

**Sun Peaks Utilities Co., Ltd.**  
**April 2, 2011 Public Information Meeting**  
**Public Meeting Questions & Answers**

**Questions and answers from the meeting:** *(click on the question for the answer or scroll down the page).*

1. [The original installation proposes 3 CompTainers™; will 3 CompTainers be enough to support volume at full building out?](#)
2. [Will we eventually run out of space if we keep adding CompTainers?](#)
3. [Do we need more equipment to handle more CompTainers?](#)
4. [Could you buy the CompTainers somewhere else later on?](#)
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*If you have any questions that are not on the list and wish further information, please email [info@sunpeaksutilities.com](mailto:info@sunpeaksutilities.com) or phone the Utility's office at 250-578-5490.*

**Questions with the Utility's Answers**

1. The original installation proposes 3 CompTainers™; will 3 CompTainers be enough to support volume at full building out?
  - Yes
    - i. We need 3 CompTainers to process our current winter production volumes of 350 m<sup>3</sup> of 14% solids content.
    - ii. During off peak months, we will need 1 to 1 & ½ CompTainers.
    - iii. The system we are planning on purchasing will expand by adding CompTainers and additional piping and air blowers when needed.

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2. Will we eventually run out of space if we keep adding CompTainers?
  - No
    - i. Once the CompTainer is loaded, it can be moved to a secondary area for the composting process. Due to the portable design of this system, we believe that we have enough land at the Wastewater Treatment Facility to handle the planned growth of the resort.
3. Do we need more equipment to handle more CompTainers?
  - Yes
    - i. When CompTainers 5 to 8 are added, we will need to add additional air piping and an additional air blower.
4. Could you buy the CompTainers somewhere else later on?
  - No
    - i. The CompTainers are purpose built and contain proprietary designs for air flow.
5. Is the system/equipment patented?
  - Yes
    - i. Green Mountain Technologies (<http://www.compostingtechnology.com>) holds patents on the control software and air dispersion designs. Most other equipment is available locally (mixer, conveyors, and air blowers)
6. How are you planning on collecting all the sludge?
  - There is no change to our existing process. Currently, the dewatered biosolids are collected in 1 cubic meter bins. These will be dumped into the mixer with our backhoe using the portable forks. We are using this equipment in our composting trial.
7. Down the road are you looking at residential pick up?
  - That is a question for the municipality, as residential pickup is outside of the Wastewater Utility's mandate.
8. What is the water content of the sludge (bio-solids) you produce currently?
  - We utilize a Peralisi Centrifuge and produce bio-solids with 14% solids content.
9. Could you give us more on the background of Green Mountain Technologies?
  - Green Mountain Technologies is based in Seattle, Washington. The company was founded in 1992. Michael Bryan-Brown, the president and chief engineer has over 20 years experience working on the New York City Biosolids Management Plan. Additional information is available on their website at <http://www.compostingtechnology.com>.

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10. Could you do a comparative chart of Green Mountain Technologies and other options
- All of the options considered are described in the Urban Systems report, which can be found on our website under the Composting Tab by clicking on the Wastewater Residuals Management Plan <http://www.sunpeaksutilities.com/pdf/Compost-REP-biosolidsMgmt.pdf>
  - There are a limited number of vendors who offer in-vessel composting systems with vessels that operate well in winter. (i.e., the company that manufactures Gore-Tex has a contained system using the fabric, but it requires a heating and snow removal solution in winter)
  - 3 vendors of containerized composting systems met our criteria for a ‘winter-proof’ container system and local support. They are listed here.

<b>Company</b>	<b># of customers using similar in-vessel solution</b>	<b>Proximity to Sun Peaks</b>	<b>Comment</b>
Green Mountain Technologies (GMT)	200 in-vessel installations; 8 customers using the CCS container system	Seattle, WA	Patented, containerized system capable of processing 1 to 100 tons/day. Modular design allows greater flexibility for operation and system expansion.
Engineered Composts Systems (ECS)	28 commercial customers; 9 using containerized in-vessel system	Seattle, WA	Most comparable to GMT as they were in partnership with GMT. However, they deal with much larger sites
Renewable Carbon Management (licensor for NaturTech)	10 large installations	Saint Cloud, Minnesota	Patented containerized system capable of processing 4 tons to 1000 tons/day Much larger scale installations than our requirements

11. Do we know the impact this will have on utility rates?
- Using estimated costs, we expect that the maximum rate impact will be about 14%. Listed below is a table showing the projected average rate changes and its impact on customers.

