

BRITISH COLUMBIA UTILITIES COMMISSION
IN THE MATTER OF THE UTILITIES COMMISSION ACT
R.S.B.C. 1996, CHAPTER 473

and

British Columbia Utilities Commission
Inquiry into the Regulation of Safety

Vancouver, B.C.
January 27th, 2021

WEB-BASED PROCEDURAL
CONFERENCE

BEFORE:

D.M. Morton,	Panel Chair/Commission Chair
R.I. Mason,	Commissioner
C.M. Brewer,	Commissioner

VOLUME 1

APPEARANCES

Lino Bussoli,	Commission Counsel
Tariq Ahmed Paul Chernikhowsky Marie-France Leroi Ilva Bevacqua Nathan Surkan	Appearing for FortisBC Energy Inc. and FortisBC Inc.
Ludmila Herbst Gord Doyle	Appearing for Pacific Northern Gas Ltd. and Pacific Northern Gas (N.E.) Ltd.
Brandon Mewhort Fred James	Appearing for British Columbia Hydro and Power Authority
Christopher Weafer	Appearing for Commercial Energy Consumers Association of B.C.
Irina Mis	Appearing for British Columbia Old Age Pensioner's Organization, Disability Alliance BC, Council of Senior Citizens' Organization of BC and the Tenant Resource & Advisory Centre (BCOAPO)
Errol South	Appearing for Corix Multi-Utility Services
David Austin	Appearing for Kyuquot Power Ltd.
Clint Abbott Sarah Griffiths Cameron Lusztig Scott Howell-Fellows	Appearing for Technical Safety BC
Tom Burns	TE Burns Engineering Ltd. and Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nation
Rajaa Badaoui	Appearing for River District Energy
Don Flintoff	Self

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VANCOUVER, B.C.

January 27th, 2021

(PROCEEDINGS COMMENCED AT 9:00 A.M.)

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4 THE CHAIRPERSON: It is 9 o'clock, I am going to get
5 started then. Good morning and welcome everyone to
6 this Procedural Conference related to the B.C. Inquiry
7 into the Regulation of Safety. I won't say it's the
8 first Procedural Conference, although it is, but that
9 implies there would be many more. So let's just call
10 it this Procedural Conference.

11 My name is Dave Morton. My fellow panel
12 members are Carolann Brewer and Richard Mason. Our
13 staff team consists of Alfred Kiesling, David Gross,
14 Charlene de Boer, Lauren Wollstencroft and Kristine
15 Bienert. Keith Bemister is our Hearing Officer, and
16 Lino Bussoli is our legal counsel.

17 Commission letter Exhibit A-4, dated
18 December 18th, proposes various scope and process
19 questions, which I won't repeat here. However, this
20 is the opportunity for all parties to present
21 submissions on these questions. However, if you have
22 additional suggestions or comments, please feel free
23 to bring them forward today. Please ensure though
24 that your submissions are on procedural or scope
25 issues only, and please only discuss substantive
26 issues only to the extent it's necessary to do so in

1 order to make your procedural or scope submission.

2 First thing we are going to do is call for
3 appearances, and then following appearances I'm going
4 to ask all parties to make their initial submission,
5 and that will follow the order of appearances. When
6 we reach the bottom of the order of appearances, we
7 will go back up to the top in reverse order, and that
8 will provide everyone with the opportunity to reply to
9 previous submissions.

10 If you have any concerns with this
11 particular process, or any suggestions or any issues
12 that you would like to carve out initially, and you
13 feel it should be separate submissions on, please
14 mention that when you make your appearance.

15 We've got this scheduled all day. While I
16 don't know for certain, I suspect we won't go all day.
17 But if we will, if we do, we will take a break for
18 lunch, and we will try and take a roughly a midmorning
19 break before that. But if anyone has a pressing need
20 for a break, please let me know and we can consider
21 that also.

22 **Proceeding Time 9:02 a.m. T2**

23 So, I will keep my remarks brief then, and
24 again I welcome everyone. We really appreciate the
25 interest in this proceeding. It's very important to
26 us that we involved all of our stakeholder community

1 in these kinds of discussions about what our
2 jurisdiction is and what our role is and we really do
3 appreciate everyone's interest in this and your
4 attendance here today.

5 So on that note, Mr. Bussoli, could you
6 please go ahead with appearances? Thank you.

7 MR. BUSSOLI: Thank you, Mr. Chair. Before I call for
8 the appearance I'm going to ask the parties to
9 identify all other participants from your organization
10 in the Teams meeting. This is for the benefit of the
11 BCUC and the Hearing Officer.

12 So, first in the order of appearance is
13 FortisBC Energy Inc. and FortisBC Inc.

14 MR. AHMED: Good morning, my name's Tariq Ahmed, I'm
15 counsel and I appear for the FortisBC utilities, which
16 are FortisBC Energy Inc., the natural gas utility, as
17 well as FortisBC Inc., which is the electric
18 distribution utility that serves a portion of the
19 interior. With me, I think you can see his shoulder
20 off screen, is my colleague, Nathan Surkan, that's S-
21 U-R-K-A-N. And also on the line from FortisBC are
22 Marie-France Leroi, who is in-house counsel and from
23 the regulatory department Paul Chernikhowsky and Ilva
24 Bevacqua.

25 THE CHAIRPERSON: Thank you, Mr. Ahmed, thank you.

26 MR. AHMED: Thank you.

1 MR. BUSSOLI: Next is Pacific Northern Gas.

2 MS. HERBST: Good morning, my name is Ludmila Herbst,
3 H-E-R-B-S-T, legal counsel for PNG. And by PNG I
4 refer to both Pacific Northern Gas Ltd. and Pacific
5 Northern Gas (N.E.) Ltd. With me today is Gord Doyle,
6 the vice president, regulatory affairs, legal and gas
7 supply. And I have no items to add to the agenda,
8 thank you.

9 THE CHAIRPERSON: Thank you. Thank you, Ms. Herbst.

10 MR. BUSSOLI: Next is British Columbia Hydro and Power
11 Authority.

12 MR. MEWHORT: Good morning, my name is √Brandon
13 Mewhort. I'm legal counsel at BC Hydro and I'm
14 appearing on its behalf today and attending with me
15 this morning is BC Hydro's Chief Regulatory Office,
16 Fred James, who is in the room with me and also on the
17 teams meeting.

