

NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

Pre-Hearing Conference Transcript

**Newfoundland Power Inc.
2019-2020 General Rate Application**

June 27, 2018

Present:

The Board:

Darlene Whalen, Chair and CEO
Dwanda Newman, Vice-Chair
James Oxford, Commissioner
John O'Brien, Commissioner

Board Counsel/ Staff:

Jacqueline Glynn, Board Counsel
Maureen Greene, Q.C., Hearing Counsel
Cheryl Blundon, Board Secretary

Parties:

Newfoundland Power

Kelly Hopkins, Counsel
Liam O'Brien, Counsel

Consumer Advocate

Dennis Browne, Q.C.
Stephen Fitzgerald, Counsel

International Brotherhood of Electrical Workers, Local 1620

(IBEW)

Mark Murray, Counsel
Matt Gough, Counsel

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1 CHAIR:
 2 Q. Good morning everybody.
 3 MR. O'BRIEN:
 4 Q. Good morning.
 5 MS. HOPKINS:
 6 Q. Good morning.
 7 BROWNE, Q.C.:
 8 Q. Good morning.
 9 MR. FITZGERALD:
 10 Q. Good morning.
 11 CHAIR:
 12 Q. I'd like to welcome everyone to this
 13 prehearing conference for Newfoundland
 14 Power's 2018/2019 General Rate Application.
 15 My name is Darlene Whelan; I'm Chair and CEO
 16 of the Board and I will be the presiding
 17 member for this proceeding. Other Board
 18 members joining me on the panel, starting
 19 from my left and your right, John O'Brien;
 20 Dwanda Newman as Vice-Chair of the Board;
 21 and Commissioner Jim Oxford. Also present
 22 on behalf of the board at the side table
 23 assisting us today are Jacqui Glynn, Board
 24 counsel; Cheryl Blundon, Director of
 25 Corporate Services and Board Secretary; and

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1 Maureen Greene, our hearing counsel. Just
 2 to note this prehearing conference is being
 3 recorded under the supervision of the Board
 4 secretary and will be transcribed and
 5 distributed following the proceeding.
 6 Before we move to the agenda for this
 7 morning, I'd like to ask the parties seated
 8 before us to introduce themselves and on
 9 whose behalf you're appearing for the
 10 purposes of the record. We'll start with
 11 the Applicant.
 12 MR. O'BRIEN:
 13 Q. Good morning, Madam Chair and Commissioners.
 14 Liam O'Brien, outside counsel for
 15 Newfoundland Power, and with me, is Kelly
 16 Hopkins with Newfoundland Power, inside
 17 counsel.
 18 CHAIR:
 19 Q. Welcome Ms. Hopkins. Nice to see you again
 20 Mr. O'Brien. Consumer Advocate?
 21 BROWNE, Q.C.:
 22 Q. Dennis Browne, Consumer Advocate.
 23 MR. FITZGERALD:
 24 Q. Good morning, Board, it's Steve Fitzgerald,
 25 counsel for the Consumer Advocate.

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1 CHAIR:
 2 Q. Welcome. And IBEW?
 3 MR. MURRAY:
 4 Q. Good morning, Mark Murray, counsel for the
 5 IBEW with Matt Gough, also counsel for IBEW
 6 1620.
 7 CHAIR:
 8 Q. Welcome both of you. The purpose of this
 9 pre-hearing conference is to assist with the
 10 organization and planning for the public
 11 hearing of Newfoundland Power's application,
 12 and this includes identifying the
 13 intervenors, setting the schedule and
 14 addressing other procedural matters. I'd
 15 like to now go to Board counsel to ask that
 16 she enter the matter and issuance of the
 17 appropriate public notice.
 18 MS. GLYNN:
 19 Q. Thank you, Madam Chair. Good morning to the
 20 panel and everybody else who has joined us
 21 here this morning. On June 1st, 2018, the
 22 Board received a General Rate Application
 23 from Newfoundland Power to establish new
 24 rates for its customers. Newfoundland Power
 25 is requesting that the Board approve, among

