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Ontario Energy Board
2300 Yonge Street
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Attn: Christine Long, Registrar and Board Secretary

Dear Ms. Long;

Re: EB-2018-0242/270 – Hydro One/Peterborough/Orillia MAADs – Oral Hearing

We are counsel for the School Energy Coalition. Pursuant to the Board's October 28, 2019 letters in this matter, these are SEC's submissions with respect to the scope of any oral hearing ordered by the Board.

SEC concludes, based on the analysis below, that the Board should order a full oral hearing in these matters, and should not limit the scope of that hearing. To do otherwise, in our submission, would be to provide an advantage to the Applicants at the expense of those parties opposing the Applications.

Introduction

SEC has carried out a detailed review of the technical conference transcripts and undertakings, the interrogatories, and the pre-filed evidence in these matters, akin to the first stage of a normal review in preparing for an oral hearing. In that first stage, a party identifies and scopes the issues and components of issues that it feels must be addressed, and itemizes the questions/admissions/information it will seek during the hearing, but does not take the next step of actually preparing a cross-examination and related compendium on each issue. SEC carries out both steps for every oral hearing. In this case, we just moved the first step somewhat earlier, in order to prepare these submissions.

In identifying and scoping issues in preparation for a hearing, SEC asks three questions:

1. Is the record complete on this issue, in the sense that all parts of the issue are dealt with in the evidence already before the Board?

2. Do any parts of the record on the issue need to be tested through cross-examination? In a technical conference, cross-examination is not permitted. While it is undoubtedly true that some technical conference questioning is "pointed", direct challenges are more effective in front of the adjudicators, and thus are usually left until then.

3. Does any of the Applicant's case depend on an assessment of the credibility of its witnesses? Credibility can only be assessed in person by the adjudicators. While cases before the Board usually don't have a lot of evidence in which credibility is an issue, credibility issues do sometimes arise, and that is especially true when an Applicant refuses to answer questions or provide information that appears to be relevant.

We are treating all three questions as included in the Board's request as follows:

> *"Parties are reminded that the purpose of an oral hearing is to hear evidence that is not already on the record. Any party that requests an oral hearing must provide an outline of the specific areas where it believes that the record is not complete and where the Panel will be assisted by hearing additional evidence."*

On the other hand, in keeping with the Board's direction we are excluding from our analysis anything that is already on the record and does not require cross-examination or assessment of credibility, even those things that we feel, tactically, might be more influential if the Board panel hears them directly from the witnesses.

Because these are MAADs applications, we have looked at the issues in two categories:

- Issues related directly to the "no-harm" test, i.e. whether the Applications should be approved at all.

- Issues related to terms of approval, such as ESM, reporting, future rate structures, etc.

We also note one other thing. In a courtroom setting, a *lis inter partes*, it would be normal to assess the need to deal with something in a hearing based on onus. The Plaintiff (in this case, the Applicant) has the onus to prove the key points of their case. Parties opposing that case may see that there is a gap in the evidence supporting that case, so the Plaintiff/Applicant has not met their onus. In that situation, it is quite normal to shut up about that gap, rather than raise it in a hearing and give them the opportunity to shore up the weakness.

SEC believes that the Applicants have completely failed to meet their onus in these proceedings, and so on the current record these Applications should be denied. In a court case, we would move for judgment without a hearing, and expect to win that motion.

However, it is not the Board's practice to decide cases based on onus, as that could in many cases implicitly ignore the public interest context of Board proceedings. Further, SEC perceives the Board's expectation of parties to be that we are all responsible to make sure the Board has a complete and thoroughly tested evidentiary record. Therefore, in our assessment of what should be considered in a hearing, we are not considering onus to be a relevant factor.

Overall Need For an Oral Hearing

SEC reviews these two proceedings issue by issue below. However, on a general level these matters cry out for an oral hearing because of the Applicants' approach to the regulatory process. In short, the strategy of the Applicants appears to be to resist providing information where at all possible.

The best example of that is a simple read-through of the Technical Conference transcripts and undertakings. We started counting items of information that we heard for the first time in that process (i.e. after pre-filed evidence and interrogatories), and stopped counting after 100.

This was not all "little" things.

Given, for example, that the difference between the status quo and Hydro One scenarios of costs was critical to these Applications, it was surprising that the evidence did not disclose the many ways in which those two scenarios were done differently, using different (and often suspect) assumptions. None of the impact of those differences is on the record, even today.