18 THE CHAIRPERSON: Thank you, Mr. Mewhort.

19 MR. BUSSOLI: Next is Commercial Energy Consumers
20 Association of British Columbia.

21 MR. C. WEAFFER: Good morning, Mr. Chair and members of
22 the panel. It's Chris Weafer, W-E-A-F-E-R, appearing
23 for the Commercial Energy Consumers this morning. I
24 don't believe there is anyone else from the CEC on the
25 line but sometimes they surprise me but I don't think
26 anyone is on. I would just ask, Mr. Chair, if we

1 could, just to confirm, are we going to deal with all
2 issues in once appearance when we get to the issues
3 list?

4 THE CHAIRPERSON: That would be my preference, Mr.
5 Weafer, unless I hear otherwise.

6 MR. C. WEAFER: Thank you.

7 THE CHAIRPERSON: Thank you.

8 MR. BUSSOLI: Thank you, Mr. Weafer. Next is British
9 Columbia Old Age Pensioners Organization, Disability
10 Alliance BC, Council of Senior Citizens Organization
11 of BC and the Tenant Resource & Advisory Centre.

12 MS. MIS: Good morning, my name is Irina Mis, last name
13 M-I-S. I'm counsel for BCOAPO and with me nobody
14 today and I have nothing add to the agenda.

15 THE CHAIRPERSON: Thank you, Ms. Mis.

16 MR. BUSSOLI: Thank you. Next is Corix Multi-Utility
17 Services Inc.

18 MR. SOUTH: Morning, my name is Harold South. I'm
19 Senior Manager of Regulatory Affairs at Corix
20 Utilities Inc. I'm the only person on the line today
21 from Corix and we have nothing to add to the agenda.

22 THE CHAIRPERSON: Thank you, Mr. South.

23 MR. BUSSOLI: Next is Kyuqout Power Ltd.

24 MR. AUSTIN: Good morning panel. My name is David
25 Austin, A-U-S-T-I-N, I'm representing Kyuqout Power.
26 There's nobody on the line with me. I've got nothing

1 to add to the agenda.

2 THE CHAIRPERSON: Thank you, Mr. Austin.

3 MR. BUSSOLI: Next is Surplus Energy Match Inc.

4 MR. WILLIS: My name is Paul Willis and I have nothing
5 to add to the agenda.

6 THE CHAIRPERSON: Thank you, Mr. Willis.

7 MR. BUSSOLI: Next is Technical Safety BC.

8 MR. ABBOTT: Good morning, Mr. Chair. My name's Dr.
9 Clint Abbott, I'm the director of policy and
10 regulatory affairs for Technical Safety BC, legal name
11 BC Safety Authority. With me today I have Sarah
12 Griffiths and Scott Howell-Fellows, both within the
13 regulatory team, and also external advisor Cameron
14 Lusztig. I have nothing to add to the agenda.

15 THE CHAIRPERSON: Thank you, Mr. Abbott.

16 MR. BUSSOLI: Next is TE Burns Engineering Ltd.

17 MR. BURNS: Good morning, my name is Tom Burns and I'm
18 here representing the Ka:'yu:'k't'h'/Che:k'tles7et'h'
19 First Nations on North Vancouver Island. I'm their
20 engineer of record for their power utility.

21 THE CHAIRPERSON: Thank you, Mr. Burns.

22 MR. BUSSOLI: Sorry, Mr. Burns, could you spell out the
23 First Nation that you are representing? We have you
24 registered as an intervener under TE Burns Engineering
25 Ltd.

26 MR. BURNS: Okay, yeah. It's kind of hard to spell the

1 First Nations name. Just put it down as Kyucuo^t, K-Y-
2 U-C-U-O-T. I had to actually write that out.

3 THE CHAIRPERSON: Mr. Bemister, did you get that okay?

4 THE HEARING OFFICER: Yes, I did, thank you.

5 THE CHAIRPERSON: Okay. Thank you, Mr. Burns.

6 MR. BUSSOLI: Thank you. Next is River District
7 Energy.

8 MS. BADAoui: Good morning everyone, my name is Rajaa
9 Badaoui. I'm River District Energy's manager and I
10 will be attending today on behalf of River District
11 Energy and I have nothing to add to the agenda today.

12 THE CHAIRPERSON: Ms. Badaoui, could you please spell
13 your last name for the record?

14 MS. BADAoui: Yes.

15 THE CHAIRPERSON: And could I also ask everyone to do
16 that when they make their appearance? Thank you.

17 MS. BADAoui: Yes, so my last name, B-A-D-A-O-U-I.

18 THE CHAIRPERSON: Thank you.

19 MR. BUSSOLI: And finally we have Don Flintoff.

20 MR. FLINTOFF: My name is Don Flintoff, F-L-I-N-T-O-F-
21 F, and I have nothing to add to the agenda today.

22 THE CHAIRPERSON: Thank you, Mr. Flintoff.

23 MR. FLINTOFF: Thank you.

24 MR. BUSSOLI: Thanks, Mr. Chair, I just want to confirm
25 that there are no other interveners who have
26 registered that are participating today?

1 Okay, with that I'll turn that back to you,
2 Mr. Chair.

3 **Proceeding Time 9:10 a.m. T3**

4 THE CHAIRPERSON: All right, thank you very much. So
5 what we'll do now is please be prepared to come
6 forward with your submissions on the issues that we've
7 outlined, and any other process or scope related
8 issues you would like to bring forward. The first
9 time, please bring forward your comments, and then
10 when we go back up the list, that will be the
11 opportunity to reply to others.

