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   New Brunswick Energy and Utilities Board
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   IN THE MATTER OF an application by New Brunswick Power
   Distribution and Customer Service Corporation (DISCO) for
7
   approval of changes in its Charges, Rates and Tolls (Includes
   Interim Rate Proposal)
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11 Fort Howe Hotel and Convention Centre, Saint John, N.B.
12 May 18, 2007
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   CHAIRMAN:
                          Raymond Gorman, Q.C.
16 VICE-CHAIRMAN
                          Cyril Johnston
17
18 MEMBERS:
                          Yvon Normandeau
19
                          Constance Morrison
20
                          Robert Radford
21
2.2
23 BOARD COUNSEL:
                          Ellen Desmond
24
25 BOARD STAFF:
                          John Lawton
26
                          Doug Goss
27
                          David Young
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29
   BOARD SECRETARY:
                         Lorraine Légère
30
   ASSISTANT SECRETARY: Juliette Savoie
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     CHAIRMAN: Good morning, everyone. This is a pre-hearing
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       conference of the New Brunswick Energy and Utilities Board
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       in relation to an application by New Brunswick Power
       Distribution and Customer Service Corporation, known as
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       DISCO, in respect to its application for approval of
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       changes in its Charges, Rates and Tolls.
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       For those who don't know me, my name is Raymond Gorman.
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I'm Chairman of the New Brunswick Energy and

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- 2 Utilities Board. The panel today consists of the Vice-Chair
- 3 Cyril Johnston, Constance Morrison to my right, Robert
- 4 Radford to my right and the far left Yvon Normandeau.
- 5 At this time I will take the appearances from the parties
- 6 starting with the applicant.
- 7 MR. MORRISON: Good morning, Mr. Chair and Commissioners.
- 8 Terry Morrison on behalf of the applicant. And with me at
- 9 counsel table today is my partner Edward Keyes. Ed will
- 10 be taking over responsibility for significant aspects of
- 11 this matter with me.
- 12 Also at counsel table is Mike Gorman, Vice-President
- 13 Legal, Darren Murphy, Acting Vice-President of the
- 14 Distribution Corporation and Sharon MacFarlane, Chief
- 15 Financial Officer for the Distribution Corporation.
- 16 CHAIRMAN: Thank you, Mr. Morrison. And welcome, Mr. Keyes.
- 17 There have been a number of requests for formal intervenor
- 18 status. So I'm going to take appearances now in
- 19 alphabetical order with respect to those who have sought
- 20 formal status.
- 21 First I have the Canadian Manufacturers & Exporters NB
- 22 Division.
- 23 MR. LAWSON: Thank you, Mr. Chairman. Good morning. Gary
- Lawson on behalf of CME. And I expect to be joined by

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- 2 David Plante shortly.
- 3 CHAIRMAN: Thank you. Enbridge Gas New Brunswick.
- 4 MR. HOYT: Good morning, Mr. Chair and Commissioners. My
- 5 name is Len Hoyt. I'm representing Enbridge Gas New
- 6 Brunswick. I'm joined by Dave Charleson, the General
- 7 Manager of EGNB.
- 8 CHAIRMAN: Thank you. FPS Canada Inc.
- 9 MR. BAIRD: Good morning, Mr. Chairman and Commissioners.
- 10 Charles Baird with Fraser Papers. I'm accompanied at the
- 11 table this morning by Jennifer Little and Ross Gilliland
- 12 from Bongal Ventures.
- 13 CHAIRMAN: Thank you, Mr. Baird.
- J. D. Irving Ltd., Irving Paper Ltd. and Irving Pulp and
- Paper Ltd., which I'm going to collectively refer to as J.
- 16 D. Irving Pulp and Paper Group.
- 17 MR. WOLFE: Good morning, Mr. Chair. Wayne Wolfe.
- 18 CHAIRMAN: Thank you, Mr. Wolfe. And is that the
- 19 appropriate designation, J. D. Irving Pulp and Paper
- 20 Group?
- 21 MR. WOLFE: That is fine.
- 22 CHAIRMAN: That works? Thank you. NB Forest Products
- 23 Association? Anybody here this morning?
- 24 The NB System Operator. And I know that they are not
- 25 present. The Board did receive a letter from NBSO. I'm

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- 2 going to read a paragraph of that letter. "Please be advised
- 3 that due to unforeseen circumstances the NBSO will be
- 4 unable to attend the pre-hearing conference scheduled for
- 5 Friday, May 18th respecting the above caption. The NBSO
- 6 wishes to maintain however its request for formal
- 7 intervenor status respecting this matter."
- 8 The Times and Transcript.
- 9 MS. MOSZYINSKI: Hi. My name is Mary Moszyinski. The Times
- and Transcript would like to change its request to that of
- informal intervenor status please.
- 12 CHAIRMAN: Thank you. So the Secretary perhaps could note
- that change to informal for the Times and Transcript.
- 14 The Utilities Municipal.
- 15 MR. ZED: Thank you, Mr. Chairman. I'm Peter Zed here
- 16 representing the Utilities Municipal. And this morning
- 17 I'm joined by Dave Young of Utilities Municipal, Eric
- 18 Marr, Marta Kelly, Darrell Shonoman of Saint John Energy,
- 19 Dan Dionne of Perth-Andover Electric Light Commission and
- 20 Charles Martin and Mike Couturier of Edmundston Energy.
- 21 CHAIRMAN: Thank you, Mr. Zed. Vibrant Communities Saint
- John?
- 23 MR. PEACOCK: Good morning, Mr. Chair. Kurt Peacock here.
- 24 CHAIRMAN: Thank you. The Public Intervenor.
- 25 MR. THERIAULT: Good morning, Mr. Chair. Daniel Theriault.

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- 2 And this morning I'm joined by Mr. Robert O'Rourke.
- 3 CHAIRMAN: Thank you. And the New Brunswick Energy and
- 4 Utilities Board.
- 5 MS. DESMOND: Good morning, Mr. Chair and Board members.
- 6 Ellen Desmond as Board Counsel. And with me is Board
- 7 Staff Doug Goss, Don Lawton and David Young.
- 8 CHAIRMAN: Thank you. There were a number of requests for
- 9 informal status. So I guess before we get to those, all
- of the parties who have requested formal intervenor
- 11 status, the Board has determined that all of them will be
- 12 granted formal intervenor status with the exception of the
- 13 Times and Transcript which has changed its request to be
- 14 an informal intervenor.
- With respect to the request for informal status at this
- 16 point in time we now have the Times and Transcript. And
- in addition we have the City of Miramichi. I don't know
- 18 if anybody is present here today. But the nature of the
- 19 informal status in any event is one of receiving the
- documentation and eventually perhaps making comments
- 21 during closing argument.
- We have the Department of Energy, Mr. Rob Murray,
- 23 Flakeboard Company Limited, Mr. Barry Gallant and Self-
- 24 Represented/Consultant Mr. Terry MacDonald. The
- opportunity to be considered as a formal or informal

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- 2 intervenor is by no means closed at this point in time. I
- 3 believe the Board Order granted parties till the 17th of
- 4 July for the opportunity to become an intervenor. So that
- 5 is the list that I have as at the present time.
- Is there anybody else in the room that should have been
- 7 mentioned as either a formal or informal intervenor?
- 8 Please come forward or take a microphone please.
- 9 MR. SABEAN: Good morning, Mr. Chairman. I'm Brent Sabean
- 10 appearing on behalf of Imperial -- or sorry, Irving Oil
- 11 requesting formal status.
- 12 CHAIRMAN: You are requesting formal status?
- 13 MR. SABEAN: Yes, I am.
- 14 CHAIRMAN: The procedure for requesting formal status does
- include sending something to the Board in writing. And I
- 16 would just ask that you would comply with that request.
- 17 But we will certainly allow you to participate today.
- 18 Mr. Sabean, your first name is Brent was it?
- 19 MR. SABEAN: Yes. Brent Sabean.
- 20 CHAIRMAN: Thank you. As I indicated, the purpose of the
- 21 hearing today or today's discussion -- it is a pre-hearing
- 22 conference to determine a number of issues. The Board
- circulated a letter dated May 14th, 2007, to all of the
- 24 parties that had registered as formal intervenors as at
- that point in time, and in fact it would have also gone to

