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November 12, 2014

Via Email
Original via Mail

British Columbia Utilities Commission
Sixth Floor
900 Howe Street
Vancouver, B.C. V6Z 2N3

Attention: Ms. Erica M. Hamilton, Commission Secretary

Dear Ms. Hamilton:

Re: FortisBC Energy Utilities (FEU)¹

**Application for Removal of the Restriction on the Location of Data and Servers
Providing Service to the FEU, currently Restricted to Canada**

**Response to the British Columbia Utilities Commission (BCUC or the
Commission) Information Request (IR) No. 1**

On August 1, 2014, the FEU filed the Application as referenced above. In accordance with Commission letter (Exhibit A-4 Log No. 48300) dated September 29, 2014, the FEU respectfully submit the attached response to BCUC IR No. 1.

If further information is required, please contact the undersigned.

Sincerely,

on behalf of the FORTISBC ENERGY UTILITIES

Original signed by: Ilva Bevacqua

For: Diane Roy

Attachment

cc (e-mail only): Registered Parties

¹ Comprised of FortisBC Energy Inc., FortisBC Energy (Vancouver Island) Inc. and FortisBC Energy (Whistler) Inc.

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1 **1.0 Reference: Application to Remove Data Location Restriction**

2 **Exhibit B-1, pp. 1-3; Order G-116-05, Order G-75-06, Letter L-30-06,**
3 **Order G-112-06**

4 **Current Restriction**

5 The current restriction on the location of the FEU’s data and servers (as established by
6 Orders G-116-05, clarified by Order G-75-06 and Letter L-30-06, and continued by Order
7 G-49-07) include the phrase “any proposal to locate data and servers providing services
8 to [the FEU] (including data and servers providing back-up services) outside Canada will
9 require the Commission’s approval.” [Emphasis added]

10 Directive 1 of Order G-112-06 states: “[t]he Application to maintain Terasen Utilities’
11 process and control documentation required for OSC [Ontario Securities Commission]
12 compliance purposes on KMI’s [Kinder Morgan Inc.] licensed software and to allow
13 Terasen Inc. Internal Audit staff to store electronic document files on a shared server
14 owned by KMI and located in Houston, Texas is approved.”

15 1.1 Please explain why the FEU request that the current restriction be removed when
16 it includes a regulatory mechanism for the FEU to apply to locate data and
17 servers outside of Canada.
18

19 **Response:**

20 This response also addresses BCUC IRs 1.1.1.1.1, and 1.1.1.1.2.

21 As explained in the Application (Ex. B-1), the Commission imposed the data/servers location
22 restriction, as part of the Kinder Morgan acquisition under section 54 of the UCA, mainly to
23 address “privacy concerns and other concerns” such as foreign ownership. As explained in the
24 Application (on pages 3 to 5), the concerns underlying the restrictive condition have been
25 addressed by other legislative requirements, changed circumstances, or the advancement in
26 technology. For instance, the privacy environment has evolved, ownership of the FEU has
27 returned to Canada, and the technological environment has advanced significantly in respect of
28 information systems and solutions which were not contemplated in 2005.

29 The “regulatory mechanism” contemplates a process for the FEU to depart from the restriction
30 imposed under section 54 of the UCA. This process has allowed the FEU to request and
31 achieve specific exceptions to the restriction in the past. However, the changes and
32 enhancements discussed in the Application and summarized above make the process to apply
33 for an exception each time unnecessary and impractical. Furthermore, making an application
34 each time a change is required has the following disadvantages:



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1 First, it does not allow the FEU to manage information systems, platforms and solutions
2 efficiently and more cost-effectively. For instance, the FEU may not be able to efficiently
3 consider how the FEU need to consider information systems and software on a broad basis for
4 all the FortisBC companies. This can be particularly problematic for systems that can be
5 implemented across the environment or platform for all FortisBC companies, such as third-party
6 hosted software solutions.

7 Second, it results in limiting or excluding consideration of certain vendors or solutions solely on
8 the basis of this restriction on the FEU, and, therefore, may impede or prevent the FortisBC
9 utilities from being able to consider and take advantage of benefits or cost savings (potentially
10 both capital and O&M savings) that may result for customers from different technological
11 solutions available.

12 Third, it perpetuates inconsistencies between the FortisBC companies in the management of
13 information systems and platforms.

14 Finally, it results in regulatory inefficiencies and additional regulatory costs as the FEU may
15 need to initiate multiple regulatory exemption applications over time.

16 The FEU do not believe that the request to remove the data/servers location restriction is
17 inconsistent with what is contemplated in Order G-75-06 in that the Commission's review and
18 approval is needed in order for the FEU to locate their data and servers outside Canada. In the
19 FEU's view, the most effective and efficient way to achieve the result contemplated by Order G-
20 75-06 (cited in the preamble) is through this Application to remove the restriction.

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24 1.1.1 Please confirm that this regulatory mechanism was exercised in 2006
25 when Order G-112-06 approved Terasen Utilities (as FEU were formerly
26 known) to store data on servers in Houston, Texas. If the regulatory
27 mechanism was not exercised in 2006 in relation to Order G-112-06,
28 please explain how the Order was approved.

29

30 **Response:**

31 The FEU confirm that they (then Terasen Utilities) filed an application with the Commission
32 seeking to maintain their process and control documentation required for Ontario Securities
33 Commission (OSC) compliance on KMI's licensed software and to allow Internal Audit staff to
34 store electronic document files on a shared server owned by KMI and located in Houston,
35 Texas.



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1.1.1.1 If the regulatory mechanism was exercised in 2006, what specific element of the FEU environment and organization has changed that will make it more difficult to exercise today?

Response:

Please refer to the response to BCUC IR 1.1.1.

1.1.1.2 Does the regulatory mechanism present a technical obstacle or issue to the FEU? What specific element of the regulatory mechanism requires clarification, explanation or amendment for the FEU to use it today?

Response:

Please refer to response to BCUC IR 1.1.1.

1.1.2 Please specify any other proceedings or requests (and provide the corresponding Commission Orders, Decisions, or other outcomes) where the FEU requested data or servers to be located outside of Canada.

Response:

In addition to Order G-112-06 as noted above, in Order G-116-06, the Commission approved an application filed by the FEU on August 22, 2006, requesting to record incident information on KMI's U.S. based Risk Event Management System (REMS) and to transfer employee contact information (primarily cell phone numbers and email addresses) required to support KMI's U.S. based Emergency Response Line (ERL) and REMS databases.

