

**Date Submitted:** July 27, 2018

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

**Are you currently registered as an intervener or interested party:** No

**Name (first and last):** Robert and Deborah Sherwood

**City:** [REDACTED]

**Province:** British Columbia

**Email:** [REDACTED]

**Phone number:** [REDACTED]

**Comment:**

We are writing this Letter of Comment to provide our comments regarding the FortisBC Inc 2017 Cost of Service Analysis and Rate Design. Several years ago for financial and environmental reasons we decided to make our residential home much more energy efficient. We spent over \$18,000 on a new heat pump, furnace, heat pump water heater and insulation. More recently we paid \$4000 for new windows and LED lighting. Collectively this resulted in about a 40% decrease in our electricity costs. FortisBC's proposal to phase out over four years the two tier rate structure to a single flat rate, from our perspective, is a move in entirely the wrong direction. The proposal would result in our having to pay more than \$200 dollars extra in the first year and over \$50 in year four, using their online calculator for our residence. A far more effective and fair strategy would be to increase the number of tiers up to ten. This would more equitably apportion consumption costs and afford opportunities for cost savings for many people at many different consumption levels through energy efficiency measures. We responsibly undertook major retrofits and cannot understand the logic in financially penalizing us for our efforts. Should someone choose to purchase a large and energy inefficient house, that person should be required to bear a disproportionate share of electrical costs from a societal and environmental perspective. The converse should be true of the person owning a small, energy efficient house. The argument that areas lacking access to gas should be compensated by a flat rate denies the reality that there was choice in the owner moving to such an area and that even a 100% electric home can be substantially retrofitted to significantly reduce electric costs, as evidenced in our own case. We would go even further to recommend that the Basic Customer Charge should also be multi-tiered to reflect the variation in demand on the system based on consumption level. The argument that a ten tier system would be too complex administratively bears no legitimacy in this era of smart meters and computer accounting. So for a variety of reasons of fairness and environmental responsibility, we ask that the BCUC deny FortisBC's application and instead require a ten tier billing system. We thank you for your serious consideration of our proposal.