



British Columbia
Utilities Commission

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Letter of Comment

In accordance with the Commission's Rules of Practice and Procedure, to submit a letter of comment concerning an application currently before the Commission, please provide a completed form to commission.secretary@bcuc.com. If email is unavailable, please mail the form to the address above. By doing so, you acknowledge that all letters of comment are published with the author's name as part of the public evidentiary record, both in print copy and on the Commission's website. All personal contact information provided on this page is removed before posting to the website. Forms must be received by the Commission by the last filing date included in the proceeding's regulatory timetable before final arguments.

Proceeding name

Are you currently registered as an intervener or interested party?

Name (first and last)

City Province

Email Phone number

Letter of Comment

Name (first and last)

Fraser Robb

Date:

13-Aug-16

Comment: Please specify the reasons for your interest in the proceeding, your views concerning the proceeding, any relevant information that supports or explains your views, the conclusion you support and any recommendations. The Commission may disallow comments that do not comply with the Rules of Practice and Procedure.

As I understand it, Fortis implemented the two-tier rate system without a detailed analysis of the energy usage and alternatives available within their market space. As a result, they have missed the fact that there are very few of us who have an economical alternative to an energy source other than electrical. Natural gas is scarce and propane prohibitive. Besides, propane and wood burning are obviously negative carbon contributors.

In my case, I have constructed my home using energy conservation as a primary factor. ICF, HRV, thermal windows, geothermal in-floor heating, etc. The primary driver in all of this is my heat-pump, being the most efficient source of heat on the market - but still a significant consumer of electrical energy! During the heating season, I do not see energy usage ever below the second tier.

First off, I do not see any real science behind the tier limit set by Fortis. Secondly, this two-tier system cannot be income-neutral when there were limited alternatives for consumers to switch from. Thirdly, I see the application of the two-tier system as a somewhat slight-of-hand way of multiplying approved rate increases. If the upper tier rate were at a fixed cost difference from the first tier rate, I could understand it. However, the fact that the second tier rate is calculated by applying a FACTOR to the lower rate makes me concerned. This allows Fortis to multiply the approved increase by a FACTOR before applying it to the upper (even more expensive) rate... And for many of us, we are seriously affected by this second tier.

I would like to see something like:

1. Eliminate the two tier system and have one common rate across the board.
2. If two tier remains - increase the break-point between tiers to reflect a more average consumption
3. Introduce a fixed cost difference between the tiers so those hit by the second tier aren't hit by a double penalty.

I would greatly appreciate your serious consideration towards developing a more fair and equitable structure in the very near future. Something we all can live with.

Thank you for the opportunity to comment on this subject.

Sincerely,
Fraser Robb
P.Eng