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1 **2.0 Reference: Application to Remove Data Location Restriction**
2 **Exhibit B-1, p. 4; Letter L-30-06**
3 **FEU Plans**

4 The FEU state: “the FEU will continue to own and control its data, to have access, if
5 necessary, to the data on a 24 hours per day, 365 days per year basis, except for
6 temporary system outages, and to comply with applicable provincial and federal privacy
7 legislation. Additionally, the data would be just as secure as if the data were stored on
8 servers in Canada as there are security standards in place that any vendor doing
9 business with the FEU must adhere to.”

10 2.1 In the current FEU situation, please describe what technology systems, if any,
11 are currently used outside of Canada, or any data currently stored or processed
12 outside of Canada. Please use the bulleted list of functions listed in Letter L-30-
13 06 as guidance.

14
15 **Response:**

16 The FEU currently do not use technology systems or store any data outside of Canada. For
17 clarity, the systems previously subject to the Commission Orders G-112-06 and G-116-06 are
18 no longer in use by the FEU.

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22 2.1.1 Where technology systems are currently used outside of Canada, or
23 data that is currently stored or processed outside of Canada, please
24 provide the full risk assessment that was performed. What cyber
25 security controls have been developed and implemented, what specific
26 cyber security framework or best practice guidelines have been
27 followed, and what measures have been implemented to have
28 assurance that the cyber security controls in place are sufficient and
29 effective?

30
31 **Response:**

32 Please refer to the response to BCUC IR 1.2.1.

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2.1.2 Do the FEU host back-up servers in Canada?

Response:

All of the FEU's servers are located in Canada, including back-up servers.

2.2 This application is general in nature. Do the FEU have any planned proposal(s) to host servers outside of Canada? If yes, please specify:

- the type of data to be processed by these servers;
- the volume of data;
- the location of these servers;
- whether any back-up servers will be located in Canada;
- the name of the organization(s) managing the servers;
- the name of the country(ies) where these servers will be hosted;
- the approximate number of servers (physical and virtual).

Response:

The FEU do not currently have any plans to use host servers outside Canada. However, as discussed in the response to BCUC IR 1.1.1, the restriction imposed by the Commission has several disadvantages, including the inability for the FEU to consider all available technology platforms and solutions efficiently and cost-effectively. Thus, the FEU have requested the removal of the restriction in order for the Companies to consider available options and to achieve the most cost-effective solutions when the opportunities arise.

2.3 Do the FEU have any planned proposal(s) to store data outside of Canada? If yes, please provide the following information for each of the functions in the bulleted list of functions in Letter L-30-06:

- the type of data;

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- 1 • the volume of data;
- 2 • whether any back-up data will be in Canada;
- 3 • how the data will be processed or stored;
- 4 • the name of the organization(s) managing the systems processing or storing
- 5 the data; and
- 6 • the name of the country(ies) where the data will be stored or processed.

7

8 **Response:**

9 The FEU do not currently have plans to store data outside of Canada.

10 Please also refer to the responses to BCUC IRs 1.1.1 and 1.2.2 for a brief discussion about why

11 this Application has been submitted and removal of the restriction is being sought.

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15 2.4 Do the FEU have any planned proposal(s) to use software that is hosted outside

16 of Canada? If yes, please specify, using the list of functions in Letter L-30-06 as

17 guidance:

- 18 • the type of data that will be processed by this software;
- 19 • the volume of data;
- 20 • the location of the software application servers (web servers, application
- 21 servers and databases);
- 22 • any back-up data or servers in Canada;
- 23 • the name of the organization(s) or vendor(s) that develop and support the
- 24 software;
- 25 • the name of the organization(s) or vendor(s) managing the software
- 26 application servers;
- 27 • the name of the country where the software application servers will be
- 28 hosted.

29

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1 **Response:**

2 The FEU do not currently have any plans to use software hosted outside of Canada. Please
3 also refer to the response to BCUC IR 1.2.2 for a brief discussion about why this Application has
4 been submitted and removal of the restriction is being sought.

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8 2.5 Do the FEU have any planned proposal(s) to host any technology systems other
9 than servers, data or software outside of Canada? If yes, please specify, using
10 the list of functions in Letter L-30-06 as guidance:

- 11 • the type of data that will be processed by these systems;
12 • the volume of data;
13 • the location of these systems;
14 • whether any back-up systems will be located in Canada;
15 • the name of the organization(s) managing the systems;
16 • the name of the country where these systems will be hosted.

17

18 **Response:**

19 The FEU do not currently have any plans to host any technology systems outside of Canada.
20 Please also refer to the responses to BCUC IRs 1.1.1 and 1.2.2 for a brief discussion about why
21 this Application has been submitted and removal of the restriction is being sought.

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25 2.6 For any planned proposal(s), please provide a full description of the legislation in
26 place to protect the privacy and security of the data, servers, software, or any
27 other technology systems.

28

29 **Response:**

30 There are currently no planned proposals. The relevant legislation which governs the protection
31 of personal information in British Columbia is the provincial *Personal Information Protection Act*
32 and the federal *Personal Information Protection and Electronic Documents Act*.

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2.7 If there are no specific proposal(s) at this time, please explain how the FEU are sure they “will continue to own and control its data, to have access, if necessary, to the data on a 24 hours per day, 365 days per year basis, except for temporary system outages.”

Response:

10 As noted in the response to BCUC IR 1.2.6, there are no specific proposals at this time. Any
11 services the FEU considers for use, whether internal or external, need to meet service levels as
12 defined by the FEU, which includes that the FEU will continue to own and control its data, to
13 have access, if necessary, to the data on a 24 hours per day, 365 days per year basis, except
14 for temporary system outages. Please also refer to the response to BCUC IR 1.2.8.

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18 2.8 If there are no specific proposal(s) at this time, please provide a full risk
19 assessment of moving the data and servers outside of Canada. Please
20 specifically discuss the risks to: (i) customers’ personal information and (ii) to the
21 FEU’s transmission, distribution, and/or gas supply systems, using the following
22 assessment criteria, at the minimum:

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- Segregation of system components and data;
- Physical security;
- Logical access controls;
- Encryption;
- Security tools such as firewall, intrusion detection and prevention systems (IDS/IPS), anti-malware, log monitoring, etc.;
- Management of security and privacy incidents;
- Business continuity and disaster recovery;
- Security and privacy training and awareness;
- Policies and procedures;
- Human resources;



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- 1 • Asset management;
- 2 • Operations security;
- 3 • Communication security;
- 4 • System acquisition, development and maintenance;
- 5 • Supplier relationships;
- 6 • Compliance.

7

8 **Response:**

9 The FEU cannot provide the kind of risk assessment requested in the absence of a specific
10 proposal, but can assure the Commission that any future proposals or projects following the
11 removal of the data restriction will address these kinds of concerns. Furthermore, as the FEU
12 have noted in the response to BCUC 1.4.2, the FEU will remain accountable under Canadian
13 private sector privacy legislation with respect to personal information regardless of where they
14 store their data.

