

BRITISH COLUMBIA UTILITIES COMMISSION
IN THE MATTER OF THE UTILITIES COMMISSION ACT
R.S.B.C. 1996, CHAPTER 473

and

RE: British Columbia Hydro and Power Authority
F2017 to F2019 Revenue Requirements Application
Project No. 3698869

Prince George, B.C.
June 13, 2016

Community Input Session

BEFORE:

D. Morton,	Chair
K. Keilty,	Commissioner
D. Enns,	Commissioner

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PRINCE GEORGE, B.C.

June 13, 2016

(PROCEEDINGS COMMENCED 1:00 P.M.)

THE CHAIRPERSON: Good afternoon. My name is Dave Morton and with my are commissioners Karen Keilty and Doug Enns. It's 1:00 and time for the community input session to begin. However at this time there is no one physically in attendance in the room and in addition no one has responded to us prior to the meeting to say that they would like to make a submission.

So what I'm going to do, I'm going to stand the meeting down for 15 minutes and I'll come back in 15 minutes time. And if we have anyone then we'll begin and if not I'll let you know what is going to happen. Thanks.

(PROCEEDINGS ADJOURNED AT 1:02 P.M.)

(PROCEEDINGS RESUMED AT 1:15 P.M.)

THE CHAIRPERSON: Good afternoon everyone. I'm Commissioner Dave Morton and I welcome you today to this community input session. With me are commissioners Karen Keilty on my right and Doug Enns on my left.

We are the Commission panel that is designated to hear the B.C. Hydro Revenue Requirement

1 Application which was filed on February 26 for an
2 increase in its revenue requirement. Subsequently on
3 March the 22nd by Order G-40-16, the Commission granted
4 an interim rate increase of 4 percent. And you're
5 going to hear a little bit more about that in just a
6 couple of minutes.

7 First though I wouldd like to introduce you
8 to some of the people in the room and I'll ask them to
9 stand when I do introduce them. First there is Laurel
10 Ross, acting Commission secretary. And Yolanda
11 Domingo who is acting director of our rates
12 department. Paul Miller is our counsel. And on
13 Paul's right is Hal Bemister, the hearing officer.
14 And also Keith Bemister, his assistant.

15 We are really pleased to be here today and
16 we are here to listen to your comments and we'll get
17 to your comments -- any comments you might have and
18 we'll get to those shortly. But before we do so I am
19 going to start off by asking Laurel and Yolanda to
20 each give a short presentation. The first
21 presentation is some general information about the
22 commission and our processes, and the second
23 presentation by Yolanda will be about the BC Hydro
24 rates application, what they are applying for, and
25 also how the Commission reviews the rates application
26 and what that's all about.

1 So after they are finished their
2 presentations I would encourage you to ask questions
3 if you have questions of the presentation. And then
4 after that the panel will be interested in hearing any
5 comments that you have and at that time that would be
6 an appropriate place for that.

7 But I'll come back and talk a bit about
8 that after the presentations are done. So, Laurel,
9 can you please go ahead? Thank you.

10 **PRESENTATION BY LAUREL ROSS:**

11 MS. ROSS: Thank you for coming. My name is Laurel Ross
12 and I'm the acting Commission secretary and I'm here
13 to provide some information on the Commission and how
14 you can participate in Commission processes.

15 So first of all, what is the B.C. Utilities
16 Commission? The Commission is an independent
17 regulatory agency of the Provincial Government and
18 it's comprised of full and part-time commissioners
19 appointed by the Lieutenant Governor in Council.

20 The Commission has a mandate to regulate
21 energy utilities as well as ICBC's universal
22 compulsory automobile insurance. The Commission's
23 mandate, duties and decision-making powers are
24 governed by the *Utilities Commission Act* as well as
25 and other Acts, regulations and special directions.

26 I thought it would be helpful to go through

1 some terms that are used frequently throughout
2 Commission proceedings, and these terms will come up
3 throughout the session today. So I'll just provide a
4 bit of background on each one.

5 First of all, Commission proceeding. This
6 refers to the full process beginning to end to decide
7 a matter before the Commission. For example, there is
8 currently a proceeding for the review of the B.C.
9 Hydro F2017-2019 revenue requirements. And my
10 colleague Yolanda Domingo will speak to that
11 proceeding after my presentation.

12 MS. GIESBRECHT: I'm sorry, could you repeat that, just
13 that little part one more time?

14 MS. ROSS: The name of the proceeding?

15 MS. GIESBRECHT: Yes.

16 MS. ROSS: It's the B.C. Hydro --

17 MS. GIESBRECHT: Yes.

18 MS. ROSS: -- F2017 --

19 MS. GIESBRECHT: F2017, thank you.

20 MS. ROSS: -- to 2019 --

21 MS. GIESBRECHT: To 2019.

22 MS. ROSS: -- revenue requirements application.

23 MS. GIESBRECHT: Okay. Go on, thank you.

24 MS. ROSS: You're welcome.

25 Next I wanted to touch on the evidentiary
26 record. This refers to all documents that are filed

1 in connection with a proceeding and it forms the
2 evidence that will be heard by the Commission panel in
3 making their final decisions. It includes documents
4 such as the application, information requests,
5 submissions, argument, as well transcripts of certain
6 oral components may be included on the record and
7 specifically the transcript for today's session will
8 form part of the evidentiary record.