Similarly, we heard for the first time (JT2.1) that Hydro One CAM differences mean that, compared to OPDC or PDI, Hydro One will allocate 55% more costs to the GSd and UGd classes (i.e. most of the schools) than would be the case in status quo. That new information has not been tested or explored in any way, despite its massive impact on the rates of many customers.

The current record includes many outright refusals to provide information that is obviously relevant. This includes, for example, a) the OPDC capital plan (TrT1:29) and their long-term planning model (TrT1:57-60; JT1.6 is not that model), b) the tax, rate base, and rate impacts of the structuring of the PDI transaction as an asset sale rather than a share sale (TrT1:37-8), c) Hydro One studies on rate impacts for previously acquired customers (TrT1:67-8), d) which costs are shared and which are not (TrT1:108-113 and elsewhere); e) the impact of adjustment factors (Tr1:116-7, 119, 123), f) calculations supporting Hydro One capital plans (JT1.9), and many others.

SEC believes that reading the transcripts and undertakings would lead any fair-minded person to conclude that the Applicants' strategy is to limit information provided to the parties and the Board when they can, in the hopes that there will be no oral hearing. In a Technical Conference, there is no-one to order production of information. In an oral hearing, the Board makes a determination on any refusals. Relevant information cannot be withheld if it would assist the Board.

We therefore conclude that, aside from the details below, on an overall basis lack of an oral hearing is likely to advantage the Applicants, and disadvantage the parties opposing the Applications.

Issues Related to the No Harm Test

There appear to be four main ways in which the customers face potential harm due to these transactions:

1. Long Term Rate (and Cost) Impacts.
2. Rate Impacts During Deferred Rebasing Period.
3. Reliability Impacts.
4. Customer Service Impacts.

1. Long Term Rate (and Cost) Impacts

Repeating the Same Rate Proposal. Throughout the recent history of Hydro One's acquisitions, the overriding issue has been whether, in the long term, the acquired customers will end up responsible for higher costs, and therefore will have higher rates, than if they remained customers of an independent LDC.

In the Norfolk, Haldimand, and Woodstock cases, the Board originally approved the transactions on the basis of assurances from Hydro One that long term costs and rates would be favourable for the acquired customers. That is, those acquired customers would benefit from some of the merger savings. Then, in EB-2017-0049, the Hydro One Distribution rate case, it became apparent to the Board that those assurances had not been borne out in practice. To get around that, Hydro One in that proceeding was forced to propose an unusual cost allocation and rate classification/design approach for those acquired customers, which was then soundly rejected by the Board for a number of important reasons.

The Applicants have now admitted (TrT1:195-6) that, except for some minor technical changes, the post-deferral rate proposal they are making in these Applications is the same as the one they proposed in EB-2017-0049, which was rejected by the Board. This raises at least the following matters that must be addressed in an oral hearing:

a. What are the changes to the rate proposal from EB-2017-0049 to these Applications, and what are the actual impacts of those changes? Those changes are described loosely in the current evidence, but the impacts are not on the record.

b. What are the overall impacts of the "adjustment factors" on the costs to be allocated to both Orillia and Peterborough acquired classes? It is not possible to discern those dollar impacts from the current record (TrT2:13-22), although parties tried to do so at the Technical Conference. In this, as in many areas, Hydro One witnesses were resistant to providing information.

c. How, if at all, does this current proposal deal with the Board's concern in EB-2017-0049 that legacy and acquired customers in similar circumstances must be treated the same way in the cost allocation and rate design process? Hydro One says that they are not treating them the same because they <u>can't</u> (TrT1:83-6), but don't provide any information on how they plan to satisfy the Board's EB-2017-0049 requirements with respect to Norfolk, Haldimand, and Woodstock, and thus satisfy those same requirements with respect to Orillia and Peterborough. This requires cross-examination, not just to improve

the record, but also to test the credibility of the Hydro One witnesses on these issues (see below).

What we also found out for the first time in JT2.1 (see above) is that because of the differences between the Hydro One approved CAM and the OEB standard approved CAM, some acquired customers would have much larger changes to their cost allocation than others. Generally, the result is that residential customers of Hydro One have relatively lower allocated costs, and general service customers have relatively higher allocated costs. The impact for schools, for example, appears to be a 55% increase in the costs for which acquired schools will be responsible under a Hydro One regime. This is in addition to the general reality that Hydro One costs are higher on an overall basis.

