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www.bcuc.com**British Columbia  
Utilities Commission**

## 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](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

BCUC RIB Rate Report

Are you currently registered as an intervener or interested party?

No

Name (first and last)

Alan Henshaw

City

[REDACTED]

Province

BC

Email

[REDACTED]

Phone number

[REDACTED]

# Letter of Comment

Name (first and last)

Alan Henshaw

Date:

1-Sep-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 a resident of an area of British Columbia that has no access to natural gas, I wish to make four points about residential inclining block (RIB) billing for hydro use in gas-free areas.

First, it has been impossible for us to avoid paying the penalty ('tier 2') rate for hydro. Over the past eighteen months, our electricity usage has been 40,169 KWhr, of which approximately seventy percent (28,141 KWhr) has been billed at the penalty rate. Given that approximately 75% of all household energy consumption is for heat and hot water, it is highly likely that the bulk of our electrical usage is due to our use of electricity for heat and hot water—a reality forced on us by a lack of access to natural gas and the even greater cost of other heating fuels in our area.

Our high electrical usage is despite the fact that we heat with a high efficiency heat pump rated at 9.2 HSPF, live in an area that sees temperatures below freezing only for a few days a year, have high efficiency LED or fluorescent lighting throughout the most used areas of our house, and have undertaken all insulation and energy efficiency upgrades which have a predicted payback time of less than a decade. There are no more conservation measures we can take that would have any reasonable economic payback horizon and would reduce our consumption to within the 643.5 KWhr/month limit of tier 1 billing in our area.

As such, we are forced to pay tier 2 rates despite all reasonable conservation efforts. There is no way for us to conserve further power without severely impacting our quality of life. Our only options to reduce our electricity consumption further would be to switch to an even more expensive heating source such as oil or propane, heat with wood at great physical difficulty, or to step back into the pioneer era and do without adequate heat or hot water.

Second, over the past eighteen months, inclining block rates have cost us an average of \$61 a month beyond what we would pay were our electricity use billed exclusively at the first tier rate. This penalty charge has been increasing, despite reductions in usage, at a rate both faster than inflation and faster than increases to our pensions. Should these rate increases continue it is possible that we will be forced to adopt the pioneer lifestyle and do without adequate heat or hot water. In this day and age in a province with the wealth of BC, this is blatantly unreasonable.

Third, given that we have no option for cheaper heat, I believe that we, and others in gas-free areas should be billed for electricity only at the lower tier rate (currently \$0.0829/KWhr in our area), such that our utility costs may be brought into line with those paid by other British Columbians who live in areas which have natural gas available.

Fourth, and finally, the residential inclining block rate policy is at odds with the other stated preferences of the provincial government to reduce the environmental impact of British Columbians. Most electric power in the province is generated from hydroelectric facilities which have a negligible pollution and greenhouse gas impact. By using inclining block rates in an apparent attempt to pressure British Columbians to switch away from electric heat, the RIB policy encourages the adoption of heat sources which are either greenhouse gas sources (gas, oil, propane) or are very significant sources of local air pollution (wood). It is difficult to reconcile the provinces stated objectives to reduce greenhouse gas emissions and air pollution with the RIB policy and consideration should be given to revoking RIB rates province-wide.