

Part C – Decision Under Appeal

The decision under appeal is the Ministry of Social Development and Poverty Reduction (Ministry) reconsideration decision dated June 05, 2024, that denied the Appellant’s request for a crisis supplement for hydro. The Ministry found that the Appellant does not have the resources to pay the bill and would face imminent danger to their physical health if hydro were discontinued. However, the Ministry determined the hydro bill was not an unexpected item or expense as required by the legislation.

Part D – Relevant Legislation

Employment and Assistance Act Section 4

Employment and Assistance Regulation Section 59

A fuller text of the relevant legislation is provided in the Schedule of Legislation after the Reasons in Part F below as Appendix A.

Part E – Summary of Facts

From the Ministry files:

The Appellant is in a family unit of two persons in receipt of income assistance and receives \$1895 per month for income assistance and supplements. This amount includes \$955 for a support allowance, \$695 for a shelter allowance, and \$245 for supplements.

In April 2024, the Appellant requested a crisis supplement for \$1849.05 to pay her outstanding B.C. Hydro bill. In her request she explained that she received a disconnection notice which was carried over from her previous address and that she was not able to check her bill until the previous night. The Appellant also explained that there was a danger to her physical health as her food would spoil and that she did not have the resources to pay for the outstanding bill. In addition, the Appellant submitted an image of the final notice from B.C. Hydro account #*****603.

On May 6, 2024, the Appellant submitted copies of a final disconnection notice for B.C. Hydro account #*****603, dated April 23, 2024. On May 8, 2024, the Appellant contacted the Ministry to discuss her request. She provided additional information to the Ministry and explained that her previous address was poorly insulated and she did not realize how much the B.C. Hydro was going to cost. The Appellant also indicated that the last payment she made to B.C. Hydro was for \$200 in April and that she was denied the Customer Fund Grant from B.C. Hydro.

On May 10, 2024, the Ministry contacted B.C. Hydro to discuss account #*****603. The B.C. Hydro employee provided the following information:

- The Appellant has an outstanding balance of \$2773.21.
- \$957.37 was transferred over from her previous address.
- The Appellant receives her bills through E-billing.
- She made two payments in April totaling \$200.
- The Appellant did not make any payments on her balance from July 2023-March 2024.
- B.C. Hydro is not willing to make a payment arrangement due to two account balances and minimal payments.

On May 23, 2024, the Appellant submitted a request for reconsideration and wrote "*They are going to cut my power off any day now I don't know what else to do I only get 260 after my rent is paid, I'm trying to get into a program to better myself to get my kids home I'm starting to feel like it's 5 steps forward and 50 backwards I just don't want the stress right now.*"

Additional Information Provided

The Appellant submitted a notice of appeal that stated she was to start home treatment and cannot now do so due to no hydro, as well as getting her kids home, and cannot shower or eat.

The Appellant also submitted a single page of a four-page document entitled Family Plan created by the Ministry of Child and Family Development. The single page summarises the parents needs under Alcohol, Drug or Substance Use/Abuse for the Appellant and her partner.

Oral Information at Hearing

Appellant

During the tribunal hearing the Appellant explained that a multitude of circumstances have contributed to the situation she currently finds herself in. She stated that the hydro power had been shut off on 4 June 2024 despite a recent payment of \$300 having been made on 30 May 2024 by a community agency.

In speaking to a Hydro supervisor the Appellant was advised that the service would not be reconnected until a payment of a further twelve hundred dollars was paid to the account. The Appellant has reached out to many agencies and individuals for assistance however is not being helped.

The Appellant is struggling financially and with depression. She cannot shower, or cook and has only \$260 dollars left from her income assistance once her rent is paid. Her mind is in many places and without the child tax allowance she is left with no monies to pay such items as hydro.

Her children are currently in foster care and the Appellant is required to complete a treatment program under the auspices of the Ministry of Children and Family development before being able to get her children back. She cannot do so without electricity. Her situation seems she is taking five steps forward and fifteen steps back, addiction is not fun, and she feels she is being pushed aside.

In answers to questions the Appellant stated she had spoken to the Ministry who had told her they could not help further while the appeal was being held. The Ministry representative clarified that their response was related to the crisis supplement. She is in fact able to recontact the Ministry to see if they can negotiate a payment plan with Hydro now that the new information has come to light regarding the \$300 part-payment.

