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August 31, 2017

Sent via eFile

FEI 2016 RATE DESIGN
EXHIBIT A2-16

To: All Registered Parties

Re: FortisBC Energy Inc. – 2016 Rate Design Application – Project No. 3698899 – Elenchus Research Associates, Inc. Response to Information Request No. 2

Commission staff submit the following document for the record in this proceeding:

Elenchus Research Associates, Inc.
Response to Commercial Energy Consumers Association of BC
Information Request on Rate Design Report dated August 31, 2017

Sincerely,

Original signed by:

Patrick Wruck
Commission Secretary

ES/kbb
Enclosure

19.0 Reference: Exhibit A2-10 page ii and page 6

1. Rate shock

- There are no generally accepted principles that provide clear guidance to regulators for defining rate increases that constitute rate shock.
- Whenever a customer class is faced with a large rate increase, it is reasonable for a regulator to consider whether the increase will result in sufficient rate shock for customers in the class to warrant some form of mitigation.
- While many utilities and regulatory agencies have no established method for quantifying rate shock, at least two Canadian regulators of natural gas utilities do address the issue of rate shock using an established and consistent methodology.
- Elenchus has observed that a common threshold for defining a rate/bill increase that constitutes rate shock is a double-digit increase (i.e., greater than 10%).

For electricity distributors, the OEB has a policy requiring the filing of a mitigation plan when the total bill impact is 10% or more for any customer class. The OEB expects all other utilities to propose mitigation plans, or explain why a plan is not required, when their proposals result in material impacts to customers.

The AUC considers the overall change in total customer bills when applying the 10% threshold as the potential rate shock indicator.

19.1 Are there regulators in the US of which Elenchus is aware that address the issue of rate shock using an established or consistent methodology and thresholds employed? If so, please provide the names of regulator, its jurisdiction and the methodology and thresholds employed.

<u>RESPONSE:</u>

Elenchus is not aware of US regulators that employ established or consistent methodologies and thresholds to address rate shock.

20.0 Reference: Exhibit A2-10 page 7

The first concept of fairness relates to the absolute level of rates. The rates implied by a regulator's analytic findings with respect to a utility's revenue requirement, cost allocation and rate design, taking into account all considerations other than rate shock will, by definition, be rates that are fair and equitable in terms of the share of costs recovered from each class and from individual customers within each class.

The second concept of fairness relates to the rate of change in rates, or more importantly the change in a customer's average monthly bill, as a result of the justified rate changes. In many circumstances, a significant increase in customer bills can result in real or perceived hardship for customers that are sufficiently severe that the increase is considered inequitable. This inequity may justify moderating the impact on customers by reducing the increase that would otherwise be implemented, although the necessary consequence is that some other customers will have higher rates than would have been required in the absence of the mitigation of rate shock for the customers with the largest increases.

20.1 Please confirm that rates already found 'fair and equitable' by regulators may be adjusted by regulators and still be 'fair and equitable' even if there has been no change in the cost structure.

20.1.1 If not confirmed, please explain why not.

RESPONSE:

Confirmed.

20.0 Reference: Exhibit A2-10 page 7

The first concept of fairness relates to the absolute level of rates. The rates implied by a regulator's analytic findings with respect to a utility's revenue requirement, cost allocation and rate design, taking into account all considerations other than rate shock will, by definition, be rates that are fair and equitable in terms of the share of costs recovered from each class and from individual customers within each class.

The second concept of fairness relates to the rate of change in rates, or more importantly the change in a customer's average monthly bill, as a result of the justified rate changes. In many circumstances, a significant increase in customer bills can result in real or perceived hardship for customers that are sufficiently severe that the increase is considered inequitable. This inequity may justify moderating the impact on customers by reducing the increase that would otherwise be implemented, although the necessary consequence is that some other customers will have higher rates than would have been required in the absence of the mitigation of rate shock for the customers with the largest increases.

20.2 Please confirm that the existence of rate shock does not preclude the Commission from addressing other considerations and balancing these considerations against the bill impacts.

RESPONSE:

Confirmed.

21.0 Reference: Exhibit A2-10 page 8

Elenchus has observed that a common threshold for defining a rate/bill increase that constitutes rate shock is a double-digit increase (i.e., 10% or more). This view of rate shock appears to be more reflective of perceived societal values than any analytic basis for defining undue hardship resulting from a rate increase. Indeed, the hardship resulting from a rate increase is more closely correlated to income than the rate increase itself. Further, since customers tend to focus on the change in their total bills, rather than changes in individual components of the bill, it is typical, and in the view of Elenchus more appropriate, to define rate shock in terms of the increase in the total bill.

