

MANITOBA PUBLIC UTILITIES BOARD

Re: CENTRA GAS MANITOBA INC.
GENERAL RATE APPLICATION
2013/14

Before Board Panel:

Regis Gosselin	- Board Chairman
Marilyn Kapitany	- Board Member
Larry Soldier	- Board Member

HELD AT:

Public Utilities Board
400, 330 Portage Avenue
Winnipeg, Manitoba
June 18th, 2013
Pages 731 to 1013



1 APPEARANCES

2 Bob Peters)Board Counsel

3 Sven Hombach (np))

4

5 Marla Boyd)Centra Gas Manitoba

6 Brent Czarnecki)Inc.

7

8 Brian Meronek, Q.C.)CAC (Manitoba) Inc.

9 D. Tomas Masi)

10

11 Nola Ruzycki (np))Just Energy

12

13 Paul Kerr (np))Shell Energy

14

15 Kim Johnston (np))CEPU

16

17

18

19

20

21

22

23

24

25

1	TABLE OF CONTENTS	
2		Page No.
3	List of Exhibits	734
4	List of Undertakings	735
5		
6	CENTRA PANEL 3, RESUMED:	
7	DARREN RAINKIE, Resumed	
8	HANRI JACOBS, Resumed	
9	MARK PRYDUN, Resumed	
10	GREG BARNLUND, Resumed	
11	Continued Cross-examination by Mr. Bob Peters	737
12		
13	CENTRA PANEL 4:	
14	MANNY SCHULZ, Sworn	
15	Examination-in-chief by Ms. Marla Boyd	908
16	Cross-examination by Mr. Bob Peters	916
17		
18	CENTRA PANEL 3, RESUMED:	
19	DARREN RAINKIE, Resumed	
20	HANRI JACOBS, Resumed	
21	MARK PRYDUN, Resumed	
22	GREG BARNLUND, Resumed	
23	Continued Cross-examination by Mr. Bob Peters	981
24		
25	Certificate of Transcript	1013

1	LIST OF EXHIBITS		
2	EXHIBIT NO.	DESCRIPTION	PAGE NO.
3	PUB-11	Revised version of pages 184	
4		and 185 of Board counsel's	
5		book of documents	737
6	CENTRA-8	Response to Undertaking 4	807
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

1	LIST OF UNDERTAKINGS		
2	NO.	DESCRIPTION	PAGE NO.
3	6	Centra to advise the Board as	
4		to the depreciation rate, as well	
5		as the useful life determination	
6		of the expense of labour related	
7		to meter exchange	827
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

1 --- Upon commencing at 9:05 a.m.

2

3 THE CHAIRPERSON: Good morning,
4 everyone. I believe everybody's in position. Before
5 I start I should acknowledge the presence of Jennifer
6 Dubois, who is assisting the proceedings today.
7 Jennifer is the assistant associate secretary of the
8 Board.

9 Now, I wonder if there are any matters
10 to attend to, Mr. Peters...?

11 MR. BOB PETERS: Yes, good morning.
12 And my apologies for the delay in the start this
13 morning. It was on me and my friends in the parking
14 lot that used to be Portage Avenue. The -- yesterday,
15 the Board will recall that Mr. Rainkie and I discussed
16 in the book of documents pages 184 and 185, but I put
17 to him a revised version.

18 I think, for the completeness of the
19 record, we should mark those as PUB Exhibit 11. We'll
20 mark them both as one (1) exhibit. They're marked
21 themselves, "Page 184 revised," and, "Page 185
22 revised," so that if anyone is wanting clarity they
23 can -- we refer to them by their specific revised page
24 numbers, so.

25 If that meets with approval, then we'll

1 just mark those as PUB-11.

2

3 --- EXHIBIT NO. PUB-11: Revised version of pages
4 184 and 185 of Board
5 counsel's book of
6 documents

7

8 CENTRA PANEL 3, RESUMED:

9 DARREN RAINKIE, Resumed

10 HANRI JACOBS, Resumed

11 MARK PRYDUN, Resumed

12 KELLY DERKSEN, Resumed

13 GREG BARNLUND, Resumed

14

15 CONTINUED CROSS-EXAMINATION BY MR. BOB PETERS:

16 MR. BOB PETERS: If I could continue
17 then, Mr. Chairman, with this panel. We were talking
18 about operating and administrative expenses, which I
19 often call as OM&A expenses. And I believe Ms.
20 Jacobs, as well as Mr. Rainkie, and I were in
21 discussion on that matter. If we could start the day
22 at page -- sorry, at -- at Tab 46 of the book of
23 documents. We have a document that provides a
24 comprehensive view of the components of the operating
25 expenses, this time by business unit.

1 Would that be correct, Ms. Jacobs?

2 MS. HANRI JACOBS: That's correct.

3

4 (BRIEF PAUSE)

5

6 MR. BOB PETERS: If we turn ahead to
7 page 192 in the Tab 46, Ms. Jacobs, this document
8 provides that view of the operating expenses by
9 business units. As well, it includes what perhaps in
10 accounting terms you call the 'bridge year', the
11 2012/'13 year?

12

13 (BRIEF PAUSE)

14

15 MR. DARREN RAINKIE: Yes, Mr. Peters,
16 that's what we usually call the year before the test
17 year, 2012/'13 in this case. I should say good
18 morning, Mr. Chairman, members of the Board, and
19 ladies and gentlemen in attendance.

20 MR. BOB PETERS: Yes, thank you, Mr.
21 Rainkie. The components allocated to each business
22 unit include primary costs, which we have reviewed the
23 activity charges, and an overhead allocation.

24 Would that be correct?

25 MS. HANRI JACOBS: That's correct.

1 MR. BOB PETERS: And, Ms. Jacobs, the
2 majority of spending on OM&A are in the customer
3 service and distribution area, as well as the customer
4 care and marketing?

5 MS. HANRI JACOBS: That's correct.

6 MR. BOB PETERS: Yesterday one (1) of
7 the panel members assisted me in explaining to the
8 Board when we had our discussion about meters and
9 meter exchanges. And, Ms. Jacobs, we can see here
10 under customer service and distribution, the last item
11 is meter changes. And that reflects the discussion we
12 had yesterday about costs that are, on the Centra side
13 of the business, expensed, but on the Hydro side are
14 currently capitalized?

15 MS. HANRI JACOBS: That's correct.

16 MR. BOB PETERS: And then if we also
17 look on this page 192 at Tab 46, under 'customer care
18 and marketing', we see another line item called 'meter
19 repair and calibration'.

20 And, Ms. Jacobs, that's the line item
21 where you indicated the meters are taken out for the
22 regular repair and testing of the meters?

23

24 (BRIEF PAUSE)

25

1 MR. MARK PRYDUN: Good morning, sir.

2 That is correct. That is done in a -- a separate
3 facility, a production facility, our -- our metering
4 facility. And its intention is to sample meters and
5 to restore them back to their -- to their proper
6 condition.

7 MR. BOB PETERS: Thank you, Mr.
8 Prydun. Trust me, I don't want to go too far down the
9 engineering road here with you, sir, but I may have
10 misspoke yesterday on the record that -- let's assume
11 that meter 'A' is on a -- a home. And then for
12 reasons, including Measurement Canada's requirements,
13 Centra comes along and needs to take meter 'A' off of
14 the home, it will install meter 'B' onto the home,
15 correct?