The treatment plan with the Ministry of Child and Family Development was due to start on 10 June 2024 however she is now unable to do that as the power had been disconnected 4 June 2024. Her children had been removed into foster care on 22 January 2024.

The Appellant currently lives in rented accommodation with her boyfriend and her mother. Her mother pays \$818 towards the total rent of \$2450 monthly. This means the Appellant and her boyfriend, as the income assisted family unit, pay \$1632 monthly leaving only \$263 for all other bills.

The Appellant stated that in all her previous rental agreements the Ministry paid the hydro bills by deduction from her income assistance payments. She had moved into accommodation in July 2023 and had moved out of that accommodation on 1 December 2023.

The reason she moved was because the rent was \$3000 per month and the accommodation was sub-standard. The house had poor insulation, the management company took months to remove and replace a whole door frame and the premises were overrun by rodents.

When the Appellant became aware of the outstanding hydro account, she paid an amount of \$200 in April of 2024 and asked BC Hydro to create a payment plan and/or apply for its customer fund grant however was denied. Apparently, someone had already contacted BC Hydro to set up a catch-up payment plan which increased the amounts owing dramatically due to two accounts, and she was therefore denied as she was in serious arrears. She has had little access to information from BC Hydro because she hasn't been able to afford internet. She signed up for paper bills with BC Hydro about a month ago after she received cut-off notices. She now sees the amount owing.

The Appellant stated she was under the impression the Ministry was paying the Hydro invoices. She was unaware that when she advised the Ministry she was moving and asked them to cease payment on that account that she was required to reapply for Ministry direct payments. The Appellant stated that nobody had made her aware of this requirement. With all that was going on, she did not notice that her assistance payment increased.

Ministry

The Ministry representative relied on the reconsideration decision during the appeal hearing and recounted the summary background and decision. This included how the amount in arrears included a carry over from the previous address, and how the Ministry was unable to negotiate a payment plan with BC Hydro due to the large amounts owing and the two accounts.

In response to questions the Ministry, as to why it stopped paying the Hydro bills when the Appellant moved, stated that this is information that is not normally provided as part of the appeal. However the Ministry confirmed that the Appellant had notified them on 4 July 2023 to cease payment to BC Hydro at her previous address. The Ministry explained that direct payment

at a new address would need to be applied for. However, the Ministry had no notes that said the Appellant had been informed that she would have to re-apply.

The Ministry confirmed that once the direct hydro payments ceased the income assistance paid to the family unit increased from \$1358 in July 2023 to \$1875 in September 2023. The Appellant stated she did not recognise any increase as she was required to pay damage deposits and over the Christmas period had her children taken from her, and placed in care in January 2024 and therefore did not receive the child support payments.

At reconsideration the Ministry had acknowledged that it was unexpected to the Appellant that the cost of B.C. Hydro was so high for her previous address. At questioning the Ministry stated that they could have looked at this for a crisis supplement at the time. However, as the bills had gone unpaid for such a long time, it was now not unexpected.

Admissibility

The Panel determined the additional written and oral information is required for a full and fair disclosure of all matters related to the decision under appeal and therefore is admissible under section 22(4) of the *Employment and Assistance Act*.

Part F – Reasons for Panel Decision

The issue on appeal is whether the Ministry's decision was supported by the evidence or was a reasonable application of the legislation in the circumstances of the Appellant.

Specifically, was the Ministry reasonable to decide that the Appellant was not eligible for a crisis supplement for hydro as it was not an unexpected expense?

Appellant Position

The Appellant argues that she was unaware that the hydro bills were not being paid by the Ministry as had been done in her previous accommodation. Further that the amount of the expense was higher than expected due to poor insulation of the previous accommodation.

The ability to properly follow the situation was frustrated by her and her partner's addictions, short notice accommodation moves, the removal of her children and increasing depression. She was not following online billing notification by BC Hydro.

The Appellant argues that she does not have funds to pay the amount in arrears and needs power to be able to conduct an online treatment plan demanded by the Ministry of Children and Family Development.

She is currently unable to shower, cook and is unable to satisfy demands that will allow her to regain custody of her children.

Ministry Position

The Ministry argues it is not satisfied that not checking her online bill caused an unexpected need, as there are other ways to review the bills such as phoning B.C. Hydro or opting for paper bills.