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- 2 the informal intervenors, setting forth some issues which the
 3 Board felt needed to be dealt with today.
- The parties may in fact have additional issues. We have not been apprised of any additional issues, but if there
- 6 are some perhaps we can deal with them during the day.
- 7 The first item that I want to mention actually appears as
- 8 item number (e) on the May 14th letter. Does everybody
- 9 have a copy of that, because I believe there are
- 10 additional copies available in the room? Item (e) says
- that the Board would like to consider the confidentiality
- policy, also to consider a request from the Distribution
- 13 Corporation regarding certain portions of its application.
- 14 And for the time being I just want to deal with the first
- part of -- and that is the Board's confidentiality policy.
- 16 The Public Utilities Board established a confidentiality
- 17 policy on -- I believe it was July 24th, 2005 -- I don't
- have it in front of me, but I believe that's the date.
- 19 And the New Brunswick Energy and Utilities Board has taken
- that policy and made a very few changes. The changes
- 21 essentially were to delete reference to Section 133 of the
- 22 Electricity Act which I believe has been repealed, and to
- now make reference to Section 34 of the Energy and
- 24 Utilities Act.

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2 In the draft that has been circulated, and I believe 3 copies have been made available, at the bottom of page 1 one reference to Section 133 of the Act still remains, and that should read Section 34 of the Act. If in fact there 5 are other references to Section 133 of the Electricity 6 Act, as I indicated, they should now -- ultimately in the 7 final version that will read Section 34 of the Act. 8 9 MS. DESMOND: Excuse me, Mr. Chair, if I could, I have just 10 in reference to that document, it appears that the Act is referred to as the Energy and Utilities Act, and that 11 12 should be the Energy and Utilities Board Act. 13 Thank you, Ms. Desmond. I believe that document CHAIRMAN: has been circulated and it is the intention of the Board 14 15 to implement this as our policy on confidentiality, 16 subject to input from the parties. If anybody believes 17 that there is something in the process that should be 18 changed we will hear representations this morning. Because this has just been circulated I don't know if the 19 20 parties are in a position at this time to make 21 representations or not. Mr. Morrison, do you have any comment on that? 22 23 MR. MORRISON: Mr. Chair, we can deal with it later in the morning. I have no problem with the confidentiality 24

policy. I think we ran into some problems in the past

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- 2 when we didn't follow it, and that wasn't as a result of the
- Board, that was the intervenors themselves trying to
- 4 perhaps expedite things. But the policy itself is in my
- 5 view a sound one and I have no objection to it whatsoever.
- 6 CHAIRMAN: Thank you. Then perhaps what we will do is make
- 7 sure everybody has an opportunity to have a look at it and
- we can deal with that just a little bit later.
- 9 I guess going back then to the letter from the Board dated
- 10 May 14th, 2007, the first issue that is set forth in that
- 11 letter reads, where motions are required to be dealt with
- prior to the hearing of the request for an interim rate
- increase. We believe it's necessary I guess to determine
- 14 that issue prior to establishing a date to hear the
- 15 request for an interim increase.
- So, Mr. Morrison, I am going to start with you on that
- 17 issue.
- 18 MR. MORRISON: Thank you, Mr. Chair. Perhaps if I can just
- 19 backtrack a little bit, and maybe you don't want to deal
- 20 with this now, perhaps you want to deal with it on the
- opening day of the hearing, but I do have an affidavit of
- 22 publication with respect to the publication of the notice.
- 23 If you would like me to file it with the Board Secretary
- I can, or I can wait. It's at your pleasure.
- 25 CHAIRMAN: No. You can file that with the Board Secretary.

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- 2 It was not our intention to mark exhibits today, but we
- 3 certainly should have that affidavit of publication and we
- 4 will mark it as an exhibit as we go forward.
- 5 MR. MORRISON: I will pass it to the Board Secretary at the
- 6 break.
- 7 CHAIRMAN: Thank you.
- 8 MR. MORRISON: Mr. Chair, as you know, in the notice of
- 9 application the applicant also gave notice of two matters,
- one being a request -- a motion for an interim rate, which
- 11 we will I am sure be dealing with momentarily, and also a
- notice of motion with respect to the Board -- the
- appropriateness of the Board considering underlying
- 14 generation and other costs in determining the Applicant's
- 15 revenue requirement. I believe that -- I have had some
- 16 contact with other intervenors on the matter and I believe
- that a date should be set to hear arguments on that
- 18 motion.
- 19 CHAIRMAN: Is it the intention to have that motion heard
- 20 prior to the hearing of the interim -- application for an
- 21 interim rate increase?
- 22 MR. MORRISON: It really makes no difference to the
- 23 Applicant, but I guess it seems to me that that really is
- 24 a preliminary matter and perhaps we should have it dealt
- 25 with first and then move on to the motion for an interim

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- 2 rate. But I'm at the pleasure of the Board on that matter.
- 3 CHAIRMAN: Well, a draft schedule was circulated I believe
- 4 to everybody in the room. The draft schedule did take
- 5 into consideration the necessity for some Motions Days. I
- 6 believe in the early going the dates had been set aside
- 7 were Monday and Tuesday, May 28th and May 29th.
- 8 Obviously the Board at the time this draft schedule, staff
- 9 put it together, didn't have the benefit of today's pre-
- 10 hearing conference. And obviously it didn't have the
- 11 benefit of knowing how many motions might or might not be
- 12 necessary to have determined prior to the Interim Rate
- 13 Hearing. So those are the only dates on the interim
- 14 schedule or the draft schedule that have been provided.
- 15 So with respect to the issue that we are referring to I
- 16 quess, can I call that the Section 156 Issue as the short
- 17 version of --
- 18 MR. MORRISON: Well, I was going to refer to it as the
- 19 Generation Cost Issue, Mr. Chair. But we can label it as
- 20 you wish. There may be one other I think sort of alluded
- 21 to in the letter that was issued by the Board. And that
- is we had requested confidentiality.
- 23 And I noticed in my letter on confidentiality I still
- 24 referred to the old section 133, which I meant to refer to

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- 2 under Section 34. In any event there are two pieces of paper,
- 3 two pages in the evidence that we filed over which DISCO
- 4 is requesting confidentiality.
- 5 Under the policy, if there is an objection from one of the
- 6 parties to our claim for confidentiality, then there would
- 7 be the necessity for the Board to have a hearing on it.
- 8 The two pieces of paper in question are fairly innocuous.
- 9 One is a diagram showing the metering points at Point
- 10 Lepreau. The metering points actually themselves aren't
- 11 even all that significant. But the page has a diagram of
- 12 the plant facilities.
- 13 And there is a significant security concern, possibility
- of saboteurs and that type of thing. It really has no
- bearing on the application. But it is an attachment to
- one of the PPA's. The other document is again a one-page
- 17 document that deals with the chemical composition of
- 18 Orimulsion.
- 19 Again that information itself isn't of much import. The
- applicant's concern is that the disclosure of that
- information might breach a confidentiality provision in
- the Orimulsion fuel supply contract which, as I'm sure you
- are aware, is presently the subject of litigation.
- So again, in my view, at least in my submission, Mr.

