

**WATER UTILITY ACT**

**WATER TARIFF NO. 4**

**RATES AND TERMS AND CONDITIONS  
FOR WATER SERVICE**

**at:**

**FERNIE ALPINE RESORT**

**By**

**RESORTS OF THE CANADIAN ROCKIES INC.**

1505 – 17<sup>th</sup> Avenue SW, Calgary, Alberta, T2G 0P2

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Fernie Alpine Resort, 5339 Ski Hill Road, Fernie, BC VOB 1M6

And

Resorts of the Canadian Rockies Inc.  
1505 – 17<sup>th</sup> Avenue SW, Calgary Alberta, T2T 0E2

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Secretary to the Comptroller of Water Rights

## Definitions

In this tariff the following definitions shall apply:

- a) "**authorized premises**" means premises which are entitled to, and authorized for, service in accordance with the Certificate of Public Convenience and Necessity of the Utility;
- b) "**bed unit**" means a unit of measurement to reflect the accommodation required for one person to stay overnight, or the commercial equivalent thereto, as set out in Schedule "A", and bedroom means a separate room that is used for overnight accommodation;
- c) "**business day**" means a day during which normal business is conducted and usually includes Monday through Friday. A statutory holiday is not considered a Business Day;
- d) "**Comptroller**" means the Comptroller of Water Rights under the *Water Act* and includes a Deputy Comptroller or a person appointed by the Minister as Acting Comptroller;
- e) "**CPCN**" means Certificate of Public Convenience and Necessity issued to the Utility, as amended from time to time;
- f) "**customer**" means any person who is the owner or lessee of an authorized premises;
- g) "**domestic service**" means any service which is not consider commercial in nature;
- h) "**FARUC**" means Fernie Alpine Resort Utility Corporation, the entity which has been created to operate the day to day utility operation.
- i) "**multi-residential service**" means Condominiums or a strata development;
- j) "**premises**" means land and buildings thereon;
- k) "**rate**" includes:
  - (1) a general, individual or joint rate, fee, charge, rental or other compensation of the Utility;
  - (2) a schedule or tariff respecting a rate;
- l) "**residential service**" means in-house use plus lawn & garden sprinkling to a maximum area of 1/4 of an acre;
- m) "**Rent Charge Agreement**" means a rent charge, Section 219 (*Land Titles Act*) covenant or similar encumbrance registered against title to Authorize the Utility to secure payment of rates in respect of service or the availability of service;
- n) "**service**" means the supply of water provided by the utility to the customer;
- o) "**Service Works**" means the plant, equipment, apparatus, appliances, property and facilities employed by or in connection with the utility in providing the supply of water to the property line of the premise;

- p) **“single family residential equivalent (SFRE)”** means and includes a single-family dwelling unit intended for the use or occupancy by one or more individuals as a non-profit household, and includes a townhouse and side-by-side duplex up to 3 bedrooms per unit;
- q) **"unit"** means a building of accommodation occupied separately or to be occupied separately by an owner or lessee and, which either separately or jointly with other units, receives service from a connection to the Utility's waterworks and, without restricting the generality of the foregoing, includes the separate units of accommodation in all dwellings;
- r) **“Utility”** means Fernie Alpine Resort Utility Corporation.

## Terms and Conditions

### 1. Rates

The rates chargeable by the Utility to the Customers are set out in Schedules “D” to “H”.

### 2. Application for Service

For authorized premises, charges for service are intended to recover the Utility’s costs. The following charges are applicable depending upon the circumstances:

- (a) At the time an application is made for service to premises which had not previously been connected for service, the applicable charge shown in Schedule "A (a)" and/or "A (b)" of this tariff shall be paid by the applicant.
- (b) A turn-on fee of \$75.00 shall be applicable when:
  - (i) a turn-on of a valve at an existing curb-stop is made at a date after the service connection was installed;
  - (ii) a customer becomes re-connected after service has been shut-off at the request of the customer, for non-payment of rates, or for violation of these terms and conditions.
- (c) A service shut-off charge of \$75.00 shall be applicable when service has been temporarily shut-off at the request of the customer, or for non-payment of rates, or for violation of these terms and conditions.
- (d) At the time an application for service is made by a new customer, an administration charge of \$25.00 shall apply. This charge is not only applicable for a new connection, but also when a new customer, either owner or lessee of the premises, commences receiving service to an existing authorized premises.