12 So we'll start, Mr. Ahmed, we'll start in
13 the order of appearances, so Mr. Ahmed, if you're
14 ready to go?

15 MR. AHMED: I am, thank you, Mr. Chair.

16 THE CHAIRPERSON: Thank you.

17 **SUBMISSIONS BY MR. AHMED:**

18 MR. AHMED: So I have organized my submissions on the
19 procedural items similar to the way that they were set
20 out in the procedural order. So the first one, item 1
21 that appears in Exhibit A-4, is the BCUC's proposed
22 stage approach to the inquiry. FortisBC supports the
23 BCUC's proposed staged approach to the inquiry. It
24 seems to be a reasonable way of proceeding. The only
25 comment I'd make on that is simply to note that the
26 devil may be in the details. So we don't necessarily

1 know what the results of Stage 1 will be, and it could
2 be that in the course of Stage 2 when the application
3 of those principles is examined, that some refinement
4 of the Stage 1 principles may be needed. I just
5 wanted to perhaps place a marker for that.

6 As far as Item 2, the scope of Stage 1, the
7 proposed scope of Stage 1 as set out in Exhibit A-4
8 appears to be reasonable to FortisBC.

9 Item 3 was the most appropriate review
10 process and timing for the inquiry. The process that
11 is set out in Exhibit A-4 also appears to be
12 reasonable to FortisBC. The only additional comment
13 with respect to this item is that the questions posed
14 in A-4 appear to be fairly broad, and there could be
15 good reason for that to be the case, but to the extent
16 that the Commission is able to perhaps provide further
17 guidance to the interveners on what they should
18 address in their Stage 1 submissions, even as far as a
19 non-exhaustive list of five items, that could be
20 helpful in focusing submissions.

21 With respect to item 4, setting a
22 regulatory timetable for Stage 1. As far as the
23 timetable there are a few considerations that I'd
24 note. The first is that there are a variety of
25 parties with varying levels of experience with BCUC
26 proceedings, some of which may have more limited

1 resources than some of the more frequent fliers in
2 BCUC proceedings. The second is that even those
3 parties that do frequently appear before the BCUC may
4 at this moment be dealing with a variety of other
5 matters before the Commission, some of which could be
6 fairly resource intensive. And thirdly, though safety
7 is important, and of paramount importance to FortisBC
8 and others, there doesn't appear to be any underlying
9 urgency to this inquiry.

10 So, accordingly, in setting a regulatory
11 timetable, I submit it would be reasonable to allow
12 more time rather than less for the actions in a
13 proposed timetable. FortisBC has no specific dates
14 for the Stage 1 timetable and perhaps I will comment
15 after other parties have made their submissions in
16 response to any dates that they provide. However, the
17 dates proposed by Staff in the timetable that was
18 circulated yesterday in Exhibit A2-1, while useful as
19 a discussion point, appear to be a little aggressive
20 at first blush in two ways.

21 **Proceeding Time 9:13 a.m. T4**

22 First that the process starts too soon, and secondly
23 that too little time is provided for the intermediate
24 steps. As far as the steps go, in FortisBC's
25 submission, something on the order of six weeks for
26 submissions addressing the scope would be reasonable.

1 For IR responses something on the order of three to
2 four weeks to provide IR responses once the IRs are
3 sent out. Fortis seeks four to six weeks after IR
4 responses for final submissions, and something on the
5 order of four to six weeks for comments on the draft
6 report.

7 As I noted though, FortisBC does not oppose
8 a more elongated proceeding beyond that if that's
9 preferable for some interveners. In other words,
10 FortisBC's position shouldn't be determinative of the
11 timing if there are other parties that feel that they
12 require more time in this case.

13 As far as the fifth item, other matters
14 that will assist in the efficient review of the
15 inquiry, I have no other comments beyond what I've
16 already said and subject to any questions, those are
17 my submissions for now.

18 THE CHAIRPERSON: Thank you, Mr. Ahmed. I'll give my
19 panel a couple moments, if I don't hear anything I'll
20 just move on.

21 Not hearing anything then, Ms. Herbst.

22 **SUBMISSIONS BY MS. HERBST:**

23 MS. HERBST: Thank you very much, Mr. Chairman. And so
24 for PNG I will also run through the order of the
25 questions that were -- or the order of the issues that
26 were set out in Exhibit A-4. And in terms of -- the

1 first issue -- oh, the BCUC's proposed staged approach
2 to the inquiry, I agree with Mr. Ahmed for FortisBC
3 that the approach seems to be a sensible one. And
4 proceeding on Tuesday should allow participants to
5 better focus their attention on issues that should be
6 helpful to the Commission going forward, so that seems
7 like a good approach.

8 I also echo what Mr. Ahmed noted in terms
9 of perhaps the devil being in the details, and so it
10 may be that in the course of reaching Stage 2 and then
11 working through issues within Stage 2, some nuances or
12 ambiguities or problems that participants hadn't
13 anticipated with the framework that comes out of Stage
14 1 will be noticed, and so there would be some utility
15 in having a bit of flexibility in revisiting
16 principles to the extent necessary, but certainly the
17 two stage approach seems like a very sensible one.

18 In terms of the second issue, the scope of
19 Stage 1, we agree at PNG that it seems reasonable as
20 set out in Exhibit A-4. In terms of the most
21 appropriate review process and timing, the steps set
22 out in Exhibit A-4 seem to be, again, good sensible
23 ones. And so we would echo again Mr. Ahmed's comment.
24 There would be some benefit we think in having an
25 initial step before the ones that are set out in
26 Exhibit A-4 where it's possible if Commission staff

1 could -- or the Commission could provide a list, even
2 if non-exhaustive, of some sub issues that would be of
3 interest specifically to the Commission, that could be
4 helpful in focusing attention.

5 And as Ms. Ahmed noted, the issues as
6 presently set out in terms of the scope of the inquiry
7 are quite broad and that may be inevitable given the
8 nature of the inquiry and, indeed, useful given the
9 nature of the inquiry.

10 **Proceeding Time 9:17 a.m. T5**

11 But there is always a danger with a broad
12 scope of questions that participants are going to go
13 into unnecessary detail into some areas that really
14 aren't of benefit or of particular interest to the
15 Commission and inadvertently ignore or deal too
16 lightly with some areas that are actually of more
17 interest. And so, to the extent possible, if there
18 could be, again, even a non-exhaustive list of sub-
19 issues that could be of some benefit in advance of
20 what is otherwise the first step shown on Exhibit A-4.

