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

and

An Application by FortisBC Inc. for a Certificate of Public Convenience and Necessity for the Advanced Metering Infrastructure Project

BEFORE: L.F. Kelsey, Commissioner D.M. Morton, Commissioner N.E. MacMurchy, Commissioner

November 23, 2012

## ORDER

#### WHEREAS:

- A. On July 26, 2012, FortisBC Inc. (FortisBC) applied to the British Columbia Utilities Commission (Commission), pursuant to sections 45, 46, and 56 of the *Utilities Commission Act* (the Act), for approval of the Advanced Metering Infrastructure (AMI) Project (Project), including approval of a revised depreciation rate for the proposed meters to be installed (the Application);
- B. On August 2, 2012, the Commission established a Preliminary Regulatory Timetable, attached as Appendix A to Order G-105-12, requesting comments on the regulatory process by which to review the Application, such as written, oral or both;
- C. The Preliminary Regulatory Timetable was amended on September 26, 2012 by Order G-135-12 to include a Procedural Conference to be held in Kelowna, BC on November 8, 2012;
- D. By letter dated October 11, 2012, the Commission identified the matters to be addressed at the Procedural Conference. Appendix "A" to the letter provided a Proposed Regulatory Timetable;
- E. The Procedural Conference took place in Kelowna on November 8, 2012;
- F. By Order G-169-12 dated November 9, 2012, the Commission provided for a process to address the written requests of Mr. Andy Shadrack on behalf of Area D in the Regional District Central Kootenay (RDCK) and Michael Jessen on behalf of the Nelson-Creston Green Party Constituency Association (Nelson-Creston) for a suspension of the proceedings. That process is currently underway;

BRITISH COLUMBIA UTILITIES COMMISSION

Order Number G-177-12

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BRITISH COLUMBIA UTILITIES COMMISSION

Order Number G-177-12

2

G. The Commission Panel has considered the submissions made at the Procedural Conference.

**NOW THEREFORE** as set out in the Reasons for Decision attached as Appendix B to this Order, and subject to the Commission's determination on the applications to suspend the proceedings, the Commission orders as follows:

- 1. The Amended Regulatory Timetable is attached as Appendix A to this Order.
- 2. The review of the Application will proceed by a combination of a written and an oral hearing, divided as follows:
  - i. Financial, operations, fire safety and privacy issues will be reviewed by way of the written process.
  - ii. Health, security and environmental issues will be reviewed by way of the oral hearing.
- 3. The oral hearing will take place in Kelowna, BC commencing March 4, 2013 and be concluded by no later than March 15, 2013.
- 4. The request to extend the date for filing of Intervener Information Request No. 2 by one week is denied.
- 5. The request for a third round of Information Requests is denied at this time. An Intervener may renew its request for a third round of Information Requests following the filing of FortisBC's responses to Commission and Intervener Requests No. 2. Any such request is to be made no later than Friday, December 21, 2012.
- 6. The date of February 26, 2013 for a second Procedural Conference is a placeholder date only. The Commission will determine at a later date whether a second Procedural Conference is required.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 23<sup>rd</sup> day of November 2012.

BY ORDER

Original signed by:

L.F. Kelsey Commissioner

Attachments

# An Application by FortisBC Inc. for a Certificate of Public Convenience and Necessity for the Advanced Metering Infrastructure Project

#### AMENDED REGULATORY TIMETABLE

Αςτιον	DATE (2012)
Commission and Intervener Information Requests No. 2	Friday, November 23
FortisBC Responses to Commission and Intervener Information Requests No. 2	Friday, December 14
	DATE (2013)
Intervener Filed Evidence	Thursday, January 24
Information Requests on Intervener Filed Evidence	Thursday, February 7
Intervener Responses to Information Requests on Intervener Filed Evidence	Thursday, February 21
Placeholder date for Procedural Conference #2 – in Kelowna (final location to be advised)	Tuesday, February 26
Oral Hearing – Kelowna (final location to be advised)	Monday, March 4 to Friday, March 15
FortisBC Final Written Submission	Thursday, March 28
Intervener Final Written Submissions	Thursday, April 18
FortisBC Written Reply Submission	Thursday, April 25

