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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

Are you currently registered as an intervener or interested party?

Name (first and last)

City Province

Email Phone number

Letter of Comment

Name (first and last)

Arthur Entlich

Date:

20-Oct-16

Comment: Please specify the reasons for your interest in the proceeding, your views concerning the proceeding, any relevant information that supports or explains your views, the conclusion you support and any recommendations. The Commission may disallow comments that do not comply with the Rules of Practice and Procedure.

My interest in this proceeding is as a rate payer, and as someone interested in BC Hydro using its electrical fee schedules and mandates to effectively reduce consumption of GHG related energy sources. I am responding to a Request for Comments as solicited via several newspaper ads by the BC Utility Commission.

When I first arrived in British Columbia, BC Hydro had a rate system which benefited those who had higher residential consumption, by using a tiered system which had a declining block rate two tier system.

This fee structure rewarded (and indirectly encouraged) high consumption and waste, and I was opposed to that approach to fee structure. I also found the flat monthly fee counterproductive to encourage conservation.

As such, I was an advocate for the current inclining block rate system, which could encourage conservation, however, I do not find the application of this system has been well implemented to date.

There are numerous problems with this system.

The first is that by having a rigid one size fits all tier system, it does not take into account how many people are in any uniquely billed dwelling. Obviously, an apartment or home with one electric meter may have one to ten or more people living in it, and obviously one person uses considerably less energy than 10, and yet the tier floor remains in the same place, which is not fair.

While not perfect, using census results to determine the number of people living in a residence and adjusting the first tier size would be fairer.

The second problem is confounding factors, such as homes which use electric powered heating versus those using other sources (oil, natural gas, or mixed, etc.) which, of course, reduces the number one use of electricity. In the case of natural gas, which I understand also offers an inclining block rate billing method, in effect doubles the width of the first tier for such households. This provides an advantage to those on natural gas for heating and water heat versus those on just electrical services for all energy.

There is still a flat monthly fee charged, even for someone who may have no or minimal consumption, while cost of servicing each residence has dropped via automation (Smart meters provided meter readings without the need for meter readers.)

The current system does not encourage people to move from more environmentally harmful heating sources. Part of BC Hydro's mandate should include creating incentives to households to move from more polluting heating methods, and particularly oil heating. People with oil heat who switch to less GHG intensive methods, and particularly electric heat, will find their electrical consumption increase and likely push their billing into the second tier, which is punitive for what should be seen as a positive change. Households which move from oil to electric should receive financial incentives for reducing their carbon footprint, even if in doing so that household's electrical consumption increases.

BC Hydro's fee schedule should encourage conservation and fairness, so people can see a direct relationship between lower consumption and lower bills, but there needs to be some correction made for those who use mainly electricity for heat to create a more balanced base rate.

At least in theory, electricity produced via hydroelectric is a lower carbon footprint and should be encouraged relative to oil, or natural gas or wood as heating sources. Separating each source and suggesting as long as the electrical consumption is low justifies lower rates is an incomplete analysis of use versus conservation.

The question comes down to whether BC Hydro only cares about lowering its consumption rates or whether it is looking at the big picture and trying to convert people away from higher polluting sources of residential heating or just about keeping BC hydro consumption numbers low.

Sincerely,

Arthur Entlich