

**Tom A. Loski**

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August 25, 2016

Ms. Laurel Ross
Acting Commission Secretary
British Columbia Utilities Commission
Sixth Floor – 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Ms. Ross:

**RE: Project No. 3698781
British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
2015 Rate Design Application (2015 RDA)**

BC Hydro writes as a follow up to the 2015 RDA oral hearing to provide responses to its outstanding commitments.

We enclose for submission Undertaking No. 26, which requested a copy of the information sharing agreement between BC Hydro and the Ministry of Social Development and Social Innovation. We have also revised Undertaking No. 29 correcting the name of the requestor from the British Columbia Old Age Pensioners' Organization *et al.* (**BCOAPO**) to Dennis and Sharon Noble. We understand that this letter and the two attached undertakings will be assigned Exhibit B-58, and that Exhibit B-56 (the previous incorrect version of Undertaking No. 29) will be struck from the record.

At volume 7 of the transcript, page 1366, the panel chairperson asked for an internet link to a recent data release of the Ontario Energy Board referred to in BC Hydro's cross-examination of Mr. Colton to be provided to all parties and the Commission. BC Hydro confirms that its counsel has distributed that link to other counsel in this proceeding, and includes a further copy of it in this letter, as follows:

http://www.ontarioenergyboard.ca/oeb/ Documents/Press%20Releases/OEB_RRR_2.1.8_Arrears_PaymentAgreements_WriteOffs.pdf

We also have a number of corrections to make.

At volume 7 of the transcript, page 1387, lines 14 to 15 Mr. Doyle indicated that rate increases over the next three years would be three, three and a half, and four percent. For clarity, the reference should be for F17, F18 and F19 the proposed rate increases are four, three and a half and three percent respectively.

August 25, 2016
Ms. Laurel Ross
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2015 Rate Design Application (2015 RDA)

Page 2 of 2


At volume 7 of the transcript, page 1388, line 22, Mr. Doyle misspoke and used the phrase “demand-related customers”, which, when read in context, doesn’t make sense. The phrase should therefore read, “demand-related **costs**.”

Finally, also at volume 7 of the transcript, page 1389, lines 23 to 24, Mr. Doyle stated that “when the threshold of 675 was set, it was about 90 percent of the mean.” Mr. Doyle meant to say that it was about 90 percent of the **median**. We understand that this correction changes the meaning of the sentence and are happy to provide further information for clarity, if requested.

BC Hydro confirms that it will be providing the Hearing Officer with the typographical errors it notes from its review of transcript Volumes 6 and 7 which will also include the above-referenced corrections.

For further information, please contact Gordon Doyle at 604-623-3815 or by email at bchydroregulatorygroup@bchydro.com.

Yours sincerely,



Tom Loski
Chief Regulatory Officer

jc/af

Enclosures (2)

Copy to: BCUC Project No. 3698781 (BC Hydro 2015 RDA) Registered Intervener
Distribution List.

BC Hydro 2015 Rate Design Application

BC HYDRO UNDERTAKING NO. 26

HEARING DATE: August 23, 2016

REQUESTOR: BCOAPO

TRANSCRIPT REFERENCE: Volume 6, page 1068 line 7 – page 1069, line 1.

QUESTION: Please provide a copy of the information sharing agreement between BC Hydro and the Ministry of Social Development and Social Innovation (MSDSI) that enables the sharing of customer data between the two agencies with respect to direct payments through electronic funds transfer.

RESPONSE:

Please refer to Attachment 1 to BC Hydro's response to this undertaking.

INFORMATION SHARING AGREEMENT

Dated for reference the 27th day of April, 2016.

Between:

BC Hydro and Power Authority ("BC Hydro")

Agreement Administrator: Jeff Hardman, Manager
Residential and Commercial Operations
Customer Service Operations
Phone: 604-623-3666
Email: Jeff.Hardman@bchydro.com

And:

Ministry of Social Development and Social Innovation ("MSDSI")

Agreement Administrator: Kim Shenton, Director
Planning, Innovation and Performance
Strategic Transformation Branch
Phone: (250) 387-3587
Fax: _____
Email: Kim.Shenton@gov.bc.ca

(Hereinafter, BC Hydro and MSDSI are referred to collectively as "the Parties").