<b>Type of Property</b>	<b>Annual Water Usage (m3)</b>	<b>Current Rates Annual</b>	<b>Proposed Rates Annual</b>	<b>Annual Change</b>	<b>% Change</b>
Condo	40	\$203	\$231	\$28.00	13.8%
Townhouse	50	\$273	\$310	\$37.50	13.8%
Home c/w Suite	200	\$760	\$866	\$106.00	13.9%
Medium Hotel	3,700	\$14,225	\$16,208	\$1,983.00	13.9%
Large Hotel	19,000	\$60,620	\$69,146	\$8,526.00	14.1%

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12. When will the financial cost be available to see?
- We will finalize vendor negotiations in May and will publish the results at that time.
13. What is the trucking price to take it down to town or Kelowna?
- We explored the costs of trucking the existing material to Kamloops, Merritt or Kelowna as they have existing permits to deal with bio-solids. Note that these estimates do not include the costs associated with making our product compatible with a remote facility. As these facilities are not receiving external product at this time, we did not invest effort in the more detailed process of estimating the associated costs.
    - i. Trucking to Kamloops – \$71,000 annually
    - ii. Trucking to Merritt – \$100,000 annually
    - iii. Trucking to Kelowna – \$125,000 annually
  - Currently, we are expecting the costs for the onsite composting system to be \$60,000 per year for the 7 year period of the loan
14. Will we see the buildings from the road?
- No
    - i. The profile of the building will be similar in height to the existing facility and should not be noticeable from the road. The colour scheme will be in keeping with the Resort's building guidelines.
15. This composting system is cheaper than trucking off hill?
- Yes
    - i. Composting on site is both less expensive and has less negative environmental impact. See question number 13 for cost comparison.
16. How come Kamloops can't take it?
- Kamloops is in the process of upgrading its sewage treatment plant, and over the next few years it's expected that they will be reviewing suitable options for the reuse of the biosolids. At this time, they do not have an operational biosolids compost site, so there is no reason for them to receive biosolids from other sites.
17. What about Domtar's Mill in Kamloops taking the sludge?
- It's too wet for their use, so they have decided not to pursue the option of incorporating our bio-solids.
18. What are they doing in Kelowna?
- Kelowna is using a Static Aeration Pile Process to produce Oogrow using biosolids and wood chips. More information is available on their website, or by following this link. <http://www.city.kelowna.bc.ca/CM/Page412.aspx>
19. Could you give us a bit more information on Pathogens and how this process kills them?
- During the composting process, heat is generated by the breakdown of the bio-solids and wood chips by the naturally occurring micro-organisms. Once temperatures reach over 50<sup>0</sup>C, harmful pathogens are killed. This is why it is so important to continuously monitor the temperature. We will use air to feed the process, as well as cool it down to avoid risk of fire if too high temperatures are reached.

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20. What are the capital costs?

- The estimated capital costs for the system, equipment, buildings and site preparation is \$500,000. We expect an annual cost of \$60,000 for financing and operations costs.

21. What are we doing currently with the bio-solids?

- We have been trying different methods of composting and have found that they failed to achieve Class A biosolids compliance (we can get to Class B)
- We have reached the point where we must either implement a workable composting system to produce Class A (everyone will accept this product) or truck the Class B at our cost off the mountain to a facility that will accept the product.

22. So either way trucking/composting rates will go up?

- Yes. We can't store or dispose of biosolids in their current form onsite.

23. Where are we going from here?

- The next steps are to obtain approval from the Sun Peaks Utilities' Board of Directors to proceed, finalize all the costs, arrange for financing of the project, award the contract and start construction. We hope to be producing our first Class A Compost by November 2011.

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