse, servant or agent of that Customer applies for new Services within 12 months of the most recent termination date for the same Premise, then the Applicant shall pay the greater of:

- (a) the costs that the Company estimates that it will incur in making the restoration or reconnection of the Services; and
- (b) the sum of the Basic Charges which the Customer would have paid between the time of termination and the time of application for new Services.

4. Assignment

A Customer shall not transfer or assign a Services Agreement to another Person without the written consent of the Company.

5. Rates

The rates and charges for Services set out in the Rate Schedule and the Standard Fees and Charges Schedule in the Water System Tariff and any other fees or charges to be charged by the Company, and paid by Customers to the Company for Services shall be the rates from time to time in effect. The rates and charges in the Rate Schedule and Standard Fees and Charges Schedule and other charges in these terms and conditions are the only lawful, enforceable and collectable rates and charges of the Company, and shall not be amended without the consent of the Comptroller. The Comptroller, on his own motion, or on complaint of the Company or other interested persons that the existing rates in effect and collected or

any rates charged or attempted to be charged for the Services are unjust, unreasonable, insufficient, unduly discriminatory or in contravention of the Water Utility Act, regulations or law, may, after investigation, determine the just, reasonable and sufficient rates to be observed and in force, and shall, by order, fix the rates and the Water System Tariff will be amended accordingly.

The Company reserves its right to amend the rates set out in the Rate Schedules and charges and fees set out in the Standard Fees and Charges Schedule from time to time and to establish alternative rate structures for the provision of the Services, subject to approval by the Comptroller. The Company may submit to the Comptroller, by letter of application together with full supporting documentation, proposed amendments to the Rate Schedule and Standard Fees and Charges Schedule, and other terms and conditions of Service. After initial review of the application, the Comptroller may require the Company to give an acceptable form of notice of the application to its Customers and other interested persons. The notice will state a specific time period within which any interested persons may submit objections to the application to the Comptroller. After investigation of the application and any objections thereto, the Comptroller will decide the matter and notify all interested persons of his decision.

6. Service Connections

6.1. Maintenance of Water System

The Company shall maintain the Water System and the Water System shall be and remain the property of the Company. The Company will normally serve each Premise with one Service Connection for each of the Services. If a Customer requests more than one Service Connection for a Service, the Company may install the additional Service Connection and charge the Customer the Account Charge as set out in the Standard Fees and Charges Schedule, as well as the full cost (including overhead) for the additional Service Connection installation. The Company, at its discretion, may bill for the additional Service Connection from a separate account.

6.2. Separate Service

Each Premise shall be served individually through separate service lines, unless the Company approves some other arrangement because of special circumstances.

6.3. Winter Construction

During winter construction conditions such as ground frost or excessive snow accumulations, the Company may postpone construction until winter construction conditions subside.

7. Equipment and Facilities on Private Property

The Company is not responsible for any facilities and equipment on a Customer's Premise beyond the Service Connection. All infrastructure and equipment including all pipelines used to connect a Premise to the Service Connection shall be installed, maintained and owned by the Customer or the owner of the Premise and shall be installed and maintained in a manner satisfactory to the Company.

The Company may, at its discretion, install or require the installation of meters and meter reading devices at a convenient location at the Premises and such meters and meter reading devices shall remain the property of the Company and the Customer shall ensure that the Company has reasonable access to such meters and meter reading devices.

8. Disconnection by Authorized Personnel

Services shall not be disconnected from any Premise by any person who is not an agent of the Company, except temporarily by a qualified plumber in order to perform maintenance or repairs on facilities and equipment within the Premise. No Customer, unless specifically authorized to do so by the Company, shall open or close any of the valves in the Water System or any of the Service Connections.

9. Service Reconnections

A Customer shall pay a Reactivation Charge set out in the Standard Fees and Charges Schedule when Services are reconnected to a Premise previously disconnected from Services for the following reasons:

- (a) at the request of the Customer;
- (b) to permit the Customer to make alterations to or on the Premises; or
- (c) for breach of these terms and conditions.