9 Yes?

10 MS. GIESBRECHT: (OFF MICROPHONE) Will we be able to
11 (inaudible) after the session?

12 MS. ROSS: Yes. The transcript will be posted to the
13 proceeding webpage, and at the end of my presentation
14 I'll provide a link to that webpage. Yes, so you can
15 also find any other documents filed on the public
16 record in connection with that proceeding.

17 THE CHAIRPERSON: And also, excuse me, if I could just
18 add if you would like copies of the slides that you
19 are about to see here, they are available at the back
20 of the room, hard copies of these presentations.

21 MS. GIESBRECHT: Thank you.

22 THE CHAIRPERSON: Okay.

23 MS. ROSS: And lastly I wanted to touch on the regulatory
24 timetable. This refers to the full schedule
25 established by the Commission panel of dates and
26 deadlines for a proceeding. So it may include dates

1 for certain hearing components as well as any filing
2 deadlines for items such as information requests or
3 argument.

4 Next I wanted to go through some of the
5 roles that you'll see from the Commission throughout
6 proceedings.

7 First of all, the Commission panel. So
8 typically a panel of Commissioners are assigned to a
9 specific proceeding. So in this instance you've been
10 introduced to the panel assigned to hear the B.C.
11 Hydro F2017-2019 Revenue Requirements Application
12 proceeding. They're responsible for establishing the
13 regulatory review process and they hear the evidence
14 in order to arrive at the necessary decisions.

15 Commission staff also play an important
16 role. Typically cross-disciplinary teams are formed
17 for specific proceedings and they insure sufficient
18 information is collected and may provide technical
19 advice to the panel.

20 And Commission counsel. Commission counsel
21 assists the panel on legal issues and in the event of
22 an oral hearing they will cross-examine on behalf of
23 Commission staff.

24 Next I wanted to go through some ways that
25 members of the public can participate in Commission
26 proceedings.

1 So, first Letters of Comment. Letters of
2 comment are intended to provide for any member of the
3 public to contribute views, opinions, impact or
4 potential impact with respect to a matter before the
5 Commission to the record.

6 These letters of comment must be submitted
7 using the Letter of Comment Form, which is available
8 on the commission website, and submitted top the
9 commission secretary.

10 Next I wanted to discuss Interested Party
11 Status. So for any individuals that do not expect to
12 actively participate but wish to receive e-mail
13 notification of all documents filed as part of a
14 proceeding should register with the commission as an
15 interested party. Interested parties may file letters
16 of comment bit they cannot otherwise participate in a
17 proceeding, specifically they don't have the same
18 participation rights as interveners.

19 And lastly, Intervener Status. So
20 individuals or organizations that expect to actively
21 participate in a proceeding they should register with
22 the Commission as an intervener. Intervenors are
23 expected to actively participate and adhere to the
24 established regulatory timetable. Active
25 participation means filing information requests,
26 argument, attending hearings, or cross-examining or

1 being cross-examined.

2 In order to make a request for intervener
3 status you must complete and submit the Request to
4 Intervene form in accordance with the filing deadline
5 set in the regulatory timetable for the proceeding.
6 And there are a few things that those requesting that
7 status must demonstrate to the Commission.

8 Those parties requesting intervener status
9 must demonstrate that they are either directly or
10 sufficiently affected by the Commission decision or
11 that they have experience, information or expertise
12 that would contribute to the Commission's decision-
13 making.

14 In addition the request must include a list
15 of key issues that you intend to pursue as part of the
16 proceeding. The Commission panel will make the final
17 decision as to whether or not to accept an individual
18 or organization as an intervener.

19 I also wanted to touch on privacy matters
20 when participating in a proceeding before the
21 Commission. So when registering to participate in a
22 matter before the Commission, the collection and
23 publication of personal information is authorized
24 under certain sections of the *Freedom of Information*
25 *and Protection of Privacy Act* and I've included the
26 sections up on the slide here.

1 What that means, by submitting a request to
2 intervene you're consenting to the use and display of
3 your personal information in that public proceeding.
4 And for interested parties and those submitting
5 letters of comment, the name and contact information
6 is included on the evidentiary record, however we only
7 publish names on the public website.

8 And to finish off I wanted to provide some
9 links to specific pages on our website. I've included
10 the full address of the BCUC website on the slide, and
11 on the main page you'll see a link to the Commission's
12 rules of practice and procedure which touch on quite a
13 few of the items I've discussed today.

14 In addition, as I mentioned earlier, there
15 is a proceeding webpage which has all public documents
16 filed in connection with the B.C. Hydro F2017-2019
17 Revenue Requirements Application proceeding. And we
18 also have a participate in a proceeding webpage, which
19 includes a lot of the forms that I've mentioned today
20 as well as additional information on how you can
21 participate in a matter before the Commission.

22 In addition I've included the contact
23 information on the slides. So if you have any
24 additional questions after the session on how to
25 participate in Commission proceedings or any
26 procedural matters I've included the e-mail address

1 for Commission secretary as well as our phone number
2 and mailing address.