21 Now, in terms of the regulatory timetable
22 that would be followed, and in terms of the Staff
23 proposal that was circulated for comment yesterday, I
24 share the mindfulness of the sort of factors that Mr.
25 Ahmed brought forward in his submissions on behalf of
26 FortisBC. Both in terms -- and they may impact both

1 the start date and the interval that is proposed
2 between particular steps in the proceeding.

3 And in terms of start date, what is set out
4 in Exhibit A2-1, seems quite aggressive in terms of
5 actually commencing this early. Certainly it doesn't
6 allow for the initial steps that I had proposed of
7 some sub-issues from the Commission, but in any event,
8 it's quite a tight timeframe.

9 And one of the factors that I want to raise
10 comes back to the Chair's comments at the beginning in
11 terms of wanting to involve stakeholders to the extent
12 possible. And certainly I am aware that some of the
13 utilities, and I can say in PNG's case certainly they
14 have a quite heavy regulatory timetable coming up in
15 terms of other proceedings that are currently afoot at
16 the Commission. Some of those have specifically to do
17 with safety elements as well. PNG has a CPCN
18 presently before the Commission that has an element of
19 that. Some are more generic, like the generic cost of
20 capital that are coming up and will be involving more
21 intervenors, more utilities as well, and so there is
22 -- we have some concern that the focus wouldn't be as
23 able to be directed at the important issues that this
24 safety inquiry raises if it is to -- if it commences
25 to soon, and if the steps are to tight.

26 I underline, and this was evidence as well

1 in what Mr. Ahmed said, this is by no means the
2 suggestion that perhaps the start date be deferred.
3 It is in no way a suggestion that the utilities or
4 otherwise than very concerned about safety, and very
5 mindful of safety, and I think this was evident in the
6 submissions certainly that PNG filed in November.
7 Rather, it's because of the acknowledgement of the
8 importance of safety that they wanted to be sure --
9 and certainly in PNG's case, they want to be sure that
10 they have proper ability to attend to the issues.

11 I understand that perhaps my friend coming
12 up from BC Hydro may have a proposal for a later start
13 date, and I will address perhaps that once we hear
14 exactly what the timeframe is that's proposed. But
15 certainly I would suggest a later spring start date,
16 or even if something later might be coming from BC
17 Hydro as a suggestion, that should be considered.

18 In terms of intervals between steps, the
19 ones that Mr. Ahmed outlined sound reasonable to us as
20 well at PNG. And again, simply with the addition of a
21 first step, hopefully it would be much appreciated of
22 provision of sub-issues, if possible, from the
23 Commission.

24 And then finally turning to item 5 we have
25 no matters beyond that to suggest in terms of
26 efficient review.

1 Thank you. Subject to questions, those are
2 my submissions.

3 THE CHAIRPERSON: Thank you, Ms. Herbst. I will just
4 wait for my panel to weigh in if they have any
5 questions? It would appear not. Thank you very much.

6 MS. HERBST: Thank you.

7 THE CHAIRPERSON: Mr. Mewhort.

8 **SUBMISSIONS BY MR. MEWHORT:**

9 MR. MEWHORT: Thank you. So, BC Hydro's submissions
10 will be relatively brief, though primarily will relate
11 to the timing of the inquiry, including the dates
12 proposed for the regular timetable in the letter
13 issued by the Commission yesterday.

14 **Proceeding Time 9:22 a.m. T6**

15 First I'll start by going through the
16 questions that were set out in Exhibit A-4, similar to
17 my friends that have already spoke, BC Hydro supports
18 the staged approach to the inquiry that's proposed by
19 the Commission. We also support the scope for Stage 1
20 as proposed. Both of those seem reasonable, seem like
21 a reasonable way to proceed. We also support the
22 review process proposed in Table A-1 of Exhibit A-4,
23 but we would also support, as my friends have
24 suggested, additional questions or sub-issues if the
25 Commission sees fit to issue them that may help the
26 utilities and interveners focus their submissions on

1 what the Commission is particularly interested in. So
2 perhaps some time for that could be worked into the
3 regulatory timetable.

4 Now, with respect to the timing of the
5 inquiry, we would ask that the intervener submissions
6 not be due until the fall of 2021. As the Commission
7 and many of the interveners in this proceeding know,
8 there are many other significant proceedings happening
9 this year. Some of the larger ones for BC Hydro
10 include our Fiscal 2022 RRA, which is currently
11 underway until the end of April. We also have our
12 Fiscal 2023 RRA which is expected to be filed in
13 August and its proceeding will extend though early
14 2022. We're working on our 2021 IRP, integrated
15 resources plan right now and that work is going to
16 continue through the fall. We also have a filing in
17 the spring of 2021 for a proceeding regarding
18 directives related to Powerex net income. We're
19 filing our electric vehicle fast charging rate
20 application in early February. We're also going to be
21 filing a transmission service rate application later
22 this year. And then we have some capital projects as
23 well, we're going to be filing an application for our
24 John Hart Dam seismic reinforcement project in March
25 and filing an application for our Bridge River
26 projects in June. And then of course we have ongoing

1 mandatory reliability standards work, which is
2 obviously very important. And lastly as my friends
3 noted, there's an upcoming generic cost of capital
4 proceeding, which is scheduled in the spring of 2021.

5 Now, while BC Hydro certainly recognizes
6 the importance of safety as well as the importance of
7 this inquiry, as my friends have suggested, there
8 doesn't appear to be any particular urgency to having
9 the inquiry proceed so quickly. Rather, in our
10 respectful submission, an adequate amount of time
11 should be given to properly consider all of the
12 issues. And this is of course important because the
13 result of this inquiry may be a general framework for
14 the regulation of safety which will apply going
15 forward and it's important that we get that right and
16 have the time necessary again to consider all of the
17 issues.

18 And we also note that the scope of the
19 inquiry is quite broad, involving asset safety, worker
20 safety and public safety and these categories touch on
21 most aspects of the public utilities business, which
22 means many internal resources will be needed to be
23 called upon when preparing submissions and that's
24 likely to be particularly true for IR responses.

