



November 4, 2009

A number of significant developments have occurred over the past few weeks related to our water and sewer utilities. This update will bring you up to speed on the most important of those items, but as always, don't hesitate to call or visit if you have any questions.

We are very pleased to announce that Parr Utilities Ltd. (our water utility) received its Operating Permit from the Interior Health Authority this past week. Receipt of that permit formally allows Parr to deliver water from the new filtration/treatment plant to our customers. This means that our customers will be supplied with water that fully meets the drinking water quality objectives of Interior Health. We have been working on adjustments to the water system this week and will begin delivering filtered drinking water to your homes as of 3:00PM, Friday, November 6.

Customers on the following streets will receive treated water immediately:

- Hill Top Road
- Scenic Place
- Peddley Road
- Nappe Road
- Baltac Road (north of the community beach)
- Swansea Road
- All roads in Pedley Heights

For customers on Baltac Road south of the community beach, access to treated water will be slightly delayed. We are in the process of installing a water pipeline along Baltac Road from the lake pump house to the booster pumping station on Hill Top Road (the old reservoir). Completion of that pipeline will then allow treated water to flow to properties on the south end of Baltac. This pipeline is being installed as part of the sewer construction project and is expected to be complete by mid December. Until then, you will be serviced by the existing system.

The transition to treated water should be absolutely seamless for all of our customers. One benefit of this changeover will be the fact that homes on Hill Top Road, Scenic Place and Swansea Road will experience a slight increase in water pressure. That increase is expected to be about 10 psi on average. Again, this should have no impact other than being able to rinse off in the shower a bit faster.

As part of our normal operating and maintenance procedures, water lines will be flushed on a regular basis throughout the system. Flushing of the lines in each of the areas listed above will be taking place through November and notices of that work will hit the local papers shortly. You may notice some temporary discoloration of your water as a result of the flushing, but that should disappear quickly.

Although we expect no issues with your move to treated water, our customers are reminded that problems or emergencies can be reported through either of the following numbers:

- 250-342-6999 (Main office) during normal business hours
- 250-341-5763 (emergency line) outside of normal hours

We also relocated our offices to the new water plant as of Monday. Many of you have already visited the new location, but our new mailing address is:

1164 Windermere Loop Road
Invermere, BC V0A 1K3

That move was another long awaited event, but the new space is certainly an improvement over our former offices, despite the fact that some of the final construction is still ongoing. Big thanks go to Jill Pawlyshyn, our Office Administrator, for coordinating the move.

You should note that the new facility houses not only Windermere Water and Sewer, but also the offices for NanoFibre Networks and Point Developments Inc. Phone/fax/email has all stayed the same.

Normal office hours are Monday to Friday, 8:30 AM to 5:00 PM. Please stop by for a visit and a tour any time.

Construction on the new community sewer system for the Baltac community is proceeding as planned. Wildstone Construction broke ground this week and several hundred metres of pipe has already been installed. A separate update recently went out on that project, so I won't go into details here.

Finally, now that the treatment plant is on line and producing compliant water, Parr Utilities is in the process of making application to the Comptroller of Water Rights for an increase in the water service rate. While the application is still being compiled, we expect to be asking the Comptroller to approve a rate of \$50 to \$55 per month, effective January 2010. All of our customers will be notified of the details of the application over the next month.

Thank you all for your patience and understanding over the past few months. This upgrade has been a large and complicated project, but the support that we have received from the community has certainly made the process easier. We look forward to serving each of you for many years to come.

Sincerely;



Paul Partlo
President & CFO