

**Date Submitted:** February 27, 2018

**Proceeding name:** Nelson Hydro 2018 Rate Application

**Are you currently registered as an intervener or interested party:** Yes, Interested Party

**Name (first and last):** Max Yanke

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**Province:** British Columbia

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**Comment:**

With unexpected income, operational and maintenance costs going down why are Nelson rates going up when BC Hydro and Fortis are 0%?

Nelson Hydro 2018 Rate Application Project No. 1598942

My questions remain unanswered by the Nelson hydro manager.

At the public Nelson hydro budget meeting for mayor and council, where there was no opportunity for public input, the hydro manager said an unbudgeted \$800,000 extra was earned from a longer than normal freshet, and they had sold \$143,000 in power. Also operation and maintenance costs were budgeted for 2.8% less in the coming year.

At the next public hydro meeting allowing public participation I asked the manager what the difference was between the \$800,000 and the \$143,000, that he spoke about at the previous meeting. I received no answer.

The above amounts to almost \$1M. With the operation and maintenance budget 2.8% lower this coming year and they say all big capital cost items are behind them why are rates still increasing?

The meeting had little to do with helping me understand why the rate increases continue, almost all of the time was taken up by various hydro managers presenting the same information they presented for the mayor and council at the previous meeting.

The further questions I had but was unable to ask was still regarding the \$800,000 and \$143,000 mentioned above.

Who paid for this power, and what rate was paid, and is there always a buyer?

**Regarding the Community Solar garden being Fully funded by those opting in.**

**The city doesn't use the word “fully” funded locally in their literature, why? They say largely, mostly or primarily funded by participants. In the cities first BCUC submission in 2016 states fully funded and this is repeated in last years Final Order with Reasons again where they confirm “full” cost recovery from participants.**

The following below from BCUC documents regarding the community solar garden

BCUC Collection: Orders

Date: 2016-02-25

Document No: G-24-16

Order Type: G-General

Primary Document Type: Final Order

*The Commission approves Nelson Hydro's Solar Garden Fees & Charges Bylaw Amendment Schedule F – No. 3325, which implements the fees and charges for the Community Solar Garden based on **full cost recovery**.*

**In** 2017-08-08

BCUC Order G-119-7 page 15 of 18

*Nelson hydro confirmed the Solar Garden is for **full cost recovery** from participants based on a 25 year term.*

Are they including the Eco Save contractors three years of work delivering the project or travel associated with trips to various solar meetings in the US and Canada. The last contract year the payment was \$79,000, now that contractor has become a management employee at Nelson hydro.

And are they including the cost of work by Nelson hydro crews and all the interface equipment necessary to connect to the grid.

To me as a ratepayer the value of this solar power is the same as what Nelson hydro might have to pay for excess electricity. Regarding Fortis Net metering I believe they only pay what their cost for power my information is 4.04c/kWh, why am I paying full retail?

In last years Final Order with Reasons the BCUC asks how the \$2000 annual maintenance for the solar garden was derived.

What I do know is there has been copper theft, attempted solar panel thefts, replacement of microinverter(s) due to cable cutting and snow plowing at the site this year.

I understand security cameras are being planned, the recent security cameras at the city works yard cost \$12,000, and I believe there is a monthly fee attached. The location is 20 km out of town and hardly visible from the road, I would predict more theft and vandalism.

There should be a mechanism where those opting in are assessed for all future costs.

Considering the bonus \$800,000 in unexpected freshet earnings last year, the \$143,000 in power sales, the fact operational and maintenance budget is 2.8% less and all big capital cost items are behind them, why would rates increase this year?

Norm Yanke

BC