NSUARB P-886
EXHIBIT N-50

**~~OPENING~~ STATEMENT**

SEB finds itself on the horns of a dilemma. SEB can see that ultimately the numbers in the Settlement Agreement could be in the ballpark of what the Board might arrive at. However, SEB is unable to sign off on it. These are the reasons.

In the course of preparing for the present hearing, we have delved deeply into certain fuel issues, which are now fresh for debate in a public forum. We are concerned that if they are not canvassed now, the opportunity to shed light on these issues will have been missed permanently, as we have no assurance that they can or will be included in any FAM hearing. These issues are very important for the future of electricity rates in Nova Scotia, particularly if there is to be a FAM, and therefore they need to be explored; if this hearing is to be the only chance, we would feel it necessary to go ahead now.

The other point relates to the 2P-RTP true-up. The Settlement Agreement states that the question of a true-up is put over until December. However, the Agreement is silent on whether, at that December hearing, NSPI will ask for the true-up to be retroactive for this year, 2007. SEB cannot live with this uncertainty.

Therefore, we propose to ask the Board to make a determination on these two points, as a preliminary matter, before the proceeding continues. If the Board is able to make the rulings requested by SEB, then SEB will sign the Settlement Agreement. In doing so we will make a statement similar to Mr. Merrick's strong support for a full OM&G study followed by a public process to review it.

If this is not possible, SEB proposes to continue, primarily to explore those two issues. If the proceeding does go forward, we will add to this some cross-examination on ROE, the Accenture Report, and perhaps other issues.

(992132)