16 MR. MARK PRYDUN: That's correct, sir.

17 MR. BOB PETERS: And then the meter
18 'A' is taken to this facility that you've just
19 mentioned to the Board about meter repair and
20 calibration facility, and the meter is tested to see
21 if it still is within the tolerances prescribed by the
22 federal government?

23 MR. MARK PRYDUN: That's correct.

24 Typically, it's a sampling program where meters of a -
25 - a certain lot number will be sampled. And if that

1 sample, in general, is out of Measurement Canada
2 tolerance limits then all meters associated with those
3 serials will then be required to be replaced.

4 MR. BOB PETERS: And without getting
5 to specific on that, Mr. Prydun, if the -- if the lot
6 number of meters, if there's a thousand (1,000) of
7 them for -- for example, and Measurement Canada
8 requires them to be sampled and tested, you may take
9 ten (10) of them out of service to test them, to test
10 the -- you test ten (10) out of a thousand (1,000) to
11 get some representative indication of the -- of the
12 larger group?

13 MR. MARK PRYDUN: That's correct, sir.

14 MR. BOB PETERS: And now you've taken
15 meter 'A' off of the home, you've put on meter 'B',
16 you've now tested meter 'A' back at the meter repair
17 and calibration shop, and meter 'A' is still within
18 tolerances, and enough meters of the same lot are
19 within tolerances that Centra concludes that all meter
20 'A's are still within tolerances.

21 That happens?

22 MR. MARK PRYDUN: That's correct, sir.

23 MR. BOB PETERS: In that case, you
24 don't go back to the home where you've put on meter
25 'B' and -- and re-install meter 'A'. You just leave

1 the meter 'B' that's on that house?

2 MR. MARK PRYDUN: That's correct, sir.

3 MR. BOB PETERS: All right. What you
4 also then know is that from your testing, the ten (10)
5 meter 'A's that you've taken off out of this thousand
6 (1,000) lot number, or size, if they're all still
7 within tolerances, you know that you don't have to
8 change out the -- the nine hundred and ninety (990)
9 meters that are all on that lot size?

10 MR. MARK PRYDUN: That's correct,
11 based on that sample.

12 MR. BOB PETERS: All right. And, Mr.
13 Prydun, the meter repair and calibration costs that
14 are in -- that are shown here -- and in the test year,
15 the 2013/'14 test year in the far right-hand column,
16 down at the meter repair and calibration line, there's
17 \$1.911 million forecast to be spent on the meter
18 repair and calibration program, correct?

19 MR. MARK PRYDUN: That's my
20 understanding, sir.

21 MR. BOB PETERS: And that cost is then
22 expensed as opposed to capitalized?

23 MR. MARK PRYDUN: That's my
24 understanding, sir.

25 MR. BOB PETERS: And is it also your

1 understanding, Mr. Prydun, that on the electric side
2 of the business the meter repair and calibration is
3 treated exactly the same way?

4 MS. HANRI JACOBS: That's correct.

5 MR. BOB PETERS: Thank you.

6

7 (BRIEF PAUSE)

8

9 MR. BOB PETERS: Of note, Ms. Jacobs,
10 to the Board will be the corporate allocation --
11 corporate allocations and adjustments line item found
12 on page 192. And it is in the test year approximately
13 \$6.8 million, correct?

14 MS. HANRI JACOBS: That's correct.

15 MR. BOB PETERS: Previously, and when
16 I say previously, I think we can flip backwards a page
17 to page 191, this corporate allocations and adjustment
18 was in 2011/'12 only \$1.7 million, correct?

19 MS. HANRI JACOBS: That's correct.

20 MR. BOB PETERS: And so the Board can
21 conclude that under corporate allocations and
22 adjustments this is where, for accounting purposes,
23 Centra records the expenses that it no longer
24 capitalizes as it moves away from full-cost
25 accounting?

1 (BRIEF PAUSE)

2

3 MR. BOB PETERS: Do you agree with
4 that?

5

6 (BRIEF PAUSE)

7

8 MS. HANRI JACOBS: Ye -- yes, it
9 sounds like it's correct.

10 MR. BOB PETERS: Thank you, Ms.
11 Jacobs. And in addition, the depreciation, interest,
12 and taxes line that was previously in some way
13 included in all of the above numbers is now stripped
14 out and it's allocated to other categories of expense?

15

16 (BRIEF PAUSE)

17

18 MS. HANRI JACOBS: The depreciation,
19 and interest, and tax line is reduced from previous as
20 the program cost currently does not include the
21 interest on common assets and facilities. So that's
22 why we see the reduction.

23

24 (BRIEF PAUSE)

25

1 MR. DARREN RAINKIE: Mr. Peters, the
2 breakdown of that figure is actually on page 224 of
3 your book of documents if that's of any assistance.

4 MR. BOB PETERS: Mr. Rainkie, you've
5 been reading ahead. Thank you, sir.

6 MR. DARREN RAINKIE: Like a good book,
7 Mr. Peters, you have to read ahead to understand
8 what's going on.

9 MR. BOB PETERS: All right, Mr.
10 Rainkie, let's jump there right now with -- with the
11 Board just so we can complete that thought. At Tab 49
12 of the book of documents we get into the corporate
13 allocations and adjustments issue.

14 And, Ms. Jacobs, what you're showing
15 here on page 224 is that, where previously the items
16 listed have been around the \$2 million mark, you've
17 now taken over and added in all of the additional
18 items that you've removed from the -- from the OM&A
19 activity charges and primary costs that we see on page
20 192?

21 MS. HANRI JACOBS: That's correct.
22 The CC&A amounts reflected here on page 224 relates to
23 the cost. Most of the cost was either in activity
24 rates or overhead allocations.

25

1 (BRIEF PAUSE)

2

3 MR. BOB PETERS: So, Ms. Jacobs,
4 Centra has taken the costs from the business units and
5 the activity rates as well as the overheads, and it
6 now directly assigns them over to Centra Gas?

7

8 (BRIEF PAUSE)

9

10 MS. HANRI JACOBS: That's ri --
11 correct, Mr. Peters. This is the cost that is not
12 eligible for capitalization, hence the reason of
13 removing it from the activity rates and the overhead
14 capitalization rate.

15 MR. BOB PETERS: It's not eligible for
16 capitalization under IFRS. Is that your suggestion?

17 MS. HANRI JACOBS: It's not eligible
18 under capitalization under CGAAP.

19

20 (BRIEF PAUSE)

21

22 MR. BOB PETERS: I just want to make
23 sure the Board is under -- understanding that, Ms.
24 Jacobs. This move away from full-cost accounting is
25 not driven as a mandatory requirement of IF -- IFRS,

1 is it?

2 MR. DARREN RAINKIE: Mr. Peters, it
3 is. In the standard that relates to property, plant
4 and equipment under IFRS it's abundantly clear that
5 overhead costs are not eligible as a cost of par --
6 property, plant and equipment.

