

## FOR IMMEDIATE RELEASE

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### **Anti-poverty advocates call for BC Hydro to implement an electricity affordability program for BC's poor**

August 15, 2016 (Vancouver) Starting on August 16, 2016, the BC Utilities Commission (BCUC) will hold a public hearing to review BC Hydro's Rate Design Application (RDA). In this process, the BCUC will hear evidence and submissions from BC Hydro and intervener groups and determine rate structures and terms and conditions of service for residential, business and industrial customers.

The BC Public Interest Advocacy Centre (BCPIAC) is intervening on behalf of seven organizations in this rare opportunity to ask the BCUC to order BC Hydro to implement programs for low income residential ratepayers including a discounted rate for electricity, low income customer rules, and a crisis intervention fund.

BCPIAC is seeking these programs because low income customers are struggling to pay BC Hydro's endlessly increasing electricity rates. In support of these proposals, BCPIAC has presented evidence from two expert witnesses, and a number of advocates and low income ratepayers.

BC Hydro has increased residential electricity rates by 50% in the last 10 years, and is on track to increase them by over 30% in the next eight years. Rates are projected to continue to rise significantly in future years as BC Hydro proceeds with multi-billion dollar projects such as the Site C dam which have been exempted from a full public review by the BCUC, and is currently estimated to cost over \$9 billion.

BC Hydro's rate increases have grossly outpaced increases in income for low income British Columbians. For example, BC social assistance rates have been frozen since 2007 at \$610 per month for basic assistance and \$906 for disability assistance, and in the last 10 years the BC general minimum wage has only increased by \$2.45 an hour.

Keith Simmonds, a Minister with Duncan United Church in Duncan BC, who provided evidence in support of BCPIAC's proposals, has seen an increasing number of people who are either facing disconnection or have already been cut off because they cannot afford to pay their BC Hydro bills. "Inability to pay rising Hydro costs has a huge impact on low income people, especially seniors on fixed pensions and people who rely on the very low social assistance rates that have been frozen since 2007" Simmonds said. "Many people have to choose between paying rent, purchasing food, and paying their electricity bill."

"About 10% of BC Hydro residential customers live below Statistics Canada's Low Income Cut-off, which translates to about 170,000 customers", said Sarah Khan, one of

the lawyers at BCPIAC who is bringing this issue to the BCUC. Khan added that “BC Hydro’s rates are increasing much faster than incomes for low income people, and our proposals will help to mitigate the impact of BC Hydro’s never-ending rate increases”.

BC Hydro offers no rates or terms and conditions that specifically apply to low income customers. The only programs available to these customers are energy saving kits and in more limited cases, energy efficiency audits and certain home upgrades. While these programs are important, they are not offsetting BC Hydro’s rate increases.

BCPIAC’s low income proposals were developed by Roger Colton, an expert in low income rate design from the United States, who will testify as an expert witness during the public hearing. Mr. Colton will testify that measures such as a discounted electricity rate can simultaneously address affordability concerns, improve cost reflectivity in rates, and improve the efficiency of BC Hydro’s operations.

BCPIAC will also be calling Seth Klein, Director of the Canadian Centre for Policy Alternatives, BC Office, to testify about the extent and profile of poverty in BC and the difficulties low income people in BC have paying for the basic necessities of life including residential electricity. Mr. Klein’s evidence will provide context for the need for mitigating measures like BCPIAC’s proposed bill affordability programs.

BCPIAC is representing the following groups in this proceeding: Active Support Against Poverty, BC Old Age Pensioners’ Organization, BC Poverty Reduction Coalition, Council of Senior Citizens’ Organizations of BC, Disability Alliance BC, Together Against Poverty Society, and Tenant Resource & Advisory Centre.

The hearing will take place on August 16-18 and 23-24, 2016 in downtown Vancouver.

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