This factor has been mentioned in the EB-2017-0049 Hydro One rate case, but JT2.1 is the first time the actual impact of this change has been disclosed (TrT2:12). For whatever reason, the Applicants' did not feel that a 55% increase in cost responsibility was sufficiently important to disclose in their pre-filed evidence in these proceedings.

This raises at least the following matters that must be addressed in an oral hearing:

d. What are the long-term impacts on general service customers of this additional cost responsibility? For example, when revenue to cost ratios move closer to one, will this tend to cause a long-term negative impact on Hydro One customers that OPDC and PDI customers would not experience?

e. What other material differences exist between the Hydro One CAM and the OEB standard approved CAM that could have impacts on the acquired customers (or the legacy customers, for that matter)? We saw in EB-2017-0049 that some potential CAM impacts on acquired customers were first disclosed in the oral hearing, and nowhere on the record in this proceeding (or EB-2017-0049, for that matter) is there a comprehensive explanation, with impacts, of the costs that will be allocated to acquired customers relative to the costs they are bearing today. This has generally been treated as a black box. This is not just a question of new information. It is also something that needs cross-examination, and will ultimately go to credibility.

f. How will the CAM impacts be dealt with in the rate-setting proposal of Hydro One? The only comment we saw at the Technical Conference was that Hydro One may have to adjust some revenue to cost ratios. We did not see any information on whether other adjustments would be made, or whether the adjustment factors would be applied differently, or anything like that. As we have just received this new information, we have had no opportunity to explore this. It would appear, on the face of it, that general service customers may in fact be harmed by these transactions.

The basic case presented by the Applicants is that, when you compare the costs to serve the OPDC and PDI customers under status quo and under Hydro One, the Hydro One costs are lower. Eventually, so goes the argument, these lower costs benefit ratepayers, whether legacy or acquired. The only issue is how to ensure that both legacy and acquired benefit in a fair division of the total savings.

Of course, a comparison of future costs under two different scenarios depends entirely on the assumptions used, and for that reason the parties spent a lot of time in the Technical Conference getting more information on those assumptions.

Two things became clear.

First, there are substantial differences in the assumptions between the status quo and the Hydro One scenarios. As we heard for the first time, for example, Hydro One plans to replace or refurbish six PDI substations, while PDI plans to replace or refurbish nine (TrT1:161-8; TrT2:2). Hydro One makes a big point that their PDI capital spending is $60 million, while PDI assumed $65 million, yet refuses to compare their capital plan to PDI's (TrT1:150). The same is true for Orillia. It is likely, based on the limited evidence before the Board, that at least some of the differences will be similar to the substation example: Hydro One will do less.

Second, OPDC, PDI and Hydro One all refused to provide further details on their capital plans, and eventually refused to provide any further details on their overall scenarios. They were asked by a number of parties, and at a number of times, but in the end, although they have backup information, they will not allow the Board and the parties to see it.

One of the key things that the Applicants are unwilling to discuss, for example, is the comparative unit costs of Hydro One and the acquired utilities. Hydro One has much higher rates, likely because it has much higher costs. Given the importance of capital costs to revenue requirement, a reasonable assumption is that it costs Hydro One more to do the same thing than PDI or OPDC. If that is true, then despite everything else in the long run the OPDC and PDI customers will be worse off.

At least the following issues are raised by this which must be addressed in an oral hearing:

g. To what extent, if any, does the Hydro One capital forecast involve less actual capital work than the PDI and OPDC capital plans, and why? This in part relates to reliability (see below), but it also relates to relative efficiency of the three Applicants. Hydro One does not want to admit that they are less efficient than other LDCs, and only through cross-examination is there any chance of challenging this. In addition to substations, for example, another part of this may relate to the proposed regional operations centre, which is not in the Hydro One Orillia capital plan, but is in the OPDC capital plan, and would have been built by now, but for these transactions (TrT1:51).

h. What are the relative capital unit costs of Hydro One, PDI and OPDC? This goes to the question of whether it is even possible for Hydro One to serve these customers at a lower cost than PDI and OPDC, whatever cost allocation gimmicks are proposed. Information in this area has been refused.

