

E-Plus Homeowners Group

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British Columbia Utilities Commission
6th Floor – 900 Howe Street
Vancouver, BC V6Z 2N3
Attention: Erica Hamilton, Commission Secretary
By email: commission.secretary@bcuc.com

Dear Ms. Hamilton,

Re: E-Plus Homeowners Group Application for Reconsideration and Variance of Order G-5-17

In their letter of February 24, 2017 to the undersigned, for the EPHG, the Commission invited submissions from BC Hydro and interveners regarding Phase One of the subject reconsideration process, to be received by March 17, 2017. The Commission identified three specific questions to be addressed in any such submissions. Additionally the Commission established March 31, 2017, as the due date for a “Reply Submission” by the EPHG.

This letter constitutes the aforementioned Reply Submission by the EPHG.

The questions posed by the Commission and the input of EPHG on these questions and on the submissions made by other parties, are as follows:

1. *Should the Commission order a reconsideration of Order G-5-17, specifically the part dealing with the residential E-Plus rate (RS 1105)?*

EPHG response: The EPHG refers the Commission to the detailed arguments made in their Application for Reconsideration. The EPHG note that the submissions of BC Hydro (March 16, 2017) and BCSEA (March 6, 2017) support the argument that reconsideration is appropriate, on the basis of “procedural fairness”, and that no interveners offered an opposing point of view.

2. *If there is to be a reconsideration of Order G-5-17, should the Commission hear new evidence and should new parties be given the opportunity to present evidence?*

EPHG response: In the view of the EPHG the Commission should be allowed to hear new evidence as well as amplifications or clarifications of evidence presented previously. The EPHG submit that in the interest of fairness and expediency the only parties who should be permitted to provide evidence or make arguments in Phase Two, in addition to the EPHG and BC Hydro, are those interveners who made a submission in Phase One.

The EPHG understand that the BCSEA was the only registered intervener to make such a submission.

3. *If there is to be a reconsideration of Order G-5-17, should it focus on the items from the EPHG Application for Reconsideration, a subset of these items, or additional items?*

EPHG response: The submissions of both BC Hydro and the BCSEA support that part of EPHG's Application which suggested that the Reconsideration focus specifically on the question of whether the "phase out" period for the termination of the E-Plus rate should be extended from 5 years to 10 years.

In their Application the EPHG also submitted that the phase-out process for the E-Plus rate should be designed "with the majority of the rate cost increase deferred until the later years of the transition period". As the BCSEA noted in their submission, the matter of the "shape" of the phase-out curve, as well as practical matters of how billing changes would be implemented by BC Hydro, were not directly addressed by the Commission in its Decision and Order. However BC Hydro has indicated (letter to BCUC March 1, 2017) that they would provide "options" for consideration by the BCUC, and that they wished to "consider customers feedback on phase out options".

The "shape" of the E-Plus phase-out curve is material to the issue of phase out, having a significant impact on E-Plus customers, whether the phase-out period is 5 or 10 years. In the interest of fairness it is appropriate that BC Hydro present a range of options to E-Plus customers and to the Commission on the "shape" of the curve, seeks feedback, and that the Commission provides informed direction to BC Hydro on the most appropriate approach. The EPHG should be provided the opportunity to present evidence and make arguments relating to this issue, either as part of the reconsideration process or separately.

Yours truly,

Gary McCaig – for E-Plus Homeowners Group