21.1 Please confirm that a 10% rate increase does not in and of itself constitute rate shock, and that the percentage rate increase should reasonably be evaluated along with other issues such as the actual increase when the Commission evaluates the existence of rate shock.

21.1.1 If not confirmed, please explain why not.

RESPONSE:

Confirmed.

22.0 Reference: Exhibit A2-10 page 9

FEI's proposed rates for all rate classes are within the 10% rate increase threshold. Furthermore, FEI's approach as indicated in the Procedural Conference dated April 5, 2017, appears to be consistent with the approach that has been accepted in other jurisdictions.

22.1. Is Elenchus referring to the OEB and the AUC as the 'other jurisdictions'?

22.1.1. If not, please identify the 'other jurisdictions' to which Elenchus is referring.

RESPONSE:

Among the utilities reviewed by Elenchus, Ontario and Alberta are the “other jurisdictions” that provide quantified rate increase threshold.

23.0 Reference: Exhibit A2-10 page 10 and 11 and page 13

charge. It is common for utilities to also recover some portion of customer-related costs through the volumetric charge, presumably with the rationale that the volumetric charge is a proxy for the value of service to customers. Maintaining a low fixed basic monthly charge also serves to maintain customer connections even for customers with low demand.

This approach is consistent with the marginal cost of serving connected customers (i.e., it is financially beneficial for a utility to encourage connected customers to continue to take service, even if their volume is minimal, and avoid having them discontinue natural gas service). Nevertheless, there appears to be a trend toward recovering a larger proportion of customer-related costs through the monthly basic charge, which improves equity as measured by fully allocated costs.

Conceptually, cost allocation principles imply that to reflect cost causality the fixed charge should mirror customer-related costs as identified in the cost allocation model, while variable energy and demand charges should reflect energy and demand-related costs. Nevertheless, rate-setting is also often influenced by value of service considerations that result in a lower fixed charge which keeps bills down for customers with below average demand. This approach can encourage increased penetration in terms of the number of customers connected although this is arguably accomplished by embedding a cross-subsidy of low-volume users by the higher volume users in the same rate class.

23.1 Please confirm that 'value to customers' is covered by the Bonbright principle for efficient pricing, and if not, please describe how it fits into Bonbright Principles.

RESPONSE:

Confirmed.

24.0 Reference: Exhibit A2-10 page 14

There appears to be two primary reasons for utilities not recovering their fixed costs through fixed charges:

1. Doing so may result in rate shock to customers' bills.
2. This approach may run counter to a Government policy objective of encouraging conservation.

Alternatives to FEI's one time 5% increase proposals could include:

- No one-time increase
- One time 5% increase and subsequent annual adjustments to the fixed change(s)
- One time increase greater than 5%

These are commented on in the following subsections.

24.1 Please confirm that another reasonable option would be a one-time increase of a lower amount (eg 2%) with subsequent increases to the fixed charge or multiple increases of different sizes.

24.1.1 If not confirmed, please explain why not.

24.1.1.1 If confirmed, please also confirm or otherwise explain that the advantages of such a proposal would be a directional improvement in cost/cost causation, directional improvement in the ability for FEI to recover its costs, and minimization of rate impacts.

24.1.2 If confirmed please also confirm or otherwise explain that the disadvantages of such a proposal would be that the improvement in cost/cost causation and the ability for FEI to recover its costs would be delayed vis a vis the alternative.

<u>RESPONSE:</u>

24.1 Confirmed.

24.1.1.1 Confirmed.

24.1.2 Confirmed.

25.0 Reference: Exhibit A2-10 page 9 and page 14 and page 15

FEI is proposing a one-time 5% increase to fixed daily basic charge and corresponding decrease in the volumetric delivery charge. This type of changes is typically referred to as a change in the fixed-variable split. As indicated in the delivery cost COSA model.

The benefits of no one-time increase are that it would eliminate potential bill impacts for low-use customers and it would be consistent with Government policy of encouraging customers to reduce their consumption of natural gas.

The disadvantages of no one-time increase are that fixed charges billed to customers will deviate further from the fixed costs imposed by customers on the utility and a larger proportion of fixed costs would be recovered through the variable charge resulting in more uncertainty to the utility of recovering its approved revenue requirement. In addition, keeping a higher variable charge is a disincentive for the utility to maximize the effectiveness of its conservation programs.

