



INDUSTRIAL PARK

PO Box 370
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July 30, 2019

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Attention: Commission Secretary

**Re: Ravens Landing Industrial Park Ltd. (RLIP)
1763 Sean Heights, Saanichton, BC**

Response to: Eppic Waterject Inc. Information Request Questions

Questions regarding page 1 of RLIP application.

- 1- What rules and regulations, now that RLIP has recently been deemed a Public Utility, do they need to adhere to?

Response 1-

RLIP, as a public utility, is regulated under the *Utilities Commission Act (UCA)*.

- 2- Are these the same rules and regulations as BC Hydro and will we be billed as per BC Hydro Guidelines and treated as if we were BC Hydro customers?

Response 2-

RLIP has two Resale of Metered Electricity Agreements with BC Hydro, which we comply with. These agreements state: "You may not charge tenants more than the price they would have been charged if served directly by BC Hydro, as outlined in section 9.1 of the Terms and Conditions of the Electric Tariff...."

- 3- How does RLIP meeting the definition of a public utility affect unit owners?

Response 3-

To date there have been no changes, however RLIP does not know the outcome of this application, or the effect it will have on owners.

Questions regarding page 2 of RLIP application.

- 1- Please clarify if RLIP is asking for an exemption from regulation of rates, and filing schedules, and from billing practices?

Response 1-

The exemption being sought would include rates, as they are dictated by the BC Hydro Electric Tariff. If that remains the case, the filing of schedules would be an onerous and unnecessary administrative burden.

If the exemption is not granted, the BCUC will have the ability to set rates; it is unclear if the rates could differ from those set by BC Hydro.

Billing practices do not appear to be specifically addressed within the *UCA*.

- 2- If RLIP was to get this exemption, how will we be protected in regards to rates, billing practices including back-billing and metering?

Response 2-

RLIP has always adhered to the rates set annually by the BC Hydro Electric Tariff. This would not change. Exceptions to the requested exemption would still provide the occupants a mechanism for complaint resolution.

Your complaint made to the BCUC last year did not result in any definitive action/opinion regarding back-billing – BC Hydro did indicate at that time that they can/will adjust billing for a preceding 12-month period if necessary.

Concurrent to the above, the complaint made to Measure Canada with respect to the meter accuracy was finalized, and the meter was found to be operating correctly. Measurement Canada is the governing body for the electrical meters, which are required to be regularly tested.

- 3- Since RLIP is a monopoly and tenants/owners have no option at this time to purchase power from any other supplier, and there has been no definitive answer or cost for owners to get their own BC Hydro meter, how can RLIP guarantee, if granted this exemption, that we will have access to hydro at a fair price with fair conditions?

Response 3-

RLIP has always and will continue to adhere to the Electric Tariff rates even if the exemption is granted. There will be no changes to our processes.

- 4- If RLIP were to receive the exemption, is it possible for RLIP to guarantee that the billing rates and practices, including back-billing and metering, will be the same as if we were customers of BC Hydro?

Response 4-

RLIP does guarantee there will be no changes to our processes as elaborated in the above responses.

- 5- What would be the cost difference to us as ratepayers with or without the exemption?

Response 5-

We do not anticipate any changes to rates with the exemption. However, it is undetermined what will happen without an exemption. In that case the BCUC will hold public hearings and participate in, or set, the electrical rates to be used.

- 6- Would there be a retroactive claw back if the rates were to increase? If so, what would be the amount and how far back could RLIP charge?

Response 6-

There would be no retroactive changes if the rates change due to the exemption being denied.

- 7- Please explain how RLIP's proposed exemption from part 3 of the UCA would limit the British Columbia Utilities Commission powers? If an RLIP occupant had a complaint or dispute with RLIP, what civil remedies for resolution would be available to them?

Response 7-

The exemption being sought would not limit the regulatory powers of the BCUC. RLIP is open to accepting exceptions that would still protect the tenants and all occupants of the park.

Our preference would be to resolve matters between parties. Failing that, arbitration is an option (part of the leases' that would extend to any owner). The BCUC would be the ultimate regulatory body to receive, investigate and resolve any disputes.

Questions regarding page 2 of RLIP application.

- 1- What knowledge of the electrical billing are you claiming the purchasers should have known? We have no agreement in the sales contract that explains electrical billing other than our previous lease which only stated that:

Response 1-

Given the time that has elapsed, it would be difficult to make any firm statements on what conversations took place at the initial lease agreement phase, other than to say that the agreement was drafted by a professional (and reviewed by a legal professional) who would have noted that a 3rd party electrical metering system was going to be used in the park, which was still in place when the option to purchase clause of your lease was exercised in March 2017.

Correspondence early in the lease term between you and our accountant gives no indication of any questions or difficulties with respect to the method of electrical delivery and billing.

2-

If the exemption is granted and there are no regulations, we are concerned about future billing practices. We were also only recently informed by RLIP that RLIP has met the definition of a public utility since at least 2013.

Response 2-

To reiterate – there will be no changes with our processes with a Part 3 exemption with exceptions to certain regulations.

3- It has been suggested by Bill Patterson in the past that there would be an option of tenants getting their own separate BC Hydro meters. What would be the timeframe and cost in order to do this?

Response 3-

Due to the nature of some of the businesses in the park and their significant power requirements, RLIP is looking into the feasibility of replacing the 3rd party electrical meters with BC Hydro meters.

BC Hydro is involved in the preliminary design phase, but there is no timeframe as yet, nor has it been determined at what cost. It is our goal to transition to BC Hydro meters in future.

Respectfully submitted,



Wm. Patterson
President,
Ravens Landing Industrial Park Ltd.