

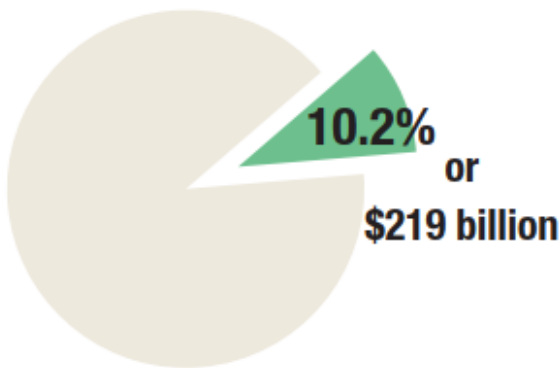
# BC Utilities Commission, Utilities and RCIA: Different Roles, Similar Objectives

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## Did **You** Know?

10.2% of the total market value of finished goods and services produced within Canada in 2019 was due to energy contributions (\$219 billion of Canada's Gross Domestic Product):

- Energy - Direct (7.2%, \$154 B)
  - Petroleum (5.3%, \$113 B)
  - Electricity (1.7%, \$36 B)
  - Other (0.2%, \$4 B)
- Energy – Indirect (3.0%, \$65 B)



Source: <https://www.nrcan.gc.ca/science-data/data-analysis/energy-data-analysis/energy-facts/20061>

## What Goes into My Electricity Bill? And Do I Get a Say?

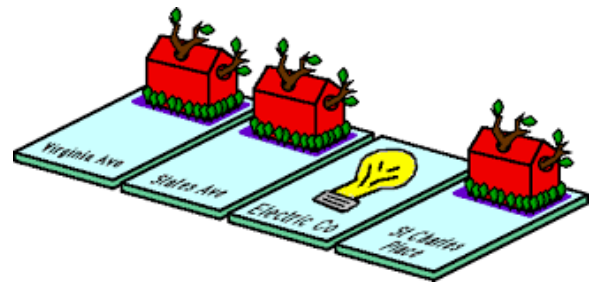
You are diligent about paying your utility bills every month. Whether it is electricity or natural gas or district heat, you always settle your debts. But perhaps you wonder what goes into your utility bills, want to be better informed on

BC utility policy, or want to be better informed on certain utility matters where you want your voice to be heard? Representation exists, which this newsletter will discuss as well as, the role RCIA plays, and how you can get involved.

A typical utility bill is comprised of energy usage and rate per unit usage. For a detailed breakdown of a typical utility bill, please visit our website:

<https://www.residentialintervener.com/understanding-your-bill/bc-hydro-electricity-bill-sample>

## What Is the BCUC? Why Does It Exist?



Source: [https://cs.stanford.edu/people/eroberts/cs201/projects/corporate-monopolies/benefits\\_natural.html](https://cs.stanford.edu/people/eroberts/cs201/projects/corporate-monopolies/benefits_natural.html)

Utility companies, such as those who provide electricity, natural gas, and district heat in British Columbia, maintain infrastructure monopolies for essential public services because these utilities have “natural monopolies”<sup>1</sup>. Natural monopolies exist

<sup>1</sup> Insurance (e.g., ICBC) and electricity generation are not considered natural monopolies because many parties could provide these services without duplication. Natural gas drilling/supply is also not a natural monopoly and that

is why a utility such as FortisBC buys natural gas in the marketplace and is required to pass those purchase costs onto you at cost (i.e., FortisBC has a monopoly on natural gas transmission and distribution, but not drilling/supply).

because it makes economic, environmental, and societal sense to have only one service provider in a geographic area to avoid asset duplication. To ensure a monopoly utility does not take unfair advantage of its privileged position as the sole supplier of an essential service and overcharge for their services, utility monopolies are subject to regulation and oversight by a utilities commission<sup>2</sup>. The utilities commission's role is to protect ratepayers (i.e., you) by acting as a proxy for the competitive marketplace and providing oversight of utilities.

The British Columbia Utilities Commission ("BCUC") is responsible for regulating BC's energy utilities, the Insurance Corporation of BC's ("ICBC"), and intra-provincial pipeline rates. BCUC acts as a proxy for the competitive marketplace by balancing the needs of rate payers with the needs of regulated entities to earn a fair return on their capital investments.

### Regulation



#### Rules



#### Compliance



#### Standards

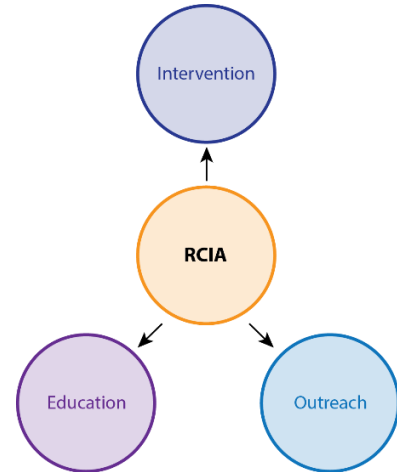


#### Law

For more information about the BCUC, please visit: <https://www.bcuc.com/about/>

## Who is the RCIA? And Why Do We Exist?

Established in January 2021, the Residential Consumer Intervener Association ("RCIA") represents the varied interests of residential energy



consumers in BCUC's public proceedings and hearings. RCIA works to ensure that residential ratepayers and the public interest are adequately represented in BCUC Proceedings as the BCUC's decisions will affect the utility rates for electricity, natural gas, and district heat that ratepayers (i.e., you) pay for the safe and reliable energy you receive.

