

FortisBC Inc.
Application for a Certificate of Public Convenience and Necessity
for the Advanced Metering Infrastructure Project
Project No.3698682

Opening statement of BCPSO et. al

1. Good morning Mr. Chair and Commission Panel. I appear today on behalf of the BC Pensioners' and Seniors' Organization, the BC Coalition of People with Disabilities, the Counsel of Senior Citizens' Organizations of BC and the Tenant Resource and Advisory Centre, known in this process as BCPSO et al.
2. BCPSO is a coalition of FortisBC's ("FBC") low and fixed-income residential ratepayers who collectively represent the interests of FBC's most vulnerable ratepayers.
3. BCPSO, and their predecessors have a longstanding history of representing the interests of low and fixed income ratepayers, since the BC Public Interest Advocacy Centre was founded in 1981. We were active interveners in FBC's 2008 AMI application that was not approved by this Commission. (Project No. 3698493; Order G-168-08)
4. BCPSO's principal interest in this project is the financial impacts that it will have on the ratepayers who ultimately bear the cost of all of FBC's approved expenditures. In this regard, our primary focus throughout the IR phase has been on the financial and operations issues which are the subject of the written phase of this proceeding. That is not to say, however, that we are not interested in issues relating to security, health or environment which will be the focus of the Oral Hearing phase. Rather, we will examine those issues in the context of their interplay with the Utility's stated costs and benefits, and their impact of those estimates.
5. Given that our primary interests are the subject of the written proceeding, and that there are a large number of intervenors in this hearing, BCPSO does not anticipate conducting lengthy cross-examinations of either the FBC panels nor the witness panels.

6. This application is brought under s.45 of the *Utilities Commission Act*, requiring a Certificate of Public Convenience and Necessity. That means that this panel must be of the opinion that this project is necessary. FBC's case, so far has focused on the anticipated benefits outweighing the approximately \$52M cost. For context, the 2008 AMI application estimated costs at \$31.3M.
7. It is clear that there is significant amount of interest in this project, and in particular the issues to be dealt with within the Oral Hearing phase. There are a number of intervenors who may be new to the commission process, and BCPSO is very interested in hearing what they have to say.
8. It is important, in our view, to understand this process in context - it is not happening in a vacuum. We are all aware that BC Hydro is in the process of rolling out its own Smart Meter initiative. The 2010 *Clean Energy Act* exempted BC Hydro from seeking BCUC approval for that nearly \$1Billion expenditure. There is, in our submission, no doubt that FBC is now facing some of the residual impact of the lack of public process flowing from BC Hydro's similar program, as this hearing is the only process on AMI accessible to the BC public since the passing of the *Clean Energy Act*.
9. BC Hydro's implementation of Smart Meters, of course, has not been without controversy. As of December 31, 2012, over 128,000 smart meters remain to be installed, of which 85,000 are the result of customers who have refused the installation, for a variety of reasons. Those 85,000 refusals represent about 4.5% of BC Hydro's total anticipated installations, and is not an insignificant number.
10. Over the past number of years, utilities across the world have been implementing AMI, and many of the issues we will be wrestling with over the course of the next two weeks and beyond have been raised. Opt-outs, wired options and other measures are being employed in other jurisdictions and we are just now in the early stages of being able to compare the purported costs and benefits with actual results and actual costs. This puts FBC in an interesting position: they have the opportunity to learn from the experiences of other utilities who may prove or disprove the elements that compose the estimated costs and benefits of AMI. In fact, they may be even better positioned to do so further into the future after BC Hydro's meters have been operational for some time.

11. Finally, BCPSO notes with respect that the BCUC is an economic regulator, composed primarily of accountants, engineers and economists. This is an administrative tribunal with specific expertise in economic regulation. It does not have particular medical expertise, for example. It is therefore not the ideal body to make conclusive determinations about the health impacts of AMI. The panel can of course, weigh conflicting evidence and make findings, including findings about the relative risks that various opposition positions pose to the business case put forward by FBC, and BCPSO will be following those issues closely.