The Reactivation Charge applies when the same Customer, or the spouse, employee, agent, contractor or partner of the same Customer requests reactivation of Services to the Premise within a period of one year from the date of disconnection.

A Customer shall not be required to pay a Reactivation Charge when the service disconnection was made for the reason of public safety or when the Company made the service disconnection for service requirements of the Company.

The Applicant for reactivation must pay the greater of:

- (a) the costs the Company incurs in reactivating the Service; and
- (b) the sum of the Basic Charges which the Customer would have paid between the time of termination and the time of reactivation of Services.

10. Change in Customer

It shall be the obligation of each Customer to notify the Company to terminate Services upon change of occupant or ownership of the Premises. The notice shall state the effective date for the change, which shall be no less than seven days after the notice is received by the Company.

Upon receipt of such notice, the Company shall prepare and submit to the Customer a final bill.

11. Use Of Services

A Customer shall use the Services only for the purposes permitted under the Rate Schedules for which application is or was made.

If the Company provides separate systems for potable water and for irrigation water, the Customer shall be responsible to ensure that no Cross-Connection (as defined in Section 12 below) occurs between the two systems, and that any taps or other fixtures from which water may be consumed are connected to the potable water system.

A Customer shall use the Services so as not to endanger equipment or cause any undue or abnormal fluctuations or demands on the Water System.

A Customer shall request permission from the Company in advance if the Customer wishes to use an excessive quantity of water, such as for filling a swimming pool or such other purpose, and the Company will approve such request provided the quantity of water can be safely delivered through the Company's Water System and other Customers are not inconvenienced thereby.

12. Cross-Connections and Backflow Warning

The Customer shall not connect or permit the connection of the Customer Water Service Line to any potential source of contamination including any non-potable irrigation supply provided by the Company or any source of water located on the Premises ("**Cross-Connections**"). Any backflow prevention devices deemed necessary by the Company to prevent the contamination of the Water System shall be installed at the Customer's expense and in accordance with the Company's specifications. In the event the Customer uses a non-potable water source for irrigation, the Customer shall install non-potable hose connectors that are of a different design to the standard garden hose thread fittings to ensure potable water devices cannot be connected to a non-potable water supply and devices cannot be mistaken for potable water sources.

The Company shall have access to the Premises for the purpose of inspecting potential Cross-Connection occurrences and all costs incurred by the Company in respect of such inspections and preventive or rectifying any Cross-Connections are the responsibility of the Customer. If any person makes any unauthorized connection or extension to the Water System, the Company may, in addition to any other remedies, immediately discontinue Services to such unauthorized connection or extension. In the case of any dispute concerning the authority for any such connection or extension, the burden of proof shall be upon the Customer to establish the validity of such authority.

13. No Disinfectants

The Customer acknowledges that the Services do not include treatment of the water supply with disinfectants and that the water is not treated with disinfectants. The Customer further acknowledges that there may be health risks associated with consuming water supply that is not treated with disinfectants. The Customer is responsible for ensuring that any owner of the Premise, any Tenant and other Persons are aware that the water supply is not treated with disinfectants.

The Company, its affiliates and their directors, officers, employees, contractors and agents and the Lindell Beach Residents Association are not responsible or liable for any loss, injury (including death), damage or expense incurred by any owner of a Premise or any Customer or any other Person caused by or resulting from, directly or indirectly, the absence of disinfectants in the water supply.

The Customer releases and shall indemnify and hold harmless the Company, its affiliates and their directors, officers, employees, contractors and agents and the Lindell Beach Residents Association from and against all claims, loss, damage, costs or injury (including death) suffered by any owner of the Premise, the Customer or by any other Person caused by or resulting from directly or indirectly, the absence of disinfectants in the water supply.

14. Service Upgrades and Extensions

An existing Customer may make application to the Company to upgrade or extend the existing Water System at the Premise beyond the normal standard for which application is or was made. If approved by

the Company, the Customer will pay for any costs, including overhead and a reasonable margin, incurred by the Company.

15. Resale / Unauthorized Supply or Use

Unless authorized in writing by the Company, a Customer shall not sell or supply Services supplied to it by the Company to other Persons or use the Services supplied to it by the Company for any purpose other than as specified herein.