25 Please confirm that the advantages of an increased in fixed charges include improved cost/cost causation relationships within the rate class.

RESPONSE:

Confirmed.

25.0 Reference: Exhibit A2-10 page 9 and page 14 and page 15

FEI is proposing a one-time 5% increase to fixed daily basic charge and corresponding decrease in the volumetric delivery charge. This type of changes is typically referred to as a change in the fixed-variable split. As indicated in the delivery cost COSA model.

The benefits of no one-time increase are that it would eliminate potential bill impacts for low-use customers and it would be consistent with Government policy of encouraging customers to reduce their consumption of natural gas.

The disadvantages of no one-time increase are that fixed charges billed to customers will deviate further from the fixed costs imposed by customers on the utility and a larger proportion of fixed costs would be recovered through the variable charge resulting in more uncertainty to the utility of recovering its approved revenue requirement. In addition, keeping a higher variable charge is a disincentive for the utility to maximize the effectiveness of its conservation programs.

25.1 Please confirm that the disadvantage of no increase also include ongoing subsidization of lower volume customers by higher volume customers.

RESPONSE:

Confirmed (within the same customer class), assuming a portion of customer related costs are being recovered by the variable rate.

25.0 Reference: Exhibit A2-10 page 9 and page 14 and page 15

FEI is proposing a one-time 5% increase to fixed daily basic charge and corresponding decrease in the volumetric delivery charge. This type of changes is typically referred to as a change in the fixed-variable split. As indicated in the delivery cost COSA model.

The benefits of no one-time increase are that it would eliminate potential bill impacts for low-use customers and it would be consistent with Government policy of encouraging customers to reduce their consumption of natural gas.

The disadvantages of no one-time increase are that fixed charges billed to customers will deviate further from the fixed costs imposed by customers on the utility and a larger proportion of fixed costs would be recovered through the variable charge resulting in more uncertainty to the utility of recovering its approved revenue requirement. In addition, keeping a higher variable charge is a disincentive for the utility to maximize the effectiveness of its conservation programs.

25.2 Please elaborate on the uncertainty FEI could experience in recovering its approved revenue requirement due to having a higher proportion of fixed costs recovered through the variable charge.

RESPONSE:

Assuming the variable charge is used to recover a portion of fixed costs, variable charges are applied to volume of natural gas consumed. Volume of natural gas consumed is weather dependent, so the utility would be at risk of under or over recovering its revenue requirement under abnormal weather conditions, absent a true up mechanism that may exist to keep the utility whole. Fixed charges are not weather dependent and the utility is assured of recovery of the revenue requirement reflected in the fixed charges.

25.2.1 Please explain how this uncertainty is affected by PBR and by cost of service ratemaking.

RESPONSE:

Usually under PBR and under cost of service proceedings, the issue of fixed versus variable rates are not dealt with, so the utility uncertainty with respect to the impact of weather on the recovery of its approved revenue requirement is not addressed. Some PBR regimes include mechanisms, such as a Lost Revenue Adjustment Mechanism

(LRAM), that adjust rates to address lost revenue due to declining volume. For example, LRAMs have been adopted by the OEB to address the disincentive that otherwise exists for utilities to underachieve in realizing efficiency gains.

Fixed versus variable rates are usually addressed during rate design proceedings that may or may not be part of cost of service applications.

26.0 Reference: Exhibit A2-10 page 15 and page 16

3.2.2.3 MORE THAN 5% ONE TIME INCREASE

Taking into consideration potential rate shock to customers, especially low use customers, another alternative to FEI's one time 5% increase is to increase the fixed charge by more than 5% based on what is considered to be the maximum tolerable bill impact for low use customers. Low use customer could be a customer that used natural gas only for cooking, for example. A 5% increase in the fixed distribution charge will result in a smaller percentage increase in total customer bills after commodity and transportation charges are taking into consideration.

The benefit of this alternative is that it will allow the utility to recover a larger proportion of its fixed costs from the fixed charge and better align fixed charges with fixed costs.

The disadvantage of this alternative is that it runs counter to Government objective of encouraging conservation by increasing fixed charges and reducing variable charges sending the opposite price signal to customers that reduced energy consumption results in lower customer bills.

26.1 Please confirm that the benefit of aligning fixed charges with fixed costs is primarily one of improved fairness related to cost causation.

RESPONSE:

Confirmed.