i. What are the impacts of the different assumptions on the forecasts? Hydro One assumes customer care costs increase at 1% per year (due to impacts of technology), while PDI and OPDC assume 2.3% and 2% respectively. Does this have a material impact on the claimed savings from the transactions? What is that impact? The same is true of different assumptions on inflation, on depreciation rates, etc. None of these impacts are on the record.

j. Are the OPDC and PDI forecasts reasonable in their own right? OPDC assumes rate increases of 63% over ten years (TrT2:155), and PDI assumes rate increases of 53% over that same period (TrT2:143-148). Neither has given a good explanation of these assumptions, and only through cross-examination in front of the Board panel is there any chance that we will get clear answers.

k. OPDC added $500K per year to OM&A in their forecasts relative to their past history (TrT2:128-9). This is about $5.5 million over ten years, and does not appear to have been fully explained. This is another area in which cross-examination appears to be the appropriate solution.

The Applicants rely on the evidence of Navigant as to the regulatory reasonableness of these transactions. No oral evidence from Navigant has been heard, and they have not yet been accepted as experts by the Board in this proceeding. The Applicants offered to bring them to the Technical Conference, but the parties said they didn't need to come. In the case of SEC, the reason was that all of our questions of Navigant would have clearly been cross-examination and challenging of their conclusions, which by rule must wait until an oral hearing.

Thus, an oral hearing is necessary for at least the following reason:

l. The Applicants are relying on expert evidence, and without an oral hearing the parties will never have an opportunity to cross-examine on that evidence.

Finally, much of these two cases rests on the credibility of Hydro One in their claims to be able to generate economies of scale, and therefore serve the acquired customers at lower costs – and rates – than OPDC and PDI. This credibility gap became very evident in the EB-2017-0049, where the Board noted the assurances that acquired customers would not be subjected to higher costs and rates after deferred rebasing, and then the very different reality today. If this didn't damage Hydro One's credibility when it comes to protecting acquired customers, it is hard to imagine what would.

The roots of this problem, though, go back to the many acquisitions in the previous decade, and the customers in those towns and villages that have had enormous rate increases under Hydro One. SEC has raised this in the past, but now, with the recent history of Norfolk, Haldimand and Woodstock, it becomes clear that it is still relevant today. That is especially true with the refusal of Hydro One to provide any internal analyses of the fate of acquired customers, which suggests to SEC that, frankly, they may be hiding something. What company with an acquisition strategy, facing sequential challenges of their ability to deliver cost savings, doesn't analyse their past history to find out whether those challenges have merit?

It is even more pertinent in this proceeding when Hydro One responds (SEC-8) to questions about their claimed economies of scale by giving a general narrative about that claim, with no supporting evidence, and in the same response refusing to provide information on the past transactions that would show their history of lack of economies of scale.

The fact is that all previously acquired customers (at least, the ones that have new rates) have much higher rates today, and those rates appear to be significantly higher than they would

otherwise have been. Hydro One planned to do the same to Norfolk, Haldimand and Woodstock customers, until the Board stopped them. Hydro One now proposes to set special rates for the Orillia and Peterborough customers (the same proposal the Board has already rejected in EB-2017-0049), which appears to SEC to be an express admission that they can't serve those customers at a lower cost than OPDC and PDI, except by jettisoning basic principles of cost allocation.

These are credibility issues, and in our submission an oral hearing is required to test the credibility of Hydro One, OPDC and PDI witnesses, at least as follows:

m. Where is the evidence that Hydro One can deliver on the economies of scale that they claim? If they can actually deliver, then why do the 70+ previous acquisitions show increases, not decreases, in the costs to be borne by the acquired customers? Why will Hydro One not provide information on the economies driven by past acquisitions? If they have not investigated those economies, why not? Why should the Board assume that Hydro One can deliver economies of scale for OPDC and PDI customers, given their past history?

n. This then ties to the credibility of the witnesses with respect to the forecast scenarios, including how they got the numbers they did, and the extent, if any, to which the forecasts were prepared with a view to ensuring that the claimed economies of scale would show up in the results.

SEC notes that the issue of long term costs and rates is a complicated one, in part because it seems obvious that there <u>should</u> be money to be saved, and in part because the past history indicates that, if there were savings, customers don't appear to have benefitted. The history of Alectra and its predecessors shows relatively low rate increases, likely due to their merger strategy over an extended period. The history of Hydro One does not appear to show rate increases lower than the rest of the industry, despite Hydro One having engaged in more MAADs transactions than anyone else.

