

**Date Submitted:** April 29, 2019

**Proceeding name:** Nelson Hydro 2019 Rural Rate Application

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

**Name (first and last):** Michael Jessen

**City:** Nelson

**Province:** British Columbia

**Email:** [REDACTED]

**Phone number** [REDACTED]

**Comment:**

I am a rural residential customer of Nelson Hydro and my concerns and requests regarding the Nelson Hydro 2019 Rate Application are contained in the attached document

BC Utilities Commission  
#410 – 900 Howe St  
Vancouver, BC V6Z2N3

April 29, 2019

RE: Nelson Hydro 2019 Rural Rate Application

As a rural customer of Nelson Hydro, I am opposed to being treated as a second-class citizen by being asked to pay a higher rate for electricity than a resident of the City of Nelson.

Rural residents already experience sub-standard (compared to city residents) service with regard to water, waste treatment, electric power and telecommunications.

Charges for electric service – like postage – have been uniform to all without reference to geographical location for many years.

My research, however, indicates that higher rates for rural customers do already exist in Alberta, Saskatchewan, Ontario, and New Brunswick.

It appears to me that Nelson Hydro has learned of this and decided to earn more revenue on the backs of its rural customers.

If our population density is low and our vegetation requires expensive management, why did Nelson Hydro give rural customers electrical service in the first place?

I understand that Nelson Hydro attempted in 1912 to institute higher rates for rural customers, but in that instance backed down. It should consider doing the same in 2019.

If Nelson Hydro is allowed the 2.94% rate increase for its rural customers, the BC Utilities Commission should only authorize this on the following conditions:

1. Nelson Hydro should be directed to share its after-expenses revenue with the rural areas that it serves, namely Areas E and F of the Regional District of Central Kootenay.
2. Nelson Hydro and FortisBC should be directed to alter their energy efficiency rebate programs and remove the barrier that customers with wood burning stoves as a primary heating source have. (Currently, I cannot access a heat pump rebate because I do not heat with electricity or gas. In addition, I cannot get a rebate for attic insulation because there is vermiculite in my attic. FortisBC also refused insulating my crawlspace even though that was the first recommendation by energy auditors of my home.) I am sure many of Nelson Hydro's rural customers heat with wood stoves and would love to access rebate programs to make energy efficiency upgrades beyond just some free LED bulbs, faucet aerators, and possibly a new refrigerator.

3. FortisBC should be directed to provide low cost connections to its natural gas lines for rural customers of Nelson Hydro. (I have been quoted a \$6,000 cost for an 80-foot long hook up because FortisBC's line is on the opposite side of the highway from my house. Heating with electricity will become even more expensive if Nelson Hydro is allowed this increase and rural customers need access to alternative heat sources.)
  
4. The BC Utilities Commission should consider recommending the provincial government establish a Rural Utilities Service like that in the United States to provide infrastructure improvements that will expand economic opportunities in rural areas and ensure an improved quality of life for rural residents. (Higher electrical rates in rural areas will inhibit economic growth as industrial and commercial enterprises may want to site within city boundaries to enjoy lower electrical rates.) The Rural Utilities Service could provide loans and loan guarantees, finance the construction or improvement of electric distribution, transmission and generation facilities in rural areas. It could also provide funding to support demand-side management, energy efficiency and conservation programs, and on-and off-grid renewable energy systems.
  
5. The BC Utilities Commission should investigate whether rural customers of any B.C. electrical utility could be better served by a rural electric cooperative. The frequent supply outages endured by rural customers of Nelson Hydro have a significant impact on the quality of life of rural households and on the economic development of rural areas.
  
6. Nelson Hydro should be directed by the BCUC to promptly refund to rural customers charges collected under any and all interim rate increases.

In conclusion, I quote from the Rural Electrification Committee report to Province of British Columbia in January 1945:

1. There is no definite line between rural electric service on the one hand and urban and suburban on the other.
2. There is a close interdependent relationship between rural electrification and the central station industry established to supply cities, towns, and villages.
3. Extension of rural electric service requires a sound and progressive central station industry.

I support comments made in Exhibit E-10 that illustrate that Nelson Hydro is currently not a "sound and progressive" utility.

Michael Jessen, Nelson, BC