27.0 Reference: Exhibit A2-10 page 16

Elenchus notes that increases in the fixed monthly charge in excess of 5% have been common in the Ontario electricity sector; however, these increases have been the direct result of the OEB's policy decision to require all distributors to transition to a fully fixed distribution charge. In addition, large percentage increases in fixed charges are common in cases where utilities have a relatively low basic monthly charge and increase the charge by a relatively small dollar amount, especially in cases where the utility maintains a rounded amount (for example, an increase from $20 to $25 would constitute a 25% increase but would typically not be considered to result in rate shock).

27.1 Please elaborate on why the 25% increase discussed above would not be considered to result in rate shock.

RESPONSE:

In Ontario it is considered that a $3 to $5 increase in a customer's total bill would not be considered rate shock, even if it would represent a larger than 10% increase in the customer's total bill. This would be based on the fact that the current bill does not reflect cost causality as determined by a COSA study.

28.0 Reference: Exhibit A2-10 page 20

Specifically, AltaGas excluded the gas cost recovery charge when calculating the cross over point between small and large general service classes, which is different from the method used by FEI.

4.3 ELENCHUS ANALYSIS

It is noted that the gas cost recovery charge is collected through a rider at the same rate for small and large general service customers served by AltaGas, which means that the economic crossover volume is the same whether the commodity cost is included in or excluded from the calculation. However, this is not the case for FEI where different commodity costs exist for small and large commercial customers. The difference is due to the different method of regulating gas costs. For Alta Gas, gas costs are excluded from the cost of service study and are recovered by a monthly rider applied to all sales service rates unless otherwise specified to ensure that customers pay neither more nor less than the actual costs. For FEI, the commodity component of the gas cost is allocated to customers based on throughput while storage and transport components are allocated using the load factor adjusted volumetric basis.

It is common practice to recover commodity costs in a separate commodity rate; hence, commodity costs will not have an impact on the cross-over volume. Excluding commodity costs therefore simplifies the calculation with no loss of information.

28.1 Please provide Elenchus' view of FEI's allocation of the commodity component of the gas cost based on throughput.

RESPONSE:

Elenchus agrees with the allocation methodology of commodity gas costs to FEI's customers. Commodity gas costs are a flow through cost for FEI sales customers and depend on the amount of natural gas used by sales customers, therefore energy is the allocator to use that reflects cost causality.

29.0 Reference: Exhibit A2-10 page 21 and 22 and 25

5.2 INDUSTRY PRACTICE

- *A review of the benefits/disadvantages of requiring a minimum load factor to qualify for a specific rate for industrial rate classes*
  - *What is a typical minimum load factor used in other jurisdictions, if any?*
  - *An explanation of the benefits/disadvantages of different load factor levels*.

FEI does not have a minimum load factor requirement for the industrial rate classes and it is not proposing to introduce a minimum load factor although many other natural gas distributors do have a minimum load factor.

There are four utilities in the jurisdictional review that require a minimum load factor to qualify for specified industrial rate, which is one method that can be used to provide high load factor customers with lower rates that are reflective of their lower causal costs relative to volume. Table 2 below summaries the load factors requirements.

Higher load factor customers are less expensive to serve on a volumetric basis than lower load factor customers since they require less distribution capacity, less storage for load balancing and/or less upstream transportation for a given volume of natural gas. Consequently, lower rates are justified for higher load factor customers unless the rate structure consists of customer, demand and energy rates that correspond closely to the corresponding costs drivers.

However, Elenchus notes that the effects of a minimum load factor can be quite complex. For example. Enbridge proposed to lower the load factor requirement from 50% to 40% under Large Volume Load Factor in proceeding EB-2012-0459. It was stated that the reason for lowering the load factor requirement was based on two concerns:

- To facilitate continuity of service under this rate for customers who implement energy efficiency measures; and
- To provide a choice for general service customers with load factors greater than 40% to take service under this rate.

29.1 Would it be reasonable for FEI to introduce a minimum load factor? Please explain why or why not.

RESPONSE:

Elenchus agrees with EES Consulting that since FEI's industrial rates include a demand charge that already takes into account differing load factors by rate group, as a result, load factor is not necessary to segment customers even further in the industrial rate group.

29.0 Reference: Exhibit A2-10 page 21 and 22 and 25

5.2 INDUSTRY PRACTICE

- *A review of the benefits/disadvantages of requiring a minimum load factor to qualify for a specific rate for industrial rate classes*
  - *What is a typical minimum load factor used in other jurisdictions, if any?*
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FEI does not have a minimum load factor requirement for the industrial rate classes and it is not proposing to introduce a minimum load factor although many other natural gas distributors do have a minimum load factor.