3 And that concludes my presentation. Are
4 there any questions on specific presentation or how
5 you can participate in a matter before the Commission?

6 If not, then I'll turn the floor over to my
7 colleague Yolanda Domingo.

8 MS. DOMINGO: Thank you. So I will just try to find my
9 presentation here.

10 **PRESENTATION BY MS. DOMINGO:**

11 So, hello again, everyone, my name is
12 Yolanda Domingo, I am the acting director of the rates
13 group. I just wanted to say we are a very small
14 organization and we haven't had too much opportunity
15 to come out and do a lot of community engagement,
16 stakeholder engagement and so this is an opportunity
17 for the Commission to engage with the public to hear
18 what you have to say. It is a chance for the
19 communities in B.C. to tell us what you are concerned
20 about. So this is your opportunity to voice your
21 concerns to the panel and we're very happy to share
22 this experience with us.

23 So before we talk specifically about the
24 B.C. Hydro application I wanted to give you a little
25 bit of insight into the rate setting processes of the
26 Commission.

1 So, previously Laurel has talked about the
2 *Utilities Commission Act*, that's the piece of
3 legislation which governs our jurisdiction. That is
4 what the Commission is empowered by government to
5 carry out.

6 So here are a few sections of that
7 legislation which are relevant to what we are going to
8 be talking about today.

9 So, Section 59 governs the rate setting
10 powers of the Commission. And here it says:

11 "A public utility must not make, demand or
12 receive [a rate] that is...unjust,
13 unreasonable, unduly discriminatory, or
14 unduly preferential."

15 So what does unjust or unreasonable mean? Well
16 another way to look at it is, a rate must be fair and
17 reasonable for the type of service that is being
18 provided. And so we could say that the definitions or
19 interpretations of a fair and reasonable rate is quite
20 broad. So, usually it requires a lot of judgment, in
21 addition to an evaluation of the detailed evidence
22 that may be filed or that is contained within the
23 application. And the determination of whether a rate
24 is just or reasonable lies solely in the hands of the
25 Commission panel before you.

26 So therefore, this panel's duty is to hear

1 all of the evidence and have a full review of the
2 application and all the submissions before any
3 judgments or determinations may be made. And so they
4 cannot prejudge any content, interpretations of that
5 application.

6 So while they are here to listen to you
7 today, they may not be able to comment on your
8 questions or submissions at this time. Doing so would
9 make the process biased or may violate the procedural
10 fairness at this time.

11 Another section of the Act that is
12 relatively important, is section 45 and this governs
13 what we call a "Certificate of Public Convenience and
14 Necessity" and what that is really is just a fancy
15 word for capital project pre-approvals. So, the
16 Commission does not usually grant pre-approvals for
17 every single capital spending that a utility spends
18 money on. For example if B.C. Hydro were to spend
19 \$100 on office supplies or pencils, or even a million
20 dollars on service trucks, they don't necessarily
21 require preapproval, because to do so for every small
22 dollar of spending would be extremely inefficient and
23 extremely costly for ratepayers because the cost of
24 regulation, so that is the cost for commissioners,
25 commission staff, commission counsel, the cost of
26 regulation also becomes a cost item that goes into the

1 rates.

2 So therefore there's usually a certain
3 dollar limit for any large capital projects that do
4 require the Commission's scrutiny and oversight, in
5 order to grant that pre-approval. Again similar to a
6 rates application, a certificate of public convenience
7 and necessity, those applications are usually meant
8 for large capital expenditures, and again, the
9 Commission has to go through a full review of the
10 application and the contents before any determinations
11 are made. However, once a certificate is granted, the
12 utility is allowed to collect the reasonably incurred
13 costs for that project into rates.

14 Another important item to note, is that
15 even though these are the powers of the Commission,
16 these powers can be truncated by specific directions
17 from the provincial government. As an example there
18 have been previously a number of B.C. Hydro capital
19 projects that have been directed by the provincial
20 government which bypasses the Commission's normal
21 review processes. And I will give you some more
22 examples of that later on.

23 So hopefully this isn't too overwhelming at
24 this point. There is a lot of legal jargon, different
25 sections of the Act I am pointing to, but the intent
26 of showing you these relevant pieces of legislation is

1 to let you know that the regulatory process is highly
2 complex. It encompasses a large degree of processes
3 and enactments and sometimes even interpretations of
4 the powers that are granted to the Commission.

5 So, for example we do get a lot of calls
6 from concerned citizens of the province that let us
7 know that they simply just don't want rates to
8 increase. And we understand that, I get it, nobody
9 wants their rates to just simply be increased. But I
10 do respect the fact that there are fair and
11 transparent process in place to look after the public
12 interest, and there certainly are many issues that the
13 panel must take into consideration as they adjudicate
14 that process.

15 So then you might ask how do rates get
16 established then? Well, at a high level utilities
17 need to apply to the Commission to make any kind of
18 rate adjustment. Whether it's an increase or decrease
19 in the rates, they simply cannot do this arbitrarily.
20 So, by that definition, the approved rates, or the
21 only posted rates, are the only rates that the utility
22 is allowed to charge to its customers. So during the
23 rate setting process utilities are allowed to recover
24 their prudently incurred costs of providing safe and
25 reliable service plus a percentage that is allowed as
26 an earned return for their invested capital assets.