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1 other things, an overall average increase in
 2 current electricity rates of 1.2 percent as
 3 of March 1st, 2019. Notice of the
 4 Application was placed on the Board's
 5 website and was published in newspapers
 6 throughout the Province, starting on June
 7 6th, 2018. The notice was published in The
 8 Telegram, The Western Star and numerous
 9 papers across the province.
 10 CHAIR:
 11 Q. Could you also confirm the notices of
 12 intervention that were received, please?
 13 MS. GLYNN:
 14 Q. Yes. The deadline for filing of
 15 interventions was June 27th, 2018. The Board
 16 has received notice of two intervenor
 17 submissions; one from the Consumer Advocate
 18 and one from the International Brotherhood
 19 of Electrical Workers, Local 1620. Counsel
 20 for the Intervenors has already been
 21 previously introduced.
 22 CHAIR:
 23 Q. I don't think there's anybody else present.
 24 So our agenda for this morning is to address
 25 the rules of procedure, the scheduled dates

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1 and any other issues that will need to be
 2 addressed today, so I'll turn it back to
 3 Board counsel again. Thank you, Jacqui.
 4 MS. GLYNN:
 5 Q. The Rules of Procedure have been circulated
 6 to the parties and have been discussed by
 7 counsel. The rules are consistent with the
 8 rules that the Board has used through the
 9 most previous recent hearings; some minor
 10 changes relating to the paper copies of
 11 documents that are required, as well as the
 12 procedure for the filing of confidential
 13 documents. The parties have agreed to these
 14 rules of procedure and they can be accepted
 15 as they have been filed.
 16 CHAIR:
 17 Q. Thank you. Item No. 2 I have here is a
 18 Schedule of Dates?
 19 MS. GLYNN:
 20 Q. Thank you. The Schedule of Dates has also
 21 been circulated to the parties. Again,
 22 following the schedule for the recent
 23 General Rate Reviews, this schedule proposed
 24 is two rounds of requests for information,
 25 followed by the filing of expert reports and

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1 RFIs on the expert reports. There's also a
 2 specified period of time for negotiation
 3 discussions and then the schedule allows for
 4 the hearing to commence on Thursday, October
 5 25th. Dates and order of witnesses for the
 6 hearing would be determined at a later date.
 7 Newfoundland Power and IBEW have indicated
 8 agreement to the schedule. The Consumer
 9 Advocate has advised that he is not in a
 10 position to agree to a schedule at this
 11 point in time.
 12 CHAIR:
 13 Q. Mr. Browne, did you want to make any
 14 comments at this time?
 15 BROWNE, Q.C.:
 16 Q. Just on the timelines, the timelines for the
 17 first Request for Information was July 6th,
 18 2018, which is the end of next week. We're
 19 still in the process of retaining experts,
 20 which is no easy task, considering it's a
 21 summer hearing, it's a summer get-ready
 22 hearing, the hearing is in the fall. So
 23 we're in the process of doing that and until
 24 we see who we have retained and what their
 25 availability is, we will have difficulty

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1 doing the first round of Requests for
 2 Information by July 6th. It's just too
 3 tight, so we require flexibility there. We
 4 plan to have experts, particularly in cost
 5 of capital, which is a real issue for the
 6 consumers of the province, the current cost
 7 of capital that's been granted to
 8 Newfoundland Power, and the cost of service,
 9 we intend to retain experts and we may
 10 retain the experts of an economist and
 11 others, so we see this as a very important
 12 hearing for consumers who are facing
 13 difficult times, and we intend to plan our
 14 case well and fully, so we are looking for
 15 some flexibility in the proposed July 2018
 16 schedule as presented.
 17 CHAIR:
 18 Q. Does Newfoundland Power have any comments?
 19 MR. O'BRIEN:
 20 Q. I guess one comment. In terms of
 21 flexibility, certainly Newfoundland Power is
 22 prepared to consider some flexibility in
 23 that regard. We do have a concern about
 24 what that does with the overall schedule and
 25 where we went up with starting, in terms of

