ORIGINAL

NSUARB-NSPI-P-886

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF: The *Public Utilities Act*, R.S.N.S. 1989, c.380 as amended

IN THE MATTER OF: An Application by Nova Scotia Power Incorporated and a Hearing for Approval of Certain Revisions to its Rates, Charges and Regulations

REPLY SUBMISSION ON BEHALF OF:

Avon Valley Greenhouses Ltd.
Canadian Salt Company Limited
Crown Fibre Tube Inc.
Halifax Grain Elevator Limited
High Liner Foods Incorporated
Imperial Oil Limited
J.D. Irving Ltd., Saw Mills Division
Lafarge Canada Inc.
Louisiana Pacific Canada Ltd.
Maritime Paper Products Ltd.
Michelin North America (Canada) Inc.
Minas Basin Pulp & Power Company Ltd.
Oxford Frozen Foods Limited
Statia Terminals Canada (A Valero LP Company)

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JAN 31 2007
Nova Scotia
Utility and Review Board

1. The Intervenors whom we represent agreed to the proposed settlement reflected in Exhibit N-48 and support its adoption by the Board.

2. This submission is in respect of an issue not addressed by the Minutes of Settlement, that is, the future Board process with respect to Compliance Filings. Until the recent ELIIR replacement hearings, the Compliance Filing process was a matter exclusively between the Board (or Board Staff) and Nova Scotia Power Inc. (NSPI).

3. Last year, in the NSPI general rate case (P-882) we had sought but were denied access to the alternative revenue allocation scenarios submitted by NSPI to the Board, NSPI responses to questions raised by Board Staff concerning the same and subsequent revisions to the Compliance Filing made by NSPI. The Compliance Filing itself was not disclosed until *after* the Board's Order.

4. In our respectful submission, revenue/cost (R/C) ratios and revenue allocations are of the utmost importance. The Board, as the public body entrusted with setting rates fairly, has a responsibility to do so consistent with administrative fairness and due process. To the extent the Board relies on information or evidence to make the final Order, in our submission, this evidence should be available to Intervenors (subject to the usual limitations in respect of confidential material).

5. Disclosure of the revenue allocation scenarios along with the R/C's by customer class is of critical importance to Intervenors who do not have access to NSPI's proprietary Cost of Service Study. Without being able to replicate the model, the Intervenors cannot connect the reductions in NSPI's revenue request and the translation into rates by customer class.

6. In a general rate case or other proceeding where inter-class adjustments are made, in our submission, in order to satisfy our concerns with respect to the transparency of the process and administrative fairness, Intervenors should be granted access to any alternative revenue allocation scenarios submitted by NSPI to the Board along with communications respecting these alternative scenarios, the Compliance Filing itself and any revisions, and should be afforded the opportunity to comment thereon all *in advance of* the Board rendering its Final Order.

7. All of which is respectfully submitted this 31st day of January, 2007.

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