### 3. Billing and Payment

All bills are issued **semi-annually in arrears** and are due and payable within fifteen (15) business days of the date of issue. If the amount due on any bill has not been paid in full within fifteen (15) business days from the date of issue a further bill will be rendered to include the overdue amount at 1 ½ percent per month plus a late payment charge of \$25.00.

If a cheque is returned by the customer’s financial institution an administration fee of \$40.00 will be charged.

#### **4. Service Shut-Off Due to Non-Payment**

When an account becomes one month overdue, service may be shut off upon fifteen (15) business days' written notice. A notice sent by registered mail to the last known postal address of the customer shall be deemed good and sufficient notice. A collection charge of \$50.00 shall be paid each time a Utility representative attends a customer's premises to disconnect service, following the issuance of a shut-off notice. On the attendance of the Utilities representative to disconnect service, the customer must pay the Utility all amount in arrears, plus collection charges in order to prevent continued disconnection.

Service will not be turned on until all outstanding charges against the service, including the collection charge, shut-off charge and turn-on fee (Sections 1(b) and 1(c)) have been paid.

#### **5. Discontinuance of Service**

- a) Customers must give at least two (2) working days' notice in writing to the office of the Utility when requesting discontinuance of service and shall be liable for payment for all service until such service has been discontinued.
- b) Any customer who desires to discontinue the use of water for any of the purposes stated in his application for service shall give notice of his intention, in writing, at the office of the Utility, and shall further show that any fittings used for the supply of water for such purposes have been disconnected.
- c) The Utility may discontinue service to any customer who contravenes the terms and conditions contained in this tariff. In the event of further contravention of the tariff, the Utility may detach the service connection from the customer's premises and, upon re-application for service, the customer shall be liable to pay the Utility's cost of performing the said detachment and re-connection in addition to other applicable rates and charges.

#### **6. Access to Premises**

A condition of service shall be the customer's consent, upon reasonable notice, for representatives of the Utility to enter onto the customer's property for the purposes of making connections/disconnections, taking water quality samples, reading meters, inspecting pipes and appurtenances, checking on the use or waste of water or determining compliance with these terms and conditions.

#### **7. Interruption of Service**

The Utility intends to maintain at all times an adequate and continuous supply of water at suitable pressures but accepts no liability for interruptions due to circumstances beyond its control. However, for the interruptions in excess of 48 hours, a proportionate rebate will be allowed to customers served on flat rates.

### **8. Restriction of Use of Water**

The Utility may restrict or prohibit the use of water for gardening, sprinkling, air conditioning, the filling of swimming pools, or other purposes when, in its opinion, such action is necessary to conserve the water supply or to maintain water pressure. A customer who contravenes water use restrictions 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.

### **9. Limits on Water Use**

No customer shall sell or dispose of any water or permit same to be carried away, or use water or allow it to be used in premises, or for purposes other than those stated in the customer's application for service.

The Utility may, if in its opinion an undue amount of water is used at any time by any customer being served under a flat rate, install a water meter and thereafter charge the customer in accordance with the meter rates included in this tariff. All such meters shall remain the property of the Utility.

### **10. Multiple Dwellings**

In the case of apartment houses, duplexes or houses containing one or more suites, each such accommodation, whether or not self-contained, shall **not** be considered as a separate customer unless it is *so* specified in a schedule of this Tariff other than side-by-side duplexes.

### **11. Work to be done by the Utility**

No person, who is not an agent or employee of the Utility, shall make any connections with or alterations to or tamper with any of the Utility's waterworks, including any water meter belonging to the Utility, nor turn on or off any valve or curb stop of the Utility, without prior authorization by the Utility.

