



ORDER NUMBER
G-62-16

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

British Columbia Hydro and Power Authority
Inquiry of Expenditures related to the adoption of the SAP Platform
British Columbia Utilities Commission Action on Complaint

BEFORE:

D. M. Morton, Commissioner
D. A. Cote, Commissioner
K. A. Keilty, Commissioner

on May 9, 2016

ORDER

WHEREAS:

- A. On December 10, 2015, the British Columbia Utilities Commission (Commission) received a letter dated December 8, 2015 from Mr. Adrian Dix, which makes a number of statements and allegations against British Columbia Hydro and Power Authority (BC Hydro) pertaining to its conversion to SAP as its Information Technology platform;
- B. On May 3, 2016, the Commission issued Order G-58-16 establishing an Inquiry to review BC Hydro's expenditures related to the adoption of the SAP platform; and
- C. A Proposed Scope of Inquiry document is attached as Appendix B to this order.

NOW THEREFORE pursuant to section 83 of the *Utilities Commission Act* the British Columbia Utilities Commission orders as follows:

- 1. A preliminary timetable that includes a Procedural Conference on Wednesday, June 1, 2016, to discuss this proceeding's process, timing and preliminary submissions on scope, is adopted and attached as Appendix A to this order. BC Hydro and registered interveners are to provide their comments, if any, on the Proposed Scope of Inquiry document and process for this proceeding by Monday, May 30, 2016.
- 2. BC Hydro must publish, to the best of its ability no later than Monday, May 16, 2016, in display-ad format, the Notice of Inquiry and Procedural Conference attached as Appendix C to this order, in local and regional news publications in all the service areas of BC Hydro to provide adequate notice to the public.
- 3. BC Hydro is to provide a copy of this order by Friday, May 13, 2016 to all registered interveners and interested parties of the last revenue requirement proceeding.

4. Interveners are to register with the Commission by completing a Request to Intervene Form, available on the Commission's website at <http://www.bcuc.com/Registration-Intervener-1.aspx>, by end of day Tuesday, May 24, 2016 in accordance with the Commission's Rules of Practice and Procedure. Interveners are to state the nature of their interest in the proceeding and advise of their intent to attend the Procedural Conference on Wednesday, June 1, 2016.

DATED at the City of Vancouver, in the Province of British Columbia, this 9th day of May 2016.

BY ORDER

Original signed by:

D. M. Morton
Commissioner

Attachments

British Columbia Hydro and Power Authority
Inquiry of BC Hydro's Expenditures Related to the Adoption of the SAP Platform
British Columbia Utilities Commission Action on Complaint

REGULATORY TIMETABLE

ACTION	DATE (2016)
Intervener registration deadline	Tuesday, May 24
Submission deadline for comments on the Proposed Scope of Inquiry document	Monday, May 30
Procedural Conference	Wednesday, June 1
Process to be determined	TBD

Proceeding to Review of BC Hydro's Expenditures Related to the Adoption of the SAP Platform

Proposed Scope of the Inquiry

Purpose of Proceeding:

The British Columbia Utilities Commission (Commission) has established an Inquiry to review British Columbia Hydro and Power Authority's expenditures related to the adoption of the SAP platform. An Inquiry by the Commission is a fact finding exercise, and evidence will be collected for matters included in the final scope of this proceeding. Based on the evidence collected during the Inquiry, the Commission may make recommendation on matters within the Commission's mandate prescribed by the *Utilities Commission Act*.

The proposed scope of this proceeding is to address the following questions:

Item 1: What are the total capital and operating expenditures incurred by BC Hydro as at the end of F2016 on the SAP platform, SAP modules and other supporting capital enhancements to support the platform adoption?

Item 2: What are BC Hydro's approval and oversight controls and processes related to the authorization and governance of information technology capital expenditures and projects? Were these controls and processes appropriately designed and operating effectively with respect to management's review and oversight of SAP-related expenditures?

Item 3: Have the goals outlined in BC Hydro's Information Technology and Telecommunication (IT&T) Five-Year Plan related to SAP initiatives been achieved?

Item 4: What is BC Hydro's planned capital spending on the adoption of the SAP platform and independent SAP projects on a go-forward basis?

Item 5: Were all SAP-related disclosures to the Commission appropriate, reasonable and in accordance with the *Utilities Commission Act*?



Public Notice of Inquiry to Review BC Hydro SAP Expenditures

On December 10, 2015, the British Columbia Utilities Commission (Commission) received a letter of complaint dated December 8, 2015 from Mr. Adrian Dix, which makes a number of statements and allegations against British Columbia Hydro and Power Authority (BC Hydro) pertaining to its conversion to SAP as its Information Technology platform.

Upon review of the Complaint, related materials, and response documents from BC Hydro, on April 28, 2016, the Commission ordered a proceeding to review BC Hydro's SAP expenditures related to the adoption of the SAP platform.

How to get involved

Persons who are directly or sufficiently affected by the Commission's decision or have relevant information or expertise and that wish to actively participate in the proceeding can request intervener status by submitting a completed Request to Intervene Form by Tuesday, May 24, 2016. Forms are available on the "Participate in a Proceeding" page of the Commission's website at www.bcuc.com. Interveners will receive notification of all non-confidential correspondence and filed documentation and should provide an email address if available.

Persons not expecting to participate, but who have an interest in the proceeding, should register as interested parties through the Commission's website. Interested parties receive electronic notification of submissions and the decision when it is released.

Letters of comment may also be submitted using the Letter of Comment Form found online at www.bcuc.com. By participating and/or providing comment on the application, you agree to your comments being placed on the public record and posted on the Commission's website. All submissions and/or correspondence received, including letters of comment are placed on the public record, posted on the Commission's website, and provided to the Panel and all participants in the proceeding.

For more information about becoming involved in a Commission proceeding please see the Rules of Practice and Procedure available at www.bcuc.com. Alternatively, persons can request a copy of the Rules of Practice and Procedure in writing. All forms are available on the Commission's website or can be requested in writing.

If you wish to attend the Procedural Conference, please register with the Commission Secretary using the contact information provided at the end of this notice.

	Procedural Conference The Commission will consider the review process for the Inquiry.
Date:	Wednesday, June 1, 2016
Time:	9:00 a.m.
Location:	Commission Hearing Room 12 th Floor, 1125 Howe Street Vancouver, BC

View Materials of the Proceeding

All materials of the proceeding are available on the Commission's website on the "Current Applications" page. If you would like to review the material in hard copy, it is available to be viewed at the locations below:

British Columbia Utilities Commission Sixth Floor, 900 Howe Street Vancouver, BC V6Z 2N3 Commission.Secretary@bcuc.com Telephone: 604-660-4700 Toll Free: 1-800-663-1385	British Columbia Hydro and Power Authority Regulatory & Rates Group 333 Dunsmuir Street, 17th Floor Vancouver, BC V6B 5R3 Phone: 604-623-4046
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For more information please contact Laurel Ross, Acting Commission Secretary, using the contact information above.