



February 28, 2018

Silverhawk Utilities
2024 12th Avenue N.W.
Calgary, AB
T2N 1J7

Via email silverhawkadmin@waterworks.ca

Attention Jackie van Kessel

**RE: SILVERHAWK RESPONSE TO LETTERS REGARDING CURF DISCLOSURE AND COMMERCIAL
FIXED RATE CALCULATIONS**

Thank you for your response on February 20, 2018, however the SSPOA feels it does not address our questions.

With respect to the difference in effluent volumes, we assume that you are able to ascertain from your network monitoring what volume is produced from metered locations and that which infiltrates through the system. Can you confirm how much of the 122,485 m³ of water processed in 2016 was infiltration?

We are unclear as to how Commercial versus the Residential values shown in your reports are determined. We assume that you are adding up all the meter readings for each class of customer. We would appreciate confirmation of your methodology. If you provide the SSPOA with the actual numeric values for the last 5 years, that would remove any interpretation errors.

Regarding the complicated formula for establishing Commercial Fixed Fee Rates, some members feel the charges are inequitable. Can you please explain:

- the "meter fee" that is equally distributed amongst all customers
- the "demand fee" distributed among customers as \$xx.xx per IG/D which you say is based on their demand rating.
- what is the measure "IG/D"?
- the various "demand ratings" and the various "types of use"?

I am sure that the SSPOA would be able to understand the “complicated formula” with your assistance. Please note, we are inquiring on behalf of our commercial members, and we're looking forward to understanding the billing logic so we can share this understanding with our members.

The SSPOA questions regarding the CURF accounting are:

You indicate that the CURF was used for:

- An advance primary filtration mechanism
- Four large process tanks
- Fine membrane filtration system, known as a Membrane Bioreactor

Can Silverhawk provide the cost specifics for each portion of these capital improvements as well as the accounting for the ratepayer funds collected?

We are interested to see your approach to “encouraging” an open dialogue with your customers. The SSPOA is attempting to simplify the approach by asking common questions once, rather than multiple requests for the same information from your customers. It should also be noted that a number of the SSPOA Board members did take the tour through the plant in our efforts to be better informed.

Should you feel that the answering of legitimate questions on behalf of your customer base is something you wish to charge for, please provide the SSPOA with how much your hourly rate is so that we can ensure the community is properly informed.

Your assistance in these matters will assist the SSPOA in addressing our members concerns.

Regards



Mike Waberski Chair, SSPOA Utility Services Committee

Copy: Sandy Cook SSPOA President and Committee members