### **12. Minimum Size of Services**

The minimum size of pipe used to serve any one premises shall be 3/4" (19 mm) nominal diameter. The type and diameter of pipe used on the customer's premises should be selected with due consideration of pressure losses from friction.

### **13. Minimum Earth Cover Over Services**

All services on the customer's premises shall be buried below the maximum depth of frost penetration but in any event at a minimum depth of 2.0 meters below the surface of the ground, or

alternatively, adequately insulated and inspected by a registered engineer. Confirmation of the engineers inspection must be provided to the Utility.

#### ***14. Ownership of Service***

All water service pipes and fittings carrying water from the main to the customer's property line, including the service line valve shall be the property of the Utility. Please note the valve stem (or curb stop) is the responsibility of the owner to ensure it is not damaged during landscaping and lawn maintenance. If buried, it is the customers responsibility to know the location.

#### ***15. Stop Cock***

The customer shall provide a shut-off valve (stop cock) inside each of the customer's buildings in which water is used, for the use by the customer in case of leaky or defective pipes or fixtures, or in case the premises is vacated.

#### ***16. Customer's Service Pipes / Inspections***

Service connection materials installed on the customer's premises shall be rated by the manufacturer to sustain a minimum working pressure of 160 psi (1100 kilopascals). No service pipe or fitting shall be covered until they have been inspected and approved by the Utility.

#### ***17. Dangerous Cross-Connections***

The customer shall not permit the plumbing on their premises to be connected to any source of water supply other than the Utility's, or to any potential source of contamination, without first obtaining the Utility's permission in writing. Any back-flow preventers deemed necessary by the Utility to prevent the entry of contaminants shall be installed at the customer's expense, in the time frame provided by the Utility. Discovery of an unauthorized cross-connection, or cross-connection that is not suitably protected by a certified backflow preventer, may result in immediate shut-off of water service without notice by the Utility. The water shall not be turned on again until such repairs have been made to the satisfaction of the Utility, and the charges paid as provided for in clauses 1 and 4(c) of this tariff. No person whose water supply is shut off pursuant to this section shall have any claim against the Utility for discontinuance of supply.

#### ***18. Condition of Customer's Pipes and Fixtures***

All customers at their own risk and expense shall keep their pipes, stop cocks and other fixtures in good working order and shall protect them from frost and other damage. The Utility shall, within a reasonable time notify the customer of any leaky pipes and fixtures that are evident on the premises. If the necessary repairs are not made within two (2) working days after such notice has been given, or when the condition of the pipes or fixtures is such as to cause damage to property or material waste of water or damage to property, then without further notice the Utility may shut off the water supply. The water shall not be turned on again until such repairs have been made to the

satisfaction of the Utility, and the charges paid as provided by clauses 1 and 4(c) of this tariff. No person whose water supply is shut off pursuant to this section shall have any claim against the Utility for discontinuance of supply.

### **19. Notice of Service Shut-off**

The Utility shall have the right at all times to shut off the water supply temporarily to any premises in order to make repairs, replacements, alterations and extensions to the Utility's waterworks as shall, in the opinion of the Utility, be deemed necessary. Whenever possible the Utility will give reasonable advance notice of shut-off, and, in all cases where the Utility expects service to be interrupted for 24 hours or more, the Utility shall give advance notice to its customers.

### **20. Application for Extension of Service**

For lots not authorized for service, all applications for extension of water 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;
- c) the number and location of the premises to be served.

Charges for extension of service are intended to recover the Utility's costs. For each application, an initial deposit of \$200 is required to be paid at the time of application. Additional costs incurred by the Utility for legal, engineering and other fees, including Utility staff time, will be payable by the applicant and may require further deposits prior to undertaking certain aspects of the application process.

