

REQUESTOR NAME: **BCPSO**  
 INFORMATION REQUEST ROUND NO: **2**  
 TO: **FortisBC**  
 DATE: **November 23, 2012**  
 PROJECT NO: **3698682**  
 APPLICATION NAME: **FortisBC Inc –Application for  
 CPCN for AMI Project**

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**1.0 Reference: BCPSO 1.3.2**  
**Exhibit B1, page 7, line 11**  
**Exhibit B1, page 69, Table 5**

1.1 Please under take a sensitivity analysis regarding the Project's costs/benefits and calculate the results per Table 5 based on a 15 year life for the AMI capital costs (as opposed to 20).

**2.0 Reference: BCPSO 1.18.1**

2.1 Will future decisions regarding the types of reports required, when the reports will be generated and the triggers that will be used result in additional costs ((e.g. programming, software, etc.) being incurred as these decisions are implemented?

2.2 If yes, please describe the scope of the activities that could generate additional costs.

**3.0 Reference: BCPSO 1.21.1 / 1.23.1 / 1.26.1 / 1.28.1 / 1.29.1**

3.1 Please complete the following Table and indicate (by way of an "x") into which Cost Category or Categories each of the AMI Components fall.

| Cost Category                             | AMI-COMPONENT |     |     |     |      |     |
|---|---------------|-----|-----|-----|------|-----|
|   | HAN           | LAN | WAN | HES | MDMS | CIP |
| 3 <sup>RD</sup> Party Software & Services |               |     |     |     |      |     |
| Meters                                    |               |     |     |     |      |     |
| Network Infrastructure                    |               |     |     |     |      |     |
| System Integration                        |               |     |     |     |      |     |
| Theft Protection                          |               |     |     |     |      |     |

**4.0 Reference: BCPSO 1.24.1 and 1.24.2**

- 4.1 The responses to BCPSO 1.24.1 and 1.24.2 appear to suggest that FortisBC does not anticipate any issue with getting data from the individual AMI-enabled meters to the local collectors and that the issues of economic communication options are all related to bringing the data from the local collectors to the HES (i.e., the utility), that is the WAN part of the system. Please confirm that this is the case.
- 4.2 If yes, will the manual meter reading for those customers with whom there is no economic WAN option be done by manually reading each individual AMI meter or by downloading the required data from the local collectors? If from each individual meter, please explain why the data could not be obtained from the local collectors.

**5.0 Reference: BCPSO 1.37.1**

- 5.1 Please explain more fully the increase in costs (\$6.3 M) attributed to IT Infrastructure and Upgrades. If the increase is not attributable to inflation or scope changes, what is the basis for it?

**6.0 Reference: BCPSO 1.40.2**

- 6.1 Do the LAN-related communications between the AMI-enabled meters and the collectors not have any associated operating costs?

**7.0 Reference: BCPSO 1.42.1**

- 7.1 What service life does FortisAlberta use for its MDMS (or equivalent computer equipment and software)?

**8.0 Reference: BCPSO 1.44.1**

- 8.1 Assuming some or all of these employees don't transition to other (unfilled) positions or choose to leave the company/retire voluntarily, what how would FortisBC handle the circumstance and what would be the incremental cost?

**9.0 Reference: Exhibit B1, page 83 (lines 1-11) and page 84 (lines 6-7) BCPSO 1.45.1**

- 9.1 The response to BCPSO 1.45.1 states that the 8% is based on the number of identified thefts divided by the number of sites investigated for the period 2007-2011. Please explain why this calculation represents proportion of total theft sites that will be discovered annually.
- 9.2 Please provide a schedule that for the period 2007-2011 identifies:
- The average annual number of grow sites in FortisBC's service area over 2007-2011 based on the assumptions set out on page 82.
  - The average annual number of sites investigated
  - The average annual number of these sites (per (b)) identified as "grow sites"

- d. The average annual number of these sites (per (b)) identified as “grow sites” involving diversion/theft of power.
- e. The average percentage of grow sites that involve theft (i.e., d/c)
- f. The percentage of theft sites identified each year (i.e.  $d / (a * e)$ )

9.3 Exhibit B1, page 83 suggests that 25% of suspicious sites over the period 2009-2011 involved theft whereas the response to BCPSO 1.45.1 indicates that only 8% of those investigated over the period 2007-2011 involved theft of power. Please reconcile and clarify whether the difference in percentages is due strictly to the difference in time periods or whether the percentages are based on different definitions.