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- 2 Chairman, neither of the pages has any real bearing on this
- 3 application. And unless the intervenors feel otherwise,
- 4 then we would probably not have the necessity to have that
- 5 dealt with on a Motions Day.
- 6 CHAIRMAN: And with respect to your claim of confidentiality
- on those two documents, I don't know whether or not the
- 8 parties have had enough opportunity to consider that or
- 9 not.
- 10 But I certainly think that it might be productive to
- 11 canvass the parties to determine whether or not they feel
- 12 a hearing is necessary, whether they feel they need some
- 13 time to consider that issue. So Mr. Lawson, I quess you
- 14 always get the pleasure of going first.
- 15 MR. LAWSON: Yes. And what a pleasure it is indeed. I
- don't think CME would have any objection to the claim for
- 17 confidentiality.
- 18 CHAIRMAN: Thank you. Enbridge?
- 19 MR. HOYT: Enbridge Gas New Brunswick has no problem with
- the claim for confidentiality.
- 21 CHAIRMAN: Thank you. FCS Canada?
- 22 MR. BAIRD: Fraser Papers has no difficulty complying with
- that, your honor.
- 24 CHAIRMAN: Thank you. Irving Oil.
- MR. SABEAN: No difficulty.

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- 2 CHAIRMAN: J. D. Irving Pulp and Paper Group.
- 3 MR. WOLFE: We have no problem dealing with that.
- 4 CHAIRMAN: NB Forest Products Association I guess was not
- 5 here. NBSO is not here. Times and Transcript I quess is
- 6 no longer a formal intervenor. Utilities Municipal.
- 7 MR. ZED: We don't have any trouble with their claim with
- 8 respect to these two matters.
- 9 CHAIRMAN: Vibrant Communities.
- 10 MR. ZED: No difficulties.
- 11 CHAIRMAN: Public Intervenor.
- 12 MR. THERIAULT: Mr. Chairman, I have no problem with the
- 13 confidentiality asset. But I would like to address the
- 14 issue of Generation that Mr. Morrison talked about with
- 15 respect to a Motions Day.
- 16 It was my understanding that the applicant was going to
- 17 make the Generation and other costs available, which would
- 18 be fine. But if that is not the issue then obviously we
- 19 will need some time to present evidence on this issue to
- the Board. So I guess I would like to have that issue
- 21 clarified.
- 22 CHAIRMAN: Sure. And we will move on to that. But I think
- for the time being I'm only just canvassing on the issue
- of the confidentiality claim with respect to the two
- documents referred to by the applicant.

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- 2 MR. THERIAULT: And I have no problem with that.
- 3 CHAIRMAN: Thank you. And I guess that leaves Ms. Desmond.
- 4 MS. DESMOND: Thank you, Mr. Chair. Board Staff has no
- 5 comment on that issue.
- 6 CHAIRMAN: Well, that may be one of the fastest decisions
- 7 the Board ever makes. Your claim for confidentiality with
- 8 respect to those two documents is granted.
- 9 MR. MORRISON: Thank you, Mr. Chair.
- 10 CHAIRMAN: Now perhaps the next then issue may be the second
- 11 matter for which you gave us notice that a separate
- 12 Motions Day would perhaps be required. And to use your
- phrase then we will refer to it as the Generation Cost
- 14 Issue.
- So perhaps I might hear from you first, Mr. Morrison, on
- 16 that issue.
- 17 MR. MORRISON: Certainly, Mr. Chair. My understanding was
- 18 that I would not get into arguments on the merits of the
- issue today, that we would be setting a time to do that.
- 20 CHAIRMAN: That is correct.
- 21 MR. MORRISON: But to frame the issue, if you will, is
- 22 essentially this. The applicant had filed its evidence.
- 23 The Revenue Requirement is based on what I would call the
- 24 PPA costs.
- There is some question about -- in the last rate

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- 2 application we ended up filing almost all the Generation cost
- 3 information, which I believe all except -- with the
- 4 exception of some information on the non-utility
- 5 generators.
- 6 The issue really is -- it is not a question of the
- 7 disclosure of the information as to what use -- well, if
- 8 you used another word bullet, the underlying generation
- 9 cost information, is it appropriate to use that in
- 10 determining the Revenue Requirement? I think that is the
- issue. And that is the issue that I think we would have
- to address on the Motions Day.
- I'm not prepared to deal with it today. Well, actually I
- 14 made the argument so many times I probably could deal with
- it today. But I think it is just a matter of setting a
- 16 time and a place to deal with that. And the proposed
- schedule says May 28th to 29th. And that is fine with us.
- 18 CHAIRMAN: With respect just to that issue, how much time
- 19 could you estimate it might take to have a motion to deal
- 20 with that?
- 21 MR. MORRISON: I wouldn't anticipate my argument would last
- more than 20 or 30 minutes, Mr. Chair.
- 23 CHAIRMAN: Thank you. Mr. Lawson?
- 24 MR. LAWSON: Mr. Chairman, I would estimate we might take 15

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- 2 minutes on the same issue.
- 3 CHAIRMAN: And the timing which was suggested by
- 4 Mr. Morrison, is that --
- 5 MR. LAWSON: We would agree.
- 6 CHAIRMAN: Thank you. Mr. Hoyt?
- 7 MR. HOYT: At this point Enbridge Gas New Brunswick wold not
- 8 intend to participate in the Generation issue. When we
- 9 get to talking about preliminary motions though with
- 10 respect to the interim rate application, we would like to
- 11 talk about the separation of those two issues.
- 12 CHAIRMAN: Thank you. FPS Canada.
- 13 MR. BAIRD: Yes. Fraser Papers would be interested in
- 14 commenting on Generation cost aspects of that. We would
- need a very few minutes, 15 or 20.
- 16 CHAIRMAN: And the dates that have been suggested are fine
- 17 by you?
- 18 MR. BAIRD: Yes, Mr. Chairman.
- 19 CHAIRMAN: Thank you. Mr. Sabean? Okay. J. D. Irving Pulp
- 20 and Paper Group.
- 21 MR. WOLFE: I would think we would need like 15 minutes at
- the most.
- 23 CHAIRMAN: Thank you.
- 24 CHAIRMAN: Just give me a moment. And I will check and see
- whether or not NBSO had any comment on that. Well, they

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- 2 did say in their letter to the Board that they have reviewed
- 3 the proposed schedule for the hearing circulated this
- 4 morning and take no issue. So we will I guess take that
- 5 as a yes, they would be available on those dates.
- 6 Utilities Municipal?
- 7 MR. ZED: We do intend to participate in the debate. We do
- 8 not anticipate being very long. And the dates are fine.
- 9 CHAIRMAN: Thank you, Mr. Zed. Mr. Peacock?
- 10 MR. PEACOCK: We will likely have very limited opinion on
- 11 this matter.
- 12 CHAIRMAN: Thank you. Mr. Theriault?
- 13 MR. THERIAULT: Yes. We will have quite a bit to say I
- 14 submit on this matter. But I quess I'm still a little
- 15 unclear as what -- the motion is to do what?
- 16 And there is the question, and I don't mean to be obtuse
- here, but the question is I have to determine whether we
- 18 will have to call evidence. That will affect the timing.
- 19 And obviously I would need at least two weeks to get
- 20 that.
- 21 But the dates also, Mr. Chairman, are not good for the
- 22 Public Intervenor, the 28th and 29th. But again I would
- ask for clarification on what the motion is for.
- 24 CHAIRMAN: Mr. Morrison, would you like to take another stab
- 25 at that?