An Application by FortisBC Inc. for a Certificate of Public Convenience and Necessity for the Advanced Metering Infrastructure Project

#### **REASONS FOR DECISION**

#### 1.0 BACKGROUND

On July 26, 2012, FortisBC Inc. (FortisBC) applied to the British Columbia Utilities Commission (Commission), pursuant to sections 45, 46, and 56 of the *Utilities Commission Act* (the Act), for approval of the Advanced Metering Infrastructure (AMI) Project (Project), including approval of a revised depreciation rate for the proposed meters to be installed (the Application).

By Order G-105-12 dated August 2, 2012, the Commission established a Preliminary Regulatory Timetable, for the proceeding. The Timetable provided for, among other things, the opportunity to make comments on whether the regulatory process for the review of the Application should be written, oral or both.

The Preliminary Regulatory Timetable was amended on September 26, 2012 by Order G-135-12 to include a Procedural Conference to be held in Kelowna, BC on November 8, 2012.

By letter dated October 11, 2012 (Exhibit A-10), the Commission identified the following matters to be addressed at the Procedural Conference:

- 1. The proposed agenda for the Procedural Conference;
- 2. The identification of issues or topics of significance related to health, security and privacy that should be included in the oral hearing;
- 3. The identification of issues or topics of significance of a financial and operations nature that should be included in the written process;
- 4. The identification of other significant issues;
- 5. Other matters that would assist the Commission to efficiently review the Application;
- 6. The Proposed Regulatory Timetable for the review of the Application which was set out in Appendix A to the letter; and
- 7. The timing, location and duration of the oral hearing process.

The letter encouraged participants to file written submissions on those matters with the Commission Secretary by Tuesday, October 30, 2012.

On October 30, 2012, Mr. Andy Shadrack, as an elected representative of Area D in the Regional District Central Kootenay (RDCK), and Mr. Michael Jessen on behalf of the Nelson-Creston Green Party Constituency Association (Nelson-Creston) submitted letters requesting that the proceedings be suspended. They further requested that an oral hearing be held on all issues.

On the same date, FortisBC, B.C. Sustainable Energy Association, Sierra Club of Canada, British Columbia Chapter (BCSEA), Mr. Jerry Flynn, Citizens for Safe Technology Society (CSTS), and the Commercial Energy Consumers Association of British Columbia (CEC), submitted written comments on the regulatory process to be used in the review of the Application. In addition, Christina Postnikoff, an Interested Party, filed a written submission.

On October 31, 2012, the West Kootenay Concerned Citizens (WKCC) submitted its comments.

The Procedural Conference took place in Kelowna on November 8, 2012.

In addition to the Applicant, the following Interveners entered appearances and made submissions at the Procedural Conference:

- CSTS (by conference call),
- British Columbia Hydro and Power Authority (BC Hydro),
- CEC,
- British Columbia Municipal Electrical Utilities (BCMEU),
- British Columbia Pensioners' and Seniors' Organization et al. (BCPSO),
- BCSEA,
- WKCC.

Those Interveners not attending the Procedural Conference but who filed written submissions were:

- Mr. Shadrack, and
- Nelson-Creston

#### PROCEDURAL CONFERENCE

#### 2.0 INTRODUCTION

In addition to those issues raised by the Panel, the Interveners raised the following issues or requests:

- A suspension of the proceedings,
- An extension of the deadline for the filing of the Intervener second round Information Requests,
- A third round of information requests,
- Holding the entire hearing by way of an oral hearing,
- The number of witnesses,
- The deadline for filing evidence,
- The scheduling of expert witnesses, and
- The use of video conferencing for cross-examination.