A Customer shall not make any connection or extension of any kind to the Water System without the prior written authorization of the Company. If any person makes any unauthorized connection or extension to the Water System, the Company may, in addition to any other remedies, immediately discontinue Services to such unauthorized connection or extension. In the case of any dispute concerning the authority for any such connection or extension, the burden of proof shall be upon the Customer to establish the validity of such authority.

16. Billing

16.1. Bills will be rendered on the basis of the Customer's Service Agreement, the Rate Schedules under which the Customer is provided Services and the fees and charges contained in the Standard Fees and Charges Schedule as set out in the Water System Tariff and as amended by the Company with the approval of the Comptroller.

16.2. Bills will be rendered as often as deemed necessary by the Company, but generally on semi-annual basis. The due date for payment of bills shown on the face of the bill is the first business day after:

- (a) the twenty first (21st) calendar day following the billing date; or
- (b) such other period as may be determined by the Company.

16.3. Customers requesting historic billing information may be charged the cost of processing and providing this information but shall be notified of such charge in advance.

17. Back Billing

17.1. The Company, in the circumstances specified herein, may charge, demand, collect or receive from its Customers in respect of Services rendered, a greater or lesser compensation than that specified in the subsisting Rate Schedules of the Company applicable to those Services. In the case of a minor adjustment to a Customer's bill, such adjustments do not require back-billing treatment to be applied.

17.2. Back-billing means the re-billing by the Company for Services rendered to a Customer because the original billings were discovered to be either too high (over-billed) or too low (under-billed). The discovery may be made by either the Customer or the Company and may result from the conduct of an inspection. The cause of the billing error may include any of the following non-exhaustive reasons or combination thereof:

- (a) the application of an incorrect rate; and
- (b) fraud, theft or any other criminal act.

- 17.3. If there are reasonable grounds to believe that a Customer has tampered with or otherwise used the Company's Water System or the Services in an unauthorized way, or evidence of fraud, theft or other criminal act exists, then the extent of back-billing will be for the duration of the unauthorized use, subject to the applicable limitation period provided by law, and the provisions of Sections 17.8, 17.9, 17.10, and 17.11 below do not apply.
- 17.4. In addition, the Customer is liable for the direct administrative costs incurred by the Company in the investigation of any incident of tampering, including the direct costs of repair, or replacement of equipment.
- 17.5. Under-billing resulting from circumstances described above will bear interest at the rate normally charged by the Company on unpaid accounts from the date of the original under-billed invoice until the amount under-billed is paid in full.
- 17.6. In every case of under-billing or over-billing, the cause of the error will be remedied without delay, and the Customer will be promptly notified of the error and of the effect upon the Customer's on-going bill.
- 17.7. In every case of over-billing, the Company will refund to the Customer all money incorrectly collected for the duration of the error, subject to the applicable limitation period provided by law. Simple interest, computed at the short-term bank loan rate applicable to the Company on a monthly basis, will be paid to the Customer.
- 17.8. Subject to Section 17.3 above, in every case of under-billing, the Company will back-bill the Customer for the shorter of the duration of the error and;
 - (a) six months for Customers receiving Residential Service or Commercial Service; or
 - (b) one year for all other Customers or as set out in a special or individually negotiated Services Agreement with the Company.
- 17.9. Subject to Section 17.3 above, in every case of under-billing, the Company will offer the Customer reasonable terms of repayment. If requested by the Customer, the repayment term will be equivalent in length to the back-billing period. The repayment will be interest free and in equal installments corresponding to the normal billing cycle. However, delinquency in payment of such installments will be subject to the usual late payment charges.
- 17.10. Subject to Section 17.3 above, if a Customer disputes a portion of a back-billing due to under-billing based upon either consumption, demand or duration of the error, the Company will not threaten or cause the discontinuance of Services for the Customer's failure to pay that portion of the back-billing, unless there are no reasonable grounds for the Customer to dispute that portion of the back-billing. The undisputed portion of the bill shall be paid by the Customer and the Company may discontinue Services if such undisputed portion of the bill is not paid.
- 17.11. Subject to Section 17.3 above, in all instances of back-billing where changes of occupancy have occurred, the Company will make a reasonable attempt to locate the former Customer. If, after a period of one year, such Customer cannot be located, the over-billing or under-billing applicable to them will be cancelled.