Proposing a new approach to cost allocation and ratesetting appears to be just an attempt by Hydro One to mask the underlying reality: Hydro One is a high cost utility, and any customer acquired by Hydro One will ultimately be harmed.

The complexity of the long term costs/rates issue means that there are a myriad of components to be addressed. We have identified, above, five areas and fourteen sub-issues in which an oral hearing is warranted for just this issue alone, and we expect that with further review we could find more.

2. Rate Impacts During Deferred Rebasing Period

The pre-filed evidence and subsequent discovery generally assumes that acquired customers will be better off during the deferred rebasing period, with the 1% rate reduction for five years, followed by PCI increases plus ICM for five years after that, as compared to rates for these areas as independent LDCs.

Intuitively, it seems that is likely to be true, but there is no evidence on the record that actually does the math on status quo rates. Those rates would have to take into account not just the

local cost pressures, but also healthy current ROE, changes to working capital allowance, expense catchups, and impacts of technology going forward. There is a status quo forecast but, as we saw during the Technical Conference, that forecast was rife with questionable assumptions.

Given the extent of the other issues arising in this proceeding, SEC believes it is unlikely we would spend a lot of time pursuing whether customers are better off during the deferred rebasing period. Any benefit would be small, in any case. Therefore, although we note that the record is incomplete on this issue, we do not suggest this would in itself be a good reason to have an oral hearing. If there is an oral hearing, however, it should not be excluded.

3. Reliability Impacts

There is only a small amount of information on reliability in the current record. It is well-known that Hydro One's reliability metrics are poorer than those of either OPDC or PDI (KT2.2), but this was not even discussed at the Technical Conference, likely due to lack of time.

Now we have heard for the first time that Hydro One plans a less aggressive system renewal program for at least Peterborough (6 stations vs. 9, for example), and the Board has no information on whether the effect of the Hydro One acquisitions could be that reliability in Peterborough and Orillia moves to the poorer Hydro One levels.

Therefore, SEC believes that an oral hearing is necessary so that parties and the Board can find out:

o. What are the likely reliability metrics Hydro One will deliver in the PDI and OPDC service territories, and what basis does Hydro One have for forecasting those metrics?

p. What impact, if any, will the Hydro One capital plans for Peterborough and Orillia have on the reliability experienced by customers in those areas?

4. Customer Service Impacts

There is a similar question about customer service metrics, although this was discussed at the Technical Conference (TrT2:58-62). What it shows is that, for example, in <u>each</u> of the PDI and OPDC service territories ten more customers per day, each and every day, will not have their calls answered in 30 seconds. Hydro One's answer is that they still meet the Board's standards, and they offer other things, like longer call centre hours and IVR.

However, we also heard that Hydro One don't expect to add any more customer service staff as a result of the addition of 51,000 new customers (4%) to their customer base. Logic says that this decision can only result in a decline in customer service for both acquired and legacy customers.

These facts may just speak for themselves, but SEC believes that the Board would benefit from cross-examination on questions such as:

q. What will the overall impact on customer service be for PDI and OPDC customers and for legacy customers if the transactions are approved? Why will customer service

metrics not go down if the same number of customer service staff are looking after more customers?

r. What is the value to customers of things like IVR, extended call centre hours, etc., relative to poorer response times and similar issues?

Issues Relating to Terms of Approvals

It will be clear from the above analysis that SEC does not believe the record as it stands, nor the record after a hearing, will justify approval of these transactions by the Board. The Applicants, on the other hand, would probably disagree. Therefore, obviously all parties must proceed on the basis that the Board might approve the transactions, in which case the terms of approval are important.