1 The concept is relatively simply, but the
2 application of that concept is fairly complex. That
3 is because large utilities, large public utilities
4 like B.C. Hydro, they have a large number of various
5 line items that add up to their total cost of doing
6 business.

7 So just to give you some examples: The
8 largest cost item are generally the cost of energy, so
9 this could include the physical generation of
10 electricity; sometimes the purchase of electricity
11 from various external sources. There is also the
12 transmission of that electricity from the generating
13 station to local substations. There is also the
14 distribution of that electricity from the substation
15 to your home. There is the transformation of that
16 electricity to make it safe for your home. There's
17 the cost of answering calls customers make inquiries
18 about their bill. There is upgrades of dams and other
19 infrastructure other capital items. There is also the
20 depreciation of those physical assets which make up
21 usually a large component of B.C. Hydro's costs; and
22 of course there is regulatory cost, as I've mentioned
23 previously mentioned.

24 So all of these costs add up to what we
25 call the revenue requirement. Essentially it is the
26 total bucket of costs that is required to provide

1 customers in the service area with safe, reliable
2 service.

3 The other main component of a revenue
4 requirement application is the load forecast. So for
5 example, if there is a forecast increase in the
6 expected customer demand for electricity, then there
7 could be an increase cost associated to meet that
8 load. But there is also an opportunity to sell more
9 units of energy, and so there is additional revenue.
10 And, if the forecast revenues coming in are smaller
11 then the utility's costs of doing business, then
12 that's what we call a revenue deficiency, that also
13 means that all rates would have to increase in order
14 to make up that difference.

15 So, just as it is important to understand
16 what a revenue requirement application is, it is also
17 equally important to understand what it is not. So,
18 at this point I could probably point out that the
19 revenue requirement application is not the same thing
20 as a rate design application.

21 So, a rate design application from B.C.
22 Hydro is currently underway, and it is currently being
23 reviewed by a different Commission panel. That
24 application looks at whether each class of customers,
25 for example, residential, commercial or industrial
26 class of customers are recovering their fair share of

1 the cost that they are incurring on the system. And
2 that application, that is the rate design application,
3 also looks at the different components of the rates,
4 so it looks at whether the basic charge or the energy
5 charge is sufficient.

6 So, as we talk about this big bucket of
7 cost of doing business that the Commission must
8 review, there are also a number of costs that the
9 Commission may not review. These come to us as a
10 number of directions that are passed through Cabinet,
11 and ultimately issued to the Commission in terms of
12 our regulatory oversight of B.C. Hydro. And this
13 limits certain powers of the Commission. So, more
14 recently, it is the *Clean Energy Act*, I believe that
15 was 2012, and also Direction No. 7 which was passed
16 and approved by Cabinet on March the 5th of 2014. Do
17 we have a question in the front?

18 MS. GIESBRECHT: I was just curious to know, if I can, do
19 we know the reason why these items have been accepted?

20 MS. DOMINGO: Mr. Miller?

21 MR. MILLER: Mr. Chair, may I answer?

22 THE CHAIRPERSON: Yes, please go ahead, Mr. Miller.

23 MR. MILLER: It may well be in answer. The Utilities
24 Commission just gets directions issued to them, and
25 legislation is passed and then we are alerted to it.
26 So, it may well be answered in the speeches amongst

1 members, but I am not sure why.

2 MS. DOMINGO: So, if we talk about the *Clean Energy Act*,
3 and also Direction No. 7, there are a number of
4 directives there, pinpointed to the Commission.

5 One of the more interesting pieces we've
6 referred to as the "exempt projects." And here are an
7 example of some of those projects. These projects
8 have been mandated by the government to bypass the
9 Commission's normal regulatory review processes. In
10 addition to that, the Commission has also been ordered
11 that it must allow B.C. Hydro to fully recover the
12 costs that have been, or will be expected to be
13 incurred with respect to these and any other projects
14 that have been specifically identified. So, if we
15 take all of that into consideration, what that means
16 is that these and other specifically identified
17 projects are not within the scope of this upcoming
18 revenue requirements application from B.C. Hydro. The
19 Commission does not have any discretion to review the
20 costs or disallow any portion of the costs related to
21 these projects.

22 So, let's now take a look at what we have
23 in terms of the application for the B.C. Hydro fiscal
24 2017 and 2019 revenue requirements application. So,
25 as Commission Chair had said earlier, the preliminary
26 application was filed on February 26. This is a bit

1 of a unique situation we are currently dealing with,
2 because you don't actually have a fulsome application
3 from B.C. Hydro that is before the commission. So,
4 under normal circumstances B.C. Hydro would file a
5 full application by the end of February, so that they
6 can get rates put into place, at least on an interim
7 basis for their start of their fiscal period which is
8 April the 1st. However, in this case, and so far today
9 we only have a preliminary application.

