

BRITISH COLUMBIA UTILITIES COMMISSION
IN THE MATTER OF THE UTILITIES COMMISSION ACT
R.S.B.C. 1996, CHAPTER 473

And
British Columbia Hydro and Power Authority -
F2020-F2021 Revenue Requirements Application

VANCOUVER, B.C.
September 5, 2019

COMMUNITY INPUT SESSION

BEFORE:

D.M. Morton,	Chair
A. Fung, Q.C.,	Commissioner
R.I. Mason,	Commissioner
E.B. Lockhart	Commissioner

VOLUME 3

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1 **VANCOUVER, B.C.**
2 **September 5th, 2019**

3 **(PROCEEDINGS RESUMED AT 4:19 P.M.)**

4 (INTRODUCTIONS AND STAFF PRESENTATION)

5 MR. CULLIS: Hi. So, I guess --

6 THE CHAIRPERSON: Sorry, if you just state your name?

7 **PRESENTATION BY MR. CULLIS:**

8 MR. CULLIS: My name's Ian Cullis, I work for the B.C.
9 Non-Profit Housing Association and I'm really
10 concerned about the affordability of these rates and
11 how we're really moving forward to save ourselves some
12 money. And ultimately, like, there's a one percent
13 reduction, it's a dollar a month, it's not going to
14 help anyone, it's negligible. But if you combine that
15 into -- instead of reducing rates just keep them the
16 same and invest in the demand side of management.

17 BC Hydro's essentially stepped out of --
18 largely stepped out of conservation. So, over the
19 past nine years I've done, it's cumulative, so now
20 we've got 13 gigawatts in energy savings. Over the
21 past five years BC Hydro has decreased their incentive
22 rates from 75 percent of a project cost to five if
23 you're lucky. Delays are huge. So we've had some
24 projects that have taken nine months for BC Hydro to
25 process. It's largely unacceptable, really.

26 And they continue to decrease demand side

1 management spending.

2 So, Hydro's essentially out of the game.
3 But, if you read through these documents, the
4 documents clearly state that there's a positive
5 payback to demand side management. So why are we not
6 looking at the future costs and saying how can we
7 reduce those by investing in conservation? And
8 ultimately, I -- if it's a gas heated building, I can
9 get you incentives for windows, insulation, the roof,
10 makeup air units, everything. If it's electric? The
11 number is a big round doughnut. So, and it's the same
12 with new constructions. So Hydro's out of the game.
13 Actually, Hydro's never been in the game when it comes
14 to non-profit buildings.

15 The way they calculate the size of a
16 building, they remove all tenant spaces. So, if it's
17 a new construction building that we only look at the
18 common area. So you could be building 150,000 square
19 foot building, they remove all the tenant spaces and
20 you're now left with a 10,000 square foot building.
21 So we've built a lot of buildings that could have been
22 better with some funding, and it's not there.

23 So I think we need to look at what we're
24 doing with rates and look at the future costs and if
25 there's a payback for conservation, invest in it and
26 ultimately you could have a bigger impact by doing

1 that than reducing rates by one percent.

2 So, and I think the market change -- so the
3 other thing is is -- and I understand why -- look, I
4 kind of understand why incentives have been reduced by
5 BC Hydro. We've got the federal amendments that have
6 come through, amendment 13 and amendment 14, that are
7 essentially assuming that a market change has happened
8 when it comes to conservation. They're assuming that
9 you can't get T12 lights anymore, you can't get the
10 ballasts for them, you can't get incandescents, so
11 there's no incentives for those anymore. The
12 unfortunate reality is it's really easy to get them,
13 you just go to Rona. So we've stopped --- BC Hydro's
14 stopped investing in conservation because they say a
15 market change has been successful, but they haven't
16 actually checked. And it's, to be honest, it's a
17 total failure. So I think that we need to change what
18 we're looking at going forward.

19 THE CHAIRPERSON: I just have a couple of questions.

20 MR. CULLIS: Sure.

21 THE CHAIRPERSON: Just as a matter of curiosity. So,
22 are you saying that Hydro's never provided DSM funding
23 for not for profit housing?

24 MR. CULLIS: No, so they have, but not for new
25 construction. So on the new construction side of
26 things -- and that's a bit of a lie too. They've

1 provided incentive funding for two BC Housing
2 buildings of 30. So there's a huge opportunity and
3 it's only growing going forward. I think there's 300
4 buildings in the pipeline that aren't eligible for
5 Hydro's new construction funding.

6 THE CHAIRPERSON: And I assume that new construction
7 would -- does new construction then have, do they have
8 fluorescents? Like, T12's with ballasts, or is new
9 construction generally LED?

10 MR. CULLIS: New construction is generally moving
11 towards LED, but we've still got sites that are
12 putting in a pin type lighting called Biax that would
13 be lovely to not be installing either.

14 THE CHAIRPERSON: So, but most of your need for
15 ballasts and T1 type lighting is for existing
16 buildings and they won't provide DSM funding for those
17 bulb replacements? Is that --

18 MR. CULLIS: Not anymore. So they used to. So, we've
19 been doing between 1.25 and 2 gigawatts a year in
20 energy saving retrofits. And historically they got
21 fairly good incentives. So, I have a graph that kind
22 of shows the decline in incentives, but it's about --
23 it's gone from about 75 percent, I'll give them six.

24 THE CHAIRPERSON: Okay, thank you.

25 MR. CULLIS: But yeah, eligibility's declining across
26 the board.

1 THE CHAIRPERSON: Okay, thanks. Does anyone else have
2 any questions, no? Okay, thank you very much.

3 COMMISSIONER LOCKHART: Oh, I do.

4 THE CHAIRPERSON: Oh, apparently we do.

5 COMMISSIONER LOCKHART: Mr. Cullis, thank you very much
6 for taking the time to address us today. You did
7 mention one thing that I'm not clear on. When you
8 talk about the square footage but then they take away,
9 BC Hydro takes away the tenant space and you're left
10 with only 10,000, what's the significance of removing
11 the tenant space from consideration?

12 MR. CULLIS: So, there's a certain threshold that they
13 look at. So for, like, a new construction program
14 they would say 100,000 square foot building is kind of
15 their target building. So if you have a 100,000
16 square foot building and then remove all of the tenant
17 spaces, you now have an extremely small building, like
18 10 to 15,000 square feet, because it's just the
19 hallways. So the problem lies in how in the -- it's
20 like the rate class. So they have a fairly hard line
21 when they're looking at things between like resident
22 and commercial rates.

23 COMMISSIONER LOCKHART: I see, okay.

24 MR. CULLIS: So even though when you build the
25 building, if you've built a better envelope with
26 better windows and say some thermal shading you'll --

1 we did -- so there's one building in Richmond that did
2 go through that program. So I mentioned two. One of
3 them was in Richmond. And the savings were, it was
4 \$30,000 in savings a year, which is fairly substantial
5 because that will flow back to both the non-profit
6 society and the tenants.

7 COMMISSIONER LOCKHART: Okay, thank you very much, I
8 appreciate it.

9 MR. CULLIS: So hopefully I explained your question
10 adequately.

11 COMMISSIONER LOCKHART: You did, I appreciate that,
12 thanks.

13 THE CHAIRPERSON: Thank you, appreciate it.

14 (PROCEEDINGS ADJOURNED AT 4:47 P.M.)

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I HEREBY CERTIFY THAT THE FORGOING
is a true and accurate transcript
of the proceedings herein, to the
best of my skill and ability.

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A.B. Lanigan, Court Reporter

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September 6th, 2019

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