### How Can *You* Reduce Your Bill?

Utility bills are based on energy usage and rates. RCIA's mandate focuses on rates, but you can reduce usage through programs like the Home Renovation Rebate Program ("HRRP"), which is jointly administered with FortisBC Energy Inc., FortisBC Inc., and the Government of B.C. The HRRP focuses on encouraging residences to undertake efficiency upgrades to lower space heating energy use and thereby costs. The HRRP promotes single family and multi-family building upgrades to the building envelope (e.g., insulation, windows, etc.), hot water heating systems, space heating, and ventilation.



<sup>2</sup> Or Utilities Board or other similar name as they are called in other jurisdictions.

Given the “pocketbook” nature of the energy we all rely on to live our modern lives, energy matters are often a messy mix of politics, economics, technical matters, and legal precedent. To focus its mandate, RCIA accepts government legislation and policy as being the “voice of the people of BC” (e.g., the Clean Energy Act, carbon tax pricing, GHG Emission Targets, etc.). Within this context RCIA’s provides an impartial, open, and transparent approach to balancing residential ratepayer’s varied interests based on evidence-based approaches.



### “In the Process We Trust”

The RCIA supports the BCUC because the majority of BCUC hearings are open and transparent public hearings. Application topics include, but are not limited to:



- Setting Energy Rates/Prices;
- Resource planning for future energy needs.
- Building new facilities or additions to existing facilities.
- Reviewing major energy projects; and
- Responding to ratepayer complaints or affected third parties.

The BCUC Application Process (“Process”) is divided into three (3) primary phases:

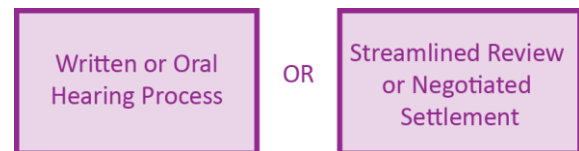
1. Application Phase;

2. Hearing Phase; and
3. Decision Phase.

Although the BCUC has the power to decide a hearing is not public, if the hearing is not made public, deliberation is completed through an iterative review process of BCUC staff reviewing material, providing recommendations to the BCUC Commissioners, and then proceeding to the Decision Phase.

If the application is subject to a public hearing (i.e., most hearings), the BCUC will pursue one of two avenues:

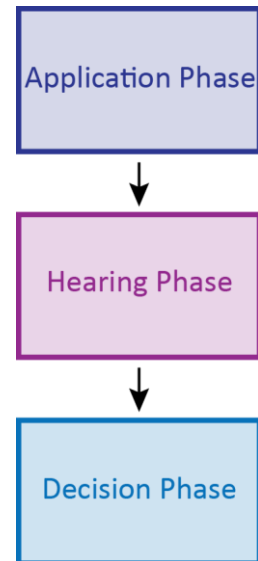
1. A written or oral hearing process; or
2. A streamlined review process or negotiated settlement.



The RCIA participates actively and robustly in public hearing processes, and this is where the RCIA represents the voices of residential ratepayers.

Once the Hearing Phase has concluded, final arguments are made by both the utilities and interveners (of which RCIA is one) in the Decision Phase, and a decision is rendered by the BCUC. All orders and decisions made by the BCUC are available on their website for public viewing.

For more information on the BCUC application process, please visit:



<https://www.bcuc.com/get-involved/understanding-process>

## BCUC Regulatory Activities

The list of proceedings currently before the BCUC is constantly evolving and can be found on the BCUC's website

(<https://www.bcuc.com/proceedings-orders-decisions/>), or via a curated list completed with proceeding summaries on the RCIA website: (<https://www.residentialintervener.com/regulatory-process-proceedings/bcuc-current-proceedings>).

## How Can You Get Involved?

There are various ways you can stay informed and/or get involved in BCUC regulatory activities:



- 1) Visit the RCIA website for newsletters, whitepapers, and other impartial discussions of energy matters.
- 2) Contact RCIA and share your views on a particular BCUC process or energy issue.

- 3) Participate in one of our surveys which can be found periodically on the RCIA website in response to specific issues.
- 4) If you wish to participate in a BCUC process directly without the RCIA, you can apply to become an intervener: <https://www.bcuc.com/get-involved/get-involved-proceeding>

## Main Author

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Mr. Matusiak is an electrical engineer-in-training with experience working in the renewable and non-fossil fuel emitting energy industries since



2019. Mr. Matusiak has participated in a variety of construction management and electrical design activities during this time, and is continuing to develop proficiencies in project management, stakeholder engagement and strategic planning.