10 The reason why B.C. Hydro did not file a
11 full application at this point from what we understand
12 from the first page of their application, we
13 understand that there have been a number of economic
14 and fiscal decisions that have been made or expected
15 to be made by the provincial government that will
16 impact B.C. Hydro's costs, and also their load
17 forecasts for the upcoming fiscal period. And so
18 therefore, B.C. Hydro has indicated to us that they
19 would need to wait for that additional information
20 before they can put a fulsome application together.
21 And we do expect that to be filed later on in the
22 summer, likely the very last week of July is what we
23 expect.

24 And after the application is filed, the
25 Commission will then determine the appropriate
26 regulatory review process. At that time, that is when

1 parties can register as interveners or interested
2 parties to assist in the review of the application, so
3 the regulatory review process has not been established
4 at this time. It could range from a short written
5 review process to a longer oral process possibly.
6 But, that will be decided after the application is
7 filed, and we may have a chance to hear from parties.
8 Parties may be asked to make a submission on what is
9 the appropriate review, or the Commission panel may
10 hold a procedural conference to make that
11 determination.

12 In the regulatory review process, the
13 utility provides the bulk of the evidence. So, the
14 onus is on the applicant to provide sufficient
15 evidence to convince this panel that their evidence is
16 thorough, it makes sense, it is complete, it is
17 fulsome, it is free of errors. So, they need to
18 justify that the applied for costs are prudent and
19 reasonable.

20 In addition to the utility providing
21 evidence interveners may also provide their own
22 evidence, counter-evidence, but if you do then that
23 that evidence that you provide may also be examined by
24 other participants in the proceeding and also
25 Commission staff as well.

26 Now as we've mentioned before there is a 4

1 percent interim rate increase that has been approved
2 for April 1st of 2016. Now the general rule is that
3 any rate application must be filed at least 30 days
4 prior to the effective date, and that's what Hydro has
5 done.

6 So ratepayers should know that although the
7 interim rate approval is subject to refund or
8 readjustment after the commission has gone through a
9 thorough review of the application and all of the
10 evidence that's going to be presented during that
11 proceeding and based on the preliminary information
12 that we did have and also in consideration of the rate
13 caps for BC Hydro that has been set by the government,
14 a 4 percent increase was approved to be reasonable for
15 April 1st, again on an interim and refundable basis.

16 So rate caps. Now Direction No. 7, that's
17 been issued to us, has also established certain
18 maximum rate increases for the next number of fiscal
19 periods. That's set at 4 percent in fiscal 2017, 3.5
20 percent in fiscal 2018, and another 3 percent in
21 fiscal 2019.

22 In that same direction the government also
23 indicated that if B.C. Hydro's forecast or necessary
24 rate change exceeds the caps that are presented here,
25 the Commission must order BC Hydro to defer those
26 costs into their rate smoothing deferral account.

1 And so from the preliminary application,
2 what we do know is that BC Hydro has indicated that if
3 the rate caps were not in place, their forecast
4 increase in fiscal 2017 is actually closer to 9.7
5 percent.

6 There are other directives in that
7 Direction No. 7, as well. For example is Section 4
8 it's been indicated to us that the Commission that it
9 must ensure that the rates that are approved allow BC
10 Hydro to collect sufficient revenue to enable it to
11 provide reliable service and also to meet all of its
12 debt service, tax, and other financial obligations as
13 well.

14 So in terms of looking at a 4 percent
15 increase, what does this look like on a typical
16 residential bill? So if we take last year's unit
17 charges that are on the residential bill and we
18 increment that by 4 percent is what we get in this
19 slide here. We get all the rates that are on that
20 right-hand column. And of course there is also a 5
21 percent rate rider, that's on top of the total of the
22 basic charge and plus the energy charge.

23 And here's a sample bill that shows exactly
24 that. So all the unit costs that are showed on that
25 sample bill is equivalent to the 5 percent increase.
26 So this is what we will typically be seeing. Not the

1 typical total charge but just the unit rates that
2 you'll be seeing on your residential bill starting
3 April 1st of this year.

4 So in conclusion, the intent of this
5 presentation is to give you a greater appreciation for
6 the Commission regulatory processes and also to inform
7 you a little bit about the scope of what we expect to
8 review in the upcoming revenue requirement application
9 from BC Hydro. So at this time if you have any
10 questions about any content that I've previously
11 discussed I would welcome that before we go into other
12 discussions.

13 MS. GIESBRECHT: I'm afraid to ask a question just because
14 I don't want to ask a question our of context. I'm
15 here because I am worried and concerned for the rates
16 and the irresponsible spending of my tax dollars by BC
17 Hydro. So I don't want to offend or upset anybody. I
18 don't want to get tossed out, I just -- I'd just like
19 to be able to ask the questions at the appropriate
20 times and I'm not always good at that.

21 CHAIRPERSON: If I could just -- sorry, to interrupt but
22 if we could, just at this point if you have any
23 questions about any of the material on any of the
24 slides you've just seen, this would be the place to
25 ask it.

26 MS. GIESBRECHT: Well I saw a picture of a hydro bill and

1 I have concerns about how my tax dollars are being
2 spent. I don't know that this is the right time to
3 ask questions.