The Appellant had indicated that she was unaware that her previous address was poorly insulated which resulted in higher B.C. Hydro bills, and the Ministry acknowledges that it was unexpected to the Appellant that the cost of her B.C. Hydro was so high there, however, notes that the Appellant moved out of this address in November.

The Ministry states the Appellant has also not provided sufficient evidence to explain what unexpected circumstances prevented her from paying her B.C. Hydro bill from July 2023-March 2024. B.C. Hydro is a service that the Appellant signed up for and it is not unexpected that the owing amount will accrue if the bills are not paid.

The Ministry states it is satisfied that the family unit does not have any resources available to pay the outstanding B.C. Hydro bill. Additionally, the Ministry is satisfied that there is imminent risk to the physical health of the family unit without electricity.

Panel Analysis

Legislation

Section 59(1) of the Employment and Assistance Regulation states a crisis supplement may only be provided if all the following eligibility criteria are met:

- The family unit is eligible for income assistance or hardship assistance **and**
- The need for the item is not expected or there is an unexpected expense **and**
- There are no resources available **and**
- Failure to obtain the item or meet the expense will lead to imminent danger to the family unit physical health or a child being removed under the *Child, Family and Community Service Act*.

The Panel notes the only criterion the Ministry found was not met was that the outstanding bills were an unexpected expense. The Ministry found that the other criteria, those of income assistance eligibility, no resources available, and a failure to obtain the item will lead to imminent danger, had been met.

The need for the item is not expected or there is an unexpected expense

The test in this case is reasonableness. This means, was the Ministry's reasoning and outcome one of a number of possible outcomes one could reach looking at the evidence. Was the Ministry actually reasonable in finding the Appellant should have known that regularly occurring expenses were accruing, and that the Appellant had not provided sufficient evidence to explain what unexpected circumstances prevented her from paying the B.C. Hydro bills for the nine-month period from July 2023 to March 2024?

The Panel finds the Appellant moved into her current premises on 1 December 2023, and that the Appellant was a resident of the previous premises for the period 1 July 2023 to 1 December 2023. The amount of outstanding BC Hydro bills carried over from the previous residence was \$957.37 but notes no evidence presented to show how much higher the hydro bills may have

been in relation to any other home, other than a general comment about poor insulation increasing the costs.

Prior to July 2023 the Ministry was paying the invoices for power direct to BC Hydro through a deduction agreement with the Appellant.

The Panel finds the Appellant has not paid hydro bills for the period July 2023 until March 2024, has two accounts with BC Hydro and now owes substantial amounts on the accounts.

This time period is consistent with the family unit's move to the previous residence in July 2023, at which time the direct pay plan by the Ministry ended, and the move in December 2023 to the current residence.

The Ministry does acknowledge that higher costs for this previous address were unexpected to the Appellant. The Panel notes that whatever these higher costs may have been the Appellant failed to pay any amount of the bills for the nine-month period, however, since receiving the cut-off notice in April, has now paid amounts of \$200 in April 2024 and \$300 paid in May 2024.

The Panel accepts the need to pay BC Hydro bills would not normally be an unexpected expense and therefore finds it is not unreasonable to expect that regardless of increased or variable power consumption there will be a fee owing. It is also not unexpected that a series of unpaid monthly bills would continue to accrue over a nine-month period.

The Panel is required to consider the circumstances of the Appellant.

The Appellant stated she only requested paper bills recently, about a month ago to try and ascertain the amounts owing once receiving service cut-off notices. She did not have access to her online billing and was unaware of the risk of disconnection until receiving the notices from BC Hydro.

In response to questions as to why the Appellant failed to recognise an increase in her income support payments after the Ministry stopped direct payments to BC Hydro, the Appellant testified that several other dramatic issues were at play. These included the additional people providing variable rent payments, the paying of different damage deposits, the Appellant's children being taken into care and the resultant loss of the child support payments. The Panel accepts these issues would have resulted in a variable amount of disposable income.

The Panel finds these circumstances, combined with the ongoing addiction and developing depression of the Appellant, support the testimony of the Appellant as to why she did not appreciate that the Hydro payments were not being deducted from her assistance payments.

The Appellant stated she was under the impression the Ministry was paying the Hydro invoices. She was unaware that when she advised the Ministry in July she was moving and asked them to cease payment on that account that she was required to reapply for Ministry direct payments. The Appellant stated that nobody had made her aware of this requirement. In addition, the Panel notes no evidence the Ministry advised the Appellant that they must re-apply to have payments deducted when she moved addresses.