1. Purpose

- 1.1 BC Hydro provides electricity services to paying customers under the auspices of the *Hydro and Power Authority Act* in accordance with its Electric Tariff as regulated by the BC Utilities Commission under the *Utilities Commission Act*.
- 1.2 MSDSI provides assistance to low income families under the *Employment and Assistance Act* and the *Employment and Assistance for Persons with Disabilities Act* (the "EA Acts").

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- 1.3 Assistance that MSDSI may provide under the EA Acts includes a utility deposit supplement and a crisis supplement.
- 1.4 MSDSI also has authority under the EA Acts to provide assistance "for" a recipient instead of providing it "to" a recipient.
- 1.5 MSDSI will provide certain recipients under the EA Acts with part of their assistance by paying it directly to BC Hydro, via automated On Demand Electronic Funds Transfer ("EFT"), to meet the recipients' obligations to pay BC Hydro for electricity they use.
- 1.6 MSDSI will provide certain recipients of assistance under the EA Acts with a utility deposit supplement to pay a deposit to BC Hydro on an electricity account.
- 1.7 MSDSI will provide certain recipients of assistance under the EA Acts with a crisis supplement to pay BC Hydro for an unexpectedly large electricity bill.
- 1.8 In order for MSDSI to provide any recipient under the EA Acts with assistance as described in paragraphs 1.5, 1.6 and 1.7, MSDSI and BC Hydro must exchange certain personal information, as that term is defined in the British Columbia *Freedom of Information and Protection of Privacy Act* ("FOIPPA"), about the recipient.
- 1.9 The purpose of this Agreement is to document the terms and conditions of the exchange of personal information by the Parties to facilitate MSDSI's provision of assistance as described in paragraphs 1.5, 1.6 and 1.7.

2. Personal Information

2.1 In this Agreement, "Personal Information" means:

- (a) Name of MSDSI client;
- (b) MSDSI Client number (or case number);
- (c) Record of payment made on behalf of the MSDSI client;
- (d) BC Hydro Business Partner (BP) number and BC Hydro account number (CA);

- (e) Date of payment;
- (f) Amount of payment;
- (g) Account status (active or closed);
- (h) If an account is closed then provision of the active account number;
- (i) Balance on the account; and
- (j) Whether or not the name of the MSDSI client matches the BC Hydro account number.

3. Collection and Disclosure of Personal Information

- 3.1 BC Hydro and MSDSI are both subject to FOIPPA.
- 3.2 Personal information about BC Hydro customers that BC Hydro discloses under this agreement, is collected and compiled by BC Hydro in accordance with section 26 (c), (d), and/or (e) of FOIPPA. Any such personal information that BC Hydro collects indirectly from third parties, is collected in accordance with section 27 (1)(a)(i), (b), (c)(iii), and/or (e) of FOIPPA.
- 3.3 MSDSI collects and compiles personal information about MSDSI clients in accordance with section 26 (a) and (c) of FOIPPA. MSDSI collects personal information about MSDSI clients indirectly from third parties in accordance with section 27 (1) (a) (i) and (iii) and (b) of FOIPPA.
- 3.4 BC Hydro will collect the Personal Information it receives from MSDSI in accordance with section 26 (c) of FOIPPA and the authority for the indirect nature of that collection is section 27 (1) (b) of FOIPPA.
- 3.5 BC Hydro will disclose Personal Information to MSDSI under the authority of section 33.1 (1) (b), (c), (d), and (i.1) of FOIPPA.
- 3.6 MSDSI will collect the Personal Information it receives from BC Hydro in accordance with 26 (c) of FOIPPA and the authority for the indirect collection of that Personal Information is section 27 (1) (a) (i) and (iii), (b), and (c)(iii) of FOIPPA.

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3.7 MSDSI will disclose Personal Information to BC Hydro under the authority of section 33.1 (1) (b), (c), (d), and (i.1) of FOIPPA.

4. Use of Personal Information

4.1 BC Hydro and MSDSI will each use the Personal Information under the authority provided by section 32 (a), (b) and (c) of FOIPPA.

4.2 The Parties will ensure that the Personal Information is used only for the purposes described in this Agreement.

4.3 Without limiting the generality of section 4.2, specifically, the Parties will use the Personal Information to co-ordinate the automated payment of moneys owed on BC Hydro accounts held by MSDSI clients. The Personal Information will also be used on an as-needed, manual basis to correct system or data errors. The exchange of Personal Information for the purpose of correcting errors will be conducted between the Parties by telephone and, if necessary, by secured email. These error-correction communications will only be between/among authorized staff members of each Party.

