

Date Submitted: February 21, 2018

Proceeding name: FortisBC Inc. 2017 Cost of Service Analysis & Rate Design

Participant contact information

Organization or individual name: Kaslo Senior Citizens Association - Branch #81

City: Kaslo

Province: British Columbia

Email: ashadra@telus.net

Phone number: 250-353-7350

For organizations only - representative contact information

Name: Andy Shadrack

Organization (if different from above):

City: Kaslo

Province: British Columbia

Email: ashadra@telus.net

Phone number: 250-353-7350

Also representing (if applicable):

Additional information

Please state your reasons for intervening in this proceeding:

I am a residential customer on a fixed income and will represent many customers on a fixed and lower incomes than myself. In this hearing seniors will be expressing concern about how FortisBC rates not only impact their

residential service costs, but also their local government taxes and the cost of goods and services. Please attach my letter of application that was uploaded to the BCUC website Tuesday February 20th.

Please state how you are directly or sufficiently affected by the Commission's decision in this matter; or describe your experience, information, or expertise relevant to this matter that would contribute to the Commission's decision making:

I have been a customer of FortisBC and its predecessors since August 1987 and a net metering customer since April 2015, and in this hearing will be representing some customers who have been receiving electrical service from this company for anywhere from fifty to seventy five years. Please attach my letter of application that was uploaded to the BCUC website Tuesday February 20th.

Please list the key issues you intend to address in the proceeding:

Residential rates; comparative rates with Nelson Hydro & BC Hydro for all classes; TOU rates; inadequacy of incremental purchase programs, both Micro Standing Offer, Standing Offer and Net Metering; and, the efficacy of Minimum System Cost of Service Analysis versus real time consumption by class from the smart meters.

For administrative purposes only

Do you intend to participate fully, including attendance at hearings and submission of evidence or information requests, if applicable?: Yes

Do you intend to request PACA funding? This does not impact your ability to participate: Yes

Have you or your organization web-registered as an intervener or interested party in the past 12 months?: Yes

If yes, please provide your username:

**Box 484, Kaslo
British Columbia, V0G 1M0**



**Phone: (250)353-7350
E-Mail: ashadra@telus.net**

Tuesday, February 20th

British Columbia Utilities Commission
Sixth Floor, 900 Howe Street
Box 250 Vancouver, B.C.
6Z 2N3

Attention: Patrick Wruck, Commission Secretary

RE: FortisBC Inc. 2017 Cost of Service Analysis and Rate Design Application - Order G-23-18

I write to apply to be an intervener in this hearing.

My interest in being an intervener stems from the fact that my spouse and I have resided in Kaslo, and been customers of FortisBC and its predecessors, since August 1987 as well as participants in the company's Net Metering program since April 2015. Further, from November 2005 to December 2014 I served as the Electoral Area Director for D in the Regional District Central Kootenay, and during that time as the Chair of Rural Affairs and on the Emergency Planning Executive of the RDCK Board, as first Vice President then President of the Association of Kootenay Boundary Local Governments, and on the Executive of the Union of BC Municipalities. In this hearing I have been asked to represent the Kaslo Senior Citizens Association - Branch #81.

In this hearing, if granted intervener status, I intend to represent the interests of seniors, not just as individual residents, but also as local government taxpayers and as consumers who buy products and services from local businesses. In this context I concur with the information requests already made by the Village of Kaslo in their letter to the Commission of February 14, 2018, and will be asking for, at the procedural conference on Tuesday, March 6th, a delay in the date of the first set of information requests, until that information has been supplied by FortisBC for dissemination across the company's entire service area.

I will also be laying on the table additional information requests at the procedural conference that include:

1. A table of the rates of return for this utility since 1987, also showing the CPI for each rate of return period, and a third column indicating the rate of return after elimination of inflation.
2. An undertaking that FortisBC submit a full and appropriate survey of its customers' opinions that results in more than an anecdotal sample of 171 out of 114,511 residential customers.
3. A table that shows the exact percentage of each cost centre that is allocated to each class of customer so that we are absolutely clear on how the residential class ends up paying for 52% of the applicant's proposed revenue requirement, while only consuming 41.2% of the annual power supply.
4. A table of consumption patterns by class, developed in accordance with the proposed TOU pricing structure.

In this context we, as seniors, do not understand why FortisBC and EES continue to use the hypothetical Minimum System Cost of Service Analysis, when both the company and consultant have so ably demonstrated their ability to use exact time of day consumption data for creation of a new annual TOU residential rate. We therefore think that any future rate design, for all classes of customers, can be based on actual consumption data, not hypothetical constructs.

As seniors we wish to remind the Commission that the overwhelming majority of us are on fixed incomes, with any increases in the OAS and CPP tied to the rise in the Consumer Price Index - while some private pensions, where they even exist, have no indexing at all. In addition, some seniors 75 and older had already been in the workforce anywhere from 7 to 22 years before the CPP was introduced in Canada.

In this context we were very concerned to learn, during FortisBC's information session (Kelowna, February 13th), that the company proposes to increase electricity rates by a further 16% to 8% for 80% of their customers by 2023, before applying any incremental annual adjustments or flow through of costs from BC Hydro for the 49% of the power supply that the company buys at the BC Hydro RS 3808 rate.

Many of us who have lived here in Kaslo and Electoral Area D, of the Regional District, since 1987 and earlier remember when West Kootenay Power rates were cheaper than BC Hydro, and we want an explanation from both the company and the Commission: how is it that when 40% of the electricity produced in BC originates in the Kootenays, FortisBC now has the highest residential rates of BC Hydro, Nelson Hydro and itself?

How is it that, with the exception of lighting (another cost to seniors through the municipal and Regional District taxes we pay), FortisBC is proposing to either maintain or lower the energy price of every other rate class in their 2017 Cost of Service Analysis and Rate Design application? How is it possible, seniors ask, for FortisBC to sell wholesale transmission power at an energy price of 4.501 cents per kWh, while at the same time purchasing 49% of its power supply at BC Hydro RS 3808 rates of 4.699 cents per kWh from December to February, and 4.832 cents per kWh from March to November. In addition we will also be seeking an explanation as to why a TOU rate would be in the public interest at more than double the current Tier 1 rate in July and August when power bills are currently at their lowest, for the two months when our grandchildren are out of school and most likely to come and visit us from outside the region

Finally, we wish to raise with the Commission the fact that a number of us seniors are not well versed in the use of the Internet or email, and yet we feel that we still have contributions to make and questions to ask. We therefore wish to reiterate our objection to all information sessions to date being held in urban centres far away from the smaller and remote rural customers, especially in winter when it is dark earlier and the roads are more difficult to drive on. As with a previous customer group from Kaslo in May of 2016, we will be asking at the procedural conference for a component of this hearing to be held orally, such that any customer, not just seniors, can both ask questions of FortisBC and make representation to the Commission - either in person or via a video link from a remote centre like the Kaslo Seniors Hall.

All of which is respectfully submitted,
Andy Shadrack