4 MR. MILLER: Mr. Chair it sounds like she should perhaps
5 save her comments for this time and then do it during
6 the presentation stage after your next opening
7 comments.

8 CHAIRPERSON: That would be better, yes.

9 MS. GIESBRECHT: I'm here with full respect for the
10 Utilities Commission.

11 CHAIRPERSON: If you'll just hold on one moment then we
12 will get to you. Okay, thank you.

13 So thank you very much Laurel and Yolanda
14 for those interesting presentations. I appreciate it.
15 And before we move on, I'd just like to explain what
16 the next phase of our get together here is intended to
17 be for and it's intended for you to make any
18 submission that you would like to make, and that would
19 include a submission of concern about something, if
20 you would like to point something out to the panel and
21 anything at all. The only restriction being that we
22 would ask that it be kept within the scope or the
23 context of what you've just heard.

24 So you've heard Yolanda explain what the
25 scope of the application is, what things the
26 commission can determine and what are outside the

1 jurisdiction of issues that we can look at. If you
2 have comments on those issues that are within our
3 jurisdiction we're more than happy to hear them.

4 I'd like to point out that what you saw
5 will be put on the record. It's recorded, it will be
6 on the record and it will be available for anyone to
7 see and it's certainly something the panel is prepared
8 to look at when it makes its decision.

9 Similarly if you do not want to speak now
10 or if you do speak now and there is something else you
11 would like to say later, Laurel has explained how you
12 can participate in the proceeding. You could write a
13 letter of comment later that would be added to the
14 record or you could take a more participatory role, if
15 that's what you chose.

16 So for now if you have something that you
17 would like to say to the panel we are more than happy
18 to listen, if anyone has something to say.

19 MS. DOMINGO: I believe we have one party that's
20 registered to make a statement. I believe Mr. John
21 Ronan. Would you like to --

22 MR. RONAN: That would be me.

23 MS. DOMINGO: Yeah, would you like to come up to the mic?

24 MR. RONAN: I can speak, well. My name is John Ronan.

25 CHAIRPERSON: Thanks John.

26 MR. RONAN: It's wonderful to be here. Not really. So

1 BC Hydro wants to increase the rates by 4 percent.
2 Tell me when was the last time you guys all had a pay
3 raise? When was the last time Christy Clark had a pay
4 raise? She's been getting 5 percent a year for the
5 last decade. Her medical is paid for, her dental is
6 paid for. She gets holiday pay, she gets statutory
7 pay. I get none of this.

8 Where does this stuff come from? It comes
9 from taxpayers. Yet the government, the Liberal
10 government has been raiding BC Hydro for money to prop
11 up government. In my opinion this is taxation without
12 representation. If it isn't illegal it should be
13 illegal. You're all political appointees, you all
14 work for the government, you get paid by the
15 government. If you go against their decisions you put
16 your positions in jeopardy. So you can't rock the
17 boat and tell them where to get off.

18 Some of us don't have all these pensions
19 and benefits. We have to pay for them out of our own
20 pocket. I am trying to be shut down by flipping
21 federal government. They've seized my bank accounts.
22 You know, I have to pay my bills, yet apparently
23 government, BC Hydro, doesn't have to.

24 These hidden accounts, these secret
25 meetings -- differed accounts, that's what they're
26 called. They're not being paid off. The interest is

1 being paid off and they're saying that the operational
2 budget is being taken care of but we're still running
3 up more deficits because we're not taking care of the
4 principle for all these projects.

5 People who run BC Hydro are all political
6 appointees.

7 MS. GIESBRECHT: Except those that own it, and that's us.

8 MR. RONAN: So they're beholden to the Liberal
9 government. Not to government but to the Liberal
10 government, a political party that feels it necessary
11 that they have to top up the premiere's pay packet
12 because she's not getting paid enough at \$350,000.

13 Fair and reasonable, eh? When was the last
14 time I had a raise? When was the last time you had a
15 raise? Is that fair that my rates should be going up
16 year after year? Everything going up? Everything
17 going up including my city taxes and my federal taxes.
18 You know? My rates don't go up. I lose money when my
19 rates go up. I'm self employed. I'm not an employee.
20 I'm not a contract worker. I'm just an ordinary --
21 just the world's smallest business. Except the
22 federal government seems to want to jump at me and
23 provincial government, well they've got their head in
24 the clouds.

25 So I talked about political interference.
26 They've set your mandate, so you're beholden to them.

1 But I'm asking you that if you have any influence with
2 these political masters that perhaps that they should
3 take a pay decrease equal to the rate increase that
4 they're asking for. See what that gets you.

5 I don't know. I'm sure I have more to say.
6 Paying fines. Let us remember the Powerex generation
7 got fine \$1 billion. They plead guilty to it just a
8 few short years ago and that came out of our rates.
9 That's politically directed. That's the Liberal party
10 who were directing Powerex to sell power to California
11 at obscene rates, obscene profit rates and then the US
12 government, well they're a little bigger than BC Hydro
13 and our provincial government, so they say naughty,
14 naughty and they fined us a billion dollars.