15 When engaging third party services and where appropriate, the FEU address a majority of these
16 requirements in their agreements, which include the FEU's requirements for security and
17 privacy. As part of the assessment process of any proposal/project that will have a significant
18 involvement with the collection, use or disclosure of personal information, a Privacy Impact
19 Assessment is performed.

20 In a situation where the FEU's data would be sent offsite, regardless of whether the site is inside
21 or outside Canada, the storage of that data would be required to comply with the *Personal*
22 *Information Protection and Electronic Documents Act* (PIPEDA), and/or the British Columbia
23 *Personal Information Protection Act* (PIPA), and, where appropriate, the "Three Nines" of
24 availability and Security in Depth, which is an industry standard term referring to 99.9% system
25 availability. Security in Depth may include, but is not limited to, encryption, physical security,
26 firewalls (cyber security), criminal record checks, role based security and access of least
27 privilege.

28 Please also refer to the response in BCUC IR 3.4.1 for a general description of the due
29 diligence process which the FEU undertakes with respect to project assessment.

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1 2.9 If there are no specific proposal(s) at this time, please provide a full security risk
2 assessment of the potential harm to customers and the FEU in the event of a
3 security breach or if a foreign jurisdiction requests access to the FEU's data.

4
5 **Response:**

6 The FEU have implemented a control environment for security of its enterprise wide network
7 architecture and infrastructure. This includes physical and logical security systems and control
8 components including ensuring applicable government laws and regulations pertaining to
9 minimum security control requirements are met. Third parties are contractually required to meet
10 and/or exceed the FEU's control environment. A security breach is therefore not impacted by
11 the physical location of the FEU's data.

12 Foreign jurisdictions requesting access to the FEU's data would be provided that data in
13 accordance with existing governmental laws and regulations to the extent applicable.

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17 2.10 If there are no specific proposal(s) at this time, please explain why the FEU do
18 not follow the current regulatory mechanism (referred to in question 1) when a
19 specific proposal is in place.

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21 **Response:**

22 Please refer to the response to BCUC IR 1.1.1.

23
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25
26 2.11 Section 23 of the *Utilities Commission Act* (UCA) states that the Commission has
27 general supervision of all public utilities and may make orders concerning the
28 safety, convenience or service of the public. Further, the Commission may make
29 regulations requiring a public utility to conduct its operations in a way that does
30 not unnecessarily interfere with, or cause unnecessary damage or inconvenience
31 to, the public. Please explain how the Commission is fulfilling its duties under
32 section 23 of the UCA if it approves removal of the current restriction without a
33 specific proposal and thus without knowing specific risks the FEU and its
34 ratepayers may face if data and servers are located outside of Canada.

35

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1 **Response:**

2 In this Application, the FEU are requesting the removal of a condition previously imposed by the
3 Commission on the location of the Companies' data or servers as a result of the acquisition of
4 the FEU by Kinder Morgan, Inc.

5 The FEU are not requesting approval of a specific, proposed location for any of the Companies'
6 future data or server locations.

7 In full, Section 23 of the *Utilities Commission Act* (UCA) provides:

8 **23** (1) The commission has general supervision of all public utilities and may make
9 orders about

- 10 (a) equipment,
11 (b) appliances,
12 (c) safety devices,
13 (d) extension of works or systems,
14 (e) filing of rate schedules,
15 (f) reporting, and
16 (g) other matters it considers necessary or advisable for
17 (i) the safety, convenience or service of the public, or
18 (ii) the proper carrying out of this Act or of a contract, charter or franchise
19 involving use of public property or rights.

20 (2) Subject to this Act, the commission may make regulations requiring a public utility to
21 conduct its operations in a way that does not unnecessarily interfere with, or cause
22 unnecessary damage or inconvenience to, the public.

23
24 Granting the FEU's request to remove an existing condition on the data or server locations is
25 not inconsistent with the Commission's "general" power under section 23 of the UCA for the
26 following reasons.

- 27 • Section 23 does not impose a specific "duty" on the Commission as the question
28 suggests; rather, it is a provision about the Commission's jurisdiction to exercise
29 "general supervision".
- 30 • Section 23(2) refers to the Commission's power to make "regulations," which has no
31 relevancy to the request made here.
- 32 • Section 23 provides a list of items relating to the Commission's general supervision over
33 specific aspects of a utility's existing operations. The topic of this Application is not part
34 of the list.

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- 1 • Although section 23(1)(g) uses general language, it cannot be read in isolation and must
2 be construed against the rest of the section in which it is found. (See *Reference re*
3 *Broadcasting Regulatory Policy CRTC 2010 – 167 and Broadcasting Order CRTC 2010*
4 *– 168*, 2012 SCC 69, para. 29.). When construed against the previous items of the list,
5 this subsection does not include “data location”.
- 6 • Section 23 does not grant a supervisory power over the utility’s plans for the future.
7 (See *BC Hydro v. British Columbia (Utilities Commission)* (1996), 20 B.C.L.R. (3d) 106,
8 para. 32, where Mr. Justice Goldie (for the Court) interpreted section 23 (then section
9 28, same wording) as follows: “Two observations can be made of this section: the first is
10 that the class of matters referred to in s-s. (1) relates to the existing service provided the
11 public as distinct from future service. The second is that s-s. (2) also refers to present
12 service, that is to say, the conduct of operations in relation to the public. Neither of these
13 subsections refers to the utility's plans for the future.”)
- 14 • The Commission is not left without means to fulfill its duties, as the FEU’s activities and
15 conduct are subject to review by the Commission where appropriate.

16
17 The FEU note that the Commission believed it was able to fulfill its duties without such a
18 restriction on the FEU prior to the KMI acquisition. Furthermore, similar restrictions are not in
19 place with respect to other regulated utilities. The FEU believe that, were it not for the KMI
20 acquisition, the restriction on the location of data and servers was not required and would not
21 have existed in the first place. Therefore, it is clear that the restriction was imposed to address,
22 in part, concerns related to ownership of the FEU by a non-Canadian organization.

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1 **3.0 Reference: Application to Remove Data Location Restriction**
2 **Exhibit B-1, pp. 4-5; Letter L-30-06**
3 **FEU Controls and Risk Assessments**

4 On pages 4-5, the FEU state:

5 “the FEU will continue to own and control its data, to have access, if necessary,
6 to the data on a 24 hours per day, 365 days per year basis, except for temporary
7 system outages, and to comply with applicable provincial and federal privacy
8 legislation. Additionally, the data would be just as secure as if the data were
9 stored on servers in Canada as there are security standards in place that any
10 vendor doing business with the FEU must adhere to.”

