



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: **Review of two tier electricity pricing by the BC Utilities Commission**

Are you currently registered as an intervener or interested party? *[No]*

Name (first and last): James Haslett	
City: [REDACTED]	Province: Alberta
Email: [REDACTED]	Phone: [REDACTED]

Letter of Comment

Name (first and last):James Haslett	Date:August 31, 2016
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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.

[Please write your comments in this box]

We are retired Calgarians, and own a parcel of land on the East Shore of Kootenay lake at Boswell, purchased in 1992, and have a house on the property, built in 2000.

We keep the house heated year round, with electricity as our heat source. There is no natural gas available along the east shore, yet the two-tier pricing scheme and bi-monthly billing seems to have been instituted based on natural gas being available at lower cost to residents.

We have been concerned about the two-tier billing for many years, as prices have risen continuously since the house was built.

Because of billing being done bi-monthly instead of monthly, it is impossible to avoid the higher-priced second tier.

Our house is modest size, and we have a 20 kilowatt furnace, just adequate to keep the house from freezing in the colder months. In one month, we would normally use less than 1000 kW-hours of power, and remain at the lower-cost tier 1 pricing level. For example, 30 days using a total of 900 kW-hours would correspond to 30 kW-hours per day, and the furnace would run for 1.5 hours per day.

The problem occurs in the second month, when the entire month is billed at the higher rate because the tier 1 usage level is used up in the first month.

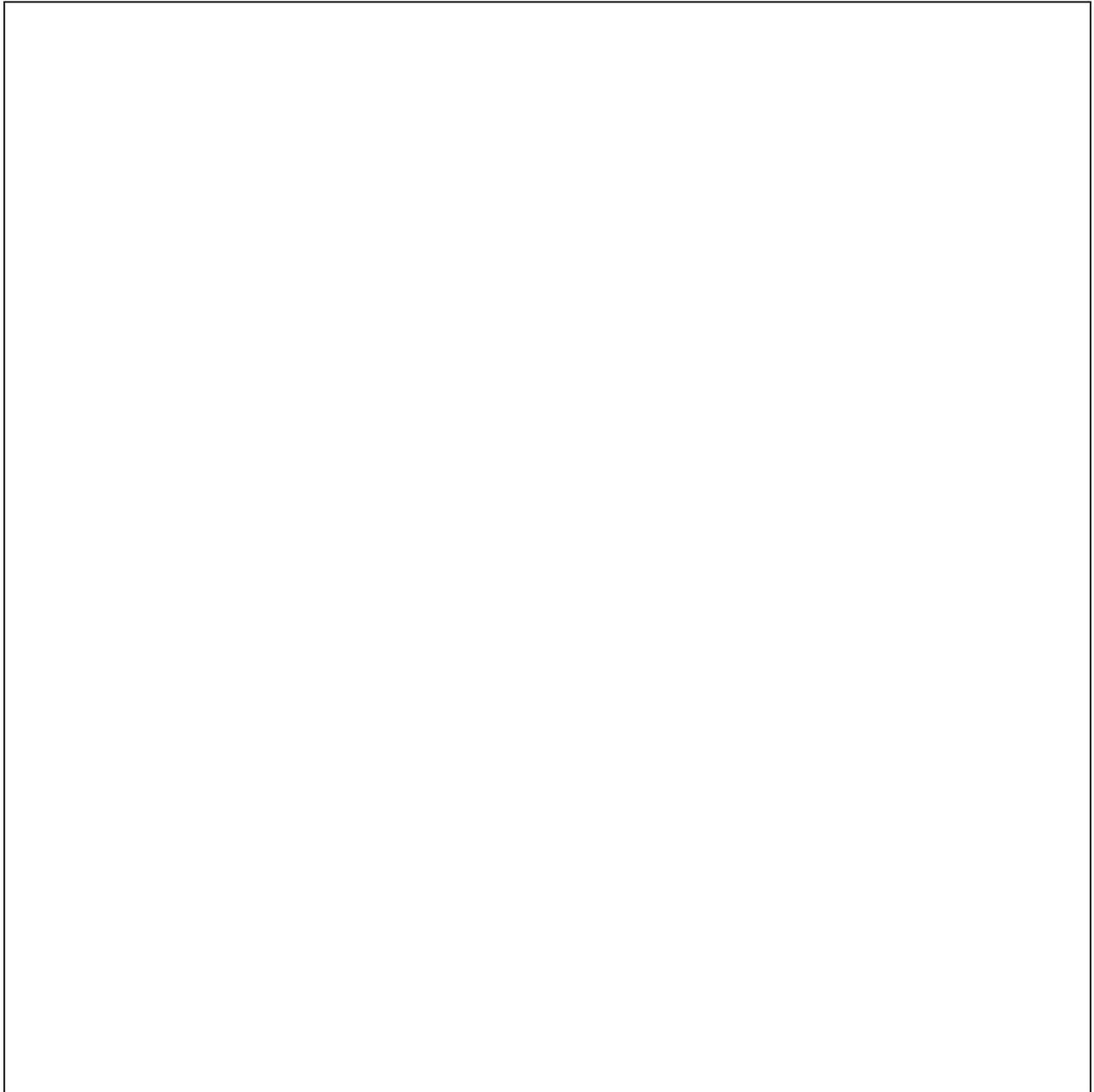
One solution that would help residents would be to go to a monthly billing, and that seems very easy to implement. Better yet, get rid of the higher-priced second tier altogether in areas where no natural gas is available. It appears that the number of customers involved would be small compared to the entire customer base?

On a different note, we have tried to see how the Fortis BC income and expenditures budget is divided. We can't readily find that information. Are the senior administration salaries and benefits, and net profits in line with other utilities? When we look at the 2015 corporate electricity report online, revenues were \$346 million, operating costs and capital expenditures were \$184 million, and net profits were \$46 million. What happened to the other \$116 million dollars?

The company has been successful in getting rate increases on a regular basis for many years. Since this is hydro power, as an electrical engineer I find it odd that the rates per kW-hour are so high, although I do understand that the mountainous terrain and heavy forest create special challenges. In August, we have had three power outages, one for 23 hours, one for 25 hours, and another for about 4 hours. When there was a Riondel person in place at the time West Kootenay Power owned the utility, we did not have these huge outages. Could this have something to do with Fortis' tree removal policy along the lines?

We hope that this review will result in some financial relief for East-Shore property owners.

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