

# CITY COUNCIL MEETING

## RESOLUTIONS

Monday, September 11, 2023, 12:30 p.m.

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### 3. UNFINISHED BUSINESS FROM PREVIOUS COUNCIL MEETINGS

#### 3.1 Hydro Rates

**THEREFORE BE IT RESOLVED** that the City of New Westminster requests that the Electrical Commission explores piloting a program to provide rates geared to income for low income community members and engage with City Council to discuss implementation and targeting and that it explores implementing a two-tiered fee structure based on usage, similar to that currently in use by BC Hydro.

All members present voted in favour of the motion.

**Carried**

For Utility Commission Discussion

Appendix A - Example: Toronto Hydro

Appendix B – Rate Design Scope – Bill Assistance

# **APPENDIX**

## **A**

**TORONTO HYDRO****Electricity rates**

Eligible customers on the Regulated Price Plan (RPP) have the option to choose between Time-of-Use (TOU), Ultra-Low Overnight (ULO) and Tiered price plans. Visit our Customer Choice page to learn more and determine which plan works best for you.

**Emergency Energy Fund (EEF)**

Low-income Toronto residents may qualify for help from the City of Toronto with energy-related emergencies to reconnect, prevent disconnection or to assist in the payment of energy arrears for hydro services. Eligible customers must have received a disconnection notice, or have already been disconnected, or have energy arrears and do not have enough money to pay them.

More information on the EEF can be found on the City of Toronto website.

**Ontario Electricity Support Program (OESP)**

OESP provides a monthly bill credit to those who qualify. Credit amount depends on:

How many people live in your home

Your total household income

OESP credit amounts by household income (after tax) and size

| After Tax Income (\$) | Household Size |      |      |      |      |      |      |
|-----------------------|----------------|------|------|------|------|------|------|
|                       | 1              | 2    | 3    | 4    | 5    | 6    | 7    |
| 28,000 or less        | \$45           | \$45 | \$51 | \$57 | \$63 | \$75 | \$75 |
| 28,001 - 39,000       | \$0            | \$40 | \$45 | \$51 | \$57 | \$63 | \$75 |
| 39,001 - 48,000       | \$0            | \$0  | \$35 | \$40 | \$45 | \$51 | \$57 |
| 48,001 - 52,000       | \$0            | \$0  | \$0  | \$0  | \$35 | \$40 | \$45 |

Credit amounts for energy-intensive customers, defined as households that are reliant on electric heat or electricity-intensive medical devices, as well as Indigenous households.

OESP credit amounts by household income (after tax) and size for energy-intensive customers

| After Tax Income (\$) | Household Size |      |      |      |      |       |       |
|-----------------------|----------------|------|------|------|------|-------|-------|
|                       | 1              | 2    | 3    | 4    | 5    | 6     | 7     |
| 28,000 or less        | \$68           | \$68 | \$75 | \$83 | \$90 | \$113 | \$113 |
| 28,001 - 39,000       | \$0            | \$60 | \$68 | \$75 | \$83 | \$90  | \$113 |
| 39,001 - 48,000       | \$0            | \$0  | \$52 | \$60 | \$68 | \$75  | \$83  |
| 48,001 - 52,000       | \$0            | \$0  | \$0  | \$52 | \$60 | \$68  | \$68  |

**How to apply for OESP**

Before submitting your application, have the following ready:

- Your electricity bill
- The names and birthdates of everyone in your home who is registered with the Canada Revenue Agency
- Social insurance numbers, individual tax numbers or temporary taxation numbers for anyone over 16 years of age
- Once you have the necessary information gathered, you can apply for OESP online.

Note: OESP credits are not transferable, non-refundable and have no cash value.

**Low-income Energy Assistance Program (LEAP)**

LEAP is a grant program that helps those who are struggling to pay past-due bills or have received a disconnection notice. It offers a maximum grant of \$500 per household per year (\$600 for electrically heated homes).

Note: On February 27, 2023, the Ontario Energy Board announced that it will continue to provide flexibility on eligibility criteria through 2023. Specifically, applicants still need to be in arrears but do not need to be in threat of disconnection or have already been disconnected. Eligible customers may apply more than once per year, but the total amount received by a household may not exceed the maximum grant amount for a given year.

In order to qualify, your household income has to be under a certain limit, as shown in the following table.

LEAP qualification criteria by household income (after tax) and size

| After Tax Income (\$) | Household Size |      |      |      |      |      |      |
|-----------------------|----------------|------|------|------|------|------|------|
|                       | 1              | 2    | 3    | 4    | 5    | 6    | 7    |
| 28,000 or less        | Yes✓           | Yes✓ | Yes✓ | Yes✓ | Yes✓ | Yes✓ | Yes✓ |
| 28,001 - 39,000       | No             | No   | Yes✓ | Yes✓ | Yes✓ | Yes✓ | Yes✓ |
| 39,001 - 48,000       | No             | No   | No   | No   | Yes✓ | Yes✓ | Yes✓ |
| 48,001 - 52,000       | No             | No   | No   | No   | No   | No   | Yes✓ |

How to apply for LEAP

Please contact the LEAP delivery agency closest to you to make an appointment.