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- 2 MR. MORRISON: I will. I can't imagine why there would be
- any need to call evidence on the matter. It is strictly a
- 4 legal matter. It is a question of whether this Board
- 5 ought to look at underlying generation cost information
- 6 when it makes a determination as to the applicant's
- 7 Revenue Requirement.
- 8 Essentially it is a variance of what I would call the
- 9 Section 156 argument. I don't think the Board will hear
- 10 anything that hasn't -- or at least the Chair hasn't heard
- 11 before.
- 12 The reason we wanted it dealt with as a preliminary
- matter, (1) just from a process point of view, it gets
- 14 cumbersome when you are in a hearing and you have numerous
- motions on various issues. So we tried to anticipate this
- 16 time what some of the issues might be that would arise.
- 17 And I think it is clear that that issue was going to come
- 18 up and it was going to have to be dealt with. So we asked
- 19 that it be dealt with on a preliminary basis.
- 20 So having said that, Mr. Theriault refers to having to
- 21 call evidence. I don't see the necessity of it. But I
- can't obviously comment on his reasons for that. If for
- other reasons -- and Mr. Theriault did speak to me briefly
- this morning about the availability of Mr. O'Rourke on --
- I believe it was May 28th, but I could be wrong -- due to

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- 2 a family matter, an important family matter -- if we can't 3 deal with the Generation issue on May 28th or 29th then I would ask that we would use that time to deal with the 4 Interim Rate matter. Because there is a great deal of 5 urgency on that. As long as the Generation cost issue is 6 7 dealt with reasonably quickly, so that we don't have -- it also goes to how we prepare the second tranche of our 8 9 evidence. 10 Obviously if this Board rules that it is going to base its decision on Revenue Requirement on something other than 11 has already been presented by the applicant, then that is 12 13 going to change the focus of how we prepare the second 14 draft of the evidence. So as long as it is done in enough 15 time to allow us to do that, a week or so isn't going to make that much difference. 16 17 However, if we are going to be moving dates off, I would 18 rather keep those dates in May to deal with the Interim 19 Rate issue. Because there is a great deal of urgency, as 20 the affidavit suggests, to having that matter dealt with 21 as quickly as possible. 22 Would it be fair to say, Mr. Morrison, then that CHAIRMAN: 23 you don't believe this generation cost issue needs to be dealt with prior to the Interim Rate application matter? 24
- 25 MR. MORRISON: No, I do not.

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- 2 CHAIRMAN: Mr. Theriault, I'm going to go back to you.
- First of all, in terms of the scope of what would be dealt
- 4 with during that motion, does Mr. Morrison's comment shed
- 5 any more light on the situation?
- 6 MR. THERIAULT: Somewhat. And that is fine. But the
- 7 concern I have is with respect to the Motions' dates for
- 8 the 28th and 29th. Mr. O'Rourke, as my friend has
- 9 mentioned, is unavailable there.
- 10 He is the Senior Adviser to the Public Intervenor. And I
- 11 would certainly want him present for any Interim Rate
- 12 application.
- 13 CHAIRMAN: Well, okay. Apparently, I guess to a certain
- 14 extent we are now into schedule, maybe unintentionally.
- But are both of those dates then, a Public Intervenor is
- 16 not available no matter what it is that we are proceeding
- 17 with? Is that what you are telling us?
- 18 MR. THERIAULT: That is correct, Mr. Chairman. Perhaps
- 19 though as a way of suggestion, is to move it -- instead of
- 20 two days -- if dealing with just the Interim Rate
- 21 application on that day, perhaps move it to the 30th and
- then proceed on with the remainder of the schedule. Aside
- from that the schedule is absolutely acceptable to the
- 24 Public Intervenor.
- 25 CHAIRMAN: Mr. Theriault, I'm back to you. The 28th and

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- 2 29th of May are the difficult dates. If we had it on the
- 3 30th, and then I see that we already have dates --
- 4 tentative dates -- we talked about the 31st and June 1st.
- 5 No problem with any of those dates?
- 6 MR. THERIAULT: No problem with the rest of the schedule at
- 7 all.
- 8 CHAIRMAN: Thank you, Mr. Theriault. Ms. Desmond, any
- 9 comments?
- 10 MR. DESMOND: Nothing further. Thank you.
- 11 CHAIRMAN: Okay. I guess then the draft schedule that was
- 12 circulated, the 30th of May was not one of the dates that
- had been put forward, and I believe the reason for that
- 14 was facilities. I don't think that it had anything to do
- 15 with scheduling by the Board.
- 16 Having said that, does anybody have any difficulty with
- the 30th of May? Mr. Morrison?
- 18 MR. MORRISON: I don't, Mr. Chairman, and if we had the 30th
- 19 to June 1st I believe we could deal with all -- I think
- that would be more than ample time, given what I have
- 21 heard from the intervenors, to deal with both matters in
- those three days.
- 23 CHAIRMAN: Mr. Lawson, any problems?
- MR. LAWSON: No problems, Mr. Chairman.
- 25 CHAIRMAN: Mr. Hoyt, does this area present a problem?

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- 2 MR. HOYT: No. And at this point as I said EGNB doesn't
- 3 plan to participate in the generation case.
- 4 CHAIRMAN: Thank you. Mr. Baird?
- 5 MR. BAIRD: No problems, Mr. Chairman.
- 6 CHAIRMAN: Mr. Sabean isn't here. Mr. Wolfe?
- 7 MR. WOLFE: No problem, Mr. Chair.
- 8 CHAIRMAN: Mr. Zed?
- 9 MR. ZED: The 30th is fine.
- 10 CHAIRMAN: Mr. Peacock?
- 11 MR. PEACOCK: No problem, Mr. Chair.
- 12 CHAIRMAN: And we have heard from Mr. Theriault and we have
- 13 heard from Ms. Desmond.
- 14 Okay. It appears that that particular date and the other
- 15 two dates that were set forth in the draft schedule are
- available, but at this point in time I think that we now
- have to go back to the May 14th later which in essence
- 18 sets out an agenda to determine whether or not there are
- 19 any other motions if you will that need to be done prior
- to the hearing of the request for an interim rate
- 21 increase.
- 22 So before we set the generation cost issue for that date I
- 23 want to make sure that we -- as I understand it that one
- doesn't need to be -- necessary to be heard prior to the
- 25 interim rate request. There may be other motions

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- 2 that parties have. We haven't been advised of any but
- 3 certainly we are going to canvass the parties.
- 4 Mr. Morrison, I will start with you. Anything you are
- 5 aware of?
- 6 MR. MORRISON: I'm not aware of anything else, Mr. Chair.
- 7 CHAIRMAN: Mr. Lawson?
- 8 MR. LAWSON: No, Mr. Chair.
- 9 CHAIRMAN: Thank you. Mr. Hoyt?
- 10 MR. HOYT: Nothing, Mr. Chair.
- 11 CHAIRMAN: Mr. Baird?
- 12 MR. BAIRD: Nothing, Mr. Chair.
- 13 CHAIRMAN: Mr. Sabean is not here. Mr. Wolfe?
- 14 MR. WOLFE: Nothing, Mr. Chair.
- 15 CHAIRMAN: Mr. Zed?
- 16 MR. ZED: Nothing that we wish to have considered before.
- 17 CHAIRMAN: Mr. Peacock?
- 18 MR. PEACOCK: No, Mr. Chair.
- 19 CHAIRMAN: Mr. Theriault?
- 20 MR. THERIAULT: Not at this time, Mr. Chair.
- 21 CHAIRMAN: And Ms. Desmond?
- 22 MS. DESMOND: Nothing, thank you.
- 23 CHAIRMAN: Thank you. And with respect to setting these
- 24 matters down, I will meet with the Board and perhaps we
- 25 will let you know before the morning is out, but I do want

