



LETTER L-29-16

VIA EMAIL

gas.regulatory.affairs@fortisbc.com

November 8, 2016

Ms. Diane Roy
Vice President, Regulatory Affairs
FortisBC Energy Inc.
16705 Fraser Highway
Surrey, BC V4N 0E8

Dear Ms. Roy:

Re: FortisBC Energy Inc.
Application for Exemption from British Columbia Utilities Commission
Order G-161-15 for the ENERGY STAR Portfolio Manager

On October 27, 2016 Fortis Energy Inc. (FEI) filed with the British Columbia Utilities Commission (Commission) an application seeking an exemption from Order G-161-15, in order to support customer adoption of Natural Resources Canada's ENERGY STAR Portfolio Manager (Portfolio Manager) Program.

On October 13, 2015 the Commission approved the following via Order G-161-15 in Recital D, subject to FEI continuing to be owned and controlled by a Canadian company located in Canada:

(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...

In its October 27, 2016 letter, FEI describes that the Portfolio Manager is a software application that operates as a service with data storage and analysis occurring on servers located in the United States. Portfolio Manager is a voluntary program and the customer creates an account via the Portfolio Manager Webpage. The Portfolio Manager provides commercial customers with a means of benchmarking the energy efficiency of their commercial buildings. The Portfolio Manager Program requires participating customers to either manually upload their energy consumption data or to have their public utility upload it for them directly from the utility's billing system. FEI wishes to be able to provide this service to meet customer needs and to foster participation in the Portfolio Manager Program and states that it will not transfer any customer data to the Portfolio Manager server without customer consent.

FEI is concerned that if it were to transfer customer data to the Portfolio Manager without an exemption, that it may run afoul of Order G-161-15. However, FEI views that by supporting the automated electronic transmission of consumption data to the Portfolio Manager, FEI would not technically be storing customer information outside of Canada. FEI states that if the Commission is of the view that FEI is being overly cautious and that an exemption is not required for the proposed transfer of encrypted and de-identified customer information to a U.S. server, then FEI will withdraw this application upon notice of the Commission's determination.

The Commission has reviewed the directives set out in Order G-161-15 and FEI's October 27, 2016 letter and considers that these directives do not apply in this particular circumstance, because FEI is not storing customer information outside of Canada. The Commission notes that it is the customer's choice to participate in the Portfolio Manager Program and FEI retains no responsibility for the data transferred at the request of its customers. The Commission requests that FEI apply in writing to withdraw the application.

Yours truly,

Laurel Ross

LC/ad

cc: Ministry of Energy and Mines

FEU 2015 Data Location Restriction Removal Registered Interveners