18. Late Payment Charge

If the amount due on any bill has not been paid in full on or before the due date shown on such bill a further bill will be rendered to include the overdue amount plus a Late Payment Charge as set out in the Standard Fees and Charges Schedule. Notwithstanding the due date shown, to allow time for payments made to reach the Company, and to co-ordinate the billing of Late Payment Charges with scheduled billing cycles, the Company may, in its discretion, waive Late Payment Charges on payments not processed until a number of days after the due date.

19. Returned Cheque Charge

If a cheque received by the Company from a Customer in payment of any account is returned by the Customer's bank, trust company or financial institution for the reason of not sufficient funds, or any reason other than clerical error, a Returned Cheque Charge, as set out in the Standard Fees and Charges Schedule, for processing each returned cheque will be added to the amount due and payable by the Customer whether or not the service has been disconnected.

20. Refusal to Provide Service and Discontinuance of Service

20.1. The Company may refuse to provide Services or may, with 48 hours written notice, discontinue Services to any Customer or Applicant who:

- (a) failed to fully pay for Services at any Premises on or before the due date;
- (b) failed to pay any required security deposit, equivalent form of security, or post a guarantee or required increase in it, by the specified date;
- (c) is in receivership or bankruptcy, or operating under the protection of any insolvency legislation and has failed to pay any outstanding bills to the Company; or
- (d) occupied the Premise with another occupant who has an outstanding account incurred for Services while occupying any Premise at the same time as the Customer.

20.2. The Company may refuse to provide Services or may discontinue Services without notice, to any Customer or Applicant who:

- (a) refuses to provide reference information and identification acceptable to the Company, when applying for Services or at any subsequent time on request by the Company;
- (b) breaches these terms and conditions upon which Services are provided by the Company;
- (c) has defective pipes or appliances in the Customer's Premise;
- (d) uses the Water System or the Services in such a manner, as in the Company's opinion may lead to a dangerous situation;
- (e) fails to make modifications or additions to the Customer's equipment which have been required by the Company in order to prevent the danger described in Section 20.2(d) above;
- (f) fraudulently misrepresents to the Company the Customer's use of the Water System or the Services or vacates the Customer's Premise; or

(g) has the Customer's Service Agreement terminated for any reason.

20.3. The Company shall not be liable for any loss, injury or damage suffered by any Customer by reason of the discontinuation of or refusal to provide Services.

21. Security for Payment of Bills

Customers who have not established or maintained credit to the satisfaction of the Company, may be required to provide a security deposit or equivalent form of security, the amount of which may not:

- (a) be less than \$50; or
- (b) exceed an amount equal to three months' Basic Charge.

A security deposit or equivalent form of security is not an advance payment.

The Company will pay interest on a security deposit at the rate and at the times specified in the Standard Fees and Charges Schedule. If a security deposit is returned to a Customer for any reason, the Company will credit any accrued interest to the Customer's account at that time. No interest is payable on:

- (c) any unclaimed deposit left with the Company after the account for which it is security is closed; or
- (d) on a deposit held by the Company in a form other than cash.

When a Customer pays the final bill, the Company will refund any security deposit plus any accrued interest or cancel the equivalent form of security.

If the Company is unable to locate the Customer to whom a security deposit is payable and it remains unclaimed for 10 years, the deposit then becomes the property of the Company.

If a Customer's bill is not paid when due, the Company may apply all or any part of the Customer's security deposit or equivalent form of security and any accrued interest towards payment of the bill. Under these circumstances, the Company may still elect to discontinue Services to the Customer for failure to pay for Services.

If a Customer's security deposit or equivalent form of security is appropriated by the Company for payment of an unpaid bill, the Customer must re-establish the security deposit or equivalent form of security before the Company will reconnect or continue Services to the Customer.

