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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. 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

RIB Report to the Government of British Columbia

Are you currently registered as an intervener or interested party?

No

Name (first and last)

James B. McGinnigle

City

[REDACTED]

Province

B.C.

Email

[REDACTED]

Phone number

[REDACTED]

Letter of Comment

Name (first and last)

James B. McGinnigle

Date:

22-Nov-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.

Both the BC Hydro and Fortis BC reports are biased in that they have no interest in a complicated set of separate rate classes nor delving deep into the customer base records to clearly establish the true impacts of a two tiered rate structure. The inherent unfairness to customers who cannot obtain natural gas service is brutal to those who wish to heat their homes with the only "green" fuel in B.C.

Both reports are unacceptable as a response to the Minister as neither directly answers the five questions posed by the Minister. It is the opinion of this household that the Nick Marty report should be the basis of your response to the Minister. He is an outside expert on these matters and he has sent you a clear and concise report which we feel will better serve the Minister's review.

The Fortis BC report notes the following:

The long run marginal cost (LRMC) was 11.20 cents per kWh. Tier 2 was 36% higher.

The cost of service for Tier 2 customers was 108.5% which results in greater revenue for Fortis which does cross subsidize the gas users who do not have the burden of Tier 2 unfair heating rates.

If the true objective is to encourage conservation by ALL STAKEHOLDERS then the playing field should be level. With a flat rate (postage stamp concept) the burden of efficiency would rest with the customer. Then, and only then, would measures to improve usage be applied to gas users as well as those without this method for water and space heating. As it is now, the users without gas shoulder the burden of reduction while gas users can go on their merry way being relatively unscathed by Tier 2 charges.

Every other heating fuel is priced at a single rate with the responsibility squarely with the user to be as efficient as possible . This is the only fair way to price electrical power. The second tier billing targets those who do not have options and all the conservation in the world will not make this inherent unfairness disappear.

Perhaps the Minister should consider proposing to Premier Clark the expansion of natural gas service within the province to make this very efficient fuel available to more households. Electric demand could be substantially reduced and this marketing opportunity would result in higher revenue to the Province than that what we will receive from bulk LNG sales to foreign shores.

Sincerely

James B. Mc Ginnigle