25 So this leads me to the regulatory
26 timetable for Stage 1. As I've said, we've reviewed

1 the letter issued by the Commission yesterday and in
2 our respectful submission the timelines proposed are a
3 little too short. Firstly for the reasons I already
4 discussed, we would ask that intervener submissions
5 not be due until the fall of 2021. And then secondly,
6 in BC Hydro's view some of the steps proposed in the
7 Commission's letter don't provide adequate time. For
8 example, we believe that interveners should be given
9 four weeks to respond to information requests instead
10 of two weeks. Also six weeks should be given for
11 intervener final submissions instead of two weeks, in
12 our submission. And, again, there doesn't seem to be
13 any particular urgency for these timelines to be
14 abbreviated, it's more important for interveners to
15 have the time needed to properly address all the
16 issues.

17 **Proceeding Time 9:26 a.m. T7**

18 And just one other thing I would point out
19 is that in BC Hydro's F2022 RRA, we've received over
20 950 IRs and there are still some more to be filed.
21 And BC Hydro is scheduled to respond to those on
22 Tuesday, February 23rd, which is less than a week after
23 Wednesday, February 17, when the proposed regulatory
24 timetable contemplates intervener submissions being
25 filed. And so that is one reason why it would be very
26 difficult for BC Hydro to prepare its submission in

1 this inquiry by then.

2 So, with that in mind, I do have some dates
3 for a proposed regulatory timetable if that would be
4 helpful. So we are proposing for intervener
5 submissions addressing the Stage 1 scope to be filed
6 on Thursday, September 16th, followed by BCUC IRs on
7 submissions three weeks later on Thursday, October 7th,
8 that would be filed [*sic*] by intervenor IRs on
9 submissions one week after that, on Thursday, October
10 14th. Followed by responses to BCUC and intervenor IRs
11 four weeks later on Thursday, November 11th. And then
12 intervenor final submissions six weeks after that on
13 Thursday, December 23rd, and perhaps maybe five weeks
14 on that one just because given the holidays, perhaps
15 December 16th would be more appropriate.

16 And then of course after the draft report
17 is issued, we would ask for six weeks to comment on
18 that draft report.

19 And with respect to other matters, we don't
20 have any to address at this time, so subject to any
21 questions, those are my submissions.

22 THE CHAIRPERSON: Thank you, Mr. Mewhort. I do have a
23 question, and I do appreciate how busy BC Hydro --
24 well, all of us are, in particular I appreciate you
25 laying out for us your particular time constraints
26 that you are facing at BC Hydro.

1 From the Commission's perspective, we have
2 held off on beginning this inquiry. We've had an
3 extremely busy past 12 to 14 months, and it would have
4 been impossible to have started this any earlier, but
5 that said, we also appreciate that even starting now
6 going forward we are still in a fairly busy period.
7 But that kind of brings me to an overall comment which
8 is I don't really necessarily see, you know, later
9 this year or next year being any different than we are
10 this year. I mean, you've laid out a number of
11 filings and regulatory matters that Hydro is dealing
12 with currently, but, you know, if you looked at next
13 year, there would be another RRA, there may be a cost
14 of capital hearing for BC Hydro, there may be other
15 CPCNs. You know, it's not necessarily if we were to
16 have this conversation a year from now, it may not be
17 any different. And by pushing Phase 1 back, or
18 forward, or whatever the metaphor is, moving Phase 1
19 to later in this year, means that Phase 2 then gets
20 pushed into -- or any future phases gets pushed into
21 next year, when you may be facing just as, just as
22 busy a timeline as you are now.

23 So I am just wondering, I do appreciate
24 your submissions and everyone else's comments on
25 stretching out the timeline and providing more time in
26 between milestone points. I understand that. But I'm

1 just wondering what, you know, whether it's prudent to
2 push things forward just because this appears to be a
3 busy period when in fact any period may well be a busy
4 period. In particular the period that you end up
5 pushing everything else into. Sorry for the long
6 question.

7 MR. MEWHORT: No, I appreciate that. And I take your
8 point. I think one response to that would be the
9 Fiscal 2023 RRA is going to be a particularly heavy
10 filing for us, so I think that's one reason why we are
11 asking for it to be after that. We are expecting to
12 file that application in August of this year. So we
13 do think we would definitely have a better opportunity
14 to participate fully in this proceeding once that RRA
15 is filed.

16 THE CHAIRPERSON: Okay, thank you.

17 MR. MEWHORT: And we -- I just mention one more thing,
18 I don't think we have any capital projects after the
19 ones I mentioned in my submissions. John Hart and
20 Bridge River, so.

21 THE CHAIRPERSON: (inaudible) the IRP next year.

22 MR. MEWHORT: That's true.

23 THE CHAIRPERSON: If we are moving into future phases
24 of this inquiry next year, there may be, you know,
25 there would be impediments.

26 MR. MEWHORT: I agree. I think we will be busy next

1 year as well, but I think F2023 RRA is going to be a
2 particularly heavy big lift.

3 **Proceeding Time 9:31 a.m. T8**

4 So it is our strong preference that Stage 1 for this
5 inquiry would happen after that's filed.

6 THE CHAIRPERSON: Understood, thank you. Okay. Do my
7 fellow panel members have any questions?

8 Okay, Mr. Weafer?

9 **SUBMISSIONS BY MR. C. WEAFER:**

10 MR. C. WEAFER: Thank you, Mr. Chair. I'll firstly go
11 through the CEC response to the items 1 through 5 at
12 Exhibit A-4 and then just give a brief summary
13 response to those who have opened ahead of me.

14 The CEC agrees with those who have spoken
15 ahead with respect to the staged approach. The CEC
16 sees it making sense and there's a logical break in
17 terms of the broader questions and then a further
18 process in Stage 2, which parties have talked about in
19 terms of what may come out of Stage 1. We see Stage 2
20 being dealt with at the end and there is a provision
21 in the full schedule to make submissions on further
22 process and that would deal with anything that came
23 out of Stage 1, we'd expect.

24 With respect to the scope of Stage 1,
25 again, it's appropriate. With respect to the
26 appropriate review process and timing of the inquiry

1 we, our preliminary perspective was that the proposal
2 the staff circulated yesterday in A2-1 was acceptable
3 to the CEC. And with respect to other matters, no
4 other matters.

5 So just turning to the utilities comments
6 ahead of me, while they're all called interveners,
7 clearly the utilities are going to do a fair bit of
8 the heavy lifting on the files. So I recognize their,
9 particularly BC Hydro's, resource constraint issues.

