

MCO, RB

**HIRTLE LEGAL SERVICES INC.**

205 Pelham Street, P.O. Box 457, Lunenburg, Nova Scotia B0J 2C0
Phone: (902) 634-8713 Fax: (902) 634-8943
Email: hls@eastlink.ca

BY FAX: 766-4890

July 4, 2008

Valerie Romkey
Riverport Electric Light Commission
P. O. Box 100
Riverport, Nova Scotia
B0J 2W0

RECEIVED
JUL - 7 2008
Nova Scotia
Utility and Review Board

RE: Dean Schmeisser - Acct#: 564B

Dear Ms. Romkey,

I have reviewed your correspondence of June 26, 2008 and your questions contained therein.

Your questions raise issues which are neither dealt with in your initial submissions or in the evidence I have submitted on behalf of Mr. Schmeisser. Your correspondence also asks questions respecting issues which are not relevant to the issues to be determined before the board, which in my opinion are as follows:

1. Has the utility placed Mr. Schmeisser in the right rate group category for his usage?
2. Has Mr. Schmeisser been overcharged?

Many of your questions pertained to fixed costs of your utility. How your utility deals with its overhead has no reflection on whether or not Mr. Schmeisser has been placed within the correct rate group. As well, if overhead issues were a consideration then I am left wondering why you didn't address this in your submissions to the board.

Below are the answers which I have given to your questions. My answers are founded in my foregoing comments.

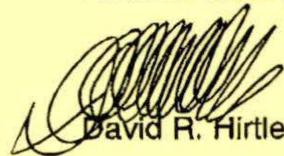
1. Your question makes no sense, therefore I can not answer it. Furthermore it is not relevant to the issues in this proceeding.

2. One need only look at the account history for Mr. Schmeisser to know that he has never consumed more than 10,000 kwh, but he has, according to the account history, had demand in excess of 6KW in a twelve month period. To reiterate the position of Mr. Schmeisser, he must **exceed both** 10,000 kwh and a demand in excess of 6KW in order to be placed in the general service category. Thusly, it is Mr. Schmeisser's position that based upon his usage he must be place in the small general service category.
3.
 - A) This question is an inappropriate. What I am aware of in terms of a fixed cost of a utility is irrelevant to this proceeding.
 - B) This is an irrelevant and inappropriate question.
 - C) The fixed costs of the utility are irrelevant.
 - D) This is an irrelevant question. The costing of the utility to provide service to its customers has no relevance to this proceeding. What is relevant is the question of whether or not the utility has placed Mr. Schmeisser in the correct rate group according to its own regulations.
 - E) The fixed costs of the utility are irrelevant.
4. A) The statement found at page 6, the first full paragraph, cited as follows is in error:

"Ms. Romkey, on the sample bill showing the calculations for that bill, indicates that the first 1320 kW hours are billed at the first rate per calculation of kW hours, and thereafter any kW hours over and above that are calculated at the second rate. In referring to the various Schedule "A"s in force from the time of the opening of this account, and in particular energy rates within the general service, show that only the first 100 kilowatt hours are to be calculated at the first rate, which is the high rate for kilowatt hours and any additional kilowatt hours are to be billed at the second rate, which is the lower rate of kilowatt hours. As referred to above, I have enclosed a table of recalculations based upon the usage of Mr. Schmeisser's power account. I have recalculated the amount which Mr. Schmeisser's bills should have been if this calculation was performed according to the energy rates of the general category in the Schedule 'A' of rates in force from time to time from the opening of Mr. Schmeisser's account. Based upon this recalculation the Commission would owe Mr. Schmeisser the approximate amount of \$1,822.16, not including interest already paid based upon incorrectly high calculated amounts."

- B) With respect to this point the revised amount is the amount set out in the table of calculations titled "Recalculated amounts" and as referenced on page 6 in the second paragraph
- C) The figure of \$1,822.16 was calculated based upon the methodology set out in the first full paragraph at page 6. As conceded in answer to 4A above, the methodology of calculation as set out in the said paragraph does not reflect the regulation. Therefore the amount of \$1,822.16 can not be valid
5. This amount comes from subtracting the recalculated amount from the original billed amount as explained in paragraph 2 of page 6
6. A) This question is not relevant to the issues before the board.
- B) This is not relevant to the issues before the board.

Yours very truly,
HIRTLE LEGAL SERVICES INC.



David R. Hirtle

DRH/kmh
c. NSUARB