- 9.4 Please provide a schedule that for the period 2009-2011 identifies:
- a. The average annual number of grow sites in FortisBC’s service area over 2009-2011 based on the assumptions set out on page 82.
  - b. The average annual number of sites investigated
  - c. The average annual number of these sites (per (b)) identified as “grow sites”
  - d. The average annual number of these sites (per (b)) identified as “grow sites” involving diversion/theft of power.
  - e. The average percentage of grow sites that involve theft (i.e., d/c)
  - f. The percentage of theft sites identified each year (i.e.  $d / (a * e)$ )

9.5 Based on the preceding results, please restate the 8% value based on the period 2009-2011.

9.6 With respect to Exhibit B1, page 84, why wouldn’t an increase in the percentage of grow sites choosing to pay for their power also increase the number of grow sites identified through high power use and subsequent police investigation, thereby reducing the total number of sites?

**10.0 Reference: BCPSO 1.47.2  
BCPSO 1.54.2**

10.1 The referenced process flowchart does not identify the required interaction with the customer similar to that provided on page 90 in the event of a customer move. Please fully describe this part of the disconnect process for non-payment after the implementation of AMI.

**11.0 Reference: BCPSO 1.47.3 and 1.47.4**

11.1 With respect to BCPSO 1.47.3, why is the lost revenue margin treated as the benefit? If the premise is vacant and the disconnection occurs sooner due to AMI, isn’t the savings the reduced power requirements provided by FortisBC (for which it is not compensated) and isn’t the value the cost of purchasing such requirements?

11.2 Exhibit B1 (page 91) states that CSP visits will still be required for 50% of vacant premise situations and 100% of non-payment situations. Why then are the savings based on the full number of assumed annual disconnects and reconnections, per BCPSO 1.47.4?

**12.0 Reference: Joe Tatangelo #30 and #38  
BCPSO #1.27.2**

- 12.1 The first reference states that the existing meter reading operations are being eliminated. However, the second reference suggests that a portion of the meter reading operations is being retained to read those AMI meters that do not have an economic WAN option. How many metering reading positions are reflected in the forecast savings set out on page 80?

**13.0 Reference: Joe Tatangelo #51 and #52**

- 13.1 Is it FortisBC's contention that all utilities that have or have had prepaid meters used AMI-enabled meters?
- 13.2 The response to #51 appears to suggest that prepaid meter users must be able to see their account balance, which suggests some form of in-house display. However the response to #52 states that no determination has been made as to whether a pre-paid program requires an in-home display. Please reconcile.

**14.0 Reference: CEC #18.1, #20.1, #22.1 and #74.2**

- 14.1 Given a) the large number of feeders and customers on each feeder; b) the limited number transformer meters and portable meters and c) the need to restrict the analysis to feeder sections with 50 residences – how much of FortisBC's total residential customer base can be analyzed each year for purposes of testing for theft?
- 14.2 If the practical annual coverage of FortisBC's customer base for purposes of theft analysis is less than 100% - how has this been factored into the calculation theft reduction savings?

**15.0 Reference: CEC #27.2**

- 15.1 The response suggests that there are less than 110,508 residential and commercial customers with meters (since some commercial customers are not metered). Please reconcile this with the statement that FortisBC plans to install approximately 115,000 AMI residential and commercial AMI meters (per Exhibit B1, page 40).

**16.0 Reference: CEC #50.3 and 50.5  
Exhibit B1, page 49**

- 16.1 Does the fact that a small number of customers will not have an economic WAN option and their metering data will continue to be manually downloaded impact at all the benefits that have been attributed to AMI (.e.g. theft reduction and reduced disconnect/reconnect costs)?
- 16.2 If yes, how has this been factored into the cost/benefit analysis?
- 16.3 If no, please explain why given the response to CEC 50.5.

**17.0 Reference: CEC #52.3**

17.1 The response suggests that the meter would be exchanged/replaced every 17 years. Please reconcile this with assumed service life of 20 years.

**18.0 Reference: CEC #54.2**

18.1 If the current metering installation is too old to accept a modern meter, why should the customer be responsible for the upgrade cost?

18.2 Technically who owns the meter base, FortisBC or the customer?