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INFORMATION REQUEST ROUND NO: 1

TO: ABB Intervener Evidence - Exhibit C3-3

DATE: 20 April 2017

PROJECT NO: 3698901 BCUC

APPLICATION NAME: BC Hydro Supply Chain Applications Project Application

1.0 Preamble:

With respect for ABB Enterprise Software, Asset Suite (fka Passport), I am seeking comparable IR responses from ABB, to the same IR's presented to BC Hydro, to assist in forming comparable responses between PassPort and SAP. Most of the following IRs have the same wording, adjusted where appropriate for ABB and PassPort references.

2.0 Information Request

- 2.1 Can ABB quantify their cost projections for Asset Suite (fka Passport) annually in terms of their current application F2017 to F2019 RRA rate increase impact on customers (residential, commercial and industrial), taking into account BC Hydro's Appendix 1 – Technology Roadmap from Transformation Blueprint. Because PassPort is capable of crossing Asset lines (“the 13 gaps”), the allocation of asset costs, management and maintenance thereof facilitate the segregation of these costs for/in future RRAs.
- 2.2 Will ABB please consider BC Hydro's response to this IR; Will or can ABB respond to the following same IR presented to BC Hydro; Given the enormity of SAP scope capabilities, is it ABB (*BC Hydro*) longer term intentions to integrate every residential, commercial and industrial customer's meter into SAP for say for examples: billing/payment purposes, customer marketing, system wide balancing, planning equipment maintenance repair, scheduled maintenance, creating Work Orders & procurement, meter calibration. If not, will ABB please describe in the IR response the key components of PassPort as they relate to BC Hydro customers. *Trying to figure out this IR in over 700 pages has been difficult. (ref: Concept Diagram page 25 o119).*
- 2.3 Will ABB please consider BC Hydro's response to this IR; Will or can ABB respond to the following same IR presented to BC Hydro; Will ABB (*BC Hydro*) please explain the integration of SAP and PassPort IT (1.1.2 Project Description – Integration page 1-6).
 - 2.3.1 PassPort IT has been operating since 2003, during this time a huge historical database exists and relied upon by staff users. How will this information be integrated into the new SAP IT software to ensure continuity of purchase, warranty and maintenance records
 - 2.3.2 What does ABB (*BC Hydro*) project team estimate will be the integration of all the records into SAP IT records (timeline).
 - 2.3.3 What does ABB (*BC Hydro*) project team estimate will be the integration costs to move all the records into SAP IT records.
 - 2.3.4 And how will these integration costs be integrated into the ABB Costs to (*BC Hydro rate base*), and over what time period.
- 2.4 Will ABB please consider BC Hydro's response to this IR; Will or can ABB respond to the following same IR presented to BC Hydro; If memory serves me correctly, SAP is a totally customizable integrated software package to virtually any well organized / structured operation. Simply put, the input of data. The data output – “Reports” is not included in the software package. Will ABB (*BC Hydro*) please confirm this assumption, or please provide your response comparing data input screens and data output screens and reports. Please

generally describe (outline) what PassPort (SAP) is providing and what ABB (BC Hydro) is going to have to supply, (i.e.: project report samples, directives, or in-house staff resources to construct the reports – data output.

2.4.1 Is the report function included in Phases 1 and 2. If so, how are the costs separated. And are these costs expected to be within the cost estimated boundaries seeking the Commission's current approval.

2.5 BC Hydro choose not to respond to the following commentary submitted in my IR to BC Hydro. Given ABBs evidence introduction: Exhibit B-1 Rebuttal (A) Gap Analysis (Section 3.3)

The 13 gaps, identified by BC Hydro as part of their review, are not true Asset Suite software "gaps," but issues derived from ineffective or incomplete use of current software. Thus, the Passport option (known as Alternative 2) does not reflect accurate scoring. If BC Hydro bases its cost/benefit analysis on erroneous gaps, then there is a high likelihood of less benefit and more cost than anticipated in replacing Asset Suite with the SAP system. It is ABB's strong belief and experience that an upgrade of Asset Suite is a far more cost-effective means of capturing the benefits of eliminating or reducing the impacts of the 13 identified gaps.

Comment:

The success of PassPort (SAP) relies upon the organizations abilities to "correctly" disseminate not only data input, but how front line staff are expected to interface with the PassPort (SAP) keyboard, screens, forms and reports (output). Naturally training is a key component to this challenge. But training alone on system operations only works when the "Sum of all the parts" have been properly programmed in in the first place. Unrelated to ABB (BC Hydro) for example, is the BC Transit fiasco. Skytrain Station "Compass Card" to Buses, zones (tap in – tap out), to monthly pass purchases, (major software problems hampered by multiple software version updates). The public never received any training. The system did not work properly for over two years. But it does track rider ship very well, while handicapped passengers are still severally impacted daily. Transit staff are on standby at most stations to help seniors, and visitors alike to navigate the turn styles and the system network.

I hope BC Hydro does not expect its customers to pay for integration problems....!

This IR to ABB seeks a response for clarity of ABBs **commitment** to the successful integration of all 13 gaps in terms of recent software upgrades / performances contracted to other British Columbia Publicly Owned Corporations "paid for" by British Columbian Taxpayers and Ratepayers in fees and rate base or deferred accounts. (emphasis added).

2.6 I like ABBs closing remarks in their evidence given on pages 15 and 16. Although I am very disturbed by ABBs comments as follows from page 15, quote:

"In the Summary, Section 3.3.1, BC Hydro states, "**as a result of the uncertainty of Alternative 2 costs, it is difficult to draw a conclusion as to which alternative is preferable based on cost alone.**" If cost is removed as a factor, and the gaps are not as great as depicted in the Alterative Analysis, BCUC should be concerned about the value of such a large expenditure. It is worth exploring whether an upgrade of Asset Suite can indeed close such gaps at a lower cost." I agree.

"**Money, Costs**", that increase the "Rate Base" is very important. I would like to see ABBs best estimates on a direct competing basis with SAP. So as to ensure the BCUC Commission has the best valuations at hand to assist them in their deliberations. It is up to ABB to prove their Cost Effectiveness and Cost Benefit Ratios for the ABB Enterprise Software, Asset Suite (fka Passport). BC Hydro gave their numbers and valuations, ABB needs to give their numbers and valuations to the BCUC Commission if necessary as a confidential filing.

Respectfully submitted and appreciated, Richard T. Landale.