11 “Today, the current data/server geographical location restriction prevents the
12 FEU from considering any third-party service provider that results in data or
13 software being hosted on servers outside Canada. The FEU should be able to
14 consider all feasible and applicable hosted options when new products are
15 evaluated or existing systems are upgraded to find a solution that best fits the
16 FEU’s business and services to customers. Moreover, the restrictions on the
17 FEU may hinder opportunities for investment in information systems, software,
18 service providers, and technology platforms which may result in benefits for
19 customers as well as cost savings.”

20 3.1 For any future projects (planned or unplanned) involving in-house systems and/or
21 third-party service providers, have the FEU performed a full risk assessment
22 related to the country or location outside of Canada, including:

- 23 • Political risk – Risks of espionage; Risks of foreign legislation that could allow
24 a foreign government or organization to access the FEU data, such as the US
25 Patriot Act and the EU/US Safe Harbour Agreement; Risks related to political
26 instability, population unrest or any other threats presented by this foreign
27 country.
- 28 • Compliance, prevention and enforcement risk – Risks related to an history of
29 data breach or a lack of environment controls to protect data; Risks related to
30 a lack of privacy legislation; Risks related to a lack of police or legislative
31 enforcement powers; Risks related to an history of poor controls or legislation
32 in place to protect data.
- 33 • Terrorism risk – Risks related to active organizations that would disrupt the
34 environment controls in the foreign countries, including threats to people,
35 process and infrastructure.

36 If not, please explain why not.

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Response:

The FEU performs and will continue to perform a full risk assessment on any initiatives that would involve in-house or third-party providers. External providers would be subject to a complete risk assessment, as well as the terms and conditions regarding the FEU requirements for reliability and security. Please also refer to the responses to BCUC IRs 1.2.8 and 3.1.1

3.1.1 Have the FEU identified any specific controls to address the political, compliance and terrorism risks related to the country or location outside of Canada?

Response:

The FEU has a Disaster Recovery Plan (DRP) which addresses any critical system failure that arises as a direct result of a DRP intervening event that cannot reasonably be rectified within 72 hours after the critical system failure has been identified. This DRP directly interacts with the FEU's back-up and recovery procedures to ensure business continuity. Responses to critical system failure events are not impacted by the physical location of the FEU's data.

3.1.2 Have the FEU implemented such controls to address the political, compliance and terrorism risks related to the country or location outside of Canada?

Response:

Please refer to the response to BCUC IR 1.3.1.1.

3.1.3 Have the FEU implemented a process to ensure that the controls deemed necessary to address the political, compliance and terrorism

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1 risks related to the country or location outside of Canada are sufficient
2 and effective?
3

4 **Response:**

5 Please refer to the response to BCUC IR 1.3.1.1.
6
7

8
9 3.2 For any future projects (planned or unplanned) involving in-house systems and/or
10 third-party service providers, have the FEU performed a full risk assessment
11 related to the management of the technology systems used outside of Canada,
12 or data stored or processed outside of Canada, including a Threat and Risk
13 Assessment (TRA) and Privacy Impact Assessment (PIA)?
14

15 **Response:**

16 For all initiatives, a Threat Risk Assessment is done based on the type of initiative. A Privacy
17 Impact Assessment is completed for any significant initiatives which would give a third party
18 access to personal information. Please also refer to response to BCUC IR 1.2.8.
19
20

21
22 3.2.1 If yes, did the risk assessment follow industry best practice or
23 recommended frameworks, such as:
24
25 • the Royal Canadian Mounted Police (RCMP) harmonized TRA
26 methodology,
27 • the Information Security Forum Information Risk Analysis
28 Methodology (IRAM) framework;
29 • the US Department of Homeland Security Cyber Security Evaluation
30 Tool (CSET) tool;
31 • the PIA guidelines issued by the BC Office of the Information and
32 Privacy Commissioner (OIPC);
33 • the PIA guidelines issued by the Office of the Privacy Commissioner
34 (OPC) of Canada.

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1 **Response:**

2 Unlike public sector organizations, private sector organizations in British Columbia are currently
3 not under any legal obligation to complete a Privacy Impact Assessment. The guidelines jointly
4 issued by the federal Office of the Privacy Commissioner and provincial Office of the Information
5 and Privacy Commissioner are directed at Privacy Impact Assessments for the public sector.
6 That being said, the FEU have reviewed and where applicable have used the concepts and
7 guiding principles developed by the commissioners offices in completing Privacy Impact
8 Assessments for appropriate projects.

9

10

11

12 3.2.1.1 If not, please explain which of these best practices were not
13 used and why.

14

15 **Response:**

16 As a private sector organization, the FEU follow privacy best practices which are designed for
17 private sector organizations. The FEU have reviewed and do implement best practices that are
18 recommended by the British Columbia Office of the Information and Privacy Commissioner and
19 the federal Office of the Privacy Commissioner as applicable. The best practices listed in the
20 response to BCUC IR 1.3.2.1 were designed for public sector bodies or bodies that fall outside
21 of British Columbia and accordingly are not practices best suited for the FEU. Please also refer
22 to the response to BCUC IR 1.3.2.1.

23

24

25

26 3.2.2 If yes, did the risks assessment cover the following risk areas:

- 27
- 28 • Segregation of system components and data;
 - 29 • Physical security;
 - 30 • Logical access controls;
 - 31 • Encryption;
 - 32 • Security tools such as firewall, intrusion detection and prevention
33 systems (IDS/IPS), anti-malware, log monitoring, etc.;
 - Management of security and privacy incidents;

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- 1 • Business continuity and disaster recovery;
- 2 • Security and privacy training and awareness;
- 3 • Policies and procedures;
- 4 • Human resources;
- 5 • Asset management;
- 6 • Operations security;
- 7 • Communication security;
- 8 • System acquisition, development and maintenance;
- 9 • Supplier relationships;
- 10 • Compliance.

11

12 **Response:**

13 While there are currently no projects planned and as a result no assessment completed, each
14 Privacy Impact Assessment that has been completed for past FEU projects considers a variety
15 of project-specific issues and concerns which may contain assessments and analysis on any of
16 the risk areas noted in the question above.

17

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22 3.2.2.1 If not, why not?