22. Account Charge – Existing Installation

When a change of Customer occurs, an Account Charge, as set out in the Standard Fees and Charges Schedule, shall be paid by the new Customer with respect to each Services applied for and for each account in that Customer's name for which a separate bill is rendered by the Company, except if the new Customer is, or was, the spouse of the former Customer.

23. Collection Charge

A Collection Charge, as set out in the Standard Fees and Charges Schedule, shall be paid by the Customer for each time a Company representative attends the Customer's Premise to disconnect Services following issuance of a disconnect notice.

24. Termination of Service

Unless the Services Agreement or applicable Rate Schedule specifies otherwise, the Services Agreement will terminate on the date specified by the Customer in a written termination notice to the Company, provided that the date of termination shall be at least 48 hours after delivery of the notice of termination. The Customer will be responsible for all charges outstanding for Services provided up to the date that the Services Agreement is properly terminated.

The Customer is not released from any previously existing obligations to the Company by terminating the Services Agreement.

After receiving a termination notice for a Premise, and after a reasonable period of time during which a new Customer has not applied for Services at the Premise, the Company may seal off the Service lines connected to the Premise.

The Company reserves the right to suspend or terminate Services at any time to prevent fraudulent use of the Water System or the Services and to protect its property if the Customer fails to comply with the terms of the Customer's Service Agreement, or if the Company is ordered by a competent government authority to suspend or terminate such Services.

25. Curtailment of Service

The Company will use commercially reasonable efforts to provide regular and uninterrupted Services, but it does not guarantee continuous Services.

Services may be temporarily suspended to make repairs or improvements to the Water System or in the event of fire, flood or other sudden emergency. Further, at any time in the event of a breakdown or failure of the main supply or treatment or distributing plant or equipment, or to comply with the requirements of any law, or to promote water conservation, the Company shall have the right to require any Customer or class or classes of Customers or all its Customers, until notice of termination of the requirement is given, or between specified hours, to discontinue the use of Services for any purpose or purposes or to reduce in any specified degree or quantity of consumption of Services for any purpose or purposes.

The Company will, whenever practicable, give notice by phone, mail, hand delivery or other means determined by the Company of any suspension of Services to the Customer and will restore Services as soon as reasonably possible.

The Company shall have authority, in the event of any emergency affecting the adequacy of the supply of water to the users of the Company's Water System or the firefighting capacity of the Water System, either actual or imminent, to require any or all users to curtail or discontinue the use of water for nonessential uses. Such curtailment or discontinuance shall remain in effect for the duration of such emergency. No Customer shall thereafter use or permit to be used water furnished by the Company except in strict compliance with such regulations or restrictions. Verbal or other notice by the Company to the Customer or public advertisement in a newspaper circulated locally shall be deemed to be sufficient notice of such curtailment.

Nonessential uses of water are included in the following list:

- (a) use of hoses, sprinklers, or other means for sprinkling or watering of shrubbery, trees, lawns, grass, plants, vines, gardens, vegetables, flowers, or any other vegetation;

- (b) use of water for watering golf courses other than a bare minimum to preserve turf;
- (c) use of water for washing automobiles, trucks, trailers, trailer houses, or any other type of mobile equipment;
- (d) washing of streets, driveways, parking lots, office buildings, exteriors of homes, sidewalks, apartments, or other outdoor surfaces;
- (e) operation of any ornamental fountain or other structures making a similar use of water;
- (f) use of water for filling swimming or wading pools;
- (g) operation of any water-cooled comfort air conditioning which does not have water-conserving equipment;
- (h) use of water from fire hydrants for construction purpose, fire department drills, or testing fire apparatus, except as deemed necessary and approved in the interest of public health or safety;
- (i) use of water to flush a sewer line or sewer manhole; and
- (j) use of water for commercial farms and nurseries other than a bare minimum to preserve plants, crops and livestock.

A Customer who contravenes a discontinuance or curtailment restriction may receive one warning notice per calendar year before a fine for contravention applies. A notice delivered to the Customer's Premises shall be deemed good and sufficient notice of a contravention. For each subsequent contravention during the calendar year, a \$50.00 fine is applicable.