10 That said, you know, as you pointed out,
11 the inquiry was commenced in September of 2020 so it's
12 been out there for some time. And particularly Stage
13 1 has some similarities with respect to comments we've
14 already had to deal with in the process. So we don't
15 think Stage 1 necessarily will take as much resources
16 commented on. But, again, we do defer to the
17 utilities in terms of their internal capacity.

18 And so with that said the CEC does not see
19 itself doing the heavy lifting in the process as a
20 ratepayer group, it's watching and responding to
21 submissions from others that have more at stake.

22 So in closing, we're not aware of the
23 urgency of the proceeding. We're not aware if there
24 are any issues that may follow from people commenting
25 behind me who may have other more pressing needs to
26 move forward with the inquiry. So I would say the CEC

1 is fairly neutral on timing and will participate in
2 whatever process the Commission determines. We can
3 work with the timetable, we'll work with an
4 alternative timetable. Those are my submissions.

5 THE CHAIRPERSON: Thank you, Mr. Weafer. I'm not
6 hearing any questions.

7 Ms. Mis?

8 **SUBMISSIONS BY MS. MIS:**

9 MS. MIS: So with all said by the previous counsels,
10 support a proposed stage approach which set out in
11 Exhibit A-4. We see that it would be efficient way to
12 deal with issues of this inquiry. With respect to
13 scope of Stage 1, we would agree that it's reasonable
14 and have no objections here. The most appropriate
15 review process proposed by the Commission is also
16 reasonable, we have nothing to add to those steps.

17 Regarding timetable which was set in
18 Exhibit A2-1, we have no specific objections about
19 this time wise. However, I see some value in
20 submissions of previous counsels regarding a later
21 start date and longer interval between the steps.
22 With those involved in many of the proceedings which
23 were mentioned by counsel for BC Hydro, Fortis and
24 PNG, but again similarly to Commercial Energy
25 Consumers, we have no preference and whatever the
26 Commission will establish we will participate in any

1 process here. And I have nothing to add for item
2 number 5 for other matters.

3 THE CHAIRPERSON: Thank you. Any questions? Thank
4 you, Ms. Mis. Thank you.

5 Mr. South.

6 **Proceeding Time 9:36 a.m. T9**

7 **SUBMISSIONS BY MR. SOUTH:**

8 MR. SOUTH: Morning, again. So in going through the
9 questions in the scope of the Procedural Conference,
10 Corix just has a few small points. And for item
11 number 1, BCUC's proposed staged approach to the
12 inquiry, Corix has no issues with that. It seems
13 pretty clearly defined for the BCUC to establish its
14 jurisdiction and then once its jurisdiction is
15 established, then it will produce a report and we
16 think that's a pretty efficient way to go about the
17 safety regulation inquiry.

18 For the scope of Stage 1, we think that it
19 seems reasonable. We do realize that some utilities
20 have identified some concerns with regards to how
21 broad the questions are. We do recognize the
22 difficulty in establishing a proceeding such as this,
23 I guess with no prior basis where you need to do broad
24 reaching questions, but there it may help to provide
25 some sub-issues to the extent possible. And that's
26 our view on the scope of Stage 1.

1 In terms of the most appropriate review
2 process and timing for the inquiry, we'll just merge
3 items 3 and 4. So the one concern with these
4 questions for Corix is that there's several BCUC
5 inquiries in progress right now and not everybody in
6 this procedural conference has taken part in all of
7 them, but just to list: there's the BCUC TES
8 Guidelines Review, so you'll have a lot of the
9 district utilities participating in that one; there's
10 a BCUC Municipal Energy Utilities Inquiry and, again,
11 that has a heavy focus on thermal energy systems; and
12 there's an upcoming generic cost of capital.

13 So there is a possibility that there will
14 be four different inquiries ongoing, so Corix would
15 just request that the BCUC when setting the timetable
16 considers the deadlines for the other inquiries as
17 well, just so that we don't have overlapping deadlines
18 where utility resources are pretty stretched. And
19 that's the primary concern for the review process and
20 timing.

21 In terms of the regulatory timetable, the
22 proposed dates for State 1, they do seem a bit
23 compressed. If a utility wasn't working on anything
24 else I think those dates would be fine, but given that
25 some utilities may have multiple filings in progress,
26 it would be appreciated if the dates could be

1 stretched out a bit. And so from Corix's perspective,
2 that -- those proposed dates, it's not that we would
3 want the proceeding to be pushed back, it's just that
4 there should be some more time in between for
5 utilities to adequately address the questions asked.

6 And we actually have no other matters in
7 response to question 5. So that concludes Corix's
8 input.

9 THE CHAIRPERSON: Thank you, Mr. South. Thank you.
10 Any questions to Mr. South?

11 Okay, Mr. Austin.

12 **SUBMISSIONS BY MR. AUSTIN:**

13 MR. AUSTIN: There are a couple of points that Kyuquot
14 Power would like to raise. First of all, the topic
15 that the BC Utilities Commission is dealing with in
16 this hearing for review is not as complicated as the
17 matters it normally deals with.

18 **Proceeding Time 9:41 a.m. T10**

19 This review is dealing with general principles of
20 safety regulation, and it's not getting down into fine
21 technical detail.

22 So, in terms of the ability of parties to
23 respond, it should be borne in mind you are dealing
24 with high level principles and not detailed technical
25 specifications, which is often the case in a B.C.
26 Utilities Commission proceeding.

1 The proposed staff timetable is acceptable
2 to Kyuquot, and beyond that, Kyuquot doesn't have any
3 submissions to make.

4 THE CHAIRPERSON: Thank you, Mr. Austin. Questions of
5 Mr. Austin? Thank you.

6 Mr. Willis?

7 **SUBMISSIONS BY MR. WILLIS:**

8 MR. WILLIS: Thank you. No, as far as the staged
9 approach that seems very reasonable, and the scope of
10 Stage 1 is good.