## Feedback?

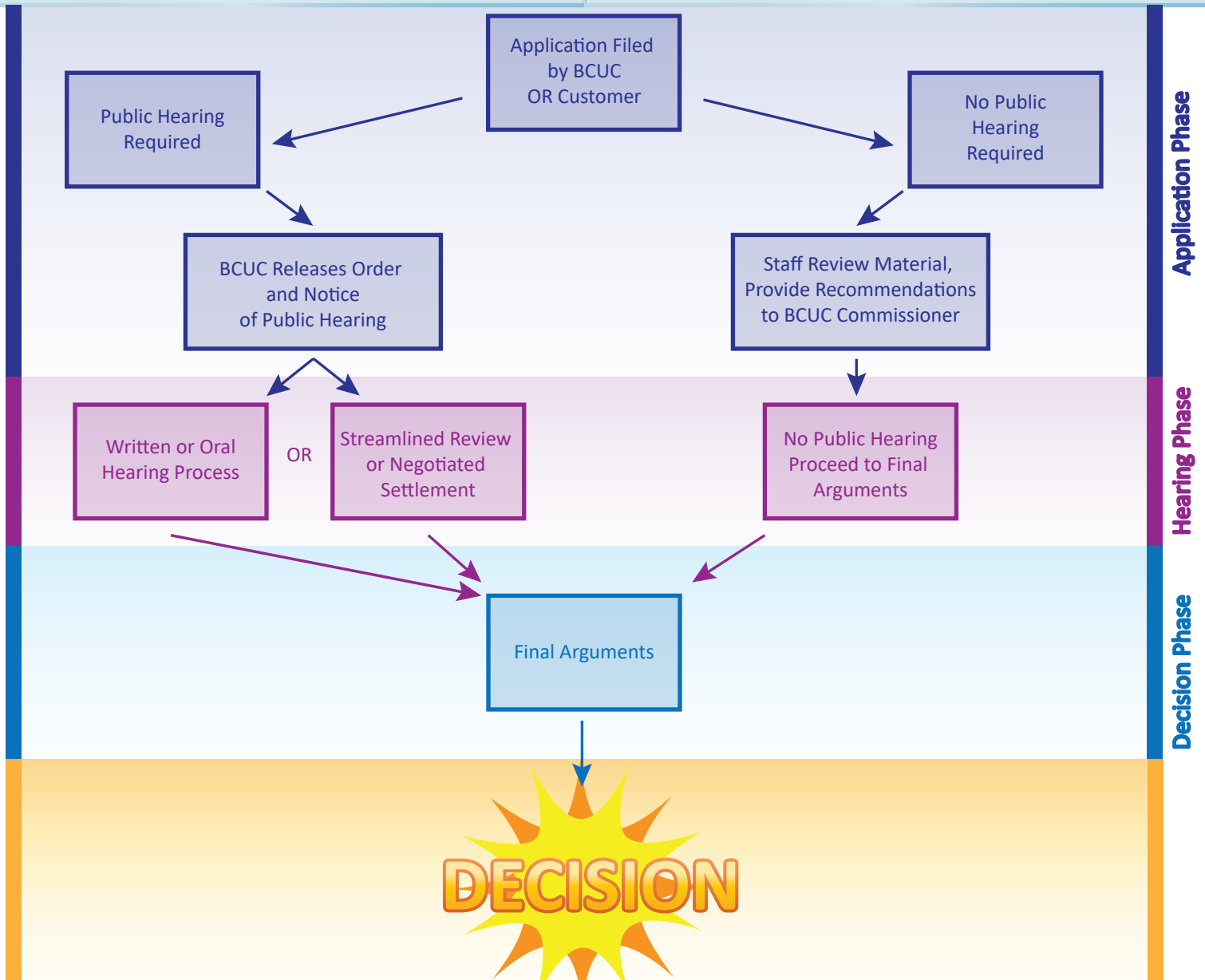
Please provide any feedback you have at:  
[info@residentialintervener.com](mailto:info@residentialintervener.com)

## What is the BCUC?

The British Columbia Utilities Commission ("BCUC") is responsible for regulating BC's energy utilities, the Insurance Corporation of BC's compulsory automobile insurance rates, intra-provincial pipeline rates, and the reliability of the electrical transmission grid. BCUC balances the needs of ratepayers with the needs of regulated entities to earn a fair return on their capital investments.

## Who is the RCIA?

The Residential Consumer Intervention Association ("RCIA") acts to represent the varied interests of residential energy consumers in BCUC's public proceedings and hearings. The goal is to ensure residential ratepayers and the public interest are adequately represented in BCUC Proceedings as their decisions will affect the rates consumers pay, and the safety and reliability of energy utility services.



## Get Involved!

We want you to get involved in the intervention process! Learn more about the BCUC's processes and get involved in a proceeding by registering as an Interested Party, sending a Letter of Comment, or becoming an Intervener.

**For More Information, Visit:**

[www.bcuc.com/get-involved/](http://www.bcuc.com/get-involved/)