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**Province of  
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Legislative Assembly

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Adrian Dix, MLA  
(Vancouver-Kingsway)

December 18, 2014

Hon. Bill Bennett  
Room 301 Parliament Buildings  
Victoria, BC V8V 1X4

Dear Minister Bennett

I am writing to request that BC Hydro reduce fees in their Meter Choices Program and submit the new fee schedule to the BCUC. Currently, BC Hydro charges fees of \$240 per year for radio-off Smart Meter customers and \$388.80 for legacy meter customers. These fees are needlessly punitive, out of line with what other utilities charge, are well beyond a reasonable recovery of costs and could be a hardship for some users, especially in light of massive BC Hydro rate increases for all customers.

Opponents of Smart Meters are a problem for BC Hydro and your government. The fact that so many are prepared to pay such large fees testifies to their conviction and determination. However, they are ratepayers, customers, taxpayers and citizens who deserve to be treated with respect.

This winter, BC Hydro has been cutting off a significant number of customers who have chosen not to pay, or are have difficulty paying, for the Smart Meter program. This is an expensive proposition for customers in reconnection charges and for BC Hydro in terms of goodwill and the expense of the process.

Further, BC Hydro is sending out contradictory messages on the issues of disconnection. For example, in the November 3<sup>rd</sup>, 2014 issue of the Comox Valley Record, Hydro spokesperson Ted Olynyk refers to a "moratorium period" between November and March where customers will not be disconnected due to a drop in temperature in the winter months.

This plainly is not the case. In recent weeks, I have been connected by a number of your customers who have been cut off, including in communities where the temperature was below zero on the day of disconnection. Given the conflicting views, it is fair to ask what BC Hydro's policies actually are with respect to disconnection related to the Meter Choices Program.

## Meter Choices Program Fees

BC Hydro is simply charging too much to the 15,000 people in its Meter Choices program. For those choosing to keep their legacy meter, the monthly charge is \$32.40 per month. For those choosing a Smart Meter with the radio off, the cost is \$20 per month. For radio-off Smart Meters, there is also a \$22.60 set up fee and \$55 exit fee.

Other jurisdictions – Fortis BC and Hydro Quebec with similar programs – charge considerably less to customers who, for whatever reason, want a radio-off or legacy meter. In Quebec, the monthly charge is down to \$8 per month following a decision of their utilities commission. Fortis in the Okanagan charge \$18 every two months for their radio-off program.

In my view, BC Hydro could cut those rates today by 50% consistent with the government's direction that the Meter Choices Program pay for itself.

This table shows the costs approved by the BCUC based on your Government's formal direction to the Commission and BC Hydro's submission.

Operating Costs (Source: BCUC Decision)

	Radio Off	Legacy
Meter Reading	\$902,107	\$836,895
Theft Detection		\$718,368
It Maintenance	65,991	\$65,991
Expired Meter Seal		\$47.964
Account Processing	21,560	\$21,560
Total Annual Operating Costs	\$989,659	1,690,778
Per Customers Per Month	16.49 Plus capital component of \$3.52 rounded to \$20.00	\$28.18 Plus capital cost net levy of \$4.22 = \$32.40

Why are BC Hydro's legacy and radio-off fees so high?

First, legacy meter customers are paying a substantial portion of the program costs for an expensive theft detection system set up solely for legacy meter customers (estimated by BC Hydro to be 5,000 in its application to the BCUC.) The explanation for these costs was kept confidential by the Crown corporation in its application however some details are public.

For example, BC Hydro is buying and utilizing temporary or check meters to monitor electricity consumption. They have always done this. Consider this however. Previously, for 1.9 million BC Hydro customers, the corporation had 20 "check meters." For the 5,000 legacy meter customers, they have acquired 200. This is excessive and punishing for customers.

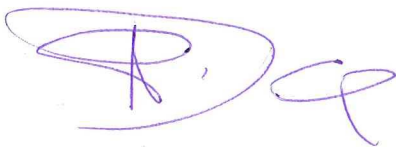
All of the costs of new field investigation and check meters is being paid for by legacy meter customers, substantially increasing the monthly cost to BC Hydro customers. This represents 42% of the operating costs that customers have to pay. In short, each legacy meter customer is paying almost \$12 a month to pay for BC Hydro's electricity theft detection system.

Secondly, BC Hydro could choose to reduce meter reading costs. BC Hydro currently pays for meter reading for thousands of BC Hydro customers outside of the Wide Area Network. In some cases, BC Hydro customers still submit manual reading of their legacy meters and pay for bi-monthly meter readings.

By matching Fortis BC meter reading costs and reducing the excessive cost of the theft detection system, BC Hydro could immediately reduce month fees to \$11 for radio-off customers and \$16 for Legacy meter customers.

As noted above, participants in the Meter Choices program are BC Hydro customers. They deserve to be treated with respect and not be overcharged. Your government agreed to provide an alternative for these customers. It is time to make that alternative fair and reasonable.

Thank you for your attention to this matter.

A handwritten signature in purple ink, appearing to read 'Adrian Dix', with a stylized flourish at the end.

Adrian Dix, MLA