15 Did the provincial government ever talk
16 about them losing all these -- that's only one lawsuit
17 that, you know, there's one for the Uranium mining
18 company, \$150 million. Where does this money come
19 from? It comes from you and me. But if they're going
20 to increase the rates for BC Hydro they're only going
21 after the Hydro ratepayers. They're not going after
22 all taxpayers and sharing the balance equally and
23 politicians do not sell -- do not pay their fair share
24 of taxes because they get so many freebies. Obscene
25 freebies, which is why a lot of people are pissed off
26 with the system.

1 I ran for federal parliament two elections
2 ago. You know, the problem is the political party
3 system. The problem is the Westminster parliament
4 system. The will to change it. No let's enshrine
5 French and give them equal rights.

6 CHAIRPERSON: Mr. Ronan can we please keep focused on BC
7 Hydro's application.

8 MR. RONAN: Yes, you're right.

9 CHAIRPERSON: Thank you.

10 MR. RONAN: And I've said my piece and thank you for your
11 humour and I'm glad I didn't get killed.

12 CHAIRPERSON: Okay thank you Mr. Ronan.

13 MS. GIESBRECHT: Thank you. I came from William's Lake.
14 I had to move out of my community in Mission because
15 the radio frequencies were so strong I couldn't live
16 with the headaches and the insomnia anymore. I'm here
17 today because of the money situation with BC Hydro.

18 There are many people in this province who
19 are being forced -- they are now being forced to
20 either buy food for their children or pay their hydro
21 bill. And if they're short, it only takes a couple of
22 months and it adds up fast.

23 BC Hydro now has the power to flip a switch
24 and they have done so more so in the last few years
25 since the smart meter program was introduced than they
26 ever have. People are being forced to live without

1 power, try to find a way to feed their children, keep
2 them warm at night, help them do their homework by
3 candlelight and now they're talking about raising
4 these rates again? When people can't even scrape
5 enough money together to pay their bill?

6 It breaks my heart because as licensed
7 daycare provider in this province, and an employee of
8 the provincial government, I see a lot of single
9 parents and it just breaks my heart and there's no
10 fairness to these people.

11 There's a lot of irresponsible and careless
12 spending on the behalf of BC Hydro and what they're
13 doing. May I please comment further? Would that be
14 okay, appropriate? I just don't want to offend or
15 upset anybody. Is it okay?

16 BC Hydro installed an analog meter on my
17 home in Mission last summer, but unfortunately it was
18 too little too late. I had to move and relocate to
19 Williams Lake. Gone are the headaches and the
20 insomnia, but never will be gone my fight to have
21 these things justified and removed, and the careless
22 spending that is surrounding this smart meter program.

23 They pull 88,000 meters off of homes in
24 California because those meters have a short lifespan.
25 They bring them up here and they start shoving them on
26 homes and forcing them into people's lives and

1 charging us between three and five hundred dollars for
2 each meter.

3 BC Hydro has -- I believe it's the liberal
4 government, my apologies, has exempted the BC
5 Utilities Commission from the *Clean Energy Act*. I am
6 aware that the position of the BC Utilities Commission
7 -- they were put together by the former Bill Bennett,
8 who, God rest his should and my he rest in peace,
9 passed away a few months ago. They were put in place
10 to keep rates from sky rocketing and from corruption
11 and whatnot happening in these Crown corporations and
12 within -- so that life is more fair, so to speak, for
13 the B.C. taxpayers.

14 You have people being forced, and I was one
15 of them, to pay what is called the legacy meter
16 reading fee. But every month my fee was different,
17 yet BC Hydro wouldn't tell me why. They wouldn't
18 explain where all the money is, the millions of
19 dollars they promised every single one of us that they
20 were going to save with these smart meters for they
21 could nail the people that have grow-ops. I'd like to
22 see BC Hydro be held accountable for that because they
23 won't and they haven't showed any millions of dollars
24 that they keep bragging about spending -- or, sorry,
25 about saving.

26 I was charged the legacy meter reading fee

1 as were many people in this province, I believe
2 there's 70,000 of us that don't want these meters and
3 that's okay. Why are the people that don't want these
4 meters that are paying the legacy meter reading fees
5 and the failed installation fees, *et cetera*, why are
6 they force to pay those fees when you have people in
7 rural communities in this province that have to have
8 their smart meters read manually by BC Hydro staff
9 because these meters are too far apart they don't work
10 properly, they can't connect to each other like they
11 do in communities and subdivisions where everybody's
12 living, marinating, in a sea of radiation.

13 And we choose to have these devices, we
14 choose to have cell phones, we choose to have an iPad.
15 Okay? We choose to have Wi-Fi routers, baby monitors,
16 microwaves. The BC Hydro smart meters are not a
17 choice. They're not a fair choice for anybody. And
18 there's a lot of people in this province that are
19 suffering financially and physically because of these
20 meters.

21 My concern today is the fact that BC Hydro
22 continues to run amok in our province while the BC
23 Utilities Commission who was put in place to stop this
24 corruption and bullying of the B.C. taxpayers are
25 sitting back and doing nothing.

26 I apologize if this is out of line, forgive

1 me. But these are questions that I have had inside of
2 me for three and a half years. Thank you.