Considering this new evidence the Panel finds the Appellant has shown why she was not aware that regularly occurring BC Hydro expenses were accruing and, believing that the Ministry was paying the bills, why she did not pay the B.C. Hydro bills herself for the nine-month period from July 2023 to March 2024.

The Panel accepts the new evidence of both the Appellant and Ministry to be credible and therefore finds the Appellant did not know payments were not being made to BC Hydro directly by the Ministry. This evidence directly addresses why the appellant made no payments from July 2023 to March 2024 and why the accruing amount was an unexpected expense.

Based on the totality of the evidence the Panel finds that the outstanding bills from BC Hydro are an unexpected expense as stated in section 59(1)(a) of the legislation. The Ministry is no longer reasonable in its finding there was insufficient evidence as to what prevented the Appellant from paying her bill that led to the growing amount.

Conclusion

In conclusion, the Panel finds the Ministry decision, that determined that the Appellant was not eligible for a crisis supplement for hydro because it was not unexpected, was not supported by the evidence and therefore was not reasonable.

The Appellant is successful on appeal.

Appendix A Applicable Legislation

Employment and Assistance Act Section 4

Income assistance and supplements

4 Subject to the regulations, the minister may provide income assistance or a supplement to or for a family unit that is eligible for it.

Employment and Assistance Regulation Section 59

Crisis supplement

59 (1) The minister may provide a crisis supplement to or for a family unit that is eligible for income assistance or hardship assistance if

(a) the family unit or a person in the family unit requires the supplement to meet an unexpected expense or obtain an item unexpectedly needed and is unable to meet the expense or obtain the item because there are no resources available to the family unit, and

(b) the minister considers that failure to meet the expense or obtain the item will result in (i) imminent danger to the physical health of any person in the family unit,
or

(ii) removal of a child under the [*Child, Family and Community Service Act*](#).

(2) A crisis supplement may be provided only for the calendar month in which the application or request for the supplement is made.

(3) A crisis supplement may not be provided for the purpose of obtaining (a) a supplement described in Schedule C, or

(b) any other health care goods or services.

(4) A crisis supplement provided for food, shelter or clothing is subject to the following limitations:

(a) if for food, the maximum amount that may be provided in a calendar month is \$50 for each person in the family unit,

(b) if for shelter, the maximum amount that may be provided in a calendar month is the smaller of

(i) the family unit's actual shelter cost, and

(ii) the sum of

(A) the maximum set out in section 2 of Schedule A, the maximum set out in section 4 of Schedule A and any supplements provided under section 56.2 [pre-natal shelter supplement] or Division 8 [Housing Stability Supplement] of Part 5 of this regulation, or

(B) the maximum set out in Table 1 of Schedule D, the maximum set out in

Table 2 of Schedule D and any supplements provided under section 56.2 or Division 8 of Part 5 of this regulation, as applicable, for a family unit that matches the family unit, and

(c) if for clothing, the maximum amount that may be provided in the 12 calendar month period preceding the date of application for the crisis supplement is \$110 for each person in the family unit.

(5) Repealed. [B.C. Reg. 248/2018]

(6) Repealed. [B.C. Reg. 248/2018]

(7) Despite subsection (4) (b), a crisis supplement may be provided to or for a family unit for the following:

(a) fuel for heating;

(b) fuel for cooking meals;

(c) water;

(d) hydro.

[am. B.C. Reg. 12/2003.]

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Part G – Order

The panel decision is: (Check one) Unanimous By Majority

The Panel Confirms the Ministry Decision Rescinds the Ministry Decision

If the ministry decision is rescinded, is the panel decision referred back
to the Minister for a decision as to amount? Yes No

Legislative Authority for the Decision:

Employment and Assistance Act

Section 24(1)(a) or Section 24(1)(b)

Section 24(2)(a) or Section 24(2)(b)

Part H – Signatures

Print Name

Don Stedeford

Signature of Chair

Date (Year/Month/Day)

2024/07/04

Print Name

Margarita Papenbrock

Signature of Member

Date (Year/Month/Day)

2024/07/04

Print Name

Kenneth Smith

Signature of Member

Date (Year/Month/Day)

2024/07/04