

UPDATE: Meet the man on a mission to lower NB Power bills

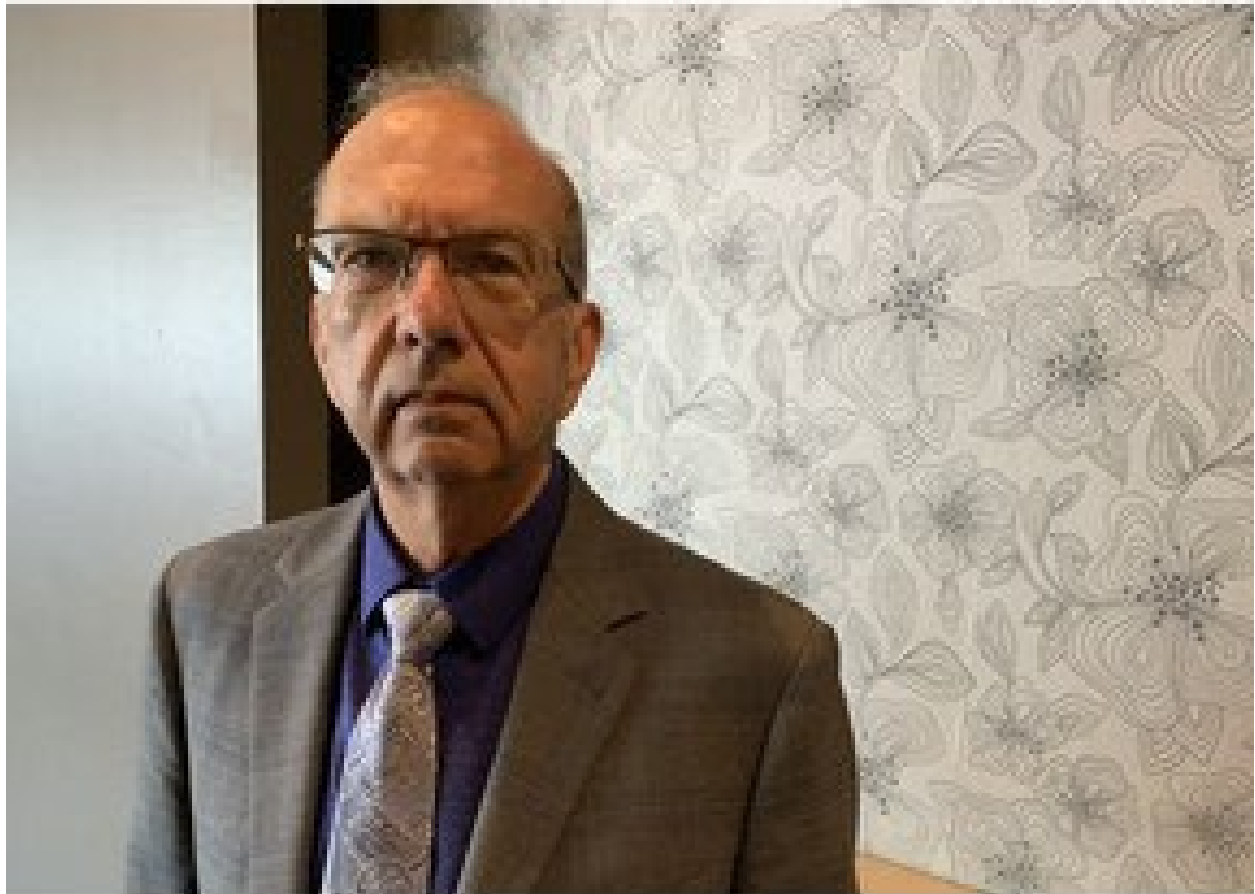
Randy Hatfield wants to convince the New Brunswick Energy and Utilities Board low-income people should be cut a break from 20 per cent hikes

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Randy Hatfield, executive director of the Human Development Council in Saint John, wants New Brunswick to create a low-income energy rebate program to help the poorest people offset high electrical bills. PHOTO BY JOHN CHILIBECK/BRUNSWICK NEWS

There's one man sitting near the back of the room who's stood out in hearings to decide if NB Power should charge the biggest electrical hike in a lifetime.

Quiet, unassuming Randy Hatfield isn't a lawyer among the interveners. The executive director of the Human Development Council, an anti-poverty organization in Saint John, is appearing for the first time at such hearings with a singular mission: to ensure a low-income energy rebate program is created.

"People are hurting," he told Brunswick News on Wednesday at the Fredericton Convention Centre, site of the latest hearing of the New Brunswick Energy and Utilities Board. "Despite all the Chamber of Commerce boosterism out there, I see it every day in Waterloo Village."