23

24 **Response:**

25 Please refer to the response to BCUC IR 1.3.2.2.

26

27

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30 3.3 For any future projects (planned or unplanned) involving in-house systems and/or
31 third-party service providers, have the FEU identified any specific controls to
32 address the risks related to the management of the technology systems used

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- 1 outside of Canada, or data stored or processed outside of Canada? If not, why
2 not? If yes, are these controls based on industry best practice, such as:
- 3 • The International Organization for Standardization (ISO) 27002:2013
4 standard;
 - 5 • the National Institute of Standards and Technology (NIST) Special
6 Publication (SP) 800-53;
 - 7 • the SANS 20 Critical Security Controls;
 - 8 • the Organization for Economic Co-operation and Development (OECD)
9 Guidelines governing the Protection of Privacy and Transborder Flows of
10 Personal Data;
 - 11 • the guidelines issued by the BC Office of the Information an Privacy
12 Commissioner (OIPC);
 - 13 • the guidelines issued by the Office of the Privacy Commissioner (OPC) of
14 Canada;
 - 15 • the guidelines issued by the Cloud Security Alliance (CSA), etc.

16
17 **Response:**

18 The FEU does not follow one prescribed set of guidelines to establish the control environment
19 for security of its enterprise wide network architecture and infrastructure. Rather, the FEU
20 compile applicable key components from the various industry best practices and guidelines to
21 establish security, find solutions that best fit the FEU's business and services to customers,
22 while simultaneously ensuring we remain compliant with applicable government laws and
23 regulations.

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28 3.3.1 Have the FEU implemented such controls to address the risks related to
29 the management of the technology systems used outside of Canada, or
30 data stored or processed outside of Canada?
31

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1 **Response:**

2 The FEU currently do not store any data outside Canada. All third parties are contractually
3 required to meet and/or exceed the FEU's control environment for security of its enterprise wide
4 network architecture and infrastructure.

5

6

7

8

9 3.3.2 Have the FEU implemented a process to ensure that the controls
10 deemed necessary to address the risks related to the management of
11 the technology systems used outside of Canada, or data stored or
12 processed outside of Canada are sufficient and effective?

13

14 **Response:**

15 Regardless of whether the data/servers are to be outside or inside Canada, third parties are (or
16 future vendors will be) contractually required to meet and/or exceed the FEU's control
17 environment for security of its enterprise wide network architecture and infrastructure.
18 Contractual obligations will require control validation independent of the third party vendor and a
19 report the findings to the FEU.

20

21

22

23 3.3.2.1 If yes, is this process aligned with industry best practice such
24 as: Annual independent external Service Organization
25 Controls (SOC) or Systrust audits, based on the SSAE16
26 standard, or any other type of annual independent cyber
27 security and privacy assessment? If not, please explain.

28

29 **Response:**

30 Yes. The FEU's control environment for security of its enterprise wide network architecture and
31 infrastructure is subject to annual control validation by multiple independent parties.
32 Independent control validation is a contractual obligation for third party service providers with
33 reporting of findings to the FEU.

34

35

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3.4 In the case that a third party service provider hosting the FEU data and servers outside of Canada has a breach of information, what are the FEU's and the third party's processes to handle such a breach? Do these processes include the following domains: incident detection, classification, escalation, immediate reaction and containment, investigation and mitigation, communication (internal and external), lessons learned and improvement of preventative controls?

10 **Response:**

11 The FEU have an incident response protocol that addresses incident detection, classification,
12 escalation, immediate reaction and containment, investigation and mitigation, communication
13 (internal and external), lessons learned and improvement of preventative controls. For security
14 reasons, the FEU cannot disclose this protocol publicly. The process is audited each year.

15
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19 3.4.1 What is the FEU diligence process to select a third party service
20 provider? Does this process include criteria such as: security screening
21 and professional qualifications, capabilities to perform the required
22 services, financial stability, reputation, existing litigation, existing cyber
23 security insurance?

24
25

Response:

26 The FEU have a comprehensive due diligence process that begins as early as the Request for
27 Proposal stage. This due diligence process includes risk assessments on both the privacy and
28 security risks associated with a proposed project. If a project is initially assessed as having
29 privacy or security concerns or deals with the disclosure of sensitive personal information, the
30 project manager will seek to have a privacy impact assessment completed. In addition, the
31 process can include (if appropriate) background checks, reference checks and assessments
32 completed by independent third parties. For instance, for major information systems initiatives,
33 a recognized technology consultant will often be retained to assist in assessing a particular
34 vendor. Finally, there are contractual terms in agreements with vendors which would help to
35 mitigate any privacy or security risks that may be identified as part of the due diligence process
36 by including representations, covenants, and insurance and indemnity provisions.

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3.4.2 Have the FEU identified specific clauses related to privacy and cyber security in contracts, Statements of Work (SOW), or any other agreement with the third party service provider? Do these clauses include criteria such as: right to audit or inspect, compliance with privacy laws and the FEU security policies, detailed service levels and reporting including immediately reporting of any cyber security and privacy incidents, and confidentiality and non-disclosure agreements?

Response:

Where applicable, the FEU will include in contracts with third parties clauses that set forth requirements regarding privacy, cyber security, right to audit or inspect, compliance with privacy laws and the FEU's security policies, detailed service levels and reporting including immediately reporting of any cyber security and privacy incidents, and confidentiality and non-disclosure agreements.

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1 **4.0 Reference: Application to Remove Data Location Restriction**
2 **Exhibit B-1, pp. 3-4; Appendix A, p. 3**
3 **Privacy Concerns**

4 The FEU state: “the privacy regime in British Columbia is in a far more robust state...and
5 there is an abundance of guidance and case law from the [BC and Federal Offices of the
6 Privacy Commissioner]...The FEU believe that the provincial and federal privacy
7 legislation and framework in place today, along with the FBCU’s [FortisBC Utilities]
8 privacy policy, sufficiently address any and all privacy concerns...”

9 FortisBC’s Privacy Policy states: “From time to time, we may store your Personal
10 Information outside of Canada, where it may be subject to the lawful access
11 requirements of the jurisdiction in which it is being held.”

12 FortisBC’s Privacy Policy also states: “The type of Personal Information we collect and
13 maintain in your customer file, may include, but is not limited to your: name, mailing and
14 property address, email address, telephone number, social insurance number, date of
15 birth, credit history, transaction history, electricity consumption, driver’s license number
16 and other payment and billing information.”

17 4.1 Please confirm that data and servers are subject to the privacy laws and all other
18 legislation of the jurisdiction where they are held.

19
20 **Response:**

21 The FEU confirm that if data and servers are stored outside of Canada, they may be subject to
22 the laws of the jurisdiction in which they are held, including privacy laws. As noted, this is
23 reflected in FortisBC’s Privacy Policy (vis-à-vis “personal information”). The FEU cannot say
24 more than this about the application of foreign laws, as the application of foreign laws to data
25 held in other jurisdictions will vary from state to state.

26
27

28
29 4.2 Please explain whether data held in a jurisdiction outside of BC or outside
30 Canada are subject to the privacy laws and other legislation of BC and Canada.