7 What we're talking about here, and it's
8 -- this is just the other side of the equation from
9 what we've talked about at the electric hearing, is
10 that we have been reviewing our overhead practices
11 under Canadian generally accepted accounting
12 principles for some time now and recognize that we
13 have been on the aggressive side historically. So
14 we've been making changes as we've gone along to try
15 to remove those parts that we feel will ultimately not
16 be compliant under IFRS.

17 The chairman and I had this discussion
18 at the electric GRA several times, is the changes that
19 we're making right now we believe are appropriate
20 under Canadian GAAP, but they won't have to be unwound
21 when we move to IFRS. In fact, it'll be going even
22 further when we move to IFRS in -- in the longer run.

23 So this is the -- the similar cost that
24 -- that we talked about at the electric hearing just
25 now, the allocation to the gas item. And it's really

1 just -- what we're doing is we're moving those costs
2 that we believe will no longer be compliant under IFRS
3 out of activity rates and overhead rates into these --
4 into the corporate accruals and adjustments.

5 And primarily it's related so that we
6 can segregate these costs when we do move to IFRS,
7 it's easier to do the comparable year reporting
8 because they're in a bucket. They're not, you know,
9 pieced in all the activity rates and the programs that
10 you see.

11 So -- so it's really just a different
12 way of representing the -- the same thing. And, of
13 course, it's fair that we allocate these costs. These
14 costs are being expensed at the corporate level, so
15 it's fair that there's an allocation to the gas side
16 of the business as well as the electric.

17 MR. BOB PETERS: And so, Mr. Rainkie,
18 I think you indicated to the Board that leaving these
19 charges as part of overheads and in the activity rates
20 is permitted under Canadian GAAP?

21 MR. DARREN RAINKIE: Well, Mr. Peters,
22 we had this same discussion at the electric GRA, is
23 that we believe that we've been aggressive
24 historically. And -- and the reason for these changes
25 is to pull our overhead practices more consistent with

1 other utilities in Canada under -- under CGAAP. So
2 this is a change in estimate under Canadian general
3 accepted accounting principles, but we won't have to
4 unwind this when we move to IFRS. In fact, we'll have
5 to go even further in terms of expensing more
6 overheads and capitalizing less. But this change was
7 made under Canadian GAAP. It was reviewed by our
8 auditors as being a reasonable change.

9 MR. BOB PETERS: So I think the answer
10 -- I'm sorry...

11

12 (BRIEF PAUSE)

13

14 MR. DARREN RAINKIE: I might add, Mr.
15 Peters, that in past Board orders, the -- the PUB
16 itself has indicated their belief that our practices
17 were aggressive and has encouraged us to try to make
18 some of those changes. And in the last electric Order
19 43/'13, if I'm not mistaken, I think they -- they were
20 accepting of our changes on a -- on a corporate level.
21 So this is simply that same change, the allocation of
22 that same change, to the gas side of the business.

23 MR. BOB PETERS: But, Mr. Rainkie, my
24 question was whether or not, under Canadian GAAP, you
25 could have left it the way it was. And I think the

1 answer is, yes, you could have, but you wanted to move
2 away from full-cost accounting for a number of
3 reasons. One (1) of which may be the previous PUB
4 orders.

5 MR. DARREN RAINKIE: Well, Mr. Peters,
6 our auditors are becoming increasingly concerned about
7 those practices. So I'm not sure it's -- it's correct
8 to say that we could have left it. We've been down
9 this road and they've agreed with it, so.

10 You know, it's -- it's -- and then we
11 talked about this fully at the electric GRA as being
12 something that we believed we needed to do under
13 Canadian GAAP to have consistent practices with other
14 Canadian utilities. So, in my mind, the industry
15 practices are Canadian GAAP. So when we do this we
16 are conforming with Canadian GAAP.

17 MR. BOB PETERS: And this is a change
18 in accounting policy then, Mr. Rainkie?

19 MR. DARREN RAINKIE: No, it's a change
20 in accounting estimate because we're not changing our
21 policy of capitalizing overhead. What we're doing is,
22 we're changing the -- the pool of overhead, if you
23 like. We're saying -- we're relooking at it and
24 saying, you know, for some of the costs that we
25 historically have been capitalizing, the connection

1 between those costs and capital isn't as direct as --
2 as what it should be. So we're -- we're going to
3 expense those.

4 Obviously, if you're putting pipe in
5 the ground and you have pipe and labour, you know, to
6 put that pipe in the ground, that is a directly, you
7 know, related cost to putting capital in. And so
8 those -- that's fairly capitalized.

9 So -- but when we get back to the head
10 office, and we have things like accounting staff and
11 depreciation on our -- on our buildings and those
12 types of things, those types of costs that are less
13 directly related to putting an asset into service, the
14 accounting rules are becoming much more strict about
15 capitalizing those types of indirect costs, if you
16 like. And -- and that's -- that's the reason for
17 these changes.

18 MR. BOB PETERS: With that
19 explanation, Mr. Rainkie, you're indicating that you
20 call it 'changing the accounting estimate' as a -- as
21 opposed to changing a policy, correct?

22 MR. DARREN RAINKIE: That's right.

23 MR. BOB PETERS: And wouldn't it be
24 also a change in estimate if the meter exchange costs
25 got put into the overhead rate category?

1 MR. DARREN RAINKIE: No, that's --
2 that's definitely a change in policy because we're
3 chan -- we're changing our method. We're moving from
4 expensing to capitalizing. That is a change in
5 policy. As it relates to overheads, Mr. Peters, it's
6 -- it's a change in estimate because we're still
7 capitalizing overheads. We're just changing the
8 amount that we're capitalizing.

9 So that's why it's considered a -- a
10 change in estimate. We still have an accounting
11 policy of -- of capitalizing overheads, but what we're
12 doing is moving those overheads that are really
13 indirect and have very little to do with the level of
14 capital activity out of the overhead pool.

15

16 (BRIEF PAUSE)

17

18 MR. BOB PETERS: Ms. Jacobs, back at
19 page 192 under Tab 46 of PUB Exhibit 10, which is
20 Board counsel's book of documents, the Board will
21 note, as it looks to the bottom line on page 192,
22 under the column of activity charges, that the
23 activity charges represent the -- the largest portion
24 of the -- of the OM&A expenses?

25 MS. HANRI JACOBS: Yes.

1 MR. BOB PETERS: And the activity
2 charges are made up of labour and benefits?

3

4 (BRIEF PAUSE)

5

6 MS. HANRI JACOBS: So the activity
7 rate is basically -- consists of mainly labour, but it
8 also includes the benefits, travelling, and motor
9 vehicle and tools and equipment.

10 MR. BOB PETERS: But by far the
11 largest portion of that would be the labour and
12 benefits.

13 Would you agree?

14 MS. HANRI JACOBS: That's correct.

15 MR. BOB PETERS: And the labour and
16 benefits are subject to collective agreements?

17 MR. DARREN RAINKIE: Yes, when -- when
18 employees are unionized, Mr. Peters.

19 MR. BOB PETERS: What percentage of
20 Centra's employees are -- or -- or the employees
21 providing services for Centra are unionized, Mr.
22 Rainkie?

