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By Electronic Mail

BC Utilities Commission
Sixth Floor, 900 Howe Street, Box 250
Vancouver, BC V6Z 2N3

Attention: Erica Hamilton, Commission Secretary

Dear Sirs / Mesdames:

Re: BC Hydro Smart Meter Choices Application

The Citizens for Safe Technology Society and Nomi Davis (“CSTS”) request that the Commission compel the British Columbia Hydro and Power Authority (“BCH”) to answer certain information requests, as specified herein, that BCH declined to answer in the context of CSTS IR round one.

Further, by copy of this letter to BCH, a second round of information requests are advanced on behalf of CSTS in relation to the proceedings initiated by way of the BCH application of October 7, 2013 (“the BCH Application”).

CSTS IR 1.1

BCH answered CSTS IR 1.1 as follows:

BCH customer categories

1.1 BCH claims approximately 1.9 million customers. Please particularize how many customers are in each of the following categories: residential, business & light industrial; and heavy industrial.

RESPONSE:

BC Hydro declines to provide the requested information on the basis that is not relevant to the scope of this proceeding.

We request that the Commission compel BCH to answer CSTS IR 1.1. We submit that the requested information (number of commercial customers) is relevant because exclusion of these customers from the opt-out program affects the participation rate and the per-customer cost.

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CSTS IR 1.18

BCH answered CSTS IR 1.18 as follows:

Continued eligibility upon a move

1.18 How does BCH propose to treat an opt-out customer (such as one who is presently being included in BCH's proposed opt-out program), where that customer moves to a residence that already has a smart meter? Will that opt-out customer be able to carry her opt-out choice with her? What if she is a gestating or nursing mother and she has made a choice to raise her baby in an environment free from radio-frequencies? What if she is a person who claims to be electrohypersensitive?

RESPONSE:

Please refer to sections 4.2.3(d) and (e), and 4.2.4(b) and (c) of the BC Hydro Electric Tariff.

We request that the Commission compel BCH to answer the parts of CSTS IR 1.18 as underlined above.

CSTS IR 1.30

BCH answered CSTS IR 1.30 as follows:

Estimated opt-out numbers?

1.30 Does BCH expect that there will be a correlation between the amount of the opt-out fee and the number of customers who are deterred from opting out?

RESPONSE:

The charges proposed in the Application for the legacy and radio-off meter options are based on the assumption that 5,000 customers take each option.

We request that the Commission compel BCH to answer the question posed in CSTS IR 1.30.

CSTS IR 1.78

BCH answered CSTS IR 1.78 as follows:

Other utilities

1.78 Do any jurisdictions and/or utilities worldwide provide their customers with an option to opt out without having to pay a fee in relation to the opt-out?

RESPONSE:

Direction No. 4 to the BCUC requires charges for eligible customers that elect or are deemed to elect the legacy or radio-off meter option. Accordingly, BC Hydro declines to provide the requested information on the basis that is not relevant to the scope of this proceeding.

We request that the Commission compel BCH to answer the question posed in CSTS IR 1.78. The existence of a no-fee opt-out regime in other jurisdictions is relevant to the level at which the BCH opt-out fee should be approved.

Forced installation questions

BCH declined to answer each CSTS IR question relating to BCH's practice of forcing a smart meter installation on customers who had posted a conspicuous notice to BCH indicating the customer's objection to the installation of a smart meter. These questions are reproduced as follows:

1.8 Did BCH ever install a smart meter at a residence where the customer had posted a conspicuous notice to BCH indicating the customer's objection to the installation of a smart meter? If so, in how many instances did such an installation occur?

1.9 Please indicate why BCH customers were not individually asked whether or not they would like a smart meter installation.

1.10 Has BCH installed smart meters at the homes of any customers who have requested that the smart meter installation at their premises be put on hold?

1.11 Has BCH installed smart meters at the homes of any customers who have requested that the smart meter installation at their premises be put on hold and who have maintained that request and not resiled from that request?