## 2.1 Suspension of the Proceedings

During the Procedural Conference, Commission counsel brought the Panel's attention to Exhibits C13-4 and C18-3 filed on October 30, 2012. These are respectively the submissions by Mr. Shadrack and Nelson-Creston which request a suspension of the proceedings. At the Procedural Conference and subsequently by Order G-169-12 dated November 9, 2012, the Commission Panel established a process for submissions on these requests. That process is underway. Order G-169-12 also provides that the review of the Application is to continue in accordance with the timetable established by Order G-169-12 until further Commission order.

## 2.2 Extension of the deadline to file Information Request No. 2 (IR2)

CSTS submits that the November 23<sup>rd</sup> deadline for the second round of Intervener Information Requests ought to be extended by a week as it is concerned about having enough time to process FortisBC's IR1 responses with its consultants. [T1:80] At page 3 of its written submission, it asserts that "various intervener parties have been thrust into the information request component of the written hearing without having the benefit of consultants." It submits this is due to the fact that the process for approving interim Participant Assistance/Cost Award (PACA) funding did not sufficiently precede the deadline for IR1. It seeks a week extension to the date for submitting IR2. [Exhibit C9-3]

FortisBC submits that it has been able to answer a large volume of IRs very quickly and is again working towards its IR response deadline quickly. It submits that Interveners should also work towards their deadlines and notes the upcoming second round IR deadline of November 23<sup>rd</sup> was set quite some time ago, on September 26, 2012, as part of Order G-135-12. [T1:112]

## **Commission Determination**

The Commission Panel does not accept the submission of CSTS that because of its failure to receive interim PACA funding prior to the first round of Information Requests, CSTS should be allowed an extension in time to file Intervener IR2. There is no requirement to approve interim PACA funding awards prior to the deadline for submitting the first round of Information Requests. Further, an Intervener should not consider a request for interim PACA funding as a guarantee that interim PACA funding will be approved. Even if approved, the interim funding may not be received until the proceedings are well under way.

As FortisBC points out, November 23<sup>rd</sup> was established as the date for Intervener IR2 on September 26<sup>th</sup>.

The Commission Panel is of the view that the November 23, 2012 date is sufficient time for CSTS to prepare its IR2. The Commission Panel denies an extension to the date for filing IR2.

## 2.3 Third Round of Information Requests

CSTS requests the Commission establish a third round of Information Requests for the same reasons that it requests an extension in the date for filing Intervener IR2, namely that the Commission's process for approving interim PACA funding awards did not sufficiently precede the deadline for submitting the first round of IRs. [Exhibit C9-3, p. 3; T1:12-13, 68-69]

WKCC supports the request for a third round of IRs. [T1:91-92]

While observing that it is premature to talk about a third round of IRs when it has not yet seen FortisBC's responses to IRs 1 and 2, CEC/BCMEU presently believes two rounds of Information Requests will be sufficient, assuming the responses provided by FortisBC are "fulsome". [T1:47]

BCPSO suggests that a third round of IRs could be useful if it could reduce the days of oral hearing. In BCPSO's view, the usefulness of a third round depends on the responses to both IRs 1 and 2. [T1:53-54]

BCSEA points out that a third round of IRs is not normal and that there does not appear to be a need for a third round at this time. However, it also comments that a third round of IRs may have some benefit depending on the responses to IRs 1 and 2, particularly if an IR3 was an alternative to having matters raised at an oral hearing. [T1:57]

FortisBC opposes a third round of information requests, submitting that there is already a considerable burden on the utility and correspondingly its rate payers in dealing with the two rounds of Information Requests from both the Commission and Interveners that are presently set out in the schedule. FortisBC's counsel advised the Commission that approximately 1,500 Information Requests had been made to FortisBC and a further round [IR2] was contemplated. [T1:24]

## **Commission Determination**

The reasons the Commission Panel has given for refusing an extension to the date for filing of Intervener IR2 apply to the CSTS's request for a third round of IRs as well.

