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Utilities Commission**

## Letter of Comment

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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](mailto: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)

Gary McCaigs

Date:

August 29, 2016

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.

I am writing in response to the British Columbia Utilities Commission "Request for Comments" on Residential two-tier electricity rates (residential inclining block rate) directed to those with no natural gas (NG) service. I live in a single family home in a rural area and have no NG service and as a result a substantial portion of my electricity use is charged at the Tier 2 rate. In my opinion the two-tier approach is unfair while doing little to encourage conservation, which I understand to be its goal.

Tiered rates are discriminatory and therefore unfair:

- most significantly to people like myself who have no NG service and are not able to use NG to reduce our electricity usage for heating, water heating, cooking, clothes drying etc.
- to those with children, whose use is obviously greater than singles or couples
- to those who live in single family homes where there are more exterior walls than in apartments or townhouses and no possibility for centralized heating, air conditioning, water heating etc.
- to those who live in rural areas and face requirements for e.g. water or sewage pumps, that are not faced by those in areas with better services
- to those who live in parts of our province with harsher climates

Tiered rates do little to encourage conservation because even as some customers are given a greater reason to conserve, others are given less and that difference is driven almost entirely by the circumstances of their family, location and housing type rather than by their personal efforts on conservation.

As I live in a single family home with no NG available, electric heat and appliances as well as both electric water and sewage pumps, my total electricity bill is very high. I have considerable incentive to economize to bring my use and cost down, and that would be the case even if I were not paying at Tier 2 rates.

On the other hand people with small families, living in urban multi-family dwellings with NG appliances have their incentive to conserve reduced by the tiered system as they will likely have all of their relatively small usage billed at low Tier 1 rates regardless of how little effort they might put into conservation. This offsets the attempts made by people like me to use less electricity.

In regard to the choice of NG over electricity I would also like to point out that even if I were to receive NG service in future it would be problematic for me to change to it because of the considerable expense that would involve for new appliances and associated installation costs. Also, I question the wisdom of encouraging British Columbians to heat, cook and otherwise use NG which is

a fossil fuel that contributes to climate change rather than using clean, safe and environmentally friendly hydroelectricity, particularly when BC Hydro is in the process of greatly increasing their capacity through the Site C project and other initiatives.

R. Gary McCaig