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- To facilitate continuity of service under this rate for customers who implement energy efficiency measures; and
- To provide a choice for general service customers with load factors greater than 40% to take service under this rate.

29.2 Please provide Elenchus' views as to any impact that would likely arise from the introduction of a minimum load factor.

RESPONSE:

The introduction of a minimum load factor as a new criteria to be classified into a rate class can cause customers to have to be reclassified into a different customer class, if they do not meet the new minimum load factor requirement. This would impact the utility's customer classification, utility's billing process and customer understanding and acceptance of the new minimum load factor requirement and the resulting customer reclassification. It may also have bill impact for the customer resulting from the reclassification that are related to differences other than the load factor differences that are addressed by demand charges (e.g., the subclasses may have other cost difference, in which case it would be preferable to base subclasses on the more relevant cost factors, such as annual volume or peak demand).

30.0 Reference: Exhibit A2-10 page 33

Table 4: R:C Ratio Range of Reasonableness

Utility	Range of Reasonableness
AltaGas[61]	95% to 105%
ATCO[62]	95% to 105%
Union Gas[63]	Close to unity[64]
Enbridge[65]	Close to unity
Centra Gas[66]	100%
SaskEnergy[67]	95% to 105%

[61] AUC Decision 2014-139 (May 23, 2014), page 17.
[62] EUB Decision 2006-062 (June 27, 2006), page 3.
[63] OEB EB-2011-0210, Decision and Order, page 81.
[64] Elenchus interprets "Close to unity" as a smaller range than 95% to 105%.
[65] OEB Order EB-2012-0459, page 6 of 63.
[66] Centra Gas Manitoba Inc. 2013/14 General Rate Application, Appendix 15.2, page 2 of 5.
[67] SaskEnergy Incorporated Rate Application - 2016, slide 19.
[68] Exhibit B-1. Section 6, page 6.34, lines 22 to 23

30.1 In some cases following up on the above did not result in available information. Please provide a working link to the hearing documents for each proceeding cited above and any other appropriate references not cited.

RESPONSE:

The working links are as follows:

AltaGas

The Alberta Utilities Commission, *Decision 2014-139: AltaGas Utilities Inc. 2013-2017 Performance-Based Regulation – Phase II Negotiated Settlement* (May 23, 2014), page 17. Accessible online: http://www.auc.ab.ca/applications/decisions/Decisions/2014/2014-139.pdf

ATCO

Alberta Energy and Utilities Board, *Decision 2006-062: ATCO Gas 2003-2004 General Rate Application Phase II Part 1 – 2003-2004 Final Rates* (June 27, 2006), page 3. Accessible online: http://www.auc.ab.ca/applications/decisions/Decisions/2006/2006-062.pdf

Union Gas

Ontario Energy Board, *Decision and Order EB-2011-0210: Union Gas Limited*, (October 25, 2012), page 81. Accessible online: http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/369836/view/

Enbridge

OEB EB-2012-0459, Exhibit G2, Tab 1, Schedule 1, page 3 of 27. PDF page 6 of the document. Accessible online: http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/401940/view/

Centra Gas

Centra Gas Manitoba Inc., *2013/14 General Rate Application: Status of Public Utilities Board Directives to Centra Gas Manitoba Inc., Appendix 15.2* (February 22, 2013), page 2. Accessible online: http://www.pubmanitoba.ca/v1/centra_2013_14_gra/pdf/appendix_15_2.pdf

SaskEnergy

Specific reference is no longer available, however the same data can be accessed under: SaskEnergy Incorporated, *Commodity and Deliver Service Rate Application* (November 1, 2016), page 29. Accessible online: http://www.saskratereview.ca/docs/saskenergy2016/saskenergy-2016-commodity-and-delivery-service-rate-application.pdf

31.0 Reference: Exhibit A2-10 page 34

For example, if the range of acceptable R:C ratios in a jurisdiction is between 0.90 and 1.10 and customer class A has a ratio of 0. 91 and customer class B has a ratio of 1.11, rebalancing in order to bring the ratios to within the acceptable range would require that the R:C ratio for customer class B be reduced to 1.10 and customer class A would have to have its rates increased to absorb the reduction in revenues from customer class B, probably resulting in a ratio for customer class A that would be higher than 0.91. There is no requirement to bring the R:C ratios for either customer class to be equal to 1.00.