Each application for extension of service requires an amendment to the Utility's Certificate of Public Convenience & Necessity (CPCN) to include the lot(s) within its authorized service area. In response to each application, the Utility will detail the terms and conditions of service including all rates and charges applicable. Prior to the issuance of an amended CPCN, confirmation is required that either a deposit into the Utility's Deferred Capacity Reserve/Trust Fund under Schedule B of this tariff has been made or that additional works have been constructed and contributed to the Utility by the applicant as required by the Comptroller of Water Rights.

If the application for extension of service does not proceed within one year of paying the deposit into the Deferred Capacity Reserve/Trust Fund under Schedule B of this tariff, the Utility will refund the amount plus interest to the applicant. Any costs directly associated with the application incurred by the Utility in excess of the \$200 initial deposit can be recovered from the monies paid into the Deferred Capacity Reserve/Trust Fund before issuing the refund to the applicant.



Once the amended CPCN is issued, and while the lot(s) are not receiving service, Availability of Service (rent) charges under Schedule G of this tariff will be applicable.

Additional applications shall be made for all extensions of service to additional premises and for additional purposes.

## **Water Main Extensions**

### **General Provisions**

- 20.1 Any waterworks installed pursuant to an application for extension of service shall be the sole property of the Utility.
- 20.2 The size, type, quality of materials, and their location will be specified by the Utility and the actual construction will be done by the Utility or by a construction agency acceptable to it.
- 20.3 In arriving at the length of the main extension necessary to render service to any point, the distance from such point to the nearest distribution main shall be considered along lines of proper construction and common practice in the location of public waterworks, due consideration being given to the general layout of the Utility's system. The length of the extension shall be measured along the lines of proper construction from the nearest distribution main to the center of the furthest property to be served.
- 20.4 The Utility will not be required to make extensions where road grades have not been brought to those established by public authority.
- 20.5 Where an extension must comply with a law, statute, bylaw, ordinance, regulation, specification or order of a public authority, the estimated cost of the extension shall be based upon the waterworks required to comply therewith.

### **Method of Allocating Advances and Refunds**

- 20.6 Advances by original applicants:  
When more than one applicant is involved and an advance is required in payment for a main extension the amount of the advance shall be divided equally or as otherwise agreed among the applicants are made known to the Utility.
- 20.7 Advances by subsequent customers:  
An extension charge equal to a pro-rata share of the original cost of the main extension shall be collected by the Utility from each additional customer who connects to the original main extension within five years. The extension charge collected above shall be refunded equally **or as otherwise agreed** to the customers who already have advances deposited with the Utility as a result of connection to the extension, so that in the result all subscribers will have paid their pro-rata share or as otherwise agreed by them and made known to the Utility.

- 20.8 Advances which may be required from applicants in payment for extensions will be held by the Utility without interest. Refunds will be made in accordance with these rules and no *person* will have refunded to him an amount in excess of the amount of his advance. Refunds will be paid to the current registered owners of the properties on account of which the deposits were received. Any amount not used by the Utility for construction of the extension and not refunded at the end of five years from the date the advance was received by the Utility from the original applicant or applicants will be retained by the Utility and transferred to the "Deferred Capacity Reserve/Trust Fund" account. Thereafter additional customers will be connected without being required to pay the extension charge.

### **21. Winter Construction**

The Utility reserves the right to refuse to make extensions and install service pipe to a customer's property line under frost conditions in the winter months that would make the undertaking impractical or in the Utility's opinion, excessively costly.

### **22. Amendments to Tariff**

The rates and charges recorded in this tariff are the only lawful, enforceable and collectable rates and charges of the Utility, and shall not be amended without the consent of the Comptroller. The Comptroller, on his own motion, or on complaint of the Utility or other interested persons that the existing rates in effect and collected or any rates charged or attempted to be charged for service by the Utility 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.

The Utility may submit to the Comptroller, by letter of application together with full supporting documentation, proposed amendments to rates and charges, and other terms and conditions of service. After initial review of the application, the Comptroller may require the Utility 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.

### **23. Disputes**

In case of disagreement or dispute regarding the application of any provision of these terms and conditions, or in circumstances where the application of the terms and conditions appears impracticable or unjust to either party, the Utility, or the applicant or applicants, may refer the matter to the Comptroller for adjudication.