23

24 (BRIEF PAUSE)

25

1 MR. DARREN RAINKIE: Mr. Peters, as
2 you would recall, Centra does not have any of its own
3 employees any longer. We all -- we have a -- all of
4 the employees are Manitoba Hydro employees and we
5 allocate costs between -- to the gas side of the
6 business.

7 I'm informed there's about two hundred
8 (200) CEPU members, Mr. Peters, that -- that work on
9 the gas side, but -- but I'm not sure about our
10 overall -- Manitoba Hydro's overall complement, how
11 much is unionized and how much isn't. We could -- we
12 could get that stat for you if you like.

13 MR. BOB PETERS: For explanation to
14 the Board, Mr. Rainkie and Ms. Jacobs, does the Board
15 then consider all of the activity charges shown on
16 page 192 relate to CEPU activities?

17 MR. DARREN RAINKIE: No, Mr. Peters.
18 Tho -- those activity charges would be any employee
19 that have -- that has charged to the various programs
20 that you see.

21 MR. BOB PETERS: And is the only union
22 that has employees performing work for Centra Gas CEPU
23 or are there other unions?

24

25 (BRIEF PAUSE)

1 MR. DARREN RAINKIE: I mean, there --
2 there would be CUPE workers as well, Mr. -- Mr.
3 Peters, and AMHSSE, our -- our other association.

4

5 (BRIEF PAUSE)

6

7 MR. BOB PETERS: Mr. Rainkie, while
8 you estimated there may be as many as two hundred
9 (200) CEPU equivalent full-time positions, as I
10 understood your answer, providing services on the
11 Centra Gas side, approximately how many would be under
12 the other unions that you've mentioned?

13 MR. DARREN RAINKIE: Mr. Peters, I'd
14 have to get that stat for you. I don't have that
15 readily available. And what -- what we're doing here,
16 of course, is we're allocating bits and pieces of
17 people's time through activity charges.

18 So you -- it's -- it's not a figure you
19 could just discern right from your general ledger.
20 You'd have to, I think, estimate it somehow, Mr.
21 Peters. If you know what I -- you know what I mean.

22 It's -- we -- we've got an activity
23 rate for a particular individual and they might charge
24 two (2) hours here, or four (4) hours there, or five
25 (5) hours here, so it's not something that would pop

1 out of our financial system easily.

2 MR. BOB PETERS: And those activity --
3 those activity charges, Mr. Rainkie, are tracked by
4 way of time sheets?

5 MR. DARREN RAINKIE: That's correct,
6 Mr. Peters.

7 MR. BOB PETERS: And at page 193, at
8 Tab 46, of the book of documents we see the -- the
9 wage settlements with Centra's unions. And while it
10 reflects only one (1) union, Mr. Rainkie, CEPU, can
11 the Board take it that the comparable information
12 applies to the other unions such as CUPE, regardless
13 of the number of employees whose activity charges are
14 provided to Centra?

15 MR. DARREN RAINKIE: Mr. Peters, I'm -
16 - this is one (1) area where I'm deficient, given my
17 predecessor who had the benefit of being both on the
18 finance and administration HR -- HR side of the
19 business all at once.

20 I -- given that they -- they each
21 collectively bargain with us there may be some
22 similarities, but I wouldn't assume that they're --
23 they're 100 percent the same. They're all bargaining
24 units that we bargain with individually.

25 I'd have to refresh my memory what the

1 other -- other bargaining units got during that time
2 frame, Mr. Peters. I wouldn't want to hazard a --
3 hazard a guess.

4 MR. BOB PETERS: And you've already
5 indicated that Mr. Warden worked harder than you,
6 because he was involved in more activities, Mr.
7 Rainkie, so I think -- I think I'll be a little gentle
8 with you here in case -- in case he's reading the
9 transcript.

10 What -- what --

11 MR. DARREN RAINKIE: He -- he probably
12 is, Mr. -- Mr. Peters.

13 MR. BOB PETERS: Mr. Rainkie, what
14 you've shown on page 193, at PUB Exhibit 10, is the
15 wage settlements over the past number of years with
16 respect to at least CEPU, correct?

17 MR. DARREN RAINKIE: Yes, that's what
18 this is depicting.

19 MR. BOB PETERS: And, Mr. Rainkie, it
20 indicates as a footnote that in 2008 there was a
21 special adjustment made. Can you tell the Board the
22 circumstances that gave rise to that special
23 adjustment or are you aware?

24 MR. DARREN RAINKIE: Mr. Peters, I --
25 I followed up on that because it was puzzling to me.

1 And I think -- I'm not so sure that this IR is
2 correct. I -- I think there was just a 2.9 percent
3 general wage increase. I think at some point during
4 the negotiations they had talked about a 2.2 -- a 2
5 percent general wage increase and a special adjustment
6 for certain classes, but I think -- my understanding
7 is, by the end of it, it was applied as a 2.9 percent
8 general wa -- wage increase.

9 MR. BOB PETERS: All right. We'll
10 take that last answer of yours in substitution for the
11 -- for the indication on page 193, unless you advise
12 the Board otherwise, Mr. Rainkie, are you okay with
13 that?

14 MR. DARREN RAINKIE: Yeah, that would
15 be great, Mr. Peters.

16 MR. BOB PETERS: And, Mr. Rainkie,
17 you'll recall when this panel first was seated and I
18 started asking questions I reminded you that none of
19 my questions are designed to elicit what would be
20 considered confidential information. But we see that,
21 as effective December 22nd, 2012, and beyond, the wage
22 settlement that applies to CEPU had not yet been
23 settled.

24 Is that still the case, sir?

25 MR. DARREN RAINKIE: Yes, I -- I'm

1 advised that as recently as last week they were still
2 in negotiations, Mr. Peters, and it can -- it's
3 ongoing.

4 MR. BOB PETERS: And those
5 negotiations are retroactive?

6 MR. DARREN RAINKIE: Yes. My
7 understanding is they would apply back to the end of
8 the last -- sorry, the end of the last agreement, the
9 start of the new one.

10 MR. BOB PETERS: And, Mr. Rainkie,
11 have -- has Centra put on the public record what's in
12 its forecast in terms of the wage settlement amounts?

13 MR. DARREN RAINKIE: No, Mr. Peters.
14 And of course we wouldn't want to do that while we're
15 bargaining. But what -- what we try -- typically do is
16 we assume a certain level of productivity in -- so --
17 so we know that wages and benefits are -- are going up
18 higher than -- then inflation.

19 So what we typically do is we budget
20 for an inflationary increase in our operating costs,
21 assuming a productivity factor, you know, between half
22 and 1 percent. So I don't think you'll see anywhere
23 in the material an explicit forecast, if you like, of
24 -- of wage settlements, but rather a general budgeting
25 provision of 2 percent in terms of wages, salaries.

1 MR. BOB PETERS: And, Mr. Rainkie,
2 does Centra compare its wage -- wages and its wage
3 settlement amounts with other jurisdictions?