4.4 Each Party will bear its own costs regarding work arising out of the common activity.

5. Accuracy

5.1 Each Party will make every reasonable effort to ensure the Personal Information in its custody is accurate, complete and up-to-date.

6. Security

6.1 Each Party will make reasonable arrangements to maintain the security of the Personal Information in its custody, by protecting it against such risks as unauthorized access, collection, use, disclosure or disposal.

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- 6.2 The Parties will exchange the Personal Information via encrypted email attachments. For both Parties encryption will be AES 256 minimum with passwords exchanged by a different channel.
- 6.3 Files that BC Hydro receives from MSDSI via Customer Payment email box will be moved to the BC Hydro J drive.
- 6.4 All existing data protection processes used for communication between the Parties will remain in place.
- 6.5 Each Party will advise the other Party immediately of any circumstances, incidents or events which to its knowledge have jeopardized or may in future jeopardize:
 - (a) the privacy of individuals;
 - (b) the security of any computer system in its custody that is used to access the Personal Information.

7. Compliance Monitoring and Investigations

- 7.1 Each party will record and monitor access to the Personal Information in its custody, in order to establish a chain of responsibility, as follows:
 - (a) The Parties will store the Personal Information in segregated files within their respective computing systems;
 - (b) Access to these files will be granted on a need-to-know basis and controlled accordingly;
 - (c) Access will be approved, and monitored, in accordance with the Parties' respective permission-granting and access-tracking processes and facilities; and
 - (d) There will be no self-approval access.

MSDSI Processing of EFT Deposit Advice Files

- 7.2 When required, an MS Excel Spreadsheet containing MSDSI client hydro payments information (corresponding to the latest lump sum EFT to BC Hydro) will be created from MSDSI's source Ministry Information System ("MIS"). This operation will be performed by qualified and appropriately authorized MSDSI Information Services Division ("ISD") staff members .

Once created, the spreadsheet will immediately be encrypted to the AES-256 standard using the latest password previously communicated to BC Hydro by a means other than email. The encrypted spreadsheet will then be sent by email attachment to the payments@bchydro.com address. The strong encrypting password will be changed by MSDSI with the mutually agreed upon frequency and communicated to BC Hydro out-of-band as described above. Immediately following creation of the encrypted spreadsheet, ISD staff will ensure that any intermediate file(s) are deleted, leaving the data only within the source MIS, and in the spreadsheet to which only selected MSDSI staff hold the decrypting password. No Personal Information will be contained in the above described email other than within the encrypted spreadsheet attachment.

- 7.3 MSDSI's MIS is hosted on the BC Government MVS Mainframe infrastructure. This infrastructure includes security management provided by the hosting provider ("HPAS") that involves the use of data encryption for transmitting data between servers and client computers. Servers are hosted in separate security zones to ensure interface/system connection security. HPAS further provides Intrusion Protection services. All changes to the MVS/MIS systems are required to utilize both the Office of the Chief Information Officer ("OCIO") and HPAS change control processes as well as specific MSDSI or Government Social Sector change management control, for both production and non-production environments.
- 7.4 User account management for MIS is managed by the Government Social Sector security administration teams within ISD, which partner with both the Ministry of Children and Family Development to provide IT Services for the Government Social Sector. All MIS access accounts are managed by the respective ministry security administration teams; access is granted based on approved requests received by the respective Ministry business areas. All MIS accounts provide minimal access (least privilege) as required to perform their work duties. MIS accounts are separated by Ministry programs and the user's requirement for access to those functions. All access changes are reviewed and approved by appropriate management staff within the two ministries supported by ISD.
- 7.5 Access to MIS is gained through the use of a 3270 Emulator (Attachmate or IBM PCOMM) installed on Ministry computers, or access occurs remotely via a DTS (Desktop Terminal Service) encrypted connection, or

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alternately via a VPN (Virtual Private Network) connection to the user's workstation.

