



VIA EMAIL

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August 5, 2016

BCUC RIB RATE REPORT
EXHIBIT A-14

Mr. Tom Loski
Chief Regulatory Officer
British Columbia Hydro and Power Authority
16th Floor – 333 Dunsmuir Street
Vancouver, BC V6B 5R3

Ms. Diane Roy
Director, Regulatory Services
FortisBC Inc.
Suite 100, 1975 Springfield Road
Kelowna, BC V1Y 7V7

Dear Mr. Loski and Ms. Roy:

Re: Residential Inclining Block Rate Report to the Government of British Columbia
British Columbia Hydro and Power Authority and FortisBC Inc.

This letter is to inform the BC Hydro and Power Authority (BC Hydro), FortisBC Inc. (FortisBC) and all stakeholders in the British Columbia Utilities Commission (Commission)'s Residential Inclining Block Rate Report proceeding that the Commission has decided to extend the public comment period and post the public notice in additional major newspapers in British Columbia.

The Commission received feedback that the previous deadline for the public comment period of Monday, August 15, 2016 does not offer enough time for residential customers of BC Hydro and FortisBC without access to natural gas to submit comments. Accordingly the Commission has decided to extend the comment period for BC Hydro or FortisBC residential customers without access to natural gas until **Friday, September 2, 2016**.

The Commission also received feedback that our public notice did not reach enough communities. Accordingly, the Commission has decided to post the attached public notice in the following additional major newspapers:

The Province	Times Colonist	Kamloops This Week	Nanaimo News Bulletin
The Vancouver Sun	The Okanagan Sunday	Prince George Citizen	

Previously, as explained in the Commission's July 15, 2016 letter (exhibit A-13), the Commission posted the public notice in 21 community newspapers that targeted the 200 communities identified in this proceeding by BC Hydro and FortisBC as communities without access to natural gas. Feedback from customers since that time has indicated that this public notice did not sufficiently cover residents in BC without access to natural gas. Accordingly, as mentioned above, the Commission will post notice of the public comment period in newspapers in the major centres of the province.

The Commission received a specific request from a customer to publish the public notice in two community newspapers in the Okanagan but the Commission has determined that it is more cost effective and has greater

reach to residents of BC to publish in the newspapers in the major centres rather than in the remaining community newspapers in the Okanagan and throughout BC.

Public notice of the comment period will now reach more communities than the 200 identified by BC Hydro and FortisBC. The wording of the public notice is intended to help residents self-identify whether they have access to natural gas and whether they should submit comments.

In addition, the Commission previously sent the public notice directly to regional districts in BC that cover the 200 communities identified in this proceeding. In order to encourage comments from residents in additional communities the Commission will send the attached letter and public notice to the Regional District of Okanagan-Similkameen, Kootenay Boundary, Central Okanagan and the Northern Rockies which were not contacted directly before.

Previous letters to stakeholders were addressed to the President and CEOs of BC Hydro and FortisBC because the letter from Minister Bennett to the Commission that initiated this proceeding was copied to those individuals. The Commission will now address letters in this proceeding to the Chief Regulatory Officers of both utilities as is the practice in other proceedings.

Yours truly,

Original signed by:

Laurel Ross

BM/kbb

Attachment: August 5, 2016 letter to regional districts with public notice



VIA EMAIL

August 5, 2016

[Regional District]

Dear Sir or Madam:

Re: British Columbia Hydro and Power Authority and FortisBC Inc.
Residential Inclining Block Rate Report to the Government of British Columbia

The BC Minister of Energy and Mines has asked the British Columbia Utilities Commission (Commission) to report to the Government of BC concerning the impact of British Columbia Hydro and Power Authority (BC Hydro) and FortisBC Inc.'s (FortisBC) residential inclining block electricity rates (often referred to as the Residential Conservation Rate or RCR) on customers without access to natural gas. Please see the attached public notice for additional explanation of the residential inclining block rates.

As part of this reporting process, the Minister has asked the Commission to gather information from residential electricity customers in regions not served by natural gas regarding the following items:

- the impacts of the residential inclining block electricity rates; and
- customers' awareness of ways to mitigate any impacts.

On July 15, 2016, the Commission issued letters to specific regional districts and posted public notice in specific community newspapers. These letters and public notice were targeted at a list of 200 identified communities without access to natural gas. Since those communications were issued, we have received feedback from residents that public notice should be broader throughout BC. Accordingly, we are sending you this letter and we will be issuing the enclosed public notice to various major and regional newspapers to advertise the opportunity for residential electricity customers in regions not served by natural gas to provide letters of comment to the Commission on this matter.

We are also asking for your support in communicating the contents of the enclosed public notice to residents within [regional district]. Possible ways for you to distribute the public notice to these residents include:

- post on your website;
- discuss at any public meetings, as appropriate; and/or
- post in public spaces such as the library, city hall or recreation centre.

Please respond to the Commission, if possible, indicating what measures [regional district] pursued to distribute the public notice on or before Friday, September 2, 2016.

More information about the process is available on the Commission's website at the following link: <http://www.bcuc.com/ApplicationView.aspx?ApplicationId=506>. If you require further information please contact Alison Thorson, Director – Policy, Planning and Customer Relations at 1-800-663-1385 or Commission.Secretary@bcuc.com. Thank you in advance for your participation in this public consultation process.

Yours truly,

Original signed by:

Laurel Ross
BM/kbb
Enclosure



Request for Comments

Residential two-tier electricity rates

Most residents in BC pay for electricity on a two-tier rate (known as a residential inclining block rate or a residential conservation rate). Under the two-tier rates, customers pay a lower price for electricity consumed up to a threshold and a higher price for electricity consumed above the threshold. These two-tier rates were implemented by BC Hydro and FortisBC between 2008 and 2012. Before the two-tier rates were implemented residents in BC paid one price for all electricity they consumed.

The BC Minister of Energy and Mines has asked the British Columbia Utilities Commission to report to the government on the impact of these two-tier rates on customers in regions without access to natural gas.

Request for your comments

If you are a residential electricity customer of BC Hydro or FortisBC and have no access to natural gas, the Commission is seeking your comments on:

- the impacts you have experienced or identified from the two-tier electricity rates; and
- your awareness of ways to mitigate any impacts.

Please provide your comments using the Commission's Letter of Comment Form found online at <http://www.bcuc.com/Register-Letter-of-Comment.aspx>. All comments must be received in writing. By providing a letter of comment in this process, you agree to your comments being placed on the public record and posted on the Commission's website. Please send your written comments by email or mail to the Commission Secretary on or before **Friday, September 2, 2016** at:

Email: Commission.Secretary@bcuc.com

Mail: Ms. Laurel Ross
Acting Commission Secretary
BC Utilities Commission
Sixth Floor, 900 Howe Street
Vancouver, BC V6Z 2N3

All of the documents related to this matter are available on the Commission's website at:
<http://www.bcuc.com/ApplicationView.aspx?ApplicationId=506>

For more information please contact the Commission using the contact information above or by phone at 1-800-663-1385.