SHERINGHAM WATER WORKS LTD

"A community owned and operated utility."

Notice of Water Rate Increase Application

Date mailed: October 9, 2026| Proposed first effective date: January 1, 2027

Dear Sheringham Water Works Customers,

Sheringham Water Works Ltd. (SWW) is proposing increases to its water service rates for 2027, 2028 and 2029. The proposed rates are for consideration by the Comptroller of Water Rights under the Water Utility Act and the Utilities Commission Act and are subject to approval.

Proposed annual water service rates

Current annual rate	2027 proposed	2028 proposed	2029 proposed
$1,356	$1,424.00	$1,495.00	$1,569.00

Why an increase is needed

The proposed increases are necessary to maintain an adequate level of service, meet the costs of operating and maintaining our small water system, and prepare for future infrastructure replacement. These costs include water testing and treatment, system operations, repairs, insurance and administration. A small system must spread these essential costs across a limited number of customers.

Preparing for water line repairs and replacement

Following the investment in our new water tank, we need to start rebuilding our Replacement Reserve Trust Fund (RRTF) which will be depleted after payments for the water tank is complete. Our 2027–2029 budget provides for $43,000 each year from utility revenues to be set aside in this separate trust fund for future replacement of system components as required. However, rebuilding this reserve will take time; in the meanwhile, we need to budget for line repairs and replacement so we can respond to failures and address vulnerable sections of the system. The new water tank is expected to increase water pressure, measured in pounds per square inch (PSI). The additional pressure may put stress on existing aging water lines and increase the risk of leaks or ruptures. The proposed rates support both immediate maintenance needs and future replacement planning.

How the proposed rates compare with other small systems

The complete CRD electoral area and Kemp Lake comparison are included below. Its annual totals include the listed fixed water service charges and parcel taxes; some systems also charge for metered water use.

CRD Electoral Area Water Works and Kemp Lake Water Works Improvement District

2026 average annual water fixed rates by service area • Reference dated August 27, 2026
2024/2025 reports and estimates; 2025 rates applied to 2024 reports where 2025 reports are unavailable. Additional charges apply to some services.

Water service area	Rank	Annual usage / service charge	Annual parcel tax	Annual total	Quarterly usage per SFE/unit	Usage estimate / charge	Metered rates and notes
Cedars of Tuam (Salt Spring)	1	$ 3,539.94	$ -	$ 3,539.94	17.12 m³	$154.08	0-38 m³ $9.00 38+ $18.00
Surfside Parks Estates (Mayne Is.)	2	$ 2,013.80	$ 744.07	$ 2,757.87	18.15 m³	-	Fixed user charge with no metered rate for water used.
Fulford Water Service (Salt Spring)	3	$ 1,834.74	$ 677.62	$ 2,512.36	Estimated- no meters	-	Commercial users are metered $3.10 per cubic metre
Cedar Lane Water Service (Salt Spring)	4	$ 1,793.68	$ 689.81	$ 2,483.49	22.75 m³	$56.88	0-30 m³ $2.50 30-61 m³ $9.00
Sticks Allison Water Service (Galiano)	5	$ 2,231.22	$ 184.65	$ 2,415.87	28.01 m³	No charge	0-90 m³ no charge 90 m³ $5.00
Wilderness Mountain Water Service (East Sooke)	6	$ 1,329.85	$ 1,077.45	$ 2,407.30	Estimated- no meters	-	Fixed user charge with no metered rate for water used.
Skana Water Service (Mayne Island)	7	$ 1,433.77	$ 784.76	$ 2,218.53	13.08 m³	-	Fixed user charge with no metered rate for water used.
Beddis Water Service (Salt Spring)	8	$ 1,346.22	$ 784.34	$ 2,130.56	30.95 m³	$95.95	0– 8 m³ $3.10 38–106m³ $6.30
Kemp Lake (Otter Point)	9	$ 1,700.21	$ 425.00	$ 2,125.21	29.00 m³	$194.30 + $021.00 $ 215.30	Renewal reserve @ $7 per month $.0305 per l gallon = $6.70 m³ Rates are for 2026
Lyall Harbour/Boot Cove Water Service (Saturna)	10	$ 869.82	$ 1031.63	$ 1,901.45	26.80 m³	-	Fixed user charge with no metered rate for water used.
Highland and Fernwood Water Service (Salt Spring)	11	$ 1,445.99	$ 305.10	$ 1,751.09	43.19 m³	$24.32 + $10.38 = $34.70	0-38 m³ $.64 38-106 m³ $2.00
Magic Lake Estates Water Service (Pender Island)	12	$ 466.84	$ 617.74	$ 1,084.58	30.41 m³	-	0-50 m³ no charge 50-80 m³ $.50.
Port Renfrew Water Service	13	$ 286.43	$ 378.74	$ 665.17	59.28 m³	Extracted 86,780 m³	Estimate is high & is for 2025

Usage and parcel tax are charged annually. The cost of water measured by metres is additional to "usage" and parcel tax.
Meters for the CRD water services measure litres and charges are for cubic meters. Not all CRD water services are metered. See notes in chart.
Figures are very loose. Rates for 2025 were applied for SFE usage in 2024 reports. Monthly usage is seasonal, which the "average usage" does not account for.
The meters on the Kemp Lake Water Works system measure Imperial gallons and bills are issued every two months. Estimates are even looser since more conversions have been made. The Kemp Lake Water Works monthly charges include the renewal reserve charge which goes toward future maintenance. Rates are for 2026.

Source: supplied comparison from the 606 Water Group. SFE = single-family equivalent. Figures and metered rate bands are reproduced as supplied.

SWW's proposed annual rates of $1,424.00 in 2027, $1,495.00 in 2028 and $1,569.00 in 2029 remain below the listed annual totals for 11 of the 13 systems in comparison. Magic Lake Estates and Port Renfrew have lower listed annual totals. These examples show that the proposed increases would still keep our regular water service rates lower than those of most systems listed while helping fund essential maintenance and replacement work.

Comparison source: "CRD Electoral Area Water Works and Kemp Lake Water Works Improvement District," dated August 27, 2026, from the 606 Water Group. The source labels the figures as estimates and uses a mix of 2024/2025 reports and rates, with 2026 rates for Kemp Lake. Service conditions, parcel taxes and billing structures differ, and future rates may change. These are reference comparisons, rather than identical bills for every property. Some other systems in the full comparison have lower charges than SWW. Totals are estimated and are not exact representations of water costs for users in those systems.

Reviewing the application and asking questions

A copy of the rate application will be available for public inspection on our website: www.sheringhamwaterworks.org. For information about the proposed rates or the reasons for the changes, please write to:

Sheringham Water Works Ltd.
Attention: Nastazja Pedersen
2876 Woodhaven Rd, Shirley, BC V9Z 1G6
Email: info@sheringhamwaterworks.org

Submitting comments on the application

Comments, concerns and questions on the application may be forwarded to Chris McMillan, Water Utilities Regulation, PO Box 9340 STN PROV GOVT, Victoria, BC V8W 9M1, or by email to Chris.McMillan@gov.bc.ca, to be received on or before November 14, 2026, with a copy to Sheringham Water Works Ltd. Submissions may be included as evidence, so please ensure a copy is provided to the utility.

Information about the public hearing process is available through the Province of British Columbia's Water Utilities Information Bulletins:

https://www2.gov.bc.ca/gov/content/environment/air-land-water/water/water-licensing-rights/private-water-utilities/water-utilities-information-bulletins

Thank you for supporting the ongoing operation and renewal of our community water system.
Sheringham Water Works Ltd.