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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-161-15**

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**IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473**

and

**An Application by the FortisBC Energy Utilities consisting of FortisBC Energy Inc.,
FortisBC Energy (Vancouver Island) Inc. and FortisBC Energy (Whistler) Inc. for
Removal of the Restriction on the Location of Data and Servers Providing Service to the FEU
currently Restricted to Canada**

BEFORE: L. A. O'Hara, Panel Chair/Commissioner
N. E. MacMurchy, Commissioner
K. A. Keilty, Commissioner
October 13, 2015

O R D E R

WHEREAS:

- A. On August 1, 2014, the FortisBC Energy Utilities (FEU) applied to the British Columbia Utilities Commission (Commission) for removal of the restriction on the location of data and servers providing service to the FEU, currently restricted to Canada (Application). The current restriction was established by Orders G-116-05, G-75-06, and G-49-07, and clarified by Letter L-30-06 and states:

[T]he Commission orders that the location of data and servers providing service to the [FEU] is to be restricted to Canada and that any proposal to locate data and servers providing services to the [FEU] (including data and servers providing back-up services) outside Canada will require the Commission's approval.

- B. By Orders G-126-14, G-150-14, G-184-14 and G-26-15, and letter dated June 15, 2015, the Commission established the public hearing process and the regulatory timetable for the Application;
- C. While FEU were the original applicant in this proceeding, the companies that comprised FEU were amalgamated on December 31, 2014, and the amalgamated entity carries on business under the name FortisBC Energy Inc. (FEI). FEI is Canadian owned and controlled by their parent company, Fortis Inc., which is located in Canada;

D. The approval sought by FEI is as follows:

- (a) Effective the date of this order, the restriction imposed under Orders G-116-05, G-75-06, and G-49-07, that the location of data and servers providing service to FEI be restricted to Canada, is removed and no longer in effect.
 - (b) For the purposes of this order:
 - “**Customer Information**” means information of or about the FEI residential, commercial, or industrial customers.
 - “**Employee Information**” means information of or about the FEI employees.
 - “**Sensitive Information**” includes:
 - financial, commercial, scientific or technical information, the disclosure of which could result in undue financial harm or prejudice to the FEI; and
 - information that relates to the security of the FEI critical infrastructure and operations, the disclosure of which could pose a potential threat to the FEI operations or create or increase the risk of a debilitating impact on the safe and reliable operation of the FEI system.
 - “**Encrypted**” means an encryption methodology using current industry standards for secure encryption.
 - “**De-identified**” means a de-identification methodology consistent with current industry practice for the purpose of protecting personal information.
 - “**Encryption keys**” and “**De-identification keys**” mean any information or methodology used to access encrypted or de-identified data.
 - (c) Effective as the date of this Order, FEI is permitted to store data on servers located outside of Canada, provided that data containing **Customer Information, Employee Information, or Sensitive Information**, or any combination thereof, must be either **Encrypted** or **De-identified** if such data is to be stored on servers located outside of Canada.
 - (d) **Encryption keys** and **De-identification keys** for **Encrypted** or **De-identified** FEI data stored outside of Canada must be stored on servers located within FEI’s data centres that are located in Canada.
- E. Three interveners registered for the proceeding: (i) the Commercial Energy Consumers Association of British Columbia (CEC), (ii) British Columbia Sustainable Energy Association and the Sierra Club of British Columbia (BCSEA), and (iii) British Columbia Old Age Pensioners’ Organization *et al.* (BCOAPO);
- F. Section 44 of the *Utilities Commission Act* is the only section of the statute that addresses the location of public utility records and states:
- (1) A public utility must have in British Columbia an office in which it must keep all accounts and records required by the commission to be kept in British Columbia.

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- (2) A public utility must not remove or permit to be removed from British Columbia an account or record required to be kept under subsection (1), except on conditions specified by the Commission. The Panel reviewed and considered all evidence on record for the application and determines that the approved sought as contained in Recital D, is in the public interest and should be approved subject to certain conditions.

NOW THEREFORE pursuant to section 44 of the *Utilities Commission Act*, for the reasons set out in the decision that is issued concurrently with this order, the Commission approves FortisBC Energy Inc.'s application as set out in Recital D of this order subject to FortisBC Energy Inc. continuing to be owned and controlled by a Canadian company located in Canada. FortisBC Energy Inc. is to comply with all determinations and directives set out in the decision.

DATED at the City of Vancouver, in the Province of British Columbia, this 13th day of October 2015.

BY ORDER

Original signed by:

L. A. O'Hara
Panel Chair / Commissioner