BC Hydro Payments

- 7.6 BC Hydro will receive Personal Information via the payments@bchydro.com address in an encrypted MS Excel file. The BC Hydro Payments team will be creating the input template by extracting the EFT required data from the provided file. Emails will be stored in the BC Hydro Payments Control J Drive. Only the Payments team has access. There are 10 employees in total (including team members, team leaders and work leaders) that have this access. The daily file received will be stored on the LAN drive managed by the Payments Team. User provisioning is managed using Comp Auth process and requires approval from a manager for any new, change, or deletion of user account requests.
- 7.7 Files received by BC Hydro will be stored on the central J: drive where a separate subfolder will be kept for each month. The J drive is specifically located on the BC Hydro server, and its location is J:\CustomerCare\Billing Ops\Customer Payments. Accenture Business Services for Utilities (ABSU) keeps historical files for at least 8 years. ABSU Payments Team employees and managers (and not all ABSU employees) have access to the data. These are ABSU employees who work solely on the Hydro account. The department is known as the BC Hydro Customer Payments. SAP (Systems, Applications and Products) access is managed using Comp Auth process as well and requires manager approval. Each user is assigned position and roles in CCS to allow users to perform their jobs. OCIO – SAP Enterprise Apps team review users on a quarterly basis and annually for the SAP License Audit.
- 7.8 Each Party will investigate all reported cases of:
- (a) unauthorized access to or modification of the Personal Information in its custody;
 - (b) unauthorized use of the Personal Information in its custody;
 - (c) unauthorized disclosure of the Personal Information in its custody;

- (d) breaches of privacy or security with respect to the Personal Information in its custody or with respect to any computer system in its custody that is used to access the Personal Information.

7.9. Each Party will report to the other the results of any such investigation and the steps taken to address any remaining issues or concerns about the security of the Personal Information or computer systems, or the privacy of individuals to whom the Personal Information relates.

8. Modification or Termination of Agreement – General

8.1 This Agreement may be extended, modified or terminated at any time by agreement, in writing, of the Parties.

8.2 When this Agreement expires or terminates in accordance with paragraph 8.2 or 9.1 of this Agreement, the use, protection, confidentiality and security provisions set out in this agreement will continue to apply to the Personal Information disclosed under this Agreement.

9. Termination for Non-Compliance with Agreement

9.1 This Agreement may be terminated at any time by either Party if the other Party fails to meet its obligations under this Agreement.

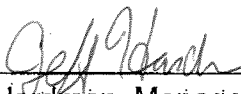
10. Term of Agreement

10.1 This Agreement will be in force during the period commencing with the date the last party signs it and ending **October 15, 2017**, unless sooner terminated in accordance with paragraph 8.1 or 9.1 or extended in accordance with paragraph 8.1.

11. Appendices

11.1 Any appendices to this Agreement are part of the Agreement. If there is a conflict between a provision in an appendix and any provision of this Agreement, the provision in the appendix is inoperative to the extent of the conflict unless it states that it operates despite a conflicting provision of this Agreement.

Agreed to on behalf of BC Hydro:



Jeff Hardman, Manager
Residential and Commercial Operations
Customer Service Operations

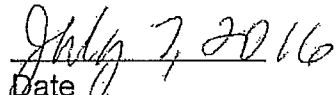


Date

Agreed to on behalf of MSDSI:



Sheila Taylor, Deputy Minister
Ministry of Social Development and Social Innovation



Date

BC Hydro 2015 Rate Design Application

BC HYDRO UNDERTAKING NO. 29 - REVISED

HEARING DATE: August 24, 2016

REQUESTOR: Dennis and Sharon Noble

TRANSCRIPT REFERENCE: Volume 7, page 1192, line 24 to page 1193, line 9.

QUESTION:

Does the amended Electric Tariff that BC Hydro is proposing state clearly anywhere that BC Hydro must operate within the terms of the Electric Tariff?

RESPONSE:

Yes, section 2.1 of Terms and Conditions, page 2-1, Appendix G-1A, Exhibit B-1-1 states:

“The Service Agreement between a Customer and BC Hydro will comprise, to the extent applicable, the application for Service, as accepted by BC Hydro, the provisions of the Terms and Conditions and Rate Schedules, and any additional terms and conditions of Service agreed by BC Hydro and the Customer in an Electric Tariff Supplement or otherwise.”

The definition of Service Agreement is also included in section 1 of the proposed Terms and Conditions:

“The agreement setting out the rights and responsibilities of BC Hydro and a Customer for Service, including the application for Service accepted by BC Hydro (if any), all applicable provisions of the Terms and Conditions and applicable Rate Schedule(s), and any additional terms and conditions of Service as agreed by BC Hydro and the Customer in an Electric Tariff Supplement or otherwise.”

Please also refer to BC Hydro’s response to Sharon Noble IR 2.5.1.