11 Just one comment on the timing, which I
12 realize that the Commission is continually wrestling
13 with. The world is changing very fast, and our
14 society is changing very fast, and if it takes too
15 long to do these inquiries, you have a problem,
16 because the world can change during the inquiry
17 period. And so I strongly recommend that you try to
18 keep to the schedule that you've laid out. I realize,
19 of course, that I don't have the responsibility that
20 BC Hydro and the utilities have of getting all the
21 information. But considering the fact that our
22 society is continually changing, there is a risk in
23 extending the inquiry too long. So, I highly
24 recommend that you try to keep to the schedule that
25 you've laid out. Thank you.

26 THE CHAIRPERSON: Thank you, Mr. Willis. Any questions

1 of Mr. Willis?

2 Mr. Abbott.

3 **SUBMISSIONS BY MR. ABBOTT:**

4 MR. ABBOTT: Thank you, Mr. Chair. I, similar to my
5 friend before me, I'll proceed in the order of issues
6 laid out in Exhibit A-4. Number 1 we support the
7 staged approach, and have no further comments on that
8 matter.

9 With regards to the scope of Stage 1, it
10 does appear to be reasonable as laid out in Exhibit A-
11 4. However we do agree with our friends, notably at
12 PNG, that it would be of benefit for the Commission
13 staff to provide sub-issues, and even further to
14 provide problem definitions to help clarify and refine
15 the direction.

16 With regards to the most appropriate review
17 process and the timing, in terms of general timing of
18 the inquiry, we do have concerns similar to our
19 friends at BC Hydro and others. And to illustrate
20 this, we do plan our resources in relation to three-
21 year business plan, and which is in the process of
22 being released to allow for ample time for our
23 participation, we would submit that a later start date
24 would be beneficial.

25 Without getting into all the detail of our
26 competing resource demands, we will say that it

1 appears that spring will be a heavy and intensive
2 regulatory period for us, and having a later start
3 date would, as I said previously, permit more fulsome
4 participation.

5 With regards to the regulatory timetable of
6 Stage 1, as laid out in A, Exhibit A2-1, we do agree
7 that this does appear to be too aggressive for the
8 breadth of the subject matter as laid out. We, other
9 colleagues or friends have laid out counter proposals
10 for this. We do support ones that lengthen the
11 submission dates.

12 With that, I'll end my comments.

13 THE CHAIRPERSON: Thank you, Mr. Abbott. Any questions
14 of Mr. Abbott?

15 All right, Mr. Burns.

16 **SUBMISSIONS BY MR. BURNS:**

17 MR. BURNS: Hi, thank you, Mr. Chairman. This is one
18 of my first times dealing with the B.C. Utilities
19 process, so I'm not really familiar, I'm more
20 listening in. I do support the staged approach, I
21 agree with the scope of Stage 1. I don't really have
22 a comment on the timeline. I do sympathize, I've
23 spent a lot of years working at BC Hydro and I
24 understand how much work these things take. So, if
25 the timeline is extended, I have no issue with that.

26 So that is items 3 and 4, and item 5, and

1 this is more of a question. Once it is decided that
2 the Utilities Commission does have jurisdiction to
3 regulate safety in utilities, and then you create a
4 Stage 2 report, is the vision that it would be just a
5 very high-level report? Or be a vision that it would
6 be look at a regulatory framework like TSBC has for
7 private sector work or do we know that yet?

8 **Proceeding Time 9:46 a.m. T11**

9 THE CHAIRPERSON: Yeah, I think, Mr. Burns, it's a good
10 question, thank you for asking. I don't think we know
11 that yet and I don't want to speak on behalf of my
12 panel members here, but I would suspect that following
13 Phase 1, if we do move into Phase 2 we would probably
14 get together again, as we are here for a procedural
15 conference to discuss what Phase 2 is going to look
16 like and what issues are in scope for Phase 2.

17 I think some kind of regulatory framework
18 would probably be appropriate, whether it's -- I guess
19 the question is at what level, how detailed or how
20 high a level and I think I would leave that to be
21 scoped out, you know, as and when we get there,
22 subject to comments of my fellow panel members.

23 MR. BURNS: Okay, thank you, Mr. Chairman, and that
24 concludes my comments.

25 THE CHAIRPERSON: Thank you. Did anyone on the panel
26 want to --

1 COMMISSIONER MASON: No, I support those comments, Mr.
2 Chair.

3 COMMISSIONER BREWER: As do I.

4 THE CHAIRPERSON: Thank you. Okay, thank you very
5 much, Mr. Burns.

6 Ms. Badaoui?

7 MS. BADAOU: Hi, sorry, I was muted.

8 THE CHAIRPERSON: Yeah, no worries.

9 **SUBMISSIONS BY MS. BADAOU:**

10 MS. BADAOU: Yeah, I have no further comments to add
11 for RD except that I think that, as my fellows, I
12 think that the timetable is still a bit aggressive.
13 We do have certainly less findings than BC Hydro, but
14 we work with a limited workforce, so we would
15 appreciate a timetable with more stretch in the time.

16 THE CHAIRPERSON: Okay, thank you.

17 And Mr. Flintoff?

18 **SUBMISSIONS BY MR. FLINTOFF:**

19 MR. FLINTOFF: Thank you, Mr. Chair. I support the
20 position of the utilities and that their workload is
21 high. I also support the fact that the schedule in
22 the staged approach is the correct way to go. Having
23 a flexible schedule may be not perfectly defined, but
24 one that can be adjusted by stage will allow some
25 flexibility for the Commission and the utilities to do
26 their work.

1 The concern that I had in my submission was
2 the scope is pretty broad and the legislative gaps
3 aren't scoped by the Commission and I think the
4 Commission should put forward some early work to
5 direct the people through Stage 1 to achieve what they
6 want coming out of Stage 1. And that's my submission.

7 THE CHAIRPERSON: Thank you, Mr. Flintoff.

8 Okay, so not hearing any questions, that
9 does bring us to the end of the list and many of you
10 have commented on those that have gone before, which
11 is fine, but when we do go back up the list then
12 please don't -- no need to repeat your replies. But
13 if anyone went subsequent to you with anything that
14 you would like to comment on, please do so.

