



November 8, 2006

File: 0321207

Sunshine Valley Developments Ltd.
PO Box 88626 Newton Town Centre
Surrey BC V3W 0X1

Via Fax 604-599-3861

Attention: Kerry Rawlick, President

**Re: Application for Rate Increase and
Certificate of Public Convenience and Necessity (CPCN)**

This is in response to your letter of September 20, 2006. Your comments "*We will be applying to the Ministry of Community Services for a grant to help pay for an engineering assessment that you requested for both water systems. The Fraser Valley Regional District is willing to review our request for financial funding*" are insufficient to proceed with a review of your rate increase and CPCN applications. As stated in previous correspondence, before consideration of approving rates to finance the proposed major capital projects, an engineering assessment of both water systems will need to be done by a qualified waterworks engineer.

Therefore, unless you provide evidence by December 29, 2006 that you have received and accepted a proposal from an engineering firm to undertake a study of both water systems the interim rate increase granted in October 2005 will be reduced commencing January 1, 2007 from \$30 per month to \$14.50 per month per single family equivalent customer; i.e., to the rates that were in effect prior to acceptance of the interim rates).

Yours truly,

Pieter J. Bekker
Deputy Comptroller of Water Rights

pc: Don Bender, Chairman, SVRA Water Committee
pc: Richard Gagnon, President, Sunshine Valley Ratepayers Assoc.
✓ pc: Kate Zabell

**Ministry of
Environment**

Water Stewardship Division
Management & Standards Branch
Water Utility Regulation

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