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Our File No.: 05497-0216-0000

February 28, 2013

BY EMAIL

British Columbia Utilities Commission
6th Floor, 900 Howe Street
Vancouver, BC V6Z 2N3

**Attention: Erica M. Hamilton,
Commission Secretary**

Dear Sirs/Mesdames:

**Re: FortisBC Inc. (FortisBC) – Application for a Certificate of Public
Convenience and Necessity for the Advanced Metering Infrastructure
Project (AMI Project)**

Enclosed please find the Opening Statement of counsel for FortisBC Inc., for the hearing which commences on March 4, 2013.

Yours truly,

FARRIS, VAUGHAN, WILLS & MURPHY LLP

Per:



Ludmila B. Herbst

LBH/lb
Enclosure

c.c.: Registered Intervenors
Boughton Law Corporation – Attention: Gordon Fulton, Q.C.
FortisBC Inc. – Attention: Dennis Swanson

OPENING STATEMENT
Counsel for FortisBC Inc. (FortisBC)

1. Mr. Chair and Commissioners, pursuant to Commission orders which determined that issues pertaining to security, health and the environment would be the subject matter of this oral hearing, FortisBC will address in the next two weeks those specific aspects of its application for advanced metering infrastructure (**AMI**) which it filed on July 26, 2012 (the **Application**) and which is Exhibit B-1 in this proceeding. More broadly, in the written submissions to be filed on March 28, 2013, FortisBC will address all aspects of the Application, including its need in any event of the AMI Project to replace the bulk of the meters in its service territory due to Measurement Canada requirements and the substantial benefits that replacing them specifically with wireless advanced meters would entail.
2. FortisBC will be presenting two witness panels at this oral hearing, the first on security (the **Security Panel**) and the second on health and the environment (the **Health and Environment Panel**).
3. The Security Panel will be addressing issues with which FortisBC has day-to-day familiarity as an electrical utility, namely the security of the electricity grid and the security of the information of both the utility and its customers. FortisBC must and does already satisfy rigorous security standards in its operations, and the Security Panel will address the extension of that rigorous approach to advanced meters. The Security Panel will be comprised of four witnesses:
 - (a) **Tom Loski**, who is FortisBC's Vice President, Customer Service;
 - (b) **Paul Chernikowsky**, who is FortisBC's Director, Engineering Services;

- (c) **Tim Swanson**, who is FortisBC's Director, Information Systems; and
 - (d) **Michael Garrison Stuber**, of Itron, from which FortisBC proposes to source its advanced meters. Mr. Stuber is responsible for cyber-security and standards across Itron products worldwide.
4. The Health and Environment Panel will testify after the Security Panel has concluded. FortisBC's second panel will address, as its name indicates, evidence pertaining to health and the environment.
5. The Health and Environment Panel will be comprised both of FortisBC representatives and of experts able to respond on matters that necessarily extend beyond FortisBC's day-to-day knowledge and experience. While FortisBC already undertakes measures to ensure the safety of employees and the safe delivery of electrical service to all customers, and has addressed the issue of electromagnetic frequency emissions in the context of the recent Okanagan Transmission Reinforcement Project, in 2011 it went further and commissioned a report on the "Status of Research on Radiofrequency Exposure and Health in Relation to Advanced Metering Infrastructure" (the **Exponent Report**). The Exponent Report was filed by FortisBC as part of its Application (Appendix C-5 to Exhibit B-1). The members of the Health and Environment Panel include two of the Exponent Report's authors. The members of the Health and Environment Panel are as follows:
- (a) **Mr. Loski**, who is, as noted above, FortisBC's Vice-President, Customer Service;
 - (b) **Mark Warren**, who is FortisBC's Director, Customer Service Operations and Systems;

- (c) **William Bailey**, who is a Principal Scientist in Exponent's Health Sciences practice; and
 - (d) **Yakov Shkolnikov**, who is a managing engineer at Exponent's Technology Development practice and a visiting faculty member at Drexel School of Biomedical Engineering.
6. Mr. Loski, who is sitting on both Panels, will be presenting an opening statement when the Security Panel is called. That opening statement will, for efficiency, deal collectively with security, health and the environment. However, any questions arising as to health and the environment should be deferred to the Health and Environment Panel, when Mr. Loski will be re-called.
7. In closing submissions the evidence will be placed within the appropriate legal framework. That framework includes the fact that, as the Commission Panel noted in its decision accompanying Order G-177-12, "it has no jurisdiction over regulations made by Health Canada and other agencies. Accordingly, it is not within the Commission's mandate to consider any changes to these regulations". Also pertinent will be the explicit support for advanced metering found in British Columbia's *Clean Energy Act*, an apt statutory touchstone given advanced metering's positive environmental effect. Through the *Clean Energy Act* and the Smart Meters and Smart Grid Regulation, the provincial legislature required BC Hydro to install smart meters in all eligible premises and to put them into operation within a short time frame. The *Clean Energy Act* also refers to "the government's goal of having smart meters, other advanced meters and a smart grid in use with respect to customers other than those of [BC Hydro]".

8. Respectfully I submit that FortisBC's pre-filed evidence, together with the evidence of its witnesses at this oral hearing, will demonstrate that the approvals which are sought in this Application should be granted.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

A handwritten signature in black ink, appearing to read "B. Hunt". The signature is written in a cursive, slightly stylized font.

Counsel for FortisBC Inc.