4 MR. DARREN RAINKIE: Do you mean other
5 utilities, Mr. Peters, or other juris -- other
6 settlements in Manitoba?

7 MR. BOB PETERS: Well, let's start
8 with other utilities.

9 MR. DARREN RAINKIE: I think there --
10 there were some que -- questions on this during the
11 IRs, Mr. Peters. And I think there were some -- some
12 comparisons of a few different classifications but not
13 a comprehensive benchmarking study, if you like.

14 MR. BOB PETERS: And in terms of
15 Manitoba wage settlements, Mr. Rainkie, Centra
16 monitors its wage settlements relative to -- to other
17 provincial settlements?

18 MR. DARREN RAINKIE: Yes, Mr. Peters.
19 We would -- we would be looking at what's happening in
20 the Moni -- Manitoba marketplace.

21 MR. BOB PETERS: And if there's a
22 provincial mandate for -- for no wage increments, is
23 that carried through to Centra's negotiations and its
24 -- its unions?

25 MR. DARREN RAINKIE: Yes, there have

1 been times when there has been a zero percent wage
2 increase.

3

4 (BRIEF PAUSE)

5

6 MR. BOB PETERS: Let's continue on the
7 OM&A changes in accounting policies, if we can, Mr.
8 Rainkie and Ms. Jacobs. On Tab 47 -- sorry, in Tab 47
9 at page 195 of Volume II of Exhibit PUB-10 the Board
10 will see a chart where the Centra Gas OM&A expenses
11 have increased from approximately \$53 million over to
12 \$68.8 million, correct?

13 MR. DARREN RAINKIE: Yes, that's the
14 top line increase in the cost, Mr. Peters.

15 MR. BOB PETERS: Yes. And -- and what
16 -- what is then depicted is the accounting changes by
17 year and amount in the second line item, Mr. Rainkie,
18 that will -- will show how Centra has increased its
19 accounting change amounts to include those in OM&A
20 expenses rather than -- than in capital?

21 MR. DARREN RAINKIE: That's correct,
22 Mr. Peters. Yeah.

23 MR. BOB PETERS: And one of the things
24 this chart does attempt to show, then, is that the
25 compounded annual increase from '11/'12 through to

1 '13/'14 would, on the face of it, appear 5.2 percent.
2 And then, as I think was said in the direct evidence
3 of Centra, if you back out the accounting changes, the
4 increase is closer to 2 percent.

5 MR. DARREN RAINKIE: Yes, for that
6 particular time frame it's about 1.7 percent, Mr.
7 Peters.

8 MR. BOB PETERS: That said, Mr.
9 Rainkie, this is a method of presentation but it is
10 the same amount of money that is being expended by the
11 Corporation, it's just accounting for it differently?

12 MR. DARREN RAINKIE: Well, Mr. Peters,
13 operating costs -- our operating costs, I mean,
14 there's lots of -- lots of accounting. We're look --
15 we're -- we're looking at the incremental accounting
16 changes of 7.8 million here, which is a, you know, a
17 large increase in -- in terms of Centra's operating
18 costs. But operating costs inherently are -- are a
19 mix of cash and -- and, you know, accounting accruals.

20

21 So I'm -- I'm not sure, you know, this
22 notion that, well, that there's no change in the
23 costs. I mean, embedded in the -- that number of
24 61.004 million is a -- is a number of accounting
25 conventions. So it's not like that's all cash and the

1 7.8 million is just accounting entries, Mr. Peters.

2 So, you know, I -- we just should be
3 careful about those types of -- those types of
4 notions. Operating costs are what they are. We
5 follow generally accepted accounting principles, and
6 that's how we get our operating costs.

7 What this schedule is trying to do is
8 give the Board some perspective on -- on those kinds
9 of costs that are controllable versus those that are -
10 - are more or less controllable because of changes in
11 accounting practices, nothing more than that. It's --
12 it's an analytical tool to give the Board some
13 information on -- on how -- how we're doing, in terms
14 of cost containment.

15 MR. BOB PETERS: Well, Mr. Rainkie, I
16 think we're back to our same discussion that from a
17 factual perspective, Centra could have left the \$7.796
18 million in the capital expenses of the Corporation and
19 -- and continued to be as aggressive as it had been in
20 the past, at this point in time, for the test year.

21 MR. DARREN RAINKIE: No. No. Some of
22 those accounting changes are re -- we're required by
23 changes in -- in -- in standards, like, the intangible
24 one was a change in standard, Mr. Peters. And I -- I
25 -- I don't think I agree with your proposition. I

1 think that there are -- there are, in the industry,
2 generally accepted way -- overhead practices, and we
3 are changing our practices to be consistent with
4 what's in the industry.

5 You -- you won't find the -- the -- the
6 CGAAP section on property, plant and equipment is
7 about three (3) pages long and provides very little
8 direction on -- on how to go about deciding what --
9 what gets capitalized, what gets expensed.

10 There are conventions in the industry
11 in terms of that. And the changes that we are -- we
12 have made are -- are designed to be consistent with
13 what's happening in the utility industry and, as I
14 pointed out earlier, are also consistent with past, I
15 guess, recommendations of the Public Utilities Board,
16 in terms of -- of looking at that and capitalizing
17 less.

18 So -- so I think when you have
19 objective evidence out there in the industry, and you
20 also have your regulator pushing you to -- to make
21 some change, that I -- I'm not so sure I agree with
22 your proposition.

23 MR. BOB PETERS: Well, let's turn to
24 page 198 and see if we can keep hammering you on this
25 point, Mr. Rainkie. On page 198 in the book of

1 documents, there's a breakdown of the summary of the
2 accounting changes that Centra has made in its IFF-12,
3 sir and ma'am.

4 MR. DARREN RAINKIE: Part of those,
5 this doesn't include the pension benefit changes and
6 the reclassification of operating expense recoveries
7 to -- to other income. But these are the -- the ones
8 that are -- are more overhead related, if you like,
9 Mr. Peters.

10 MR. BOB PETERS: And that's why it
11 doesn't add up to \$7.8 million. You've just --

12 MR. DARREN RAINKIE: That's --

13 MR. BOB PETERS: -- indicated what --

14 MR. DARREN RAINKIE: That's my --

15 MR. BOB PETERS: -- the difference
16 was.

17 MR. DARREN RAINKIE: -- point exactly.
18 Yeah.

19 MR. BOB PETERS: All right. Well,
20 let's deal with the items that are listed. And when
21 we first of all get down to the very bottom of the
22 page, on page 198, there are intangible assets which
23 are ineligible for capitalization. That, to me, I'm
24 suggesting to you, Mr. Rainkie, was -- was a required
25 or a mandatory change that the Corporation had to

1 make.

2 Is that correct?

3 MR. DARREN RAINKIE: Yes, when the
4 good will and intangibles section of the handbook came
5 in place, our -- our view of that was that we had to
6 make that change. Yes.

7 MR. BOB PETERS: And, conversely, my
8 suggestion is that those line items above that total
9 \$4.978 million, those would be what I would put to
10 you, sir, as being voluntary changes, although made
11 for the reasons that you've enunciated, to move away
12 from full-cost accounting and to be -- what you
13 believe to be more compliant with previous directions
14 that the Board has given on the -- on the electric
15 side?