Rebalancing is done to bring all customer classes within the accepted range of R:C ratios. Any resulting shortfall in revenue requirement resulting from reducing rates to customer classes that have R:C ratios that are above the upper end of the accepted range, would be recovered from customer classes that have R:C ratios below 1.00 and/or that have the lowest R:C ratios. The exact steps used to rebalance rates vary across jurisdictions with no approach being analytically superior to any other. The preferred methodology is a matter of judgement.

31.1 Please provide the Fortis BC Rate Rebalancing and Rate Design presentation at http://www.fortisbc.com/About/RegulatoryAffairs/ElecUtility/Documents/RDA%20Open%20House%20presentation%20July%2026%20final.pdf

31.1.1 Please confirm that the above presentation is a FortisBC presentation for a Public Open House.

RESPONSE:

The first slide of the presentation read as a “Public Open House” event in July 2009. It is FortisBC’s responsibility to confirm the purpose of the presentation.

31.0 Reference: Exhibit A2-10 page 34

For example, if the range of acceptable R:C ratios in a jurisdiction is between 0.90 and 1.10 and customer class A has a ratio of 0. 91 and customer class B has a ratio of 1.11, rebalancing in order to bring the ratios to within the acceptable range would require that the R:C ratio for customer class B be reduced to 1.10 and customer class A would have to have its rates increased to absorb the reduction in revenues from customer class B, probably resulting in a ratio for customer class A that would be higher than 0.91. There is no requirement to bring the R:C ratios for either customer class to be equal to 1.00.

Rebalancing is done to bring all customer classes within the accepted range of R:C ratios. Any resulting shortfall in revenue requirement resulting from reducing rates to customer classes that have R:C ratios that are above the upper end of the accepted range, would be recovered from customer classes that have R:C ratios below 1.00 and/or that have the lowest R:C ratios. The exact steps used to rebalance rates vary across jurisdictions with no approach being analytically superior to any other. The preferred methodology is a matter of judgement.

31.2 Please provide the FortisBC Inc. 2009 Rate Design and Cost of Service Analysis Decision at http://www.ordersdecisions.bcuc.com/bcuc/decisions/en/111613/1/document.do

31.2.1 Please confirm that the above Decision is a BCUC decision for FortisBC Rate Design and Cost of Service.

RESPONSE:

The Decision is a BCUC decision for 2009 FortisBC Rate Design Application for the determination of FortisBC electricity rates.

32.0 Reference: Exhibit A2-10 page 40 and page 41

10.1 *CRISIS ASSISTANCE PROGRAMS IN BC*

The Ministry of Social Development and Social Innovations (the Ministry) runs crisis assistance programs that are designed to help low income customers. Under the Essential Utilities Supplement Program, a crisis supplement for essential utilities may be provided if recipients have reached their monthly or annual limit for crisis supplements, exhausted all resources, and do not have the ability to maintain essential utilities for their home when served with a disconnection notice or faced with the inability to re-establish essential utilities. The essential utilities supplement counts towards a recipient's cumulative annual limit for crisis supplements. Another program administered under the Ministry's supervision is the Utility Security Deposit program under which a supplement may be provided to assist recipients of income, hardship, and disability assistance with the cost of securing service for electricity or natural gas.

32.1 Please provide the level of assistance that is available through the Ministry of Social Development and Social Innovations under the Essential Utilities Supplement Program.

RESPONSE:

The Essential Utilities Supplement Program counts towards a recipient's cumulative annual limit for crisis supplements. The total cumulative amount of crisis supplements that a recipient or dependant may receive over any 12 consecutive months must not exceed twice the maximum amount of support and shelter that would be available to the family at the time the request is made.[1]

[1] http://www2.gov.bc.ca/gov/content/governments/policies-for-government/bcea-policy-and-procedure-manual/general-supplements-and-programs/crisis-supplement

33.0 Reference: Exhibit A2-10 page 41

In Alberta, an one-time financial assistance to low income individuals or families facing utility disconnection is provided by Alberta Works/Alberta Supports or Canadian Red Cross. For Manitobans, the Employment and Income Assistance Program (EIA) provide low-income consumers help with their utility costs.

33.1 Would Canadians Red Cross assistance likely be available in BC as well? Please explain.

RESPONSE:

The Community Housing Support Program provided by Canadian Red Cross is available in Calgary only.[1]

[1] https://ucahelps.alberta.ca/financial-assistance.aspx