
From: BCUC <web.administrator@bcuc.com>
Sent: Thursday, August 6, 2020 11:13 PM
To: Commission, Secretary
Subject: Letter of Comment
Attachments: Letter AY to BCUC.docx

Date Submitted: August 06, 2020

Proceeding name: Shannon Estates - TES Levelized Rate Application

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

Name (first and last): anthony yung

City: VANCOUVER

Province: British Columbia

Email: [REDACTED]

Phone number: [REDACTED]

Comment:

I am a strata council member and resident

Aug 6, 2020

To: Secretary BCUC

I am a resident and president of strata council EPS2412. I would like to raise the following objections to the proposed SETS rate application.

1) The proposed rate increase would lead to an immediate 144% increase in strata costs. The strata is a "high usage" user given the need to manage common spaces and is highly impacted by the proposed rate changes. This increase is untenable.

In addition, individual unit holders would experience a smaller but also substantial 30+% increase in immediate costs.

These costs would far exceed those of competitive providers.

2) The application also seems to be too conservative and underestimating the usage rates across the utility.

On page 33 of the submission, financial modeling projects the strata occupancy to be 70-80%. However this estimate by SEUL is only for phase 2 and seems to be applied to all of the strata units. This may also be inaccurate, as the occupancy of phase 2 should not be projected onto phase 1.

The 70-80% occupancy figure for phase 2 is used in these projections for the next 10 years. This period is unlikely to be representative of the average occupancy for the next 10 years

The submission states that the last building was completed in April 2019 and was only "substantially occupied" in September. It is not uncommon for new developments to be under-occupied by owners for a various reasons especially when a development has been significant delayed.

Many of the units could be unoccupied due to being put to market or being planned to be on the market. As of today 25 of 322 units are actually listed for sale. The developer may also have an unknown number of units that have not been sold.

During Nov-December it is quite common for families to take extended holidays which can skew the numbers further.

Sincerely

Anthony Yung