There has been a large volume of Information Requests at this time, with further Information Requests to be filed in round two on November 23<sup>rd</sup>. As BCSEA has pointed out, it is not usual for the Commission to allow a third round of IRs in its proceedings. However, the Panel finds merit in the submissions that it may be premature to decide the need for a third round of IRs without Interveners having the opportunity to review the FortisBC responses to IRs 1 and 2.

Accordingly, the Commission Panel is not prepared to order a third round of IRs at this time. If, following its review of the responses to IRs 1 and 2, an Intervener believes a further round of IRs is necessary, it can make the request at that time. The request is to be made no later than Friday, December 21, 2012.

# 2.4 Health, Security and Privacy Matters

BCSEA's Exhibit C4-5 provides the following definitions of health, security and privacy:

- Health includes the health effects of the wireless radio frequency network component of the AMI Project, and the RF-LAN and ZigBee transmissions to and from the meter, as well as wireless transmissions between the collection system and the head-end.
- Security includes the potential unauthorized interception of information (utility information, not just personal information) and includes interception by FortisBC of information belonging to a customer or by a customer of utility information not just interception by third parties.
- Privacy includes the collection and use of information only for its intended and authorized purpose and what those intended and authorized purposes should be.

FortisBC accepts the definitions of health and security as put forward by BCSEA in Exhibit C4-5 for the purposes of the oral hearing. However, it views the privacy concerns as quite limited in nature in the sense of being discrete and narrow and submits they can be addressed through written evidence and parties' submissions on that evidence. Further, FortisBC states a large part of the privacy issue really relates to what are the applicable laws that may pertain and govern what FortisBC is doing to ensure the privacy of the information and this matter is more suited for written legal argument. [T1:25]

BCPSO submits concerns about health and privacy should be examined in an oral hearing. [T1:54] BCSEA also submits that privacy, along with health and security issues proceed by way of an oral hearing. [T1:59]

CSTS states that the issues of security and privacy can cause some confusion. It divides the issues into those of fire, hacking for the purpose of interfering with electricity supply and hacking for the purpose of obtaining private information. Further, it recognizes that there are also the legal issues dealing with FortisBC's proposed collection of information. [T1:73-74] In its written submission, CSTS includes expert evidence on security risks, including fire risks, as a subject for the oral hearing. [Exhibit C9-3, p. 2]

CEC supports the review of health and security by way of an oral hearing. As for the privacy issue, it is indifferent as to the nature of the hearing. It submits that the privacy issue will certainly be a matter for legal argument and that the privacy issue will not likely be a subject of cross-examination by it at the oral hearing. [T1:48]

## **Commission Determination**

The Commission Panel has considered the definitions of health and security provided by BCSEA in Exhibit C4-5 and adopts these definitions for the purposes of scoping the oral hearing issues on health and security.

While evidence concerning health will be considered as part of this hearing, the Commission Panel reminds all parties that it has no jurisdiction over regulations made by Health Canada and other agencies. Accordingly, it is not within the Commission's mandate to consider any changes to these regulations.

The Commission Panel accepts that security and privacy have different characteristics and determines that security will be addressed in the oral hearing. However, it also agrees with FortisBC that the issue of privacy can best be addressed in the context of a written hearing. While there may be evidentiary issues relating to the use FortisBC makes of the information it obtains, these issues can be dealt with through written evidence and the IR process. The laws that govern FortisBC's use of the information are a matter for legal argument. Therefore, issues of privacy, which the Commission Panel considers relate to the FortisBC use of the information it may receive, will proceed by way of a written review process.

