

From: [Jerrilynn DeCock](#)
To: [Commission Secretary BCUC:EX](#)
Subject: RIB Rate Report - DeCock Comments on BCOAPO Utility Report Comments
Date: Tuesday, November 29, 2016 11:30:31 AM
Attachments: [DOC 48200 11-24-2016 BCOAPO-Comments-on-Reports marked up by DeCock.pdf](#)
[DOC 48186 E-527 Harley Letter-of-Comment Redacted.pdf](#)
[DOC 48188 E-528 Underwood Letter-of-Comment Redacted.pdf](#)
[DOC 48190 E-530 Alden Letter-of-Comment Redacted.pdf](#)
[DOC 48194 E-534 Milburn Letter-of-Comment Redacted.pdf](#)
[DOC 48195 E-535 Miller-and-Strouts Letter-of-Comment Redacted.pdf](#)

I have completed my review of the BCOAPO report submitted on November 24, 2016. Thank you for the opportunity to provide my review on this report that the BCOAPO waited until the last day to submit, possibly to avoid review by others. I have marked it up with my initial-reaction comments and highlighted parts to bring them out and hopefully these mark ups will provide food for thought for others, as I had intended with the FBC and BCH report mark ups. Please see the attached markup. Following are my overall comments on the attached report to add to my comments on the report document.

Reviewing my comments on the report indicates that this BCOAPO report is written strictly in representing the self-interest of the groups represented and does not care about what is fair and moral for all customers. Low-income customers should not be subsidized by penalizing a minority of other customers who are totally dependent on electrical energy, particularly for heating. The report wants to continue the RIB rate structure as is, but admits that some of its clients are adversely affected by it and those few customers should be provided other means of financial aid to cope with it. What would be a fair and moral solution would be to have a rate structure that is fair to all customers and provide financial aid to all of the low income customers as needed, possibly as a rebate based on their CRA tax return. For those requiring immediate relief, perhaps their billing account could be flagged to provide a rate rider to provide immediate reduction or a percentage of their bill that they have to pay (and the bill total would indicate the actual cost). This would cause a slightly higher operating cost to the utility companies that would be offset by slightly higher rates to all customers. A low-income definition would be required in the BCUC Act. This is the social governmental way of providing support to the poor without support from the tax base. This would also be no different than the tax system where those who earn more are supposed to pay more (although the increase to the majority would be negligible compared to the support provided to the minority of low income customers – an assumption).

On November, scanning this report enticed me to look at some letters-of-comment. In just looking at E-535 to E-527 I found the following:
E-535 will be adding an addition and will use a wood-burning boiler now rather than continue with electric heating and they do not have access to natural gas
E-534 lives in northern BC and said that BC Hydro had encouraged them to use electric heat with low rates for this that have now been rescinded
E-528 also was encouraged by BC Hydro rates and went exclusively electric with a design that cannot be retrofitted to central-air gas heat and he is a senior with a disabled wife and has found the high cost difficult

E-530 is also a senior who says the rate unfairly targets seniors and families and says the Premier said it would be families first when elected

E-527 is a low-income customer who is a renter and so has no control over upgrades

Perhaps it is coincidence, but in this small sample I find two that are seniors with hardships and third low income customer and two that bring up past rates that encouraged and caused them to use electric heat and now have to pay the RIB rate. Three in such a small sample are supposed to be represented by BCOAPO and they are complaining about the rate structure. I have attached these examples (more than the unsubstantiated claims of this report and BC Hydro).

Calculations have shown that the majority of low-income customers will see greater than 10% increase because of a loss of subsidy, but because their energy consumption is in tier 1 (lower) the actual dollar impact is not so great as compared to the seniors (as above) who see greater than 10% higher bill impact and the dollar impact is much larger to them by the continuation of the RIB structure. The firm representing the BCOAPO is likely retained by the majority and that is who it supports in its report, while the minority would be left in greater suffering until they can find some other form of relief. This is a supposition made from reviewing this report only, as I don't have time to research the structure of the BCOAPO. I would hope that if this majority who are being subsidized by the minority were aware of this situation, then they would have the morality to say that they would prefer to pay their fair share. Then the issue would be the high electricity rates in this province compared to the other hydro-rich provinces. That is where this attention should be taken to.

I have previously pointed out that I have personally been a net benefiter of the RCR with Fortis. Since I moved here my bills have been 403 kWh (23 days), 1491 kWh (59 days), 1617 kWh (61 days), 2353 kWh (62 days), 1612 kWh (60 days), 987 kWh (62 days), 1154 kWh (62 days), and the last one was estimated high at 1854 kWh (61 days) and will likely be contested at the next bill. This 1854 kWh billing period corresponds to the 1491 kWh last year. It jumped from 25 kWh/day to this estimate of 30 kWh/day. The break-even consumption is 2412 kWh (as provided in my calculation on November 24, 2016).

I think that BCUC should look at the BCOAPO report for what it is, a self-interest report that is intended to recommend only that which will benefit those who it represents even at the cost being passed onto others.

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