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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 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)

David Shipway

Date:

October 25, 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.

My concern is how the RIB stepped rates implemented by BC Hydro have unfairly punished small businesses in BC. Small businesses are the economic backbone of the BC economy, and yet big industries are getting the free ride.

It is well known that large industries in BC get very favourable and subsidized rates for electrical consumption. It's almost impossible to get the exact numbers, but it is probably safe to assume they are substantially lower than residential rates.

This inequity does two things - it transfers the subsidy for industry onto the residential customer base without any transparency or accountability for industrial conservation, and it also puts many home-based small businesses at risk with unreasonably high electrical rates.

It looks like the RIB rates were designed for urban apartment customers who have very low consumption of energy. The motive for this RIB rate system was stated as a conservation measure, but it unfairly punishes customers who choose to operate a home-based business, along with all the other overhead costs that workers at factories do not have.

Home-based businesses are extremely common in rural BC, and possibly in urban centres as well. This is a trend that has grown with digital communications and small scale machinery making it feasible to work from home. I myself operate a woodworking and manufacturing shop on my rural property, and this work includes an electrical dry kiln, safe electric heating and a lot of large motors. I have a single meter service to this property that supplies home and shop. Well over 75% of my hydro bill is charged at the higher stepped rate, and is frequently around \$2000 for a two-month period. To say this is a painful financial burden is an understatement, considering it used

to be a quarter of that when I first started the business.

My appeal in this matter is for equity and fairness across BC for all electrical users. I suspect that if large industries were paying my high rate for electricity, they would pull up stakes and move to another region. I do not have that option, as my business uses native wood species that are not available in other regions. I would like to see big industries pay more of their share, so that small businesses have a better chance to prosper and make profit.

Thank you for considering the negative impact of stepped rates on small home-based businesses in BC, and coming up with a solution that will address the inequity.