# 2.5 Financial and Operations Matters

While acknowledging that the Commission Panel's preliminary determination to review financial and operations issues by a written process can be changed, FortisBC supports the written review of those matters. It submits that addressing those matters through a written process is a very reasonable approach that lends itself to an efficient process, since many of these items are highly technical in nature, involve numbers and particulars and can conveniently be addressed in written form. [T1:28]

FortisBC proposes that the financial benefits of the AMI project, the non financial benefits, the future benefits, project costs and project alternatives, with one exception, be addressed in the written process and by written submissions. The exception is where health or security issues relate to project alternatives. FortisBC contemplates that exception being part of the oral hearing. [T1:32; Exhibit B-10, p. 2]

The CEC/BCMEU support the review of financial and operations matters by way of a written process, if the responses to its IRs are "fulsome". [T1:39]

BCSEA generally agrees with FortisBC's proposal relating to the treatment of financial and operations matters with one qualification. It states that it supports a hybrid oral and written proceeding on the basis of "*efficiency*". [Emphasis in original] It does not have the resources to participate in lengthy oral hearing sessions involving financial and operations issues that could be dealt with in writing. However, it does support Interveners having an opportunity to cross-examine the witnesses of FortisBC or others on topics relevant and material to the Commission's determination on the Application. [T1:63-64; Exhibit C4-5]

Depending on the responsiveness of FortisBC's responses to IRs, BCPSO submits some financial or operational consequences may be suited to oral cross-examination. [T1:54-55]

## **Commission Determination**

The Commission Panel agrees with FortisBC that the review of financial and operations matters are highly technical in nature, involve financial spreadsheets and particulars that participants can conveniently address in written form. Thus, the Commission Panel determines the review of financial and operations matters in this proceeding will be by way of a written process, except where health or security issues relate to project alternatives. Those matters will be the subject of the oral hearing.

# 2.6 Identification of Other Significant Issues

FortisBC states it doesn't have any significant issues to add into the mix in terms of what would be dealt with at either an oral or a written hearing. However, FortisBC expects to submit an application shortly to the Commission to acquire the City of Kelowna's electrical utility. FortisBC anticipates filing additional written evidence that will show the impact of the AMI project if both the AMI project and the City of Kelowna acquisition are approved. [T1:33]

The CEC/BCMEU support confining the hearing to the review of the Application without expanding it to a review of the BC Hydro Smart Meter program and notes the current budgeted regulatory cost of \$4.9 million. [T1:49-51]

BCPSO would like to add the issue of AMI allowing a remote disconnect, but it did not suggest whether either an oral or written process for the review of the remote disconnect function would be appropriate. [T1:55]

BCSEA identifies the following additional issues: applicable safety standards or guidelines, how the AMI meters comply with the applicable standards, the health risk mitigation measures that could or should be taken when deploying a wireless AMI system, the merits of changing the entire system away from wireless to a wired system, the technical options, costs and benefits of a non-wireless system, the impact of a customer opt-out program on financial benefits, and the defining characteristics of an opt-out system including costs borne by those opting out. BCSEA proposes that the Commission include the topic of the electronic relationship between

the customer and FortisBC in the oral hearing. According to BCSEA, the topic involves elements such as Zigbee and the proposed software protocols and the alternatives to these elements, the in-home devices, home area networks, and the software/hardware upgrade path that is implicit in the proposal. [T1:60-63]

#### **Commission Determination**

The Commission Panel notes the additional items: remote disconnect, AMI meter compliance with applicable safety standards or guidelines, analysis of using a wired system versus a wireless, remote disconnect, and analysis of the impact of an opt-out program. The Commission Panel determines that these additional items are more suited to a written hearing process as they are of a technical or financial nature.

#### 2.7 Other Matters for Efficient Review the Application

FortisBC has no suggestions to improve the efficiency of the review of the Application beyond the proposed regulatory timetable contained in Exhibit A-10. [T1:31-34] With the exception of Mr. Shadrack and Nelson-Creston, FortisBC and the remaining Interveners who provided submissions in advance and at the Procedural Conference were generally satisfied with the proposed hybrid hearing process for review of the Application. There were, however, some differences on the topics to be covered in the writt en and oral reviews.

Ms. Postnikoff, who is registered as an Interested Party, requested an oral process for all matters.

