

Janet Fraser

Chief Regulatory Officer

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May 12, 2014

Ms. Erica Hamilton
Commission Secretary
British Columbia Utilities Commission
Sixth Floor – 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Ms. Hamilton:

**RE: British Columbia Utilities Commission (BCUC)
British Columbia Hydro and Power Authority (BC Hydro)
Customer Complaints - Meter Seal Expiry and Meter Replacements**

BC Hydro writes in response to the BCUC's letter dated May 8, 2014, requesting information in relation to the exchange of time expired electricity meters. These meters are being replaced as the Measurement Canada accuracy seal has expired and the meter must be removed from service.

BC Hydro is obligated to ensure that grid equipment, including meters, meets all applicable standards and requirements. BC Hydro's *Electric Tariff*, as approved by the BCUC, sets out the terms and conditions under which service is provided by BC Hydro to its customers, including the customers' obligation to provide access to their property so that it can read, maintain or exchange BC Hydro meters.

The answers to the specific questions are as follows:

1. How many customers have been affected by an expired meter seal this month?

As the owner of meters used for the purpose of obtaining the basis of a charge for electricity, BC Hydro is subject to the federal *Electricity and Gas Inspection Act (Act)*. Measurement Canada is the federal agency that administers this *Act*. BC Hydro is required by law to replace any meters where the Measurement Canada accuracy seal has expired. Measurement Canada seals expire on an annual basis not on a monthly basis.

Of the approximately 18,000 customers enrolled in the Meter Choices Program, approximately 9,500 legacy meters need to be removed from service prior to December 31, 2014 to comply with Measurement Canada. As BC Hydro was already replacing all old meters as part of the Smart Metering Program, BC Hydro received a temporary dispensation from Measurement Canada allowing meters with expired seals to remain in service through to December 31, 2014. A copy of this letter is enclosed for your records (see Attachment 1). As a result, the current volume of required meter exchanges includes meters with seals that expired, or will expire, from 2010 through 2014.

2. How can a customer determine whether or not their meter seal is expired? Please provide detailed instructions so we may provide these instructions to customers.

The Measurement Canada seal is on the back of the meter and is not visible after a meter is installed in the meter base. All meter records, which include the Measurement Canada seal expiration date, are maintained by BC Hydro.

To determine whether a meter seal is expired or expiring, a customer can contact BC Hydro via email at: smartmeters@bchydro.com. Customers will need to provide their BC Hydro account number and the BC Hydro meter serial number.

3. a) How long does BC Hydro expect it will take to replace the meters?

b) Is BC Hydro amenable to delaying these replacements until these customers are communicated with by the Commission subsequent to receiving the response to these questions?

a) BC Hydro is required to have all meters where the seal expires in 2014 or earlier removed from service by December 31, 2014, per Measurement Canada's dispensation. BC Hydro may incur significant penalties if it fails to comply with this directive.

Operationally, BC Hydro is working to replace expired meters starting May 2014. This allows time for all installations including those meters where an exchange has not been possible due to access or permanent obstructions issues.

BC Hydro started replacing the expired meters on May 2, 2014. As of May 8, BC Hydro has completed approximately 400 meter exchange work orders and more than 80 per cent were successfully completed.

b) BC Hydro, through its authorized meter deployment contractor, now has crews around the province working on these old meter exchanges. Instructing BC Hydro's contractor to delay its work would result in additional costs, which cannot be mitigated contractually. Since most customers are cooperative with the meter exchanges, and in light of the incremental contractual costs and increased exposure to penalties under the *Electricity and Gas Inspection Act*, if BC Hydro is unable to comply with the terms of Measurement Canada's extension of time, BC Hydro's preference is not to delay these meter exchanges barring further direction from the BCUC.

Where a customer has refused to allow a legacy to legacy meter exchange, BC Hydro will delay revisiting that customer until the BCUC has had an opportunity to respond.

4. As indicated in the letter from BC Hydro to the customers, please confirm that BC Hydro is not replacing any meter choices customers' meters with smart meters.

BC Hydro confirms we are only installing smart meters for those customers who request them. BC Hydro is not replacing the old meter installed on any Meter Choices customer premises with a smart meter.

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BC Hydro is honouring Meter Choices Program customers' decisions. Those customers that chose or were deemed to have chosen a legacy meter will get a replacement legacy meter as long as inventory allows, which is expected to be the case for the next few years.

The replacement legacy meter will be either digital or analog. While digital meters have a digital display, they do not contain any communication radios and are not radio-off smart meters. Customers can check what kind of BC Hydro meter is installed at their premises by looking at the meter guide ('BC Hydro Meters – At a Glance') at www.bchydro.com/meterchoices.