## Schedule A

### Bed Unit Calculations

As of the date of this Tariff, the Bed Unit allocations for Authorized Premises are as follows:

- (a) Each Studio, secondary suite or one-bedroom accommodation is deemed to be comprised of 2 Bed Units;
- (b) Each two-bedroom accommodation unit is deemed to be comprised of 4 Bed Units;
- (c) Each three-bedroom accommodation unit is deemed to be comprised of 6 Bed Units;
- (d) Each four-bedroom accommodation unit is deemed to be comprised of 8 Bed Units;
- (e) Each five-bedroom accommodation unit is deemed to be comprised of 10 Bed Units;
- (f) Each single family detached unit is deemed to be comprised of 10 Bed Units unless an inspection conducted by the Utility at the request of the owner confirms otherwise; subject to a minimum of 6 Bed Units.
- (g) The Utility reserves the right to increase the equivalent Bed Unit counts on large homes or homes with pools to above the 10 Bed Unit count. Homes will be reviewed by the Utility on a case by case basis;
- (h) Each commercial hotel accommodation, unless containing separate sleeping areas, is deemed to be comprised of 2 Bed Units;
- (i) Each rental accommodation, rental suite, or bed & breakfast suite is covered under categories (a) to (g) above;
- (j) Each unit of seating capacity within a commercial restaurant, bar or lounge is deemed to be comprised of 1.3 Bed Units;
- (k) Each year-round full time resort employee, or equivalent, is deemed to be comprised of 0.40 Bed Units;
- (l) Each recreation vehicle stall served by the Utility is deemed to be comprised of 2 Bed Units.

**Schedule B****Water Service Connection**

The charges shown below apply to connections to a main (see page 2, section 1).

The connection charge (a) recovers the cost incurred by the Utility, 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 Utility or at a cost otherwise recovered by the Utility, then upon connection of the service pipe, the rate shown in (b) below shall be paid upon application for service.

- |     |   |                 |
|-----|---|-----------------|
| (a) | Connection Charge:  | <b>At Cost</b>  |
| (b) | Connection of customer's service pipe to an existing curb stop: | <b>\$100.00</b> |

**Schedule C****Contribution in Aid of Future Construction**

Where as a result of premises becoming qualified as authorized premises a greater number of units require or may require service from the utility, 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 residential service premises  
qualifying as authorized premises

To be determined when requested.

## 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 Utility's Deferred Capacity Reserve/Trust Fund and may only be released with the written authorization of the Comptroller of Water Rights.

**Schedule C****Residential Service Flat Rates**

Applicability: To residential service customers receiving service.

Rate:

Effective January 1, 2019 - \$ 44.00 per Bed Unit Annually

Effective January 1, 2020 - \$ 47.00 per Bed Unit Annually

Effective January 1, 2021 - \$ 50.00 per Bed Unit Annually

Effective January 1, 2022 - \$ 53.00 per Bed Unit Annually

Notes:

1. From the rates collected, the following amounts will be deposited into a Replacement Reserve Trust Fund (RRTF):

Effective January 1, 2019 - \$12.00 per Bed Unit to the RRTF.

Effective January 1, 2020 - \$15.00 per Bed Unit to the RRTF

Effective January 1, 2021 - \$18.00 per Bed Unit to the RRTF

Effective January 1, 2022 - \$21.00 per Bed Unit to the RRTF

These funds may only be released with the written authorization of the Comptroller of Water Rights.

2. Additional units within the same building will assessed accordingly based on the number of bed units contained within those additional units.

### Schedule D

#### Commercial Flat Rates

Applicability:	To all commercial customers receiving service.
Rate:	Effective January 1, 2019 - \$ 44.00 per Bed Unit Annually
	Effective January 1, 2020 - \$ 47.00 per Bed Unit Annually
	Effective January 1, 2021 - \$ 50.00 per Bed Unit Annually
	Effective January 1, 2022 - \$ 53.00 per Bed Unit Annually

#### Notes:

- From the rates collected, the following amounts will be deposited into a Replacement Reserve Trust Fund (RRTF):

Effective January 1, 2019 - \$12.00 per Bed Unit to the RRTF.