1.14 Of your customers who now have smart meters, how many have

contacted you, subsequent to the installation of their smart meter, to request that their smart meter be removed? Would it be reasonable for these customers to be permitted to participate in the opt-out program? Would their participation in the opt-out program lower the per-read cost of administering the opt-out program?

1.65 Does BCH take the position that it is entitled, according to the terms of the current tariff, to install a microwave emitting smart meter at a customer's property and attend the property for that purpose? If so, why is BCH applying to amend the current tariff? If not, then on what basis did BCH install smart meters on the properties of customers who explicitly indicated their refusal by way of correspondence to BC Hydro or conspicuous signage on their former analogue meters?

BCH declined to answer all or part of each of the above-referenced questions.

We request that the Commission compel BCH to answer the above-referenced questions as they are relevant for the reasons set out below.

BCH, by its own unilateral conduct, has allegedly taken action ("the Unilateral Installations") to install smart meters against the express wishes of customers ("the Violated Customers").

Since the radio-off option is not being provided to the Violated Customers, the Unilateral Installations have the effect of reducing participation rates in the prospective opt-out program, increasing the per-customer cost of the opt-out program. Since BCH is responsible for this increase in cost, we seek to ascertain particulars as to the quantity of Unilateral Installations so that we can make argument regarding the economic implications of BCH's conduct on the resulting per-customer cost of the opt-out program.

In support of our assertion that the Unilateral Installations have the effect of reducing participation rates in the prospective opt-out program, increasing the per-customer cost of the opt out program, we refer to the following BCH answers to CSTS information requests in round one.

Estimated opt-out numbers?

1.27 Does Table 3-13 in the BCH Application indicate that the cost per read decreases with an increase in the number of customers that

opt out?

RESPONSE:

Yes.

Estimated opt-out numbers?

1.28 Would the per-premises costs of the BCH opt-out program be lower if it offered an opt-out opportunity to all customers who wish to opt out, including those who have somehow suffered the installation of a smart meter against their will?

RESPONSE:

If the number of customers choosing to participate in the Meter Choices Program increases, the cost per customer will decrease.

1.29 Does Table 3-2 on page 3-4 of the BCH Application show a correlation between the affordability of the opt-out fee and the percentage of customers who opt out?

RESPONSE:

As noted at lines 12 to 14 on page 3-3 of the Application, participation rates “appear to be negatively correlated with the level of charges to customers for smart meter alternatives.”

Estimated opt-out numbers?

1.32 Does BCH anticipate different opt-out volumes if the charges for opting out are somewhat different from those currently proposed?"
If yes, explain the degree of elasticity BCH is anticipating.

RESPONSE:

BC Hydro expects that the level of participation in the Meter Choices Program will be dependent upon the charges for each option. However, the determination of the price elasticity demand would be difficult due to the lack of relevant and robust data, and has not been estimated.

Additional question on cost implications of forced installations

CSTS also requests that the Commission require BCH to provide an answer to the following follow-up question:

CSTS IR 2.1 What would per-premises installation and meter reading costs

be if opt-out program participation were to include those customers who have suffered the installation of a smart meter against their will?

CSTS IR Round 2

By copy of this letter to BCH, we are requesting an answer to the following questions as part of CSTS IR Round 2.

Testing analogues

2.2 What has BCH done in the past in terms of testing analogue meters to maintain and uphold Measurement Canada certification? Please answer this question by reference to frequency of testing, number of units tested and Measurement Canada's requirements in that respect.

2.3 In the context of the meter choices program, what will BCH do, in the future, with respect to retained analogue meters, vis a vis testing analogue meters to maintain and uphold Measurement Canada certification? Please answer this question by reference to frequency of prospective testing, number of units to be tested and Measurement Canada's requirements in that respect.

Contractual thresholds

2.4 Does BCH have a liability (under any contract) that will be triggered in the event that a certain number of smart meters are not installed or not purchased?