Once inventory is depleted, Meter Choices customers will have the opportunity to choose a radio-off smart meter or a smart meter in accordance with the *Electric Tariff*.

As per Direction No. 4 to the BCUC, BC Hydro has no obligation to refurbish old meter stock.

"4.2.3 b) For purposes of this section, BC Hydro will only be deemed to have suitable replacement Legacy Meters in its meter inventory if it has existing verified and sealed Legacy Meters in its meter inventory as of the date that a Legacy Meter in place at a Customer's Premises requires replacement, and BC Hydro is under no obligation to repair, rebuild or modify, or re-verify and re-seal, any Legacy Meters that have been removed from service for any reason . . ."

5. Please provide a copy of the letter being distributed to the customers affected by this matter.

The letter that was sent to 9,535 customers is enclosed (see Attachment 2).

BC Hydro trusts that this information provided allows the BCUC to address the customer concerns that have been raised on this matter. For further information, please contact Gordon Doyle at 604-623-3815 or by email at bchydroregulatorygroup@bchydro.com.

Yours sincerely,



Janet Fraser
Chief Regulatory Officer

jc/lw
Enclosures

Copy to: P. Wruck (BCUC)



Measurement
Canada

Mesures
Canada

An Agency of
Industry Canada

Un organisme
d'Industrie Canada

Standards Building
151 Tunney's Pasture Drw
Ottawa, Ontario
K1A 0C9

Édifice des Normes
151, promenade Tunney's Pasture
Ottawa (Ontario)
K1A 0C9

2013-11-25

Mr. Cam Matheson
Vice-President, T & D Asset Investment Management
BC Hydro
B03, 6911 Southpoint Drive
Burnaby, British Columbia
V3N 4X8

Dear Mr. Matheson:

Subject: Request for Extension to Temporary Permission for Use of Electricity Meters without Reverification

Thank you for your letter of October 31, 2013 to Alan Johnston, President of Measurement Canada (MC) requesting an extension to the temporary permission granted to BC Hydro by MC on June 24, 2011 and subsequently amended on April 24, 2012, for the use of electricity meters without re-verification in support of BC Hydro's mass meter deployment initiative.

The request for the extension provided in the BC Hydro and Power Authority document titled "*Application for Extension of Temporary Permission to Use Electricity Meters without Re-verification*", dated October 31, 2013, has been assessed and found to meet all of the requirements of MC's policy on granting temporary permission to electricity contractors for use of electricity meters without re-verification, dated October 14, 2010.

Consequently, under the authority of subsection 9(2) of the *Electricity and Gas Inspection Act*, temporary permission is hereby extended to the additional electricity meters listed in BC Hydro's *Application for Extension of Temporary Permission to Use Electricity Meters without Re-verification* document. This amendment is effective immediately and shall remain in effect until December 31, 2014 at which time it shall be subject to renewal, unless otherwise withdrawn for cause by MC.

Should you require any additional information, please contact Guy Dacquay, Manager, Utility Metering Division at (613) 954-8370 or by email at guy.dacquay@ic.gc.ca.

Sincerely,

Gilles Vinet
Vice President, Program Development Directorate

c.c. John Pfeifer, Regional Director, Western Region, MC
Kent Hogarth, Electricity Specialist, Western Region, MC

Canada



[Date], 2013

[Name]
[Address]

Dear [Name],

For Service at: _____
Account Number: _____
Meter Number: _____

RE: Meter Replacement Notification

The Measurement Canada seal on the meter at your premises has expired and the meter must be exchanged to ensure compliance with federal regulations. In the coming weeks, a BC Hydro installer or licensed contractor will visit your property to exchange the existing meter for a replacement old meter with a valid Measurement Canada seal. The installer will knock on the door before starting the exchange, however you do not need to be home for the exchange to take place.

Please ensure that there is free and clear access to the BC Hydro meter during this time.

If the installer cannot complete the exchange because he or she cannot access the meter, a \$65 failed installation fee will be added to your bill.

The replacement meter is not a smart meter but may look different than the meter currently at your home. Unlike analog meters that have mechanical dials, replacement meters may be digital. While digital meters have a digital display, they do not contain any radios and they are not radio-off smart meters. You can check what kind of BC Hydro meter is at your home by looking at the meter guide on our website bchydro.com/meterchoices.

If you have any questions about the meter exchange, or if you wish to have a smart meter installed at your home, please contact a Smart Metering Specialist at 1-800-409-8199. You can also find information about BC Hydro's meters at bchydro.com/smartmeters.

Sincerely,



Greg Reimer
Executive Vice President, Transmission & Distribution