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- 2 to discuss this with members of the Panel.
- 3 So the intended date on the schedule, if I can move to the
- 4 schedule for a moment, with respect to the interim rate
- 5 increase hearing, the dates that were put forward were
- 6 Thursday and Friday if necessary, May 31st and June 1st.
- 7 Now, Mr. Morrison, you have made a comment that perhaps --
- 8 I don't think -- I think you said you didn't believe it
- 9 would take that much time.
- 10 MR. MORRISON: I never like to commit to these things, Mr.
- 11 Chair, but just from my informal discussion with some of
- 12 the intervenors, this is not -- I don't think you are
- going to be in for two and three hour arguments from each
- of the parties. As I said my argument will be reasonably
- brief on both of those issues. Perhaps the interim rate
- 16 argument will be longer than generation cost argument.
- 17 But I wouldn't anticipate it being more than an hour.
- 18 Less than an hour is my rule of thumb.
- 19 CHAIRMAN: Thank you. I am going to again canvass the
- 20 parties in terms of the amount of time that we are looking
- 21 at here, whether or not they believe it would take more
- 22 than the time that we have allotted. So again I will
- 23 start with you, Mr. Lawson?
- 24 MR. LAWSON: Mr. Chairman, I believe that the time allotted
- 25 will be more than adequate. Again our argument in its

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- 2 entirety for both issues would probably be less than an hour
- as well, but I have been known to be wrong before.
- 4 CHAIRMAN: Thank you, Mr. Lawson. Mr. Hoyt?
- 5 MR. HOYT: I would expect our argument on the interim rate
- 6 matter would be about half an hour. The point I guess
- 7 that is important for Enbridge is to try to keep these two
- 8 issues separate, so that parties that want to participate
- 9 just in one or the other can just appear on those days, so
- that if there are motions or anything to come up in
- 11 relation to the interim rate matter we would ask that they
- 12 be -- that it be addressed at the beginning of those days.
- 13 CHAIRMAN: Okay. Thank you.
- 14 MR. HOYT: Thank you.
- 15 CHAIRMAN: Mr. Baird?
- 16 MR. BAIRD: We don't anticipate any activity on that, Mr.
- 17 Chair.
- 18 CHAIRMAN: Thank you. Mr. Wolfe?
- 19 MR. WOLFE: For us it would be more than ample time.
- 20 CHAIRMAN: Thank you. Mr. Zed?
- 21 MR. ZED: We will be participating and believe that the time
- 22 allotted is adequate.
- 23 CHAIRMAN: Thank you. Mr. Peacock?
- 24 MR. PEACOCK: We will probably have about 15 minutes on the
- 25 interim rates.

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- 2 CHAIRMAN: Thank you. Mr. Theriault?
- 3 MR. THERIAULT: Yes. We believe that the time allotted is
- 4 adequate as well.
- 5 CHAIRMAN: And, Ms. Desmond, since I think you may have had
- 6 some input into the schedule I assume that you believe
- 7 that is adequate.
- 8 MS. DESMOND: Yes. Thank you.
- 9 CHAIRMAN: Perhaps we could move then to the draft schedule
- 10 that has been circulated. Although there may be some
- input with respect to the amount of time for the various
- 12 steps that has been established, it seems to me that there
- are a couple of critical dates that the parties would
- 14 certainly have to be available for, because most of the
- time set forth really establish time frames in which
- 16 matters would be completed, but with respect to actual
- hearings, the dates set forth in the draft schedule deal
- 18 with the week of May 28th to June 1st, which we have just
- 19 concluded a discussion on, a potential motions day on
- Wednesday, October 3rd, and commencement of the hearing on
- 21 Monday, November 19th. So first of all with respect to
- those dates -- and we can I guess get back to whether not
- there is sufficient space between the various steps in the
- 24 process, but with respect to those dates, Mr. Morrison, I
- 25 will start with you, any difficulty in those dates?

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- 2 MR. MORRISON: No, Mr. Chair.
- 3 CHAIRMAN: Mr. Lawson?
- 4 MR. LAWSON: No problem. Thank you.
- 5 CHAIRMAN: Mr. Hoyt?
- 6 MR. HOYT: Nothing on those dates.
- 7 CHAIRMAN: Thank you. Mr. Baird?
- 8 MR. BAIRD: Mr. Chairman, our concern woud be partially that
- 9 dependent on the outcome of the generation costs being
- 10 involved in the evidence filed, it could increase the
- length of time required to review it, and that decision
- won't be made until after motions day.
- 13 CHAIRMAN: I appreciate that. I quess what I am really
- interested in this morning is whether or not those present
- dates at the present time will work, because I appreciate
- that as we move forward sometimes dates do end up that
- 17 have been put forward as draft dates do end up being
- 18 changed.
- 19 MR. BAIRD: We have no difficulty with the dates as
- 20 presented.
- 21 CHAIRMAN: Thank you. Mr. Wolfe?
- MR. WOLFE: We have no difficulty at the moment with the
- 23 dates.
- 24 CHAIRMAN: Mr. Zed?
- 25 MR. ZED: The dates are fine.

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- 2 CHAIRMAN: Mr. Peacock?
- 3 MR. PEACOCK: No difficulty.
- 4 CHAIRMAN: Mr. Theriault?
- 5 MR. THERIAULT: The dates are acceptable.
- 6 CHAIRMAN: And Ms. Desmond?
- 7 MS. DESMOND: Everything is fine. Thank you.
- 8 CHAIRMAN: All right. Are there any other motions that the
- 9 parties feel would be required to be dealt with prior to
- the commencement of the public hearings with respect to
- 11 the General Rate application other than those that have
- 12 already been mentioned? Mr. Morrison, anything you are
- 13 aware of?
- 14 MR. MORRISON: No, Mr. Chair.
- 15 CHAIRMAN: Mr. Lawson?
- 16 MR. LAWSON: No Mr. Chair.
- 17 CHAIRMAN: Mr. Hoyt?
- 18 MR. HOYT: It's difficult to comment, Mr. Chair, not having
- seen NB Power's final evidence, but we certainly do agree
- with the proposal for one Motions Day in the interest of
- 21 streamlining the process.
- 22 CHAIRMAN: Thank you. Mr. Baird?
- 23 MR. BAIRD: No problem, Mr. Chair.
- 24 CHAIRMAN: Mr. Wolfe?
- 25 MR. WOLFE: No, Mr. Chair.

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- 2 CHAIRMAN: Mr. Zed?
- 3 MR. ZED: No, we are fine. Thank you.
- 4 CHAIRMAN: Mr. Peacock?
- 5 MR. PEACOCK: We are fine, Mr. Chair.
- 6 CHAIRMAN: Mr. Theriault?
- 7 MR. THERIAULT: I would agree with the comments of Mr. Hoyt
- 8 from EGNB, but we are fine.
- 9 CHAIRMAN: Thank you. And Ms. Desmond?
- 10 MS. DESMOND: Staff have no additional issues. Thank you.
- 11 CHAIRMAN: The Board is going to take a break at this point.
- 12 I would like to request that during that break the
- parties take the opportunity to have a look at the
- 14 confidentiality policy that has been circulated. It would
- 15 be -- I guess it would be useful for the Board to approve
- that as our policy going forward.
- One other issue on the confidentiality issue. In a ruling
- on confidentiality in July of 2005 the Board had agreed to
- 19 contact the press council in hopes of setting up a system
- or a website to notify the media of a request for
- 21 confidentiality in a manner similar to that I guess of the
- Nova Scotia justice department. I understand discussions
- 23 took place with the Atlantic Press Council which resulted
- in the conclusion that the press council was not the
- appropriate organization to partner with on this