31
32 **Response:**

33 The FEU assume that this question is referring to the storage of “personal information” and the
34 extent to which privacy laws such as BC’s Personal Information Protection Act and the Federal

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1 Personal Information Protection and Electronic Documents Act govern an *organization* that
2 stores personal information that it has collected outside of BC or Canada.

3 Generally speaking, under Canada's private sector privacy legislation, an organization remains
4 accountable for the "personal information" that it collects, uses and discloses, even if it stores
5 that information outside of Canada.

6 The FEU contractually obligate vendors which have access to personal information to comply
7 with British Columbia and Canadian privacy laws as well as the FEU's Privacy Policy.

8
9

10

11 4.3 Please explain whether the BC and Federal Offices of the Privacy Commissioner
12 govern: (i) customer information, and/or (ii) Distribution, Transmission, and Gas
13 Supply information. If they govern customer information only, what mechanisms
14 exist to protect the privacy of the FEU's Distribution, Transmission, and Gas
15 Supply information?

16

17 **Response:**

18 The British Columbia *Personal Information Protection Act* ("PIPA") and the federal *Personal*
19 *Information Protection and Electronic Documents Act* ("PIPEDA") govern all "personal
20 information".

21 PIPA defines 'personal information' in section 1 which states:

22 "personal information" means information about an identifiable individual and includes
23 employee personal information but does not include

24 (a) contact information, or

25 (b) work product information;

26

27 PIPEDA defines 'personal information' in section 2 which states:

28 "personal information" means information about an identifiable individual, but does not
29 include the name, title or business address or telephone number of an employee of an
30 organization.

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1 Examples of the personal information that FEU collects can be found in section 4.1 of the FEU's
2 Privacy Policy which the FEU believe would be considered "customer information" as
3 referenced in the question.

4 It is unclear what is meant by "Distribution, Transmission and Gas Supply information" as
5 referenced in the question; however, the FEU can advise that the provincial and federal privacy
6 commissioners only govern personal information and non-personal information of public bodies.
7 They do not govern information that would not be considered personal information in the context
8 of private sector organizations.

9 The Supervisory Control and Data Acquisition (SCADA) system, with which the FEU controls
10 the transmission and distribution gas supply system, is operated on an independent network
11 with specific requirements regarding physical and cyber access.

12

13

14

15 4.4 Please specifically list "all privacy concerns" that the FEU believe are sufficiently
16 addressed by provincial and federal privacy legislation and the FortisBC privacy
17 policy.

18

19 **Response:**

20 The "privacy concerns" noted in the quote from the FEU Application are those concerns that
21 were raised by stakeholders at the time of the granting of Order G-116-05, which were focused
22 on concerns over foreign ownership and control of customer personal information. As noted in
23 the application, the privacy regime in B.C. (and at the federal level) is now in a far more robust
24 state than it was when the orders at issue in this application were granted, and address these
25 concerns.

26 The 2007 Fortis Inc. acquisition of Terasen Inc. and its subsidiaries meant that there was no
27 longer a concern over 'foreign ownership' of customer personal information as Fortis Inc. is a
28 Canadian company.

29 The other privacy related concern was over 'foreign control' of customer personal information.
30 The British Columbia *Personal Information Protection Act* ("PIPA") and the federal *Personal*
31 *Information Protection and Electronic Documents Act* ("PIPEDA") have specific provisions that
32 state that an organization is responsible for the personal information under its control including
33 information that is not in its custody, meaning that an organization is responsible for any
34 personal information that is collected, used or disclosed on its behalf.

35 Section 4(2) of PIPA states:

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1 An organization is responsible for personal information under its control, including
2 personal information that is not in the custody of the organization.

3 Section 4.1.3 of PIPEDA states:

4 An organization is responsible for personal information in its possession or custody,
5 including information that has been transferred to a third party for processing. The
6 organization shall use contractual or other means to provide a comparable level of
7 protection while the information is being processed by a third party.

8
9 The FEU's Privacy Policy is in compliance with the PIPA and PIPEDA. As a result, it is the
10 FEU's position that the privacy concerns initially raised by stakeholders have been sufficiently
11 addressed by the privacy legislation and the FEU's Privacy Policy.

12
13

14
15 4.5 Please discuss whether the FEU's data and servers, currently located in Canada,
16 have ever experienced a security breach. If so, please discuss the processes
17 and procedures that the FEU took to remedy the situation.

18
19 **Response:**

20 There have never been any security breaches of the FEU data or servers.

21
22

23
24 4.6 Please confirm which category of data, among the list detailed in the FortisBC
25 Privacy Policy, is currently either stored, processed or transmitted outside of
26 Canada; please specify the volume of data in scope, the name of the foreign
27 country, and the reason why this data is not stored, processed or transmitted
28 strictly inside of Canada.

29
30 **Response:**

31 The Commission orders were specific to the location of data, which, in turn, was determined by
32 the server location. The FEU can confirm that none of the FEU data is currently located or
33 stored outside of Canada.



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4.7 Please confirm which category of data, among the list detailed in the FortisBC Privacy Policy, the FEU are planning in the near or long term future to either store, process or transmit outside of Canada; please specify the volume of data in scope, the name of the foreign country, and the reason why this data cannot be stored, processed or transmitted strictly inside of Canada.

Response:

The Commission orders were specific to the location of data, which, in turn, was determined by the server location. The FEU can confirm that it currently does not have any short term plans to locate or store data outside of Canada. As noted in the Application (at page 5), the FEU seek to have the current restrictions removed so that they may consider vendors who may store relevant FEU data outside of Canada in any future procurement processes and can procure the most cost-effective solutions. These vendors and any proposed solutions would be vetted through the FEU's process of reviewing proposals, which would include various risk assessments such as privacy and security assessments. Please also refer to the response to BCUC IR 1.3.4.1.

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1 **5.0 Reference: Application to Remove Data Location Restriction**
2 **Exhibit B-1, p. 4**
3 **Foreign Ownership Concern**

4 The FEU state: “Since then, all the FEU data have been moved and are stored on
5 servers located in Canada as directed by Order G-112-06, and potential concerns
6 regarding foreign ownership and control were resolved.

7 Moreover, in absence of the current restriction, the FEU will continue to own and control
8 its data, to have access, if necessary, to the data on a 24 hours per day, 365 days per
9 year basis, except for temporary system outages, and to comply with applicable
10 provincial and federal privacy legislation. Additionally, the data would be just as secure
11 as if the data were stored on servers in Canada as there are security standards in place
12 that any vendor doing business with the FEU must adhere to.”