2.5 Does BCH have a benefit (under any contract) that will be triggered in the event that a certain number of smart meters are installed or purchased?

FortisBC fees

2.6 Does the BCH per-meter read cost more or less than FortisBC's per-meter read cost as established by the BCUC in Order G-220-13?

2.7 Does the BCH setup cost more or less than FortisBC's setup cost as established by the BCUC in Order G-220-13?

Mail-out costs

2.8 What written communications has BCH made with customers in the context of its "Meter Choices" program.

2.9 What has been the cost to BCH of these written communications?

2.10 How, if at all, will these costs be recovered by BC Hydro?

Telephone costs

2.11 What telephone communications has BCH made with customers in the context of its “Meter Choices” program.

2.12 What has been the cost to BCH of these telephone communications? How, if at all, will these costs be recovered by BC Hydro?

Follow-up to CSTS IR 1.21

2.13 Would BCH be willing to forgo meter reading fees for radio-off and legacy customers where they are situated in areas not yet operational with respect to the data collection and transmission grid?

Market solicitation

2.14 Does BCH have third party evidence from open market solicitation of bids, yet to be presented, that supports the fees and charges proposed for radio-off meter installations and meter reading charges?

Follow-up to CSTS IR 1.35

2.15 Given that the radio-off meter is identical to the radio-on meter, save the disabling of transmission of information, will BCH confirm that no other difference between the two meters exists and therefore the disablement cost of transmission is the only incremental expense to be collected from customers opting for the radio-off meter? If not, please explain why not.

Follow-up to CSTS IR 1.37

2.16 BCH confirms that bi-monthly billing, if it is the historical practice of the customer, will remain unchanged. Is BCH holding to the monthly meter reading charge for opt-out customers or will BCH be making the meter reading charge symmetric with the historical billing practice for all customers, regardless of being part of the new system or an opt-out customer?

Follow-up to CSTS IR 1.38

2.17 Is it not true that historically BCH has accommodated a variety of ways customers can have their meters read, including self-reporting? If true, why would BCH propose a new system that represents reduction of service options?

Follow-up to CSTS IR 1.40

2.18 Would the huge customer differences, in the physical locations of meters across the BCH system, influence the direct cost of meter reading service attributable to each BCH customer? Would these differences reflect in travel times, a regularly mentioned component in determining meter reading charges for opt-out customers?

2.19 Why would BCH now invoke the benefit and practical need for the “postage stamp” tariff model when “Direction 4” explicitly allows only the collection of the specific marginal costs to be recovered from the opt-out customers?

Follow-up to CSTS IR 1.45

2.20 Since “Directive 4” requires considerable precision in determining incremental costs that are to be recovered from opt-out customers, would it not be in BCH’s interests (and ratepayers’ interests) to defer the determination of the identified fees and charges until such time as they are actually known?

Follow-up to CSTS IR 1.12

2.21 Please explain the reason for your answer in the negative to CSTS IR 1.12 as reproduced here:

Installations “put on hold”

1.12 The BCH Application at page 2-3, lines 3-4, 8-13 and 15, states that 60,000 customers requested that their smart meter installations be 'put on hold'. Would it be more accurate to say that these customers informed BC Hydro (by mail, phone or email prior to September 1, 2013) that they outright refused the installation of a smart meter on their property at any time?

RESPONSE:

No.

Follow-up to CSTS IR 1.75

2.22 What would the cost be, as referenced in your answer to CSTS 1.75 as reproduced here:

The cost of turning radios off

1.75 Can the cost of turning radios off (for opt-out customers) be reduced by specifying to the equipment provider that a number of new meters be delivered to BCH in a radio-off configuration?

RESPONSE:

A special order of a relatively small number of customized meters would likely be more expensive than using the meters that BC Hydro already has and configuring them to deactivate the radio components.

All of which is respectfully submitted.

Yours truly,



DAVID M. AARON

cc: BC Hydro
cc: clients
cc: intervener parties