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- 2 particular issue. So as a result the Board will post all
- 3 requests for confidentiality on its website under the
- 4 notices and orders section.
- 5 So as I said the Board will take a break and during that
- 6 period of time would ask for the parties to have a look at
- 7 the draft confidentiality policy and we will deal with
- 8 that when we come back. Thank you.
- 9 (Recess 10:20 a.m. 10:50 a.m.)
- 10 CHAIRMAN: The Board has had an opportunity to look at the
- schedule, and based on the comments made by the various
- parties this morning we will set May 30th as the date for
- the request that the Board make an interim order pursuant
- 14 to section 40 of the Energy and Utilities Board Act,
- approving a 9.6 percent increase to all electricity rate
- 16 categories, except water heater rental rates and
- 17 connection fees where the increase will be 3 percent, to
- 18 be effective from such interim order until such further
- 19 order of the Board. We believe that should go first. And
- it may be based on the estimates of time that we heard
- 21 this morning that will be a hearing that may only take one
- 22 day. But we are going to hear the two motions
- consecutively. That one will be first. And then on May
- 24 31st we will hear the second motion, the request that the
- 25 Board make a determination whether during the course of

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- 2 the hearing of this application it is appropriate to consider
- 3 evidence as to the reasonableness of the generation and
- 4 certain other costs which underlie the Applicant's revenue
- 5 requirement for the test year 2007/2008.
- In the event that the interim rate increase hearing does
- 7 not conclude on May 30th, it will continue on the 31st.
- 8 And so the second motion will not commence until the first
- 9 one has been concluded. But we don't want to sort of lose
- 10 any time, so rather than setting for example two days
- 11 aside on the interim rate request, if that finishes midway
- 12 through the second day we will then -- parties who don't
- want to take part in the second one can then leave, but we
- 14 will continue on that same day with the second motion that
- 15 has been requested.
- 16 The Board in looking at what has been requested -- or for
- the determination that has been requested with respect to
- 18 the generation cost issue notes that the Applicant refers
- 19 to the reasonableness of the generation and certain other
- 20 costs, and the Board I quess would like you, Mr. Morrison,
- if possible, to give us a sense of what -- what you meant
- by the expression "certain other costs"?
- MR. MORRISON: There would be costs other than generation
- 24 costs that would have been I would say covered by the old

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- 2 Section 156, some inter-company charges, those types of
- 3 things. They are not necessarily generation costs but
- 4 they are costs that flow through the PPAs. The PPA costs
- 5 largely obviate the need for looking at the generation
- 6 cost, but there are certain other costs if you will which
- 7 are not necessarily generation costs, which we will also
- 8 be looking at. But by and large we are really talking
- 9 about the generation costs is the main one.
- 10 CHAIRMAN: Thank you. And the reason the Board was looking
- 11 for some clarification is it seems to me that during the
- last rate hearing Section 156, for example, came before
- the Board on more than one occasion, and if at all
- 14 possible if there is more, you know, to your motion than
- may be apparent, we would certainly rather deal with all
- of the issues that may flow from that rather than some of
- them during -- at the hearing of this motion and then some
- 18 later on. That really was the intent.
- 19 MR. MORRISON: Mr. Chair, it is our intention to avoid
- 20 motion sickness and get all of the issues -- and I didn't
- 21 coin that phrase, someone else did -- and get all of the
- issues -- the preliminary issues -- dealt with so that we
- can move in a more expeditious fashion.
- 24 CHAIRMAN: Thank you. Now with respect to the
- 25 confidentiality policy, I did ask that the parties have a

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- 2 look at it and I can hear comments from the various parties
- 3 today. We would like to adopt that or I guess have a
- 4 final position with respect to a confidentiality policy
- 5 prior to commencing the hearing on the 30th. And so what
- 6 we are going to do is ask the parties if they have any
- 7 comment on the confidentiality policy that has been
- 8 circulated today, to advise the Board prior to the 25th of
- 9 May which I believe is a week from today, with respect to
- any changes that might be suggested and to copy all of the
- 11 parties with the comments. I can hear comments today if
- anybody is in a position to make any, but I thought in
- fairness because it was just circulated today that we
- 14 really didn't want to adopt it without people having an
- opportunity to consider it. Is there anybody that feels
- 16 they would like to make comments today or perhaps just
- avail themselves of the opportunity to do it in writing
- 18 prior to the 25th? Mr. Morrison I will start with you.
- 19 MR. MORRISON: I will avail myself of the 25th, although I
- 20 have reviewed the policy and I don't anticipate having any
- 21 comments on it.
- 22 CHAIRMAN: Thank you. Does anybody else want to make any
- comments with respect to the confidentiality policy today?
- Mr. Lawson?
- 25 MR. LAWSON: We will wait until the 25th. Thank you.

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- 2 CHAIRMAN: Mr. Hoyt?
- 3 MR. HOYT: We will have comments but we will wait until the
- 4 25th.
- 5 CHAIRMAN: Thank you. Mr. Baird?
- 6 MR. BAIRD: We also will wait.
- 7 CHAIRMAN: Mr. Wolfe?
- 8 MR. WOLFE: I will wait.
- 9 CHAIRMAN: Mr. Zed?
- 10 MR. ZED: We will wait.
- 11 CHAIRMAN: Mr. Peacock?
- MR. PEACOCK: We will put our faith in the Board and other
- intervenors on the matter of confidentiality.
- 14 CHAIRMAN: Thank you. Mr. Theriault?
- 15 MR. THERIAULT: The 25th is acceptable.
- 16 CHAIRMAN: Thank you. And Ms. Desmond?
- 17 MS. DESMOND: No comment. Thank you.
- 18 CHAIRMAN: And the Secretary of the Board had asked that I
- 19 have the parties make their comments by noon on the 25th.
- 20 Sometimes if we don't set a deadline -- we don't normally
- come in around midnight and I can assure you that it's
- 22 highly unlikely anybody is there to receive it at that
- time of day. So the 25th at noon is what we would
- 24 request.
- 25 MS. DESMOND: Mr. Chair, excuse me. I don't know if Mr.

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- 2 Sabean wanted to offer any comments on that confidentiality
- 3 policy.
- 4 CHAIRMAN: Sorry, Mr. Sabean. You are back. Any comments?
- 5 MR. SABEAN: No. We will wait until the 25th as well.
- 6 CHAIRMAN: Thank you. Yes, Mr. Zed?
- 7 MR. ZED: I'm just wondering if we could back up a bit. Mr.
- 8 Morrison's comments about other costs that may be dealt
- 9 with. Is there a list available or does he anticipate
- 10 having a list available of what those costs might be, just
- in the interest of saving time. It will just allow us to
- 12 prepare our argument a little bit more carefully if there
- is something known at present.
- 14 CHAIRMAN: Mr. Morrison, are you able to address that?
- MR. MORRISON: Really the costs that we are referring to are
- 16 the costs that were set out in Section 156, and there are
- 17 costs other than just generation costs, although they are
- 18 by and large the lions share of those costs. I have no
- 19 problem with preparing a short letter maybe identifying
- what those other costs are and circulating it to the
- intervenors, which I would do. I would rather -- I would
- like to have at least a week to do that though, Mr. Chair.
- 23 CHAIRMAN: Certainly. Mr. Zed, does that address your
- 24 concern?
- 25 MR. ZED: Yes, it does. I guess just looking at a week -- I

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- 2 guess that still gives us another week to -- we can probably
- 3 guess I am assuming what most of them are by looking at
- 4 the legislation. I'm just really more concerned that if
- something is in his basket that we didn't anticipate then
- 6 we just want to be in a position to argue on the date
- 7 assigned, that's all.
- 8 CHAIRMAN: Thank you. Does anybody else have any issues
- 9 that need to be dealt with at today's pre-hearing
- 10 conference? Then we will adjourn until -- sorry. One
- last point I was just reminded by the Vice-Chair. Based
- on comments relative to the schedule, the draft schedule
- 13 which was circulated will become the schedule for these
- 14 hearings. Yes?
- MR. HOYT: Mr. Chair, I guess I understood that we were
- going to have some opportunity to speak to the proposed
- 17 schedule?
- 18 CHAIRMAN: Go ahead.
- 19 MR. HOYT: Again it's going back to a point I made earlier.
- We have to hedge a little bit not knowing or not having
- seen NB Power's evidence. One factor that will obviously
- 22 play into this are the studies that were dealt with the
- other day and we understand are to be made available on
- July 1st. We are unclear on the role that those studies
- 25 will play on the evidence in terms of whether they will