Hatfield, who on most days works in Saint John's vulnerable neighbourhood near the city centre, is deeply concerned that if NB Power successfully convinces the independent board to boost rates this year and next for a combined near-20 per cent increase, poor people will be devastated.

We need to know where we have to put pressure.

RANDY HATFIELD

He's hoping the three-member board will take an unprecedented step, such as ordering NB Power to create a comprehensive energy poverty strategy, including a low-income rebate program, the kind of discount offered in other places.

According to the council's research, more than one in three New Brunswickers – 36.3 per cent – are considered energy poor, paying more than six per cent of their after-tax income to light and heat their homes. That's nearly twice the national average of 18.4 per cent and the highest figure of any province.

"We need to know where we have to put pressure," Hatfield said. "NB Power is saying, 'we lack the authority to introduce something like a low-income rebate. Go to the province.' But I'm not sure that's the case, and I don't think it's ever been argued before the board. Or if it has, it was a long time ago. And I think that needs to be revisited."

As part of a tag team effort, on Thursday at the hearing, Shelley Petit, the chair of the New Brunswick Coalition of Persons with Disabilities, appeared virtually to ask questions of a panel of NB Power officials that included a rate design specialist and manager of customer care.

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SHELLEY PETIT

She told the panel that she'd done an informal survey of 50 people she knows with disabilities, and the average was paying nearly a quarter of their after-tax income on electricity, an astonishing amount.

The proposed residential rate hike this year of 9.8 per cent and a further 9.8 per cent jump next year are unaffordable, she argued.

“We’re paying for the mismanagement of the last 10 decades,” she said of the public utility.



Shelley Petit, the chair of the New Brunswick Coalition of Persons with Disabilities, says NB Power needs to do more to ensure people on low incomes are not disconnected. PHOTO BY JOHN CHILIBECK/ BRUNSWICK NEWS

Later in the session, Hatfield questioned the same panel in person, asking why NB Power hadn’t created any affordability policies specifically to help low-income customers, many of whom are in arrears on their bills and worried about being disconnected.

Veronique Stevenson, a rate design specialist with NB Power, pointed out that if poorer customers were cut a special break, others would have to pay for their electricity.

“It would put the burden on other customers,” she said. “They may be paying their bills on time, but that doesn’t mean they’re not struggling.”

The number of customers who were in arrears – missing at least one monthly bill payment – peaked the year before the pandemic. In the 2018-2019 fiscal year, more than 59,000 residential customers, or 18 per cent of the total, were late paying their bills.

The numbers went down during the COVID-19 crisis, likely because rates were frozen and people who weren't working had their incomes supplemented by Ottawa.

But the numbers have been steadily going up. In the 2022-2023 fiscal year, close to 45,000 residential customers were behind on bill payments, about 13 per cent.

The average unpaid bill for each customer was \$254.77.

Likewise, customers being disconnected also went down during the pandemic because NB Power decided to be less strict when there was so much illness going around and job losses. In the year before the pandemic, 4,611 were disconnected.

In 2021, the number of disconnects was just 746. Last year, it had crept back up to 3,580.

Hatfield said it was proof that NB Power could change its policies to meet social goals.

Christina Schneider, the utility's manager of customer care, emphasized that her staff of 15 responsible for late collections had been trained to be considerate and caring. Customers with late bills are encouraged to go on a three-month repayment plan, which can be extended to six months or even longer, if circumstances are dire.

"Caring for our customers is something my team hangs their hat on," Schneider said.

Hatfield said he appreciated the sentiment, but wondered why NB Power hadn't created rules around affordability and the ability for customers to pay for electricity.

Stephenson replied that such proposed changes had to be made at the highest levels of NB Power or the provincial government.

"This is a taxpayer versus ratepayer question," she said. "It's really more of a policy question I can't answer."

As part of its evidence, the Human Development Council hopes to present two of its researchers before the hearing that could serve on a panel, the same way NB Power officials and other energy experts have appeared.

Lawyers representing various interests question these experts for hours. The chief interrogators have been lawyers for the big, energy-intensive timber firm J.D. Irving, Limited, the group of municipal energy utilities such as Saint John Energy, the public intervener and the board itself.

Researchers Liam Fisher and Heather Acheson will likely appear at the hearings in August, their day in the sun to counter the gloom over high power bills.

One difficulty would be to figure out who would pay for such a low-energy rebate program.

NB Power is a cost-of-service utility and tries to recover most of its money from its more than 400,000 customers.

Short of the provincial government intervening with taxpayer funds, offering such a program would mean the rest of NB Power customers, both commercial and residential, would have to pay more.