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1 a hearing date and we understand that the
 2 hearing date right now is October 25th, as
 3 the proposed schedule states and we
 4 certainly are okay with it if there's a week
 5 moving or a two-week moving of RFIs or the
 6 schedule such that the hearing date doesn't
 7 go past a week or two at the end. Our
 8 bigger concern is if you move the hearing
 9 date much further than that, if the
 10 schedules don't—if the Commissioners don't
 11 coincide, we end up into a January hearing
 12 date, which is not certainly where we want
 13 to be from an efficiency perspective in
 14 getting March 1 rates in, and it certainly
 15 could affect forecasts that are in the rate
 16 case and that sort of thing, so we do need a
 17 certainty of a schedule, but we are prepared
 18 to be somewhat flexible there in terms of
 19 when we start RFIs, as long as the hearing
 20 date doesn't get pushed back too far.
 21 CHAIR:
 22 Q. Mr. Murray, do you have any –
 23 MR. MURRAY:
 24 Q. Just to, Madam Commissioner, if flexibility
 25 could be granted, we would sort of request

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1 the same flexibility, but we are prepared,
 2 content to live wit it, but obviously if Mr.
 3 Browne’s response is accepted by the
 4 Commissioner, we would hope that we have the
 5 same flexibility and understand Liam’s
 6 comments as well, I don’t know if there’s
 7 any time in the 9 October, 12 October period
 8 which is negotiations, four days set aside.
 9 I don’t know if there’s any—can you move all
 10 that to one day and then maybe make up five
 11 that way, just a suggestion, but subject to
 12 whatever Mr. Browne or Mr. Fitzgerald
 13 suggests is appropriate.
 14 BROWNE, Q.C.:
 15 Q. Commissioners, our problem is not with the
 16 end part. I think we would be able to meet
 17 that; our problem isn’t until the planning
 18 thing.
 19 CHAIR:
 20 Q. I understood that, it’s really July and
 21 August, I think, is creating an issue.
 22 BROWNE, Q.C.:
 23 Q. Yes.
 24 CHAIR:
 25 Q. Okay.

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1 interim.
 2 MS. GLYNN:
 3 Q. That’s it, Madam Chair.
 4 CHAIR:
 5 Q. That’s all you have? Okay. Thank you, that
 6 concludes the prehearing conference and
 7 pending some agreement on a final schedule
 8 that’s suitable to everyone, we’ll adjourn
 9 the matter today and we will be issuing a
 10 procedural order. Thank you.
 11 MR. FITZGERALD:
 12 Q. Thank you.
 13 MR. MURRAY:
 14 Q. Thank you.
 15 Upon conclusion at 10:13 a.m.
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1 MS. GLYNN:
 2 Q. I don’t know if the Consumer Advocate is
 3 able to propose a new date for the RFIs if
 4 July 6th is not able to be met.
 5 BROWNE, Q.C.:
 6 Q. Not until we see what experts we have, when
 7 they are available, I’m sort of stymied.
 8 MS. GLYNN:
 9 Q. Do you have timing on when you may be able
 10 to advise of when you have your experts
 11 retained?
 12 BROWNE, Q.C.:
 13 Q. As soon as I can, as soon as possible, we’re
 14 working on it.
 15 CHAIR:
 16 Q. Okay. Thank you, I guess all I can say is
 17 we’ll have to take that away and we’ll see
 18 where we get with it in the next few days.
 19 What’s next on our agenda? I don’t think
 20 there’s—are there any other issues that need
 21 to be addressed? I think that’s—the
 22 Intervenors are here, schedule has been—
 23 anything else any parties wish to raise at
 24 this stage? Board counsel is available to
 25 you if you have any questions in the

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CERTIFICATE

I, Judy Moss, hereby certify that the foregoing is a true and correct Pre-Hearing Conference Transcript in the matter of Newfoundland Power Inc. 2019-2020 General Rate Application, heard on the 27th day of June, 2018 before the Newfoundland and Labrador Board of Commissioners of Public Utilities, 120 Torbay Road, St. John’s, Newfoundland and Labrador and was transcribed by me to the best of my ability by means of a sound apparatus.

Dated at St. John’s, Newfoundland and Labrador this 27th day of June, 2018.

Judy Moss

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