16 MR. DARREN RAINKIE: Well -- well,
17 we've certainly done them by our own hand, Mr. Peters.
18 When you're looking at an accounting estimate -- an
19 overhead is an accounting estimate, and it's like
20 depreciation in many regards. When you have evidence
21 out there that your practices are not consistent with
22 what's going on, you can't just ignore that -- as a
23 professional, ignore that evidence.

24 So, for instance, when we did our
25 depreciation study in 2011/'12, it was a very

1 comprehensive study. It took a little longer than
2 what we expected. We didn't have that finished until
3 the middle of the 2011/'12 fiscal year. We
4 implemented that retroactive to April 1st, 2011. We
5 had evidence that we should be changing our accounting
6 estimate.

7 Granted, it comes from -- perhaps more
8 from the preparation for IFRS, but we've been looking
9 at our overhead practices for a number of years now,
10 going back to 2008, at the very least. And we've
11 always made changes, Mr. Peters, I suppose.

12 But we started looking at this in a
13 comprehensive way back in 2008. And as we got more
14 and more information, we talked more with our
15 auditors, we talked more with our -- our IFRS
16 advisors, KPMG. We did some surveys through the
17 Canadian Electrical Association. We understood that
18 our practices were aggressive.

19 And I suppose what I'm trying to
20 suggest to you is that when you have that evidence in
21 your storehouse, you just can't ignore it. You just
22 can't say, Oh, well, we'll -- we'll just, you know --
23 you know, wish it away. We have that evidence and
24 that's the nature of a change in accounting estimate.
25 When you have that evidence you have to act on it

1 professionally. And we did.

2 And as I -- as I said, we had this
3 discussion in a significant way at the last electric
4 GRA and I think that the findings of the Board were
5 that they were accepting of our changes for rate
6 setting purposes. And as I sit here today, I know
7 this is a separate proceeding, but I -- I don't think
8 there is any differences in the businesses between the
9 gas and electric side that would cause that
10 determination to be any different.

11 MR. BOB PETERS: Mr. Rainkie, the
12 changes that you're making will not have to be unwound
13 under IFRS.

14 Is that correct?

15 MR. DARREN RAINKIE: That's correct.
16 I -- I think the Chairman and I had several
17 discussions with that in the electric GRA. Because, I
18 mean, you certainly wouldn't want to make a change and
19 have to unwind it. But, in fact, as we move to IFRS
20 we'll probably have to get even more aggressive in
21 terms of making these changes, Mr. Peters.

22

23 (BRIEF PAUSE)

24

25 MR. BOB PETERS: Mr. Rainkie, you

1 talked about having evidence of -- well, your peer
2 group and -- and how others were -- were dealing with
3 the full-cost accounting and moving away from it
4 issue.

5 When we look at page 198, it appears
6 that the decision by Centra to move away from that
7 started in 2011 fiscal year and became even more
8 prevalent in the 2013 year, correct?

9 MR. DARREN RAINKIE: Yes, Mr. Peters.
10 You can see the two (2) line items under the 2012/'13
11 and the 2013/'14 years of IT infrastructure and
12 related support costs, and billing depreciation and
13 operating costs. So those were fairly large changes
14 in accounting estimates, as you can see in the order
15 of 1.8 million for the first and 1 million or so for
16 the second.

17 MR. BOB PETERS: What was it that led
18 Centra to make those changes as late as 2013 when it
19 didn't come in for a GRA in that particular year? But
20 why is that the year in which that accounting change
21 was made, as opposed to previously, Mr. Rainkie, if --
22 if the Corporation was concerned about their peer
23 group moving away from full-cost accounting?

24 MR. DARREN RAINKIE: Well, Mr. Peters,
25 we -- we have been doing this gradually. As -- as

1 better information has come about in terms of what our
2 longer-term future is in terms of overheads, because
3 it's a -- it's an area of significant judgment by the
4 nature.

5 And -- and what we're doing here is
6 we're taking the cost of the -- the whole consolidated
7 organization and breaking it between gas and electric,
8 Mr. -- Mr. Peters, but we have a very complex
9 organization.

10 By -- the nature of utilities are that
11 they're partly a construction company. So it isn't an
12 easy task to figure out which overheads are just
13 simply corporate administration that shouldn't go to
14 capital, and those types of kind of semi-direct
15 overheads, if you like, Mr. Peters, that should go to
16 -- sorry, it's tho -- those that are really far away
17 from the activity of capital and should be expensed,
18 and those that are kind of in that middle zone where
19 they -- they have some relation to the capital.

20 So it's taken a while for the industry
21 to kind of go through. There's no guidance. While
22 IFRS is very specific that there should be no
23 capitalization of administrative in general overhead,
24 it doesn't provide any guidance in terms of what that
25 is, so it's left to the preparers of financial

1 statements to sit back and decide, you know, what --
2 from a matter of professional judgment, I suppose,
3 what's in and what's out.

4 And as well, we're -- we're conscious
5 that we're a regulated utility. We charge rates to
6 customers. So we did -- we don't want to push this
7 all through in one (1) year. We've been making these
8 changes over time to move this into our revenue
9 requirement, because we haven't forgotten the customer
10 in all this.

11 We know we're -- we're eventually going
12 to have to go and refresh our rates, so we've been
13 doing this and, you know, in -- in steps. We're
14 trying to take out the most offensive parts. I
15 shouldn't use that term, but, you know, as we sit down
16 every year to look at this, and we do look at this
17 every year, and we've made changes almost every year
18 that I've been involved, but these are just larger
19 changes, because of the real change in -- in thinking
20 and then counting on this, we -- we have been moving
21 out the parts that seem to be the -- the most
22 offensive, you know, as soon as possible.

23 And -- and that's been our approach is
24 to try to kind of move this into the revenue
25 requirement over time, so there isn't a large impact

1 to the customers all at once.

2 MR. BOB PETERS: Thank you, Mr.
3 Rainkie. You're suggesting to the Board that Centra
4 has systematically moved those costs out of capital
5 that are most suspect to, perhaps, a disallowance or
6 offending the IFRS standard, and then is working its
7 way towards the least suspect of those items in the --
8 in the latter years before it gets to IFRS?

9 MR. DARREN RAINKIE: Yeah, that's --
10 that seemed like a systematic approach for us, Mr.
11 Peters, in terms of how we deal with this rather
12 significant issue.

13 MR. BOB PETERS: Mr. Rainkie, just
14 turning to page 197 with yourself and Ms. Jacobs, the
15 graph that was provided here is -- again, to
16 demonstrate perhaps what you -- what you put into your
17 words in a previous answer to me, sir, the red line
18 represents Centra's OM&A expenses before the
19 accounting changes, or more accurately, it's Centra's
20 OM&A, which includes the accounting changes, correct?

21 MR. DARREN RAINKIE: Yes, this -- this
22 can get confusing, like a before and after tax for tha
23 -- I think that's the best way to put it, Mr. Peters,
24 is the red line includes the accounting changes.

25 MR. BOB PETERS: Whereas the green

1 line, the accounting changes have been removed?

2 MR. DARREN RAINKIE: That's correct.

3 MR. BOB PETERS: The reality is
4 Centra's red line is the reality of where your OM&A
5 numbers are, correct?

6 MR. BOB PETERS: That's right. Those
7 are the amounts -- the red line represents the amounts
8 we've included in revenue requirement and rates.