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2 form part of the evidentiary base and how they are to be

- 3 examined. Obviously intervenors should have the
- 4 opportunity to ask questions on them and I know Mr.
- 5 Morrison in his comments on Tuesday indicated that that
- 6 would be the case. So I wondered if the Board would give
- 7 some direction in terms of the role those studies will
- 8 play.
- 9 As for the schedule itself, it seems fairly drawn out.
- 10 And I guess our concern is following the November 19th
- 11 start date obviously there is a hearing, which could take
- 12 a couple of weeks, arguments have to be heard, the Board
- 13 needs time to make its decision, and there is another 30
- 14 days while Cabinet decides what if anything to do with the
- 15 decision. So we can move well into 2008 and miss most of
- 16 this winter's heating season before there actually are new
- dates. And there would appear to be some opportunities to
- 18 compress the schedule so that a hearing could possibly
- 19 start in October.
- Those are Enbridge's comments..
- 21 CHAIRMAN: The schedule that has been put forward to a
- 22 certain extent -- I think last time the schedule changed
- on a great number of occasions as circumstances changed.
- The Board notes your concern in terms of compressing the
- 25 schedule and attempting to bring this matter to a hearing

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- 2 at the earliest possible date.
- 3 Having said that, what we have to balance off is the
- 4 concern that many of the intervenors would have with
- 5 respect to having adequate time to deal with
- 6 Interrogatories, to go out and determine whether or not
- 7 they are going to be bringing evidence to retain experts
- 8 for example to give that evidence. The Board has looked
- 9 pretty carefully at whether or not this could be
- 10 compressed. And then I guess for the time being this is
- 11 the schedule we would intend to follow.
- 12 But if you had some specific suggestions with respect to
- where we might be able to compress it, certainly the Board
- 14 will consider trying to get this matter to a hearing
- sooner than the 19th of November.
- 16 MR. HOYT: I was just saying that during the time lines that
- there would be a few places that could be shortened up
- 18 somewhat and potentially move the commencement date back.
- 19 The other point though that we would be interested in,
- 20 perhaps Mr. Morrison's comment, are the roles of studies
- and how they will play into this. And anything could be
- 22 added on that I think would be helpful.
- 23 CHAIRMAN: Mr. Morrison, are you able to address that issue?
- 24 MR. MORRISON: Yes, I would like to, Mr. Chair, to talk a
- 25 little bit about the studies. I think we have to keep in

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- 2 mind that the studies themselves, the studies that were
- 3 ordered by the Board, aren't necessarily evidence.
- 4 There were studies that were ordered. They form
- background information. The Board didn't order that they
- 6 be included in our evidence. And indeed I can't imagine a
- 7 situation where a Board would order the applicant or any
- 8 party, an intervenor, dictate to them what is or what
- 9 would not form part of the case they wish to present.
- 10 Surely we have the right to determine what our case is
- going to be. Having said that, we haven't seen any of the
- 12 studies yet. So we don't know what they are going to say.
- 13 They may or may not directly have an impact on the case
- 14 that has to be presented. To the extent that they do
- support an aspect of the applicant's case, then we will
- 16 make a decision whether we will include them in the
- 17 evidence that we file.
- 18 But when you look at some of the studies -- and I will
- 19 just give you for example when we talk about items 1 to 8
- 20 and I think item 11 the other day, those all dealt with cost
- 21 allocation and rate design matters.
- 22 And they are really background for generic hearing -- on
- 23 the generic CARD hearing. And we just had one of those.
- 24 And I don't know whether we are going to have another one.
- It would seem to me to be unlikely that the

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2 Board would launch into another generic hearing on CARD so

- 3 soon. But I don't know that.
- 4 And again if you look at another one that we dealt with,
- 5 which was a universal system of accounts, it really has
- 6 nothing to do with ratemaking. It is an administrative
- 7 matter, how accounts are presented if you will.
- 8 I mean I had some question whether the Board even has any
- 9 jurisdiction to order that or implement it, because it
- doesn't have to do with ratemaking which this Board, under
- 11 the current legislative regime, does have no general
- regulatory authority over DISCO, only over rates.
- So I guess what I'm saying is, to the extent that those
- 14 studies, DISCO chooses to incorporate those studies into
- its evidence, then it would be subject to IR's and cross
- 16 examination and all the rest. If they are not part of the
- evidence then really submitting IR's on it would be like
- 18 submitting IR's on an extraneous document, newspaper
- 19 article or so on.
- 20 Certainly the parties will -- they are going to be filed
- in the public record with this Board. And the parties can
- use them to cross examine witnesses and so on. We don't
- 23 know what those studies are going to say and whether we
- agree to what they say or not. So it is

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2 difficult for us at this point to say whether we will want

- 3 them included in our evidence filing.
- 4 CHAIRMAN: Thank you. Mr. Lawson, I think you raised an
- 5 issue that sounds very familiar in this area a couple of
- days ago. Do you have any comment on this matter?
- 7 MR. LAWSON: Thank you, Mr. Chairman. That is right. We
- 8 just want to ensure that to the extent that these reports
- 9 are going to be considered by this Board for the purposes
- of this application, we want to ensure that there is a
- 11 full opportunity for Interrogatories and examination to
- the same extent any other evidence is going to be filed by
- 13 the applicant.
- 14 I would assume that the opportunity would be available to
- the other parties, any other parties including ourselves
- as intervenors, to similarly use as part of their
- 17 evidence.
- 18 It seems an ironic, strange twist. But if there was some
- 19 part of the studies that any other intervenor wanted to
- adopt as part of their evidence, that opportunity also
- 21 would be available to them, aside from the use of cross
- 22 examination.
- 23 We just want to make sure that there is a chance, to the
- 24 extent that they are going to be considered by this Board
- for this application, that all parties have an

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- 2 opportunity to be heard on this matter.
- 3 CHAIRMAN: Before I hear from I guess the other intervenors
- 4 on this issue, I mean, I would note that in the hearing
- schedule that we have talked about today, there is a month
- or more between the filing of evidence and the first round
- 7 of Interrogatories.
- 8 That should give I think the intervenors adequate time to
- 9 be able to deal with this issue. And I think it is
- 10 perhaps unfair to suggest that we should make a
- determination prior to seeing these reports as to what
- 12 role they should play.
- 13 I believe any of the intervenors believes that they should
- 14 -- if DISCO should be compelled to make them part of their
- 15 evidence, that there would be adequate time during the
- 16 month of July to have a motion with respect to this matter
- and to deal with it relative to any of the specific
- 18 studies. It is very difficult to deal with this issue
- 19 kind of in a vacuum without having the studies available.
- 20 MR. MORRISON: We certainly have no problem with that,
- 21 Mr. Chairman. I think that is exactly the point I'm trying to
- 22 make, is we are sort of dealing with an unknown quantity
- 23 at this point in time.
- It may be that some or most or all will form part of

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- 2 our evidence today. But I can't really say that at this time.
- 3 CHAIRMAN: Yes, Ms. Desmond?
- 4 MS. DESMOND: Mr. Chair, if Staff could suggest that when
- 5 the applicant files the studies, if they could indicate at
- 6 that time whether the study was going to be used as part
- of their evidence, that might add some clarity and offer
- 8 some assistance to the intervenors.
- 9 CHAIRMAN: Mr. Morrison?
- 10 MR. MORRISON: I guess that again depends on the timing,
- 11 Mr. Chairman. I certainly haven't turned my mind to that
- 12 matter yet.
- 13 As I indicated earlier, as the studies are done, if they
- are done earlier, we are going to try to file them with
- the Board as soon as possible.
- It may be that I may not have an opportunity, or
- 17 Mr. Keyes may not have an opportunity to make that kind of
- 18 a determination. But to the extent that we can we will.
- 19 CHAIRMAN: Do any of the other intervenors have any comments
- on this issue? Mr. Hoyt?
- 21 MR. HOYT: This is why I asked the question. Because on
- 22 Tuesday Mr. Morrison -- and I understand the difficult
- position that he is in -- but at that time he indicated
- the studies would be made available not only to the Board