26. Liability

The Company, its affiliates and their directors, officers, employees, contractors and agents are not responsible or liable for any loss, injury (including death), damage or expense incurred by any owner of a Premise or any Customer or other Person claiming by or through the Customer or owner, caused by or resulting from, directly or indirectly, any discontinuance, suspension, or interruption of, or failure or defect in the supply or delivery of the Services, unless the loss, injury, damage or expense is directly attributable to the gross negligence or willful misconduct of the Company, its directors, officers, employees, contractors or agents provided, however, that the Company, its affiliates and their directors, officers, employees, contractors and agents are not responsible for any loss of profit, loss of revenues or other economic loss or consequential loss even if the loss is directly attributable to the gross negligence or willful misconduct of the Company, its affiliates or their directors, officers, employees, contractors or agents.

The Customer is responsible for all expense, risk and liability with respect to the use by the Customer of the Services and for any loss or damage to the Water System caused by or resulting from the act or omission of the Customer or a Person for whom the Customer is responsible.

The Customer is responsible for all expense, risk and liability with respect to the facilities and equipment connected to the Water System at the Customer's Premise.

The Customer will indemnify and hold harmless the Company, its directors, officers, employees, contractors and agents from all claims, loss, damage, costs or injury (including death) suffered by the Customer or owner of the Premise or by any Person claiming by or through the Customer or the owner or any third party caused by or resulting from the use of the Services by the Customer or the facilities and equipment connected to the Water System at the Customer's Premise, or from the Customer or Customer's employees, contractors or agents damaging the Water System.

27. Access to Premises and Equipment

The Company's agents, contractors and employees shall have, at all reasonable times, free access to the Water System and the Customer's facilities and equipment connected to the Water System at the Customer's Premise to ascertain the method of use of Services, as well as for the purpose of reading, testing, repairing, removing and replacing meters and ancillary equipment, for turning on and off the water, for conducting leak surveys, stopping leaks, and examining and repairing pipes, fittings, connections and other equipment.

28. Taxes

The rates and charges set out in the Rate Schedules do not include Social Services Tax or any other tax which the Company may be lawfully authorized or required to add to its rates and charges.

29. Rental Premises

As a condition of providing Services to a rental Premise, an owner or operator of the Premises who wishes the Company to consider dealing directly with the Tenant or Tenants may be required to enter into a rental premises agreement with the Company which provides for responsibilities of the owner or operator in relation to payment for Services used at the Premise. Notwithstanding any rental premises agreement, the Company may, at its sole option, at any time and from time to time, either:

- (a) deal directly with the owner or operator of the Premise as a Customer of the Company with respect to any or all Services to the Premise; or
- (b) subject always to the provisions of any rental premises agreement, deal directly with each Tenant as a Customer of the Company.

30. Conflicting Terms and Conditions

Whenever anything in these terms and conditions is in conflict with any special terms or conditions provided in any Rate Schedule, the terms or conditions provided in the Rate Schedule shall prevail and whenever anything in these terms and conditions or in any Rate Schedule is in conflict with the terms of any special contract the terms of such special contract shall prevail.

31. Authority of Agents of the Company

No employee, contractor or agent of the Company has authority to make any promise, agreement or representation not incorporated in these terms and conditions or in a Service Agreement, and any such unauthorized promise, agreement or representation is not binding on the Company,

32. Changes to Terms and Conditions, Rates and Charges

These terms and conditions may be amended from time to time and at the sole discretion of the Company. The terms and conditions and the rates set out in the Rate Schedules attached hereto that are in effect at any given time may be inspected during business hours at the Company's office.

CORIX MULTI-UTILITY SERVICES INC.

Water Utility Act

Water Tariff No. 2 (FINAL)

Water System Tariff for Cultus Lake Water

CONTAINING

RATES FOR SERVICE

Contact Person: Bob Shields, Operations Manager

These terms and conditions of Service are available for public inspection at the offices of: Corix Multi-Utility Services Inc., 3175 Turner Street, Abbotsford, BC V2S 7T9

Accepted for Filing by the
Comptroller of Water Rights

Effective: July 1, 2017



Secretary to the Comptroller

STANDARD FEES AND CHARGES SCHEDULE

Account Charge \$25.00

The Account Charge is an initial set-up charge payable by each Applicant for each Service.