Albion Neighbourhood Services L.A.M.P. (South Etobicoke Office)

185 Fifth Street

Etobicoke, ON

416-252-5990

Website: [albionneighbourhoodservices.ca](http://albionneighbourhoodservices.ca)

Albion Neighbourhood Services (North Etobicoke Office)

21 Panorama Court

Etobicoke, ON

416-740-3704

Website: [albionneighbourhoodservices.ca](http://albionneighbourhoodservices.ca)

*Lists all the neighbourhood services agencies in TO*

### **Energy Affordability Program (EAP)**

EAP offers energy saving measures that can help participating households manage their energy use and lower electricity costs by up to \$750 per year depending on eligibility, at no cost to the customer. If you qualify, you may be able to get LED light bulbs, power bars, insulation and more. These upgrades improve home comfort and help lower your electricity bill.

- Note: On April 5, 2023, the Independent Electricity System Operator (IESO) announced that it expanded eligibility criteria for EAP.
- More information on EAP, including eligibility criteria, can be found on the [Save on Energy website](#).
- [Enbridge Gas Winterproofing Program](#)
- Eligible customers receive energy-efficient upgrades, including insulation and draft proofing.
- Visit the [Enbridge Gas Home Waterproofing Program](#) page to learn more.

# **APPENDIX**

## **B**

## Rate Design and/or Bill Assistance

1. Purpose to be achieved: lower residential electricity bill amounts?
  - Assist low-income ratepayers?
  - Reward low consumption?
2. Research Bill Payment Assistance programs offered by other electric utilities.
3. Research multi-tiered rate design for residential users.
4. Prepare presentation for Utility Commission for their determination and recommendation as to how to proceed.
5. Develop scope of work for contractor engagement.

Two-step rate design:

1. Confirm objectives of changes to rate design:
  - utility cost recovery,
  - rate revenue neutrality,
  - rate balancing,
  - transition design,
  - rate change impact by customer group (income level and annual consumption),
  - transition schedule
2. Work scope:
  - Billing data and multi-step rate analysis;
  - Rate design model development and bill information processing
  - Scenario development
  - Draft rate design and customer and revenue impact assessment
  - Presentations, meetings to review, edit, and collect feedback on draft design and impacts
  - Revisions, presentations, reviews, edits
  - Preparation for Council submission
3. Upon approval prepare for full implementation:
  - City communications planning and preparation for: city staff, residential customers, general service customers, and the public
  - Electricity billing system revisions: engage contractor, consultation, design, test design, account extracts for parallel bill production, twice; choose customer test group; live testing with parallel bill productions; review results with Finance, EU, and Utility Commission
  - Develop full implementation plan, including customer focus groups, bill comparison reports, and feedback collection
  - Prepare report and impact statement for Council approval to proceed to full implementation, recognizing that scheduling will be subject to Council priorities.
4. Implementation plan will dictate staging of account groups for turnover to new rate.

## **BC HYDRO CRISIS FUND**

BC Government News Release - Tuesday, June 22, 2021 7:00 AM

The Province is extending BC Hydro's Customer Crisis Fund (CCF) to continue providing support for people in financial crisis and help avoid disconnections of their electricity service.

By extending BC Hydro's Customer Crisis Fund, we are preventing disconnections, helping families get back on their feet and making life more affordable for British Columbians."

The CCF pilot program was funded by a monthly charge (rate rider) of 13 cents that was added to residential customers' bills. The temporary continuation of the CCF will be funded through an existing surplus of approximately \$5.9 million that represents the difference between revenues already collected through the monthly customer charge and the costs of providing the program. BC Hydro stopped applying the rate rider to customers' bills effective June 1, 2021.

Statement from PIAC (Ms. Worth) "I am pleased that the Province has followed through on its recent promise to step in by temporarily reviving BC Hydro's CCF program while it decides how best to address energy affordability going forward,"

Effective: April 20, 2018

RATE SCHEDULE 1903 – CUSTOMER CRISIS FUND RATE RIDER

The Customer Crisis Fund Rate Rider as set out applies to:

Residential Rate Schedules 1101/1121, 1107/1127, 1148, and 1151/1161.

Effective October 1, 2019, a charge of 0.43 ¢ per day, before taxes and levies, on an interim basis.

Decision and Order G-144-21

May 7, 2021

BC Hydro acknowledges that there are societal benefits for CCF grant recipients. However, BC Hydro concludes that since the benefits to non-participant ratepayers are substantially outweighed by the costs of the CCF Pilot Program, there is no economic or cost of service justification (to BC Hydro) for making the CCF Pilot Program permanent and the CCF Pilot Program should be allowed to terminate on May 31, 2021. BC Hydro further submits "there are no other measures that cause the CCF Pilot Program to demonstrate utility or ratepayer benefits."

Accordingly, it appears that the CCF Pilot as presently designed has not had the desired impact, given that the financial issues experienced by CCF Pilot participants appear to have occurred again several months after receiving the CCF grant. Therefore, in spite of what appears to be positive feedback, there is no evidence to suggest that continuing with the CCF Pilot Program as designed will create a desirable impact over the longer term. Further, there is insufficient evidence with regard to other approaches that might successfully be applied to create a more favourable outcome in the future.

**As a result of the provisions of (provincial) OIC 159, the Panel finds that the CCF Rate Rider will not automatically terminate effective May 31, 2021 pursuant to Order G-166-17 and that the BCUC does not have the jurisdiction to amend, cancel or suspend the CCF Rate Rider, except on application by BC Hydro.**

*Given the limitations on the BCUC's jurisdiction to set low income rates as discussed in the 2015 RDA Decision, the Panel is of the view that programs offering support to residential customers that are experiencing a temporary financial crisis and are facing disconnection of their BC Hydro service may be more effectively addressed as a matter of public policy by the provincial government.*