15 So, Mr. Flintoff, I assume you're finished,
16 still finished? Okay. Ms. Badaoui?

17 MS. BADAoui: Nothing to add on my end, thank you.

18 THE CHAIRPERSON: Thank you. Mr. Burns?

19 MR. BURNS: I have (inaudible) too.

20 THE CHAIRPERSON: Sorry, nothing further, you said?

21 Yeah, okay.

22 MR. BURNS: (inaudible) yes.

23 THE CHAIRPERSON: Thank you. Mr. Abbott? Dr. Abbott,
24 sorry.

25 MR. ABBOTT: Thank you, Mr. Chair. No further comment.

26 THE CHAIRPERSON: Okay. Mr. Willis? You're muted, Mr.

1 Willis.

2 MR. WILLIS: Sorry. No further comments.

3 THE CHAIRPERSON: Thank you. And Mr. Austin?

4 MR. AUSTIN: Nothing to add, Mr. Chair.

5 THE CHAIRPERSON: Thank you. Mr. South?

6 MR. SOUTH: Nothing to add.

7 THE CHAIRPERSON: Thank you. Ms. Mis?

8 MS. MIS: No further comments in reply.

9 THE CHAIRPERSON: Thank you. Mr. Weafer?

10 MR. C. WEAFER: No further comments, thank you, Mr.

11 Chair.

12 THE CHAIRPERSON: Thank you, Mr. Weafer. Mr. Mewhort?

13 **REPLY BY MR. MEWHORT:**

14 MR. MEWHORT: Sure, I just have two brief comments.

15 I'd just like to respond to Mr. Willis' comment about
16 society changing and having to have this inquiry here
17 before things change significantly. I don't think
18 we're suggesting that it be pushed out that far, I
19 think just the fall. I don't think you'd have that
20 issue if we're just pushing it out to the fall.

21 **Proceeding Time 9:51 a.m. T12**

22 And then also just with respect to Mr.
23 Austin's comments that these are very high level
24 issues and so the workload shouldn't be that high, I
25 think it's important to remember that even when
26 dealing with these high level issues when we're making

1 our submissions on those, we do need to be aware of
2 how they will impact day to day operations. So we do
3 need to have a good sense from all of our various
4 business groups how they're going to be affected and
5 that certainly does take some time.

6 So those are my only reply comments.

7 THE CHAIRPERSON: Thank you, Mr. Mewhort.

8 Mr. Herbst?

9 **REPLY BY MS. HERBST:**

10 MS. HERBST: Thank you. Just in terms of BC Hydro's
11 comments, both immediately preceding and earlier in
12 the go through of the list, I support the comments
13 that Mr. Mewhort has just made in response to some of
14 the other interveners.

15 And then in terms of the suggestion that we
16 had heard from BC Hydro in terms of a potential late
17 summer, September 16th start date, PNG would be
18 supportive of that just given the considerations
19 otherwise set out. Mr. Mewhort had also set out some
20 intervals which were quite similar to those proposed
21 by Mr. Ahmed for FortisBC once the process got
22 started, and either of those, including BC Hydro's,
23 would be fine.

24 And then just in terms of the discussion
25 that occurred quite aptly in terms of why is later
26 better than sooner, and BC Hydro, we're mindful of the

1 comments made in terms of its regulatory schedule.
2 Just in terms of PNG in terms of sooner rather than
3 later, PNG has two CPCNs that will be before the
4 Commission. One of them has a February, March, quite
5 heavy timetable still to go in completing it. Of
6 course, as mentioned earlier, a generic cost of
7 capital and some preparations for later regulatory
8 filing. So echoing the comments of BC Hydro, there is
9 merit in terms of later in the sense that for PNG this
10 is a particularly heavy year as opposed to later.

11 Thank you, those are my additional
12 submissions.

13 THE CHAIRPERSON: Thank you, Ms. Herbst. Thank you.
14 Mr. Ahmed?

15 **REPLY BY MR. AHMED:**

16 MR. AHMED: Thank you, Mr. Chair. As I noted in my
17 initial submissions, FortisBC doesn't oppose a more
18 elongated proceeding beyond what we said was
19 reasonable if that's preferable for other interveners,
20 and so consistent with that we do support BC Hydro's
21 timetable as put forward, that is reasonable. I think
22 just one expectation, I think one of those dates, the
23 November 11th, may be a statutory holiday, if I heard
24 that correctly, but just with that caveat.

25 THE CHAIRPERSON: Yeah.

26 MR. AHMED: In the alternative it seems even regardless

1 of the start date, a more elongated process would go a
2 fair bit of the way to lessening the burden that a
3 number of parties have expressed. And also, you know,
4 as has been mentioned, the addition of, if it's
5 possible, to have further additional sub-items
6 provided that would allow utilities to focus the
7 submissions and the required resources more adequately
8 to address what the Commission would like to see.

9 My final comment is building on what I
10 think my friends, Mr. Mewhort and Ms. Herbst, said in
11 response to my friend Mr. Austin, and yes, these may
12 be high level issues, but in our experience it's
13 actually the philosophical more high level issues that
14 take a lot more work rather than a just factual
15 question that has a number as an answer or a yes/no
16 response. So I think the fact that these may be high
17 level issues doesn't mean that they can be dealt with
18 very quickly without a great deal of thought.

19 Those are all of my additional submissions.

20 THE CHAIRPERSON: Thank you, Mr. Ahmed.

21 So not hearing anything, any questions from
22 the panel, and I believe everyone has had an
23 opportunity to make all of their submissions, Mr.
24 Bussoli, is there anything else that we need to
25 consider on the agenda here?

26 MR. BUSSOLI: No, that's all that we have on the

1 agendas, Mr. Chair.

2 THE CHAIRPERSON: Okay. Well, I'd like to thank
3 everyone again for your participation in this inquiry
4 and for your thoughtful comments here today, the panel
5 very much appreciates it.

6 We will be issuing a procedural order
7 shortly, within the next few days I would imagine, and
8 so please look for that about how we're going to move
9 forward in the inquiry. And on that note then I wish
10 everyone a great day. Thanks again, we're adjourned.

11 **(PROCEEDINGS ADJOURNED AT 9:57 A.M.)**

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I HEREBY CERTIFY THAT THE FORGOING
is a true and accurate transcript
of the proceedings herein, to the
best of my skill and ability.

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A.B. Lanigan, Court Reporter

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January 27th, 2021

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