3 THE CHAIRPERSON: Thank you. Just a couple of comments
4 on what you've said.

5 Your comments about people not being able
6 to afford to pay their Hydro bills, I just want to
7 make you aware that there is a proceeding, a different
8 proceeding before the commission right now, it's
9 called the BC Hydro rate design hearing, and I think
10 you heard Yolanda talk about that a little while ago.
11 And one of the issues in that proceeding is the issue
12 of subsidization of Hydro rates for low-income people.

13 If it is a topic of interest to you, you
14 may want to take a look and follow that proceeding,
15 and I think that Laurel would be able to help you do
16 that.

17 MS. GIESBRECHT: And as well was the seniors citizens in
18 our province. They're all fixed income as well.

19 THE CHAIRPERSON: Correct. And in fact it's an
20 intervener organization that works on behalf of
21 seniors living in a fixed income that is bringing that
22 issue before the Commission and it is an issue that
23 the Commission will be looking at.

24 MS. GIESBRECHT: Sir, I know that there are families that
25 -- to me I think they should also be considered. They
26 are -- you know, where the mom and dad are together

1 and you've got the family unit, say a mom and dad and
2 three children.

3 THE CHAIRPERSON: Mm-hmm.

4 MS. GIESBRECHT: Well, what if the parents don't make
5 seventy or eighty thousand dollars a year and upwards
6 like a lot of the other people in our province that
7 worked through the Liberal government and whatnot,
8 make. They don't earn the kind of money that a lot of
9 people in our province do. And they're barely making
10 ends meet.

11 And how -- what percentage, is there any
12 way someone can tell me the percentage that the rates
13 of BC Hydro's have gone up just in the last five
14 years? Percentage?

15 THE CHAIRPERSON: Yoldana? Yes, thank you.

16 DOMINGO: Yes, we do have some information on that, and
17 that's taken from the province's 10-year plan. I
18 don't think I can go back five years, I can go back at
19 least two, which in fiscal 2015 it was set at 9
20 percent, and fiscal 2016 it was set at 6 percent.

21 MS. GIESBRECHT: And those rates keep going up. And
22 they're just going to keep going up. And there are
23 people that are already having power cut to their home
24 because the legacy meter reading fee is actually
25 higher than the Hydro. And like I say, I can't
26 understand justifying a fee for one when others that

1 are having their meters read for free, they don't have
2 to pay that rate.

3 Like, it has to be fair to everybody and
4 that's one of the reasons why I drove up here today
5 from Williams Lake nonstop. I had to get here. I
6 found out about this meeting this morning, I'm so
7 appreciative to be able attend this meeting, but
8 there's so many answers that just -- things that don't
9 make sense and it's not fair. It's not fair to charge
10 one customer a \$65 failed installation fee because
11 they don't want that meter on their home.

12 It's not fair to pay to charge somebody
13 between 40 and 50 dollars a month, a legacy meter
14 reading fee. Try timesing that by 12 and tell me what
15 you're paying in a year just to live in a safe home
16 and a safe environment. And then yet you've got
17 people in rural communities having their meters read
18 for free. Does anybody see something not fair there
19 or is it just me? So I think the BC Hydro is running
20 amok with our tax dollars and they're finding every
21 excuse in the book.

22 And I'll tell you what, three years ago a
23 Corix truck pulled up outside of my home. Those
24 people are not electrical engineers certified to work
25 in British Columbia and they don't have the proper
26 certification to swap out meters. So when I said I'm

1 really sorry sir, but I cannot allow you onto my
2 property. My meter is locked up and I will not allow
3 a smart meter to be installed. And he left. And the
4 next time I got a bill I have a \$65 failed
5 installation fee.

6 I mean, this was a couple of years ago, but
7 the people, the taxpayers, the grunts that are working
8 our butts off so that you guys can have your jobs. We
9 don't have any one to talk -- we don't have anywhere
10 to go about all these unfair financial spending of BC
11 Hydro. There's running amok, there's doing whatever
12 they want. And if you don't like it they'll just flip
13 the switch.

14 And like I say, I'm tired of the unfair
15 spending and, you know, they take meters off the homes
16 in California, they're replacing 88,000 meters here in
17 our province that are rural and they're not working
18 properly. They amortize these things over 20 years.
19 You know what would happen if I told Telus that I
20 wanted to take my iPhone and amortize that thing over
21 20 years? I'd be laughed out of the store. So who is
22 okaying that as well? Amortizing these things over 20
23 years, really?

24 I guess I'm here today to bring these
25 things to your attention and hopefully to get some
26 answers. I'm not here to demand answers, I'm not here

1 to demand or be out of line, but nobody's answering
2 out questions in B.C. And there are 70,000 of us who
3 don't want these meters. And we are paying out of our
4 noses in these fees that are not being fairly charged
5 to all BC Hydro customers.

6 THE CHAIRPERSON: Thank you for your comments. We will
7 consider your comments as we make our decision. Thank
8 you.

9 Is there anyone else that would like to
10 have any -- that has questions or would like to make a
11 comment? Sir, do you want to -- do you have any
12 comments? Okay. Thank you very much for your
13 contributions and we appreciate them. Thanks.

14 (PROCEEDINGS ADJOURNED AT 2:07 P.M.)

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