Reactivation Charge \$45.00

The Reactivation Charge applies to each service reactivated.

Administration Charges

Collection Charge \$45.00

Returned Cheque Charge \$35.00

Late Payment Charge 2.00% per month (24% per annum) on outstanding balance

Interest on Cash Security Deposit

The Company will pay interest on cash security deposits at the Company's prime interest rate minus 2.00%. The Company's prime interest rate is defined as the floating annual rate of interest which is equal to the rate of interest declared from time to time by the Company's lead bank as its "prime rate" for loans in Canadian dollars.

Payment of interest will be credited to the Customer's account in January of each year.

**RATE SCHEDULE 1:
RESIDENTIAL SERVICE**

This Rate Schedule is applicable to Services provided to Residential Premises where separate Services are provided to each individual residence.

Basic Charge:

Utility Services Portion \$29.48 per month

Replacement Reserve Fund \$12.66 per month

Total Basic Charge \$42.14 per month

Metered Unit Charge: N/A

Notes:

1. Rates are billed quarterly.
2. Revenues collected and deposited into the Replacement Reserve Fund may only be released with the written authorization of the Comptroller.

**RATE SCHEDULE 2:
SMALL COMMERCIAL SERVICE**

This Rate Schedule is applicable to Services provided to commercial, institutional or small industrial operations where separate Services are provided to each individual business.

Basic Charge N/A

Metered Unit Charge N/A

Notes:

1. Rates are billed quarterly.
2. Revenues collected and deposited into the Replacement Reserve Fund may only be released with the written authorization of the Comptroller.

SCHEDULE "A"
WATER SERVICE CONNECTION

The charges shown below apply to connections to a main (see Part B, Section 2 of the terms and conditions of Service).

The Connection Charge (a) recovers the cost incurred by the Company, and not otherwise recovered, of installing a Service Connection from the water main to a curb stop and, if required, a meter at the property line of the Customer's Premises or in the building. Cost herein includes any administrative overhead incurred.

Where, at a time prior to a Customer's application for Service, a Service Connection has been installed at no cost to the Company or at a cost otherwise recovered by the Company, then upon connection of the service pipe, the rate shown in (b) below shall be paid upon application for Service.

(a)	Connection Charge	At cost
(b)	Connection of Customer's service pipe to an existing curb stop	\$100.00

**SCHEDULE “B”
DEFERRED CAPACITY RESERVE FUND**

Where as a result of Premises becoming qualified as authorized premises a greater number of units require or may require service from the Company, thus utilizing waterworks capacity presently or in the future, then, upon application for an extension of service, in addition to the Connection Charge and any main extension costs, the charge shown below shall be paid.

**For each domestic service premises¹
qualifying as authorized premises**

\$5,000² per Applicant/Customer

Notes:

1. For other than a Residential Service Premises, the charge shall be calculated on a single family residential equivalent basis.
2. Monies collected are to be deposited to the Company’s Deferred Capacity Reserve Fund and can only be released with the written authorization of the Comptroller.

**SCHEDULE “C”
FIRE HYDRANT & STANDPIPE RATES**

Per Fire Protection Agreement

Applicability: Within that portion of the Water System’s authorized service area in the district or other recognized local fire protection authority area.

Rates:

Hydrants included in rates

Standpipes/Blow Offs included in rates

SCHEDULE "D"
AVAILABILITY OF SERVICE CHARGE

Per Rent Charge Agreement(s)

Applicability: To all owners of lots that have a Rent Charge Agreement registered on title.

Charges:

Utility Service Portion:	\$20.64 per month
Replacement Reserve Fund:	\$8.86 per month
Total Availability Of Service Charge	\$29.50 per month

Notes:

1. Charges are billed quarterly.
2. Revenues collected and deposited into the Replacement Reserve Fund can only be released with the written authorization of the Comptroller.