

BY EMAIL and RESS

November 18, 2013 Our File No. 20130196

Ontario Energy Board 2300 Yonge Street 27th Floor Toronto, Ontario M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2013-0187/196/198 - Hydro One Norfolk MAADs

We are counsel for the School Energy Coalition. Further to PO #6 in this matter, these are SEC's submissions with respect to the need for further interrogatories or other discovery.

SEC has had an opportunity to review the submissions of Board Staff on this question, and in general SEC agrees that, with the reversion to the original relief (with some modifications), the need for additional interrogatories <u>due to the change in the Application</u> has been much reduced. We agree that answers to the questions attached to the Staff submissions would add needed clarity, but beyond those, further interrogatories on these points may not be essential.

SEC does believe, however, that further discovery will almost certainly be required in this proceeding, either through a technical conference or more likely in an oral hearing. However, we don't think it is possible to determine that until our Motion is heard, and the answers, if any, to the refused interrogatories have been filed.

The nature of the main issues of concern to SEC is such that there may be considerable disagreement between the Applicant and the intervenors about the facts underlying those issues. SEC is concerned that allowing Hydro One to acquire Norfolk may be essentially dooming the Norfolk ratepayers to much higher rates for years to come. Hydro One will likely not agree with this concern, and will have a particular view of the facts that supports their position. Similarly, SEC is concerned that allowing Hydro One to "overpay" for this LDC may

Tel: (416) 483-3300 Cell: (416) 804-2767 Fax: (416) 483-3305

 $\underline{jay.shepherd@canadianenergylawyers.com}$

www.canadianenergylawyers.com

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Jay Shepherd Professional Corporation

prevent the orderly rationalization of the LDC sector. Again, Hydro One will likely not agree, citing their exercise of "business judgment" as a fact supporting their position. These are issues that are best explored in an oral hearing, where the different points of view can be tabled, and the facts, opinions and judgments that support one or the other view can be tested.

It is possible that the answers to any refused interrogatories the Board requires to be answered will be sufficient to do this, and certainly those answers will provide a lot of necessary data. However, we think even with that additional information it is much more probable that only through an oral process – most likely cross-examination in an oral proceeding – will the Board get a complete record sufficient to make determinations on these important issues.

SEC therefore requests that the Board defer a determination of the next stages of this process until after SEC's Motion has been heard, and any actions arising out of the Board's order on that Motion have been completed. It will only be at that point, in our view, that it will be clear – perhaps after the Board receives submissions from the parties - what process will best complete the evidentiary record in this matter.

All of which is respectfully submitted.

Yours very truly,

JAY SHEPHERD P. C.

Jay Shepherd

cc: Wayne McNally, SEC (email)

Interested Parties