13 5.1 Please confirm that Order G-112-06 approved Terasen Utilities¹ to store data on
14 servers in Houston, Texas. If confirmed, please explain the statement above “as
15 directed by Order G-112-06.”
16

17 **Response:**

18 Confirmed. In Order G-112-06, the Commission, under sections 54(9) and 23(1) of the UCA,
19 approved the FEU to store data on servers in Houston, Texas for one specific, defined purpose,
20 which was process and control documentation for OSC compliance information. Please refer to
21 the response to BCUC IR 1.1.1.1.
22

¹ Comprised of Terasen Gas Inc., Terasen Gas (Vancouver Island) Inc., Terasen Gas (Whistler) Inc., and Terasen Gas (Squamish) Inc.

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1 **6.0 Reference: Application to Remove Data Location Restriction**
2 **Exhibit B-1, pp. 4-5**
3 **Technology Advancement**

4 The FEU state: “As an example, Microsoft Office 365 is a commonly used third-party
5 service that provides the Office suite of tools, including email, as a service. If this service
6 is used, it can remove the need for in-house FEU servers for these systems and the
7 associated costs of operating them...”

8 In addition, many of the vendors that the FEU may wish to use for services other than
9 technology services may have servers located outside of Canada. For example, if the
10 FEU wished to engage a talent sourcing firm we would be restricted to those firms which
11 store all data on Canadian servers and accordingly, the FEU has been faced with
12 restrictions on which vendors can be retained for various services. As technology
13 continues to advance and more and more businesses take advantage of third-party
14 software services, the FEU will be faced with decreasing responses from vendors able to
15 provide the services we require.”

16 6.1 Please specify what data and/or functions (as per the bulleted list of functions in
17 Letter L-30-06) the FEU would host on a service such as Microsoft Office 365.
18 Would the data include any personal data? Please provide in order of volume.
19

20 **Response:**

21 As an example and for illustrative purposes only, Microsoft Office 365 can provide email as a
22 service. In the case of hosted email it would contain the same data that the FEU have on the
23 existing in-house email server. This could include personal information.

24
25

26
27 6.2 Please explain, if any, the difference in security and privacy features of Microsoft
28 Office 365 in Canada or otherwise.
29

30 **Response:**

31 Microsoft Office 365 is, at this time, only hosted in the US. The Microsoft Office 365 product
32 was mentioned as an example of products available that might at some time in the future be
33 evaluated or considered for use by the FEU. The FEU have not performed an analysis of the
34 differences and the risks associated with using a product like Microsoft Office 365. Prior to

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1 considering implementation of any products or applications such as this, the FEU would perform
2 an appropriate analysis.

3
4

5

6 6.3 Please explain how using a service such as Microsoft Office 365 could remove
7 the need for in-house FEU servers.

8

9 **Response:**

10 Services such as Microsoft Office 365 email can displace in-house email servers as the product
11 is hosted on the service-provider's servers, rather than in-house. Please also refer to the
12 Application, page 5, paragraph 2.

13

14

15

16 6.4 Please explain how the current restriction prevents the FEU from engaging
17 certain vendors for services other than technology services.

18

19 **Response:**

20 Under the current restriction, the FEU are unable to consider vendors whose services will
21 require, or result in having, the FEU's data located outside Canada without applying to the
22 Commission for exemptions as each circumstance arises, which can be inefficient and costly for
23 customers. Please also refer to the response to BCUC IR 1.1.1.

24

25

26

27 6.5 Please explain the example of the FEU using a talent sourcing firm. What
28 specific FEU data would a talent sourcing firm have to store?

29

30 **Response:**

31 There are numerous vendors who offer solutions and software that might not be available in
32 Canada as they are often non-Canadian entities and will store data on servers outside Canada.
33 The current requirement restricts the FEU's ability to use vendors who will store the FEU data
34 on servers outside Canada even if those solutions or software are the most appropriate ones for

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1 the FEU to implement. The example given in the Application with respect to a talent sourcing
2 firm is one where the FEU may want to employ a firm located outside of Canada to collect,
3 review, and analyze, on behalf of the FEU, prospective candidates' resumes to fulfil a specific
4 role. The resumes contain information such as name, address and other information which
5 would be considered personal information and would likely be stored by the talent sourcing firm
6 on servers outside Canada.

7 Prior to retaining any such firm, the FEU would need to complete a risk assessment which
8 would include consideration of the sensitivity of the personal information and the necessity of
9 providing such information.

10
11

12

13 6.5.1 In the event that the FEU use a talent sourcing firm, would FEU know
14 where the FEU data is stored and do FEU have control over where the
15 data travels?
16

17

Response:

18 The FEU would complete a risk assessment with respect to privacy and security concerns over
19 any personal information that would be disclosed to the third party. As a result, the FEU would
20 know the location of where the data is stored. In addition, the FEU contractually obligates third
21 parties with access to personal information to comply with the British Columbia and Canadian
22 privacy legislation, as applicable, as well as the FEU's Privacy Policy.
23

24

25

26 6.5.2 In the event that the FEU use a talent sourcing firm, describe the case
27 scenario and the process when this data is transferred between the
28 FEU and the talent sourcing firm.

29

Response:

30 This type of analysis would be completed as part of a risk assessment which would be
31 completed at the time an actual project is proposed. As this was given as an example only and
32 there is no actual project at this time, the FEU are unable to provide a detailed response.
33 Please refer to the response to BCUC IR 1.5.2 for a general discussion of the employment of a
34 talent sourcing firm.

35

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1 **7.0 Reference: Application to Remove Data Location Restriction**
2 **Exhibit B-1, pp. 4-5**
3 **Potential Cost Savings**

4 The FEU state: “[m]oreover, the restrictions on the FEU may hinder opportunities for
5 investment in information systems, software, service providers, and technology platforms
6 which may result in benefits for customers as well as cost savings.”

7 7.1 Please specify the benefits which may result for customers.
8

9 **Response:**

10 The FEU would develop a business case for any potential opportunities in regards to third party
11 services. Benefits would be identified on a case-by-case based evaluation. There are no
12 specific opportunities that have been evaluated to date.

13
14

15
16 7.2 Please quantify the cost savings which may result for customers. Where
17 specifically would the cost savings come from and how would they flow through
18 to ratepayers?
19

20 **Response:**

21 Please refer to the response to BCUC IR 1.7.1.

22 The FEU are unable to quantify potential cost savings at this point in time. As discussed in the
23 response to BCUC IR 1.7.1, the quote in the question preamble was in the context of potential
24 benefits and/or cost savings that may result from potential third party services. The flow through
25 to customers will depend on the nature of the benefits or savings, the timing of the benefits or
26 savings and whether a PBR or cost of service approach to setting rates is in place. For
27 example, in the context of a PBR, any savings will be part of the Companies’ efforts to achieve
28 the stretch factor that is built into rates. In the context of a cost of service environment,
29 expected savings would be embedded in the operating and maintenance expense or capital
30 spending forecasts that are built into rates.

