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File No. 551952/000002

June 6, 2019

Delivered by Email (commission.secretary@bcuc.com)

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC
V6Z 2N3

Attention: Patrick Wruck, Commission Secretary

Dear Sirs/Mesdames:

Re: FortisBC Alternative Energy Services Inc. 2019/2020 – Application for Approval of the Fiscal 2019/2020 Annual Cost of Service and Cost of Service Rate for the Thermal Energy Services to Delta School District No. 37 (the "Application")

We are counsel to the Delta School District No. 37 (the "**DSD**").

We write in regard to the above-noted matter, and further to the Application delivered by Fortis Alternative Energy Services Inc. ("**FAES**") on May 10, 2019. We confirm that the DSD intends to participate in the Application proceedings before the Commission.

In accordance with the regulatory timetable established by Commission Order G-115-19, please find enclosed DSD's Information Request No. 1 in respect of the Application.

Yours truly,

Borden Ladner Gervais LLP

Erika Lambert-Shirvard for:

Dionysios Rossi

cc Matthew Ghikas (mghikas@fasken.com)
Enc. DSD Information Request No. 1

Borden Ladner Gervais

DELTA SCHOOL DISTRICT NO. 37

Information Request No. 1 on FAES Application for Approval – May 10, 2019

FortisBC Alternative Energy Services Inc. 2019/2020 – Application for Approval of the Fiscal 2019/2020 Annual Cost of Service and Cost of Service Rate for the Thermal Energy Services to Delta School District No. 37

1.0 Reference **Current Proceeding, Exhibit B-1, Appendix B, "Deferred Charges", Schedule 11 shows FAES' calculation of the value of the SD37 Deferral Account. Line 7 has FAES' calculation of the annual carrying costs, with a formula shown under the "Reference" Column.**

1.1 Please confirm that FAES' calculation of carrying costs for SD37 for any given year includes 50% of the impact of any increases to the account that occur in the same year.

1.2 Please confirm that for years when the rate is set at the Cost of Service rate, the Amortization Expense shown in Line 9 is the amount of revenue recovered from the customer in each year to reduce the balance of the SD37 Deferral Account.

1.3 Please confirm that FAES' calculation of carrying costs for SD37 for any given year does not include any share of the impact of reductions to the SD37 account that occur in that same year.

1.4 If so, please explain why annual carrying costs appear to reflect additions to the account in the same year, but not reductions from the account in the same year.