9 MR. BOB PETERS: And again, this was
10 an attempt to show that once Centra removed the
11 accounting change impacts from its OM&A, it was a
12 lower impact and was, perhaps, tracking the 2003/'04
13 OM&A amount escalated by inflation?

14 MR. DARREN RAINKIE: Yes, that was the
15 purpose of the chart.

16 MR. BOB PETERS: All right. Mr.
17 Rainkie, to the extent that your counsel will allow me
18 to go here, I want to turn to page 200 with the panel,
19 and also for the Board's edification.

20 Page 200, in Tab 47 represents the
21 scheduled view of the OM&A changes that are being made
22 by Centra, and they're broken down into Canadian GAAP
23 changes as well as IFRS changes.

24 Would you agree with that, Mr. Rainkie
25 and Ms. Jacobs?

1 MR. DARREN RAINKIE: Yes, that's how
2 this chart is constructed, Mr. Peters.

3 MR. BOB PETERS: All right. And so
4 when we get -- when we get to the test year, in
5 particular the -- the 2014 test year, we see the --
6 the total Canadian GAAP changes of the \$8 million, and
7 those are the numbers we've spoken about heretofore?

8 MR. DARREN RAINKIE: That's correct.

9 MR. BOB PETERS: Now, this chart is
10 incorrect, Mr. Rainkie, is it not, because there
11 appears to be an assumption that IFRS will be in place
12 for fiscal 2015 for the Corporation.

13 MR. DARREN RAINKIE: Probably more or
14 best -- or best to say that it's outdated, Mr. Peters,
15 not incorrect. But it's -- since the preparation of
16 the 2012 forecast, of course, the Accounting Standards
17 Board has given us the additional one (1) year
18 deferral to 2016.

19 MR. BOB PETERS: Didn't mean to be
20 pejorative, Mr. Rainkie. But the -- the heading --
21 the line -- the fiscal year label 2015 would be
22 probably more accurately seen by this Board as 2016.

23 Would you go that far?

24 MR. DARREN RAINKIE: Yes, that --
25 that's probably the best way for the Board to think of

1 it.

2 MR. BOB PETERS: And so now we're
3 talking beyond the test year, Mr. Rainkie. And there
4 are IFRS changes looming in 2016, according to this
5 schedule.

6 That be correct?

7 MR. DARREN RAINKIE: Yes, Mr. Peters.
8 Just before we go too much farther though, this --
9 this table was also produced and the forecast was
10 produced on the assumption that we were going to write
11 off rate-regulated assets and start expensing those
12 expenses.

13 And as we talked about, I think it was
14 yesterday, at least the interim standard, if it's
15 approved, would allow us to at least push that off, if
16 not, permanently.

17 MR. BOB PETERS: What you're telling
18 the Board, Mr. Rainkie, is that in the bottom third of
19 the chart under, "IFRS changes," that DSM line item of
20 \$8 million may not be there?

21 MR. DARREN RAINKIE: Yes, and as well
22 as the regulatory cost line of 1 million.

23 MR. BOB PETERS: Yes.

24 MR. DARREN RAINKIE: That particular
25 year might -- might not be there.

1 MR. BOB PETERS: Because the
2 regulatory cost is also currently treated as a rate-
3 regulated asset?

4 MR. DARREN RAINKIE: That's correct.

5 MR. BOB PETERS: But what you -- what
6 you do tell the Board is that, in addition to the OM&A
7 changes you've been making now as accounting changes,
8 it appears there's going to be another \$2 million
9 forecast of future changes.

10 Would that be a correct interpretation?

11 MR. DARREN RAINKIE: That's correct.

12 MR. BOB PETERS: And without getting
13 into any specifics of that, Mr. Rainkie, I think you
14 had agreed with me that you have moved the most
15 suspect of the cost current -- currently capitalized
16 over to OM&A, and are working towards the costs that
17 are least suspect under IFRS regime to be expensed as
18 opposed to capitalized.

19 What's left in that \$2 million?

20 MR. DARREN RAINKIE: Mr. Peters, it's
21 -- there's a number of components of it -- trying to -
22 - trying to think myself. I think there's training
23 costs in there. There's the capitalization of
24 department and division managers. There's -- I'm
25 trying to think what else is in that bucket.

1 At the corporate level, we're talking
2 about \$36 million of costs, if I remember correctly.
3 Just hold on one (1) second, Mr. Peters. There's
4 another category or two (2) that's escaping my mind
5 right now.

6

7 (BRIEF PAUSE)

8

9 MR. DARREN RAINKIE: Mr. Peters, also
10 in that category would be service areas, like
11 accounting and HR, that currently little pieces of
12 those are being capitalized in -- in the overhead,
13 fleet management and store's management costs, those
14 types of costs, Mr. Peters.

15 So -- so the 2 million here is an
16 allocation of what we expect we're going to have to do
17 at the corporate level to the gas operations.

18 MR. BOB PETERS: That exhaust your
19 memory on that, Mr. Rainkie?

20 MR. DARREN RAINKIE: Yes, it does. If
21 you're interested in the gory details, Mr. Peters, I
22 think there are several schedules in the electric GRA
23 that -- that break that -- the number at the
24 consolidated level down.

25 MR. BOB PETERS: No, no, I'm not

1 looking for that undertaking, Mr. Rainkie. But you
2 did mention that, on a corporate level, the amount of
3 expenditures that are still identified as, perhaps,
4 offending the IFRS rule of no capitalization of
5 overheads on OM&A, total about \$36 million?

6 MR. DARREN RAINKIE: That's my memory,
7 Mr. Peters.

8 MR. BOB PETERS: And so this \$2
9 million represents a corporate allocation of that --
10 of a share of that \$36 million to the gas subsidiary?

11 MR. DARREN RAINKIE: Yes, that's what
12 this is trying to do.

13

14 (BRIEF PAUSE)

15

16 MR. BOB PETERS: And Mr. Rainkie, just
17 because we've talked about it already, there's a line
18 item on page 200 called, "Meter changes," under, "IFRS
19 changes." It's the last item.

20 And it shows that there would be a
21 reduction in OM&A costs of about \$5 million under IFRS
22 related to what we now know is the -- the Meter
23 Exchange Program, correct?

24 MR. DARREN RAINKIE: Yes, Mr. Peters,
25 this -- this was the -- as you said, the simplifying

1 assumption we made in the 2012 forecast, that we would
2 harmonize the accounting policy to one of
3 capitalizing. As I indicated yesterday, that's very
4 much in dispute whether that's going to happen or not,
5 so we should be careful about reading too much into
6 that line item at this point.

7 MR. BOB PETERS: When you say, "In
8 dispute," Mr. Rainkie, what you mean is it's under
9 discussion, or is there a boardroom fight that we
10 don't know about?

11 MR. DARREN RAINKIE: Once again, Mr.
12 Peters, you're more eloquent in your speaking than I
13 am, but you're -- you're right, it's under review.

14 MR. BOB PETERS: It's under review by
15 the Corporation, by Centra, together with its -- its
16 auditors and its IFRS consultants?