#### **Commission Determination**

The Commission Panel notes FortisBC and most of the Interveners did not oppose the hybrid review process proposed by the Commission. The Commission Panel is of the view that the proposed split of issues between the oral and written reviews is appropriate and determines that the review of the Application will proceed using the hybrid process.

## 2.8 The Number of Witnesses

CSTS has identified four issues: health, environment, fire safety, and hacking (information technology security issues) and proposes to put forward three witnesses on each issue. [T1:78]

FortisBC has concerns regarding the number of witnesses proposed by CSTS. FortisBC's concerns are the possibility of redundancy and excessive cost to the rate payer. [T1:34]

The CEC/BCMEU suggest that if the Commission determines that multiple experts are appropriate, those witnesses sit as one panel in order to more effectively manage hearing time. Further, they submit that due to what they describe as an "unprecedented request for the number of witnesses that are being proposed" the Commission consider a second Procedural Conference after the evidence has been filed. The second Procedural Conference would allow participants to make submissions as to whether the witness qualifies as an expert or needs to be called for cross-examination. [T1:51-52]

BCSEA supports the CEC/BCMEU position that a second Procedural Conference may allow for the identification of topics for cross-examination at the oral hearing. [T1:55, 64]

BCSPO also agrees that a second Procedural Conference would be useful. [T1:55]

FortisBC submits that an efficient process can be achieved by an order issued out of the Procedural Conference without the need for a second Procedural Conference. [T1:111-112]

#### **Commission Determination**

In order to reduce the number of expert witnesses who may be required for cross-examination, the Commission Panel determines that fire safety will be dealt with by way of the written process as it is a technical and code compliance issue. Environmental issues, in addition to health and security issues, will be the subject of the oral hearing. The Commission Panel agrees with CEC that where expert witnesses are addressing a common topic, they sit in panels in order to more effectively manage hearing time and control costs. Accordingly, the Commission Panel determines the witness panels to be cross-examined in the oral hearing will relate to health, security, and environmental issues.

## 2.9 The Proposed Regulatory Timetable

As a result of the submissions it has received, the Commission Panel will revisit the Proposed Regulatory Timetable attached as Appendix A to Exhibit A-10.

#### 2.9.1 Hearing Days and a Second Procedural Conference

CSTS estimates that the oral hearing will take 28 days. That estimate is based on its "best guess ... to adduce expert opinion from twelve witnesses." [Exhibit C9-3, p. 3; T1:80-81]

FortisBC accepts the Proposed Regulatory Timetable. [T1:34]

The CEC/BCMEU state they have no difficulties with the Proposed Regulatory Timetable with the exception of a proposed additional second Procedural Conference. They are concerned about the length of hearing proposed by CSTS. [T1:52]

BCPSO submits that the proposal for a 28 day hearing "seems quite high for this proceeding." It further states the Proposed Regulatory Timetable is acceptable from a scheduling standpoint, but submits that three days for the oral hearing may or may not be sufficient to balance a thorough process with an efficient hearing. [T1: 54-55]

BCSEA does not want an overly lengthy hearing and submits it "really ought to be possible for the parties to get the best information before the Commission in a relatively short time, if things are organized properly." [T1:65]

Commission counsel pointed out that there is very limited direct examination of witnesses in Commission proceedings which results in a reduction in the amount of time taken by witness panels giving evidence before the Commission. He also noted that parties usually advise as to the witness panel or one expert in particular to be made available for cross-examination. He believes those matters are taken into account in scheduling. [T1:92-93]

BCSEA commented that "witness" in Commission proceedings means a person who will provide their evidence in advance. If a party wishes to cross-examine them, they will then attend, either in person or provide their evidence by video, if permitted, and answer questions. [T1:101-102]

#### **Commission Determination**

The number of witnesses proposed by CSTS, when added to the witnesses that may be called by FortisBC and other Interveners requires the Commission Panel to adjust the three day estimate projected for the oral hearing in the Proposed Regulatory Timetable. Without knowing the amount of expert evidence that will be led by the Interveners, the Commission Panel acknowledges three days may be insufficient for cross - examination on the filed evidence. The Commission Panel will therefore set aside a two week period for the hearing of the Application. That period will commence on Monday, March 4, 2013 and conclude on Friday, March 15, 2013. A hearing of this length should also minimize any concerns about the scheduling of witnesses.