Effective January 1, 2020 - \$15.00 per Bed Unit to the RRTF

Effective January 1, 2021 - \$18.00 per Bed Unit to the RRTF

Effective January 1, 2022 - \$21.00 per Bed Unit to the RRTF

These funds may only be released with the written authorization of the Comptroller of Water Rights.

- SFRE units for commercial customers are as follows:

<u>Type/name of customer</u>	<u>Equivalent Bed Units</u>
a) Fernie Alpine Resort Employees	200 X 0.40 = 80
b) Recreational Vehicle Parking Lot	39 X 2 = 78
c) Day Lodge & public washrooms	300 X 1.3 = 390
d) Griz Bar	170 X 1.3 = 221
e) Slope-side Café	92 X 1.3 = 120
f) Legends Restaurant	140 X 1.3 = 182
g) Legends Lounge	60 X 1.3 = 78
h) Rusty Edge Restaurant	150 X 1.3 = 195
i) Cirque Restaurant	114 X 1.3 = 148
j) Cirque Lounge	25 X 1.3 = 33



k) Slope-side Hotel	$(42 \times 2) + (1 \times 8)$	=	92
l) Lizard Creek Hotel	$(4 \times 2) + (10 \times 4)$	=	48

**Non – Operational**

<u>Type/name of customer</u>	<u>Equivalent Bed Units</u>		
a) Gabriel's Restaurant	10 X 1.3	=	13
b) Alpine Japanese Restaurant	10 X 1.3	=	13
c) Griz Inn Lounge	10 X 1.3	=	13
d) Snow Creek Lounge	10 X 1.3	=	13

**Schedule E**

**Meter Rates**

Applicability: To all customers with metered services.

Rate: Not applicable

**Schedule F****Fire Hydrant & Standpipe Rates**

(Per Fire Protection Agreement)

Applicability: Within that portion of the utility's authorized service area in the Fernie fire protection district or other recognized local fire protection authority.

Rates:	Hydrants	\$ 100
	Standpipes	\$ 100

**Schedule G****Availability of Service (Rent) Charges**

- Applicability:** To owners of the legal subdivision with Rent Charge Agreements eligible to be registered on title. The Rent Charge becomes effective, due and payable on the first day of the month following CPCN issuance and acceptance of certified as-built drawings (i.e., when lot or lots are eligible for subdivision registration).
- Availability:** All owners of the lots to which this Rent Charge is applicable shall pay the rate during the period they are not users of water service.
- Rate:** 70% of the residential service rate calculated annually and billed semi-annually.

**Notes:**

1. For other than residential services lots, the Rent Charge shall be calculated on a SFRE basis.
2. From the rates collected, 70% of the RRTF contribution in Schedule C (Note 2) will be deposited into a Replacement Reserve Trust Fund and may only be released with the written authorization of the Comptroller of Water Rights.
3. Once a customer has received approval to connect to the Utility's waterworks, has passed inspection and has been accepted by the Utility as a customer, this Rent Charge will no longer apply to the portion of the property connected to the Utility's waterworks while service is being received. A pro-rated refund of the Rent Charge will be credited to the customer's account, if applicable. If service is temporarily shut-off (e.g., seasonal use), the customer shall pay a minimum of the Rent Charge payable on a pro-rated basis while not receiving water service or a greater amount if specified in another rate schedule(s) of this Tariff, but not both.
4. For the purposes of this Schedule, townhouses and side- by-side duplexes are equivalent to one (1) single family residential premises each.
5. Any arrears of Rent Charges shall bear interest from the due date until payment at a rate of 18% per annum accruing daily, and shall be a charge upon the Lands or Future Lot or Lots in question in the same manner as the Rent Charge charged on the Lands.