SEC believes that, in that eventuality, the Board would benefit from oral evidence and cross-examination on the following additional issues:

s. ***ESM.*** The structure and calculation of the "earnings sharing mechanism" is quite unique, in at least two ways. First, Hydro One does not propose to either keep track of, nor actually share, earnings in the acquired territories, despite the Board's relevant policies. They say they "can't", although of course Alectra has been able to do just that in similar circumstances. The Applicants should explain to the Board why sharing actual earnings is impossible. Second, the forecast earnings include many assumptions that are simply not reasonable, and need to be challenged in cross-examination. The most obvious is the risk premium, but many others came to light during the Technical Conference. This issue is connected to the assumptions in the status quo vs. Hydro One scenarios, which assumptions are related to but not identical to the assumptions for ESM purposes.

t. ***Post Deferral Rate Structure***. We have dealt with most of the issues in this area earlier because they speak directly to the no harm test. There are in addition many further issues, as the actual proposal is murky and hard to nail down with precision. It is not clear, just as one example, how revenue to cost ratios will be set "between the goalposts" on a principled basis, and the answers at the Technical Conference on this point were impossible to understand.

u. ***Reporting and Cost Allocation.*** Because of the many questions that have been raised in this proceeding, and in the EB-2017-0049 proceeding, the pre-filed evidence does not fully address how the issues discussed should be dealt with from a reporting point of view. Just as one example, we learned in the Technical Conference that cost allocation can be done as often as the Board wants, but that without a Board direction it would not be done for these customers until 2030 (TrT1:183). For the various other types of reporting and monitoring that the parties may propose, it is necessary to find out from Hydro One witnesses what is possible, and what is a problem.

v. ***Deferral and Variance Accounts***. The Applicants have provided limited information on how they propose to deal with existing deferral and variance accounts. By way of example, the OPDC 1576 account is accruing rate base differences for the benefit of

customers. Hydro One proposes to keep existing rates (with the rate base differentials built in) but stop making entries to the account (TrT2:18-20). It appears they believe this is one of the merger synergies, but that is not really clear.

w. ***Accounting and Depreciation Changes.*** There was much discussion in the Technical Conference about the different depreciation rates that Hydro One plans to apply to the assets of PDI and OPDC. JT2.9, which is supposed to shed some light on this difference, is actually not very helpful, and not even responsive to the original question asked. There are likely other accounting and similar changes expected, but there is limited information on the record in this regard.

x. ***Fair Market Value Bump.*** The assets of the acquired utilities will have their values bumped up for tax purposes, and Hydro One believes they get to keep that "benefit". This very issue, arising originally out of the Hydro One IPO, is being finally determined in a court case right now, but in the meantime the details of this impact in Orillia and Peterborough are not fully disclosed on the record. For example, did some of this extra tax shelter benefit OPDC in 2017 and 2018, and if so what was the impact? Under the Board's decision on this point in the Hydro One Transmission case, part of this benefit should go to customers. Similarly, questions were asked about the structure of the PDI transaction as an asset sale rather than a share sale, which creates a similar bump but with different technical aspects. The sale price has not even been allocated in that case, and there are obvious questions about whether there is a benefit that should be shared with customers.

The above list is not exhaustive, but is intended to demonstrate the breadth of the outstanding issues for which an oral hearing may be of assistance to the Board.

Conclusion and SEC Recommendation

The above analysis shows, in SEC's submission, that the issues on which a hearing appears to be essential reach all corners of the two Applications. We therefore believe that a full hearing on all issues is required.

We note that it might be possible for the Board to scope the hearing, in the sense of identifying issues that are in or out of scope for the oral hearing. Given the history of these proceedings, and the fact that the Applicants are represented by three different law firms, SEC is concerned that any attempt to determine in advance what is in and what is out of scope could result in ongoing procedural wrangles in the hearing, as the Applicants seek to exclude parties' questions. Further, it could also result in witnesses not being available, because the Applicants may interpret the Board's scoping ruling in a more restrictive way than the Board intended.

Despite it being counter-intuitive, SEC believes that the way to a shorter and more efficient hearing is to allow all relevant areas to be explored.

In suggesting a full hearing, SEC is conscious that this is likely to be a four-day oral hearing, if both PDI and OPDC are to be considered together (probably the most efficient approach).

However, more than 51,000 LDC customers will be permanently and materially affected by the Board's decision, and that decision may also impact future acquisitions that may be planned, now or later, by Hydro One and others. The problems that arose in the Norfolk, Haldimand and Woodstock situations, and the current impasse with respect to their rates, may be avoided or at least reduced for Orillia and Peterborough with a full public airing of the complex issues raised by these transactions.

All of which is respectfully submitted.

Yours very truly,
SHEPHERD RUBENSTEIN
PROFESSIONAL CORPORATION

Jay Shepherd

cc: Wayne McNally, SEC (email)
Interested Parties