The Commission Panel acknowledges that a second Procedural Conference may be useful for further refining the scope of the oral hearing. Therefore, the Commission Panel will set Tuesday, February 26, 2013 in Kelowna as the placeholder date and location for a second Procedural Conference, should it determine that such a conference is necessary. It will make that determination following the filing of all the expert evidence.

## 2.9.2 Deadline for Filing of Expert Evidence

CSTS requests an extension from January 10, 2013 to February 15, 2013 to file its expert evidence. [T1:80; Exhibit C9-3, p. 3]

FortisBC does not agree that the deadline for the filing of evidence should be extended by four weeks. It says that such an extension may result in CSTS accomplishing through procedural means, the substantive result that it seeks, which is endangering the AMI project and the project's ability to proceed under a fixed price contract. [T1: 35-37, 112]

## **Commission Determination**

The Commission Panel concludes that a four week extension is excessive, but determines that an additional two weeks is an appropriate compromise considering that FortisBC's response to Commission and Intervener Information Requests No. 2 is due Friday, December 14, 2012.

## 2.9.3 Deadline for Filing Final Arguments

CSTS requests the opportunity to prepare written submissions for at least three weeks and preferably four weeks after having received FortisBC's written submissions. CSTS submits that a one-week interval between FortisBC's submissions and their response is insufficient. [T1:82; Exhibit C9-3, p. 4]

FortisBC does not object to extending the date for filing Interveners' Final Submissions to a date two weeks from the date of the filing of the FortisBC Final Submission. [T1:113]

## **Commission Determination**

The Commission notes the tight timeline for the filing of Final Submissions and determines the filing of Final Submissions will be adjusted to allow for FortisBC to file its Final Submissions on March 28, 2013, Interveners to file their Final Submissions on April 18, 2013 and FortisBC to file its Reply on April 25, 2013.

## 2.10 The Use of Video Conferencing for Cross-Examination

CSTS seeks a determination on whether the Commission would accept testimony by video conference. [T1:13, 81-82; Exhibit C9-3, pp. 3-4]

FortisBC states that it will arrange for its experts to be available in person and hopes that the other Interveners who are bringing forward witnesses will do the same. FortisBC has no technical objection to the use of video conferencing for cross-examination of witnesses. [T1:37-38]

The CEC supports the use of video conferencing for cross-examination as a cost effective measure in this Application. [T1:37-38]

BCPSO suggests that it is easier and better to assess credibility with live evidence and cross-examination, but BCPSO is not opposed to videoconferencing, if that is the only way that certain witnesses are able to join. [T1:56]

#### **Commission Determination**

The Commission Panel considers that it is better able to assess witness credibility when a witness gives evidence in person. However, it is prepared to consider cross-examination of witnesses by way of video conferencing in this matter, provided it can be persuaded that that it should do so. A participant who wishes to have a witness or witnesses provide its evidence by video-conferencing must persuade the Commission Panel that it should allow the evidence to be given in that way. To the extent that the Commission Panel approves the use of videoconferencing for cross-examination of certain experts, the Intervener will be responsible for ensuring (in advance of the hearing) that the hearing video equipment and the equipment in the location where the witness or witnesses are situated are technically compatible.

## 2.11 The Location of the Oral Hearing

FortisBC and most of the Interveners prefer Kelowna as the location of the Oral Hearing; CSTS prefers Rossland, BC.

#### **Commission Determination**

The Commission Panel agrees that Kelowna is the most effective and accessible location for the majority of Interveners and determines that the Oral Hearing will be held in Kelowna.