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- 2 but to the intervenors, and then went on later and said that
- 3 they certainly will be available for all intervenors to
- 4 question DISCO witnesses in the course of the rate
- 5 application.
- 6 And I didn't want to be under a misapprehension if that
- 7 wasn't their intention. And I think ultimately that will
- be a desire of most of the intervenors.
- 9 But I take the Chair's suggestion that there will be some
- 10 time in July, that if NB Power chooses to go -- or if
- 11 DISCO chooses to go a different route, that there are
- 12 avenues available for the intervenors.
- 13 CHAIRMAN: Thank you. And that to a certain extent also
- 14 helps explain perhaps part of the schedule on that gap at
- the beginning, is to give the parties an opportunity to
- 16 bring issues just such as the one that we have been
- discussing forward by way of motions.
- Any other intervenors wish to speak on this?
- 19 Mr. Lawson?
- 20 MR. LAWSON: Mr. Chairman, I just want to see if I
- 21 understand correctly. Would the intention be then the
- Board will not consider any evidence -- any of the studies
- except to the extent that it is identified by the
- 24 applicant or other parties that it will be considered as
- evidence?

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- 2 CHAIRMAN: Well, Mr. Morrison I think has indicated that he
- will be filing what he considers to be his evidence. If
- 4 he doesn't consider any of these studies to be part of the
- 5 evidence on behalf of the applicant, it would be open to
- any of the intervenors to come forward with a motion as to
- 7 just exactly how those studies should be treated.
- 8 MR. LAWSON: So the Board will not on its own initiative
- 9 consider that as part of evidence without giving an
- opportunity to be heard I presume?
- 11 CHAIRMAN: The Board quite frankly hasn't really considered
- the issue, because the reports haven't been filed. And so
- 13 I think it is perhaps premature for the Board to deal with
- 14 that.
- MR. MORRISON: If I may, Mr. Chairman, just a brief response
- 16 to the comments of Mr. Hoyt. I did indicate in the
- 17 hearing here on Tuesday that those reports could --
- questions could be put to DISCO witnesses with respect to
- 19 those reports.
- I was referring not in the IR's as you would with
- 21 evidence. But those would be documents that of course
- 22 would be available to any party to cross examine witnesses
- on. So if I misled anybody by those comments I apologize.
- 24 CHAIRMAN: Yes, Ms. Desmond?
- 25 MS. DESMOND: If I understood Mr. Morrison correctly, I

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- 2 believe he wanted an opportunity to perhaps file the reports
- 3 as quickly as he could, but yet still have a chance to
- 4 consider if they will form part of his evidence.
- 5 Could we suggest that perhaps he indicate by July 3rd
- 6 which of the reports will be part of that evidentiary
- 7 package, so everybody is clear as to what reports will be
- 8 considered as the evidence of the applicant.
- 9 CHAIRMAN: Mr. Morrison?
- 10 MR. MORRISON: Any reports -- any of those studies that
- 11 DISCO intends to rely upon as evidence will be included as
- 12 attachments or appendices to the July 3rd filing.
- 13 CHAIRMAN: All right. And it would be open to obviously any
- 14 party or any intervenor to bring forward a motion with
- 15 respect to the remaining reports or studies if that was
- the way in which they wanted to proceed.
- Any further issues? Yes, Mr. Hoyt?
- 18 MR. HOYT: I just wonder if Mr. Morrison could clarify
- though if it is the intention to file all of the studies
- 20 with the Board in a manner that they then would be
- 21 available to all the intervenors, whether they decide to
- use a particular study in the evidence or not?
- 23 CHAIRMAN: I believe at the hearing which occurred a couple
- of days ago, we haven't rendered a decision on that yet,
- 25 but Mr. Morrison was asked to ensure that the studies

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2 would be distributed to the parties and not just filed with

- 3 the Board.
- 4 And my understanding was that Mr. Morrison did undertake
- 5 to provide it by way of electronic format and that these
- 6 studies would probably also go on the applicant's website.
- 7 Was that correct?
- 8 MR. MORRISON: I can't recall the applicant's website,
- 9 Mr. Chairman. But of course we have no problem with, when we
- 10 file them with the Board, file them with anybody who has
- 11 an interest in it.
- 12 MR. HOYT: Thank you, Mr. Chair.
- 13 CHAIRMAN: Are there any other issues then that need to be
- dealt with this morning? Yes, Mr. Lawson?
- 15 MR. LAWSON: Mr. Chairman, just with respect to the
- schedule, on Mr. Hoyt's comment, I guess I wouldn't share
- 17 his view that there is a way of compressing this. And one
- 18 concern I had was with respect to the timing for the IR's,
- 19 the response by the intervenors to their IR's scheduled
- 20 for November 14th.
- I was just a little concerned that two weeks might be a
- 22 little bit tight and wonder, without sort of pushing
- anything further, wonder if the Board might consider
- 24 having it instead that instead of Wednesday the 31st, that
- any IR's would have to be filed by Monday of that week

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- 2 rather than the Wednesday. I know it is a little tight, but
- 3 just give a little extra time.
- 4 Obviously we don't know what any of the evidence will be
- 5 that the intervenors file. But those IR's could be fairly
- 6 significant depending on what they are. So I just thought
- 7 a little more time might be -- and perhaps even
- 8 considering the Wednesday the 14th response to Thursday or
- 9 something of that nature.
- 10 CHAIRMAN: I believe the amount of time that has been set in
- 11 the draft schedule is two weeks. And you are suggesting
- 12 to compress that to --
- 13 MR. LAWSON: No. To expand it to more like two and a half
- 14 weeks, Mr. Chairman. I think it just is -- two weeks
- might be a little tight.
- 16 CHAIRMAN: I'm sorry. Two weeks from the time the
- intervenor evidence is filed though to prepare the IR's.
- 18 You are looking to compress the time to send the
- 19 Information Requests and to expand the time to respond?
- 20 MR. LAWSON: That would be -- I would like to see a little
- 21 more opportunity for the time for reply to IR's. And we
- 22 don't know. We may not have any IR's of us. But I was
- just concerned on the time.
- 24 CHAIRMAN: Might I suggest that that is an issue that
- 25 perhaps the parties might discuss. I don't know that --

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- 2 even though the schedule is being established, that is one of
- 3 the kinds of things that as we move along I think that
- 4 those dates could tend to move.
- 5 And it probably is something the parties may be able to
- talk about amongst themselves. And then at the next
- 7 opportunity we could talk about whether or not that
- 8 particular day could move.
- 9 Yes, Ms. Desmond?
- 10 MS. DESMOND: Mr. Chair, if I could, I understood your
- 11 comment earlier that the schedule -- draft schedule as
- 12 circulated was to be adopted by the Board.
- 13 Am I correct that the Board intends to adopt that schedule
- 14 as amended?
- 15 CHAIRMAN: The amendments I guess that you are referring to
- are with respect to the Motions Day I think and Interim
- 17 Rate Hearing?
- 18 MS. DESMOND: Yes, Mr. Chair.
- 19 CHAIRMAN: Yes. It would be as amended. That is correct.
- 20 Anybody have anything further? Then the Board stands
- 21 adjourned.
- 22 (Adjourned)
- 23 Certified to be a true transcript of this hearing, as
- 24 recorded by me, to the best of my ability.

25 Reporter