

# FortisBC Advanced Metering Infrastructure CPCN

## Intervenor Submission

by Alan Wait

I feel FortisBC is a little early in wishing to proceed with the Advanced Metering Infrastructure (AMI) for the following reasons:

1. There is no net savings to ratepayers guaranteed by the AMI proposal, either now or later.
2. No developed rate proposals were presented for making the AMI cost effective in the near future.
3. I have heard that about 6% of the US is now using the AMI equipment, and that suppliers were gearing up by building new plants to manufacture the smart meters. This is not the time to get the best price on the AMI equipment.
4. As we have seen over the years, technology is constantly changing making more powerful equipment often at lower costs as time goes by. As technology changes, will FortisBC wish to upgrade these proposed meters and add additional costs in a few years for equipment and software? There could be added costs later that are not accounted for in the estimates in order to get real load reductions in the future.
5. Considering the limited market penetration of AMI at this time, I think it would be best for FortisBC to hold off and monitor closely what success other Utilities with AMI are having in reducing total loads and peak loads.
6. FortisBC should present a complete plan including rate proposals to go along with AMI. This proposal leaves any proposed rate changes until after the AMI is installed.
7. I could see no ability for the meters to shut off loads such as: hot water tanks, hot tubs, freezers etc. at peak times with devices in the supply wires. This requires human intervention. In the near future load shut off controls may be part of the Home Area Network (HAN) system or the meter itself. We should wait for this advancement.
8. There should either, now or shortly, be a very good supply of standard meters at very reasonable prices coming on the market from Utilities changing to AMI, that FortisBC could pickup for meter replacements and new connections until the decision is made to move to AMI technology.

Should the BCUC approve this AMI CPCN, I would not agree with the item 16 of the FortisBC Submission, which requests the present meter asset value be amortized as presently done at

3.5% until zero. I would recommend that the existing meter value be depreciated to zero over no more than 5 years as being in the best interest of the ratepayers.

Further, if the BCUC approves the AMI CPCN, the BCUC should recognize that this project affects only the distribution ratepayers of FortisBC. Should the distribution customers of the wholesale customers (Municipal Electrics) move to AMI, the Municipals distributions customers will have to cover those extra costs. The net extra charges for each year should be placed on the FortisBC customers' monthly basic charge, not as a percentage increase overall, so that the Municipals' customers are not paying for increased distribution costs for FortisBC customers.

At this point it is very clear that proceeding with the (AMI) will be an additional cost to the FortisBC ratepayers compared to the present system. Combine that with no concrete plan being put forward by FortisBC for the effective use of these new meters to create future savings for customers, I feel that although this is the way FortisBC will eventually go, now is a little too early. I believe that FortisBC ratepayers would be best served by waiting to see how the technology develops and how other Utilities use AMI to effectively reduce loads and peaks as well as the costs for customers.

FortisBC should present a complete plan, including rate schedules, on how this AMI technology will produce savings for the ratepayers before the AMI is deployed.

I believe the time will come when the technology is more advanced, the cost of the equipment is a bit lower, FortisBC can provide rate structures to maximize the benefits of the AMI to the ratepayers and there will be either no cost or a savings for the ratepayers. That is the time to proceed with AMI, not now.