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1 7.3 As Fortis Inc. is the parent company of the FEU, and Fortis Inc. owns regulated
2 utilities in Canada, United States, and the Caribbean and other non-regulated
3 assets in Canada and outside Canada, do the FEU have any plans to share
4 platforms (such as customer information) with any Fortis Inc. affiliated companies
5 to achieve greater economies of scale? Please explain.

6
7 **Response:**

8 There are currently no plans to share platforms between the Fortis companies outside of British
9 Columbia. The FEU do share platforms with FBC.

10

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1 **8.0 Reference: Application to Remove Data Location Restriction**
2 **Exhibit B-1, p. 5; BCUC’s July 23, 2013 Decision in the Matter of**
3 **FortisBC Inc. Certificate of Public Convenience and Necessity for**
4 **the Advanced Metering Infrastructure Project**
5 **Consistency, p. 139; Section 44 of the *Utilities Commission Act*;**
6 **Section 6.4.2 of the October 2009 Mandatory Reliability Standards**
7 **Rules of Procedure**

8 The FEU state: “The data/server location restriction on the FEU also creates an
9 inconsistency in practices between the FEU and FortisBC Inc. (FBC), which has no
10 similar general restriction.”

11 The FEU state: “this restriction...creates an additional obligation for the FEU that does
12 not apply to other private sector companies and creates an inconsistency between how
13 the FEU and other private sector companies operate in British Columbia with respect to
14 location of their data and servers and the vendors and services which they can use.”

15 Page 139 of the Commission’s July 23, 2013 Decision in the Matter of FortisBC Inc.
16 Certificate of Public Convenience and Necessity for the Advanced Metering
17 Infrastructure Project states: “[t]here is no evidence that there is a business need for
18 storage of FortisBC customer information outside Canada. **Accordingly, the Panel**
19 **directs FortisBC to store customer information only in Canada and update its**
20 **Privacy Policy to reflect this.**”

21 Section 44(1) of the UCA states: “A public utility must have in British Columbia an office
22 in which it must keep all accounts and records required by the commission to be kept in
23 British Columbia.”

24 Section 6.4.2 of the October 2009 Mandatory Reliability Standards Rules of Procedure
25 state: “The Administrator must not remove Personal Information from British Columbia,
26 and Applicable Entities are not required to provide Personal Information to the
27 Administrator if doing so would require the Applicable Entity to send Personal
28 Information outside of British Columbia.”

29 8.1 Please explain the FEU’s statement that FBC has no similar general restriction
30 given the directive in the 2013 AMI decision.

31
32 **Response:**

33 The AMI Decision on the location for AMI data was specifically directed at the storage of
34 customer information as it relates to the AMI Project. That restriction does not apply to any
35 other systems or data of FBC.



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8.2 Does FBC host data and servers outside Canada? If so, using the list of functions in Letter L-30-06 as a comparator, please list the function and its location.

Response:

FBC does not host data/servers outside of Canada.

8.2.1 Please provide a complete description of how the security of any FBC data held outside Canada is controlled and monitored.

Response:

Please refer to the response to BCUC IR 1.8.2.

8.2.2 Have any FBC data held outside Canada been subject to a security breach? If so, please describe the circumstances and the actions the FBCU² took to remedy the situation.

Response:

Please refer to response to BCUC IR 1.8.2.

² Comprised of the FEU and FBC

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1 8.3 Please specify whether Canadian utilities in jurisdictions other than BC have
2 provisions similar to section 44 of the *Utilities Commission Act* – Duty to keep
3 records.

4
5 **Response:**

6 The FEU have not conducted an analysis of the legislation in other Canadian jurisdictions as
7 those are not relevant to the FEU's Application. The applicability of any provisions regarding
8 the duty to keep records in another jurisdiction will require consideration of that province's
9 privacy and other legislation. With these comments in mind, the following is a list of the acts
10 regulating utilities in other Canadian jurisdictions which contain language similar to section 44 of
11 the UCA:

- 12 • Alberta Utilities Commission Act
- 13 • Manitoba Public Utilities Board Act
- 14 • New Brunswick Energy and Utilities Board Act
- 15 • Newfoundland and Labrador Public Utilities Act
- 16 • Nova Scotia Public Utilities Act
- 17 • Ontario Energy Board Act
- 18 • Prince Edward Island Electric Power Act
- 19 • Quebec Act respecting the Régie de l'énergie
- 20 • Yukon Public Utilities Act

21
22

23
24 8.4 Please specify if the FEU are aware of any Canadian regulated gas distribution
25 utilities outside BC that have customer or operational data/functions stored or
26 hosted outside Canada.

27
28 **Response:**

29 Based on the FEU's understanding, some gas distribution companies in Canada do have data
30 and software hosted outside of Canada. These utilities have respectfully declined to specify
31 what data and software is hosted outside of Canada.

32 The FEU note that the request for approval in this Application is specific to a situation pertinent
33 to the FEU as a result of a previous acquisition by a foreign entity and is made considering the

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1 governing statutory provisions in British Columbia. The location of data/server of other gas
2 distribution utilities in Canada is subject to the jurisdiction of other regulatory Commissions or
3 Boards and potentially to different privacy legislative regimes.

4
5

6

7 8.5 Please specify where other Fortis utilities (such as Fortis Alberta) locate their
8 data and servers. If wholly or partially outside Canada, please specify which data
9 is hosted outside Canada.

10

11 **Response:**

12 Based on the FEU knowledge, other FortisBC affiliates outside B.C. do store data outside
13 Canada. The affiliates do not wish to provide the details of these arrangements.

14 The Companies note that the request for approval in this Application is specific to a situation
15 pertinent to the FEU as a result of a previous acquisition by a foreign entity and is made
16 considering the governing statutory provisions in British Columbia. The location of data/servers
17 of other Fortis affiliates in Canada is subject to the jurisdiction of other regulatory Commissions
18 or Boards and potentially to different privacy legislative regimes.

19

20

21

22 8.6 Please specify where other BC utilities host their data and servers. If wholly or
23 partially outside Canada, please specify which data is hosted outside Canada.

24

25 **Response:**

26 The FEU do not have knowledge of where other non-FortisBC public utilities in British Columbia
27 host their data and servers, other than that in Order G-192-11, the Commission under the
28 authority of section 54(9) of the UCA ordered as a condition for acquisition by AltaGas of PNG's
29 issued and outstanding common shares that, "The books and records of PNG and its subsidiary
30 shall remain in British Columbia unless otherwise approved by the Commission."

31