17 MR. DARREN RAINKIE: Yes. Once we
18 take a position ourselves, we will be referring to our
19 auditors and perhaps, our IFRS advisors, I'm not sure
20 on this particular case, but certainly our auditors,
21 Mr. Peters.

22 MR. BOB PETERS: When does Centra
23 expect to come down on a definitive position that will
24 be commented on by the auditors, Mr. Rainkie?

25

1 (BRIEF PAUSE)

2

3 MR. DARREN RAINKIE: Mr. Peters, as I
4 indicated yesterday, we're juggling a number of balls
5 in terms of IFRS compliance, so this one hasn't got a
6 specific timeline associated with it. But obviously,
7 in the next year, we're going to have to come to -- to
8 grips with this particular item given that we're
9 transitioning to IFRS in 2015/'16.

10 MR. BOB PETERS: And, Mr. Rainkie,
11 there was one (1) point in time when Centra thought
12 you'd be under IFRS today. Wouldn't that be correct?

13 MR. DARREN RAINKIE: Yes, Mr. Peters.
14 And then the mess of rate-regulated accounting, and
15 the continuing off -- on again, off again discussion
16 happened for a number of years, and threw the industry
17 into to a bit of a -- a bit of a curve ball.

18 MR. BOB PETERS: But the point that
19 I'm getting to, Mr. Rainkie, is that, had that first
20 date come to fruition, a final decision would have had
21 to been made on these meter changes and meter charges,
22 correct?

23 MR. DARREN RAINKIE: Well, Mr. Peters,
24 as I said yesterday, this -- this was not really on
25 the radar screen because previous to the changes in --

1 in Measurement Canada's requirements, at least on the
2 gas side of this business, this was a pretty
3 immaterial transaction.

4 So it's been those -- those recent
5 changes that have alerted us to the fact that we have
6 a harmonization issue here that we have to look at.
7 So this was not something that was in our plan to look
8 at back in 2008 or 2009 or 2010. It's been a
9 relatively recent issue that's pro -- cropped up.

10

11 (BRIEF PAUSE)

12

13 MR. BOB PETERS: Mr. Rainkie, I -- in
14 light of that last answer, I flip back to page 190 of
15 the book of documents. And I'm -- I'm looking at the
16 meter repair and calibration costs for the test years
17 going back to '08/'09, following it through to
18 '09/'10, and I'm seeing it come in around the \$2
19 million mark. This is under, "Meter repair and
20 calibration."

21 And then we go up again under the,
22 "Customer service and distribution," and the 'meter
23 changes' item that I believe is the one that is still
24 being determined. We're still in excess of \$3
25 million, going back to those early years.

1 Are you with me, Mr. Rainkie?

2

3 (BRIEF PAUSE)

4

5 MR. DARREN RAINKIE: Well, first of
6 all, Mr. Peters, I don't think there's any dispute
7 about the meter repair and calibration costs. Those
8 are -- those are not betterment costs. Those are --
9 those are expensed on both sides of the business, as
10 we talked about. And the meter exchanges, I mean, the
11 costs have doubled, Mr. Peters, over that time frame,
12 from two point three (2.3) to -- well, maybe not quite
13 doubled -- to four point four (4.4).

14 So it wasn't as a material item, as I
15 indicated a couple years ago. I mean, we've been
16 dealing with issues of overhead, Mr. Peters, and --
17 and pension and benefits, and writing off rate-
18 regulated assets that far dominate this one. This is
19 a fairly small item in the grand scheme of things.

20 MR. BOB PETERS: And that's why it
21 wasn't given a higher priority then, Mr. Rainkie?

22 MR. DARREN RAINKIE: That's correct.

23

24 (BRIEF PAUSE)

25

1 MR. DARREN RAINKIE: I should add,
2 while we're on this page, may -- Mr. Peters, that
3 there -- part of the reason for the debate is, is that
4 we are expensing meter repair and calibration costs.
5 And -- and as I said yesterday, the meter exchange
6 costs, there is a good argument that they're of a
7 similar ilk to the meter repair and calibration costs.
8 And -- and that's why we've decided to take a careful
9 look at this, rather than just assuming that we would
10 follow the Manitoba Hydroelectric policy.

11 MR. BOB PETERS: So that's part of the
12 internal discussion that's going on in the boardroom?

13 MR. DARREN RAINKIE: Well, it hasn't
14 quite made it to the boardroom yet, but in the meeting
15 rooms, Mr. Peters.

16 MR. BOB PETERS: And you're just
17 giving the Board one (1) side of that argument as to,
18 perhaps, the meter charges -- sorry, the meter changes
19 expense that is being expensed as an OM&A expense
20 annually, maybe should stay that way because that's
21 what's happening under the meter repair and
22 calibration line item?

23 MR. DARREN RAINKIE: Yes. Yes, I
24 mean, there are other sides to the argument. And I'm
25 also influenced by what I -- what I understand is

1 happening in the natural gas industry and that -- that
2 mostly this is expense. So -- I mean, I take notice
3 of those types of things, Mr. Peters.

4 MR. BOB PETERS: Perhaps, though, Mr.
5 Rainkie -- and we've covered this topic, I think, for
6 a -- probably enough. But on Tab 48 of the book of
7 documents --

8 MS. MARILYN KAPITANY: Could -- could
9 I just ask one (1) clarification question --

10 MR. BOB PETERS: Oh, I'm sorry.

11 MS. MARILYN KAPITANY: -- before we
12 move from this tab? It's on page 197. I think I
13 heard you say that, in terms of what's included for
14 the rate requirement, it would be the numbers that are
15 represented by the top red line and not the bottom
16 green line?

17 MR. DARREN RAINKIE: That -- that's
18 correct. What we're asking for in revenue requirement
19 is our total operating costs, which is represented by
20 the red line. What this chart is really trying to do
21 is lay out for the Board how successful we've been, in
22 terms of trying to contain costs within the rate of
23 inflation. So we're -- we're trying to just
24 analytically remove those accounting changes to -- so
25 that there's a consistent apples-to-apples comparison

1 of the rest of our operating costs.

2

3 CONTINUED BY MR. BOB PETERS:

4 MR. BOB PETERS: Mr. Rainkie --

5 THE CHAIRPERSON: There -- sorry, Mr.
6 Peters. Were you -- were you intending to -- to ask
7 any questions regarding the net salvage value?

8 MR. BOB PETERS: I was, but at a -- a
9 later point in time, but not in great depth, sir. If
10 you -- feel free if it's something you want to deal
11 with now.

12 THE CHAIRPERSON: Well, I guess,
13 without trying to resurrect a discussion that we had
14 some weeks ago with respect to the electricity rate
15 application, I -- you know, we -- we did agree that
16 net salvage would be addressed at the time of
17 conversion to IFRS. And now, I guess, the question I
18 have to ask is: What are -- what are your goals now
19 that -- with respect to -- I'm sorry.

20 What is your perspective with respect
21 to net salvage value given the -- what's going on at
22 the -- with IFRS and rate-regulated assets?

23 MR. DARREN RAINKIE: That's a good
24 question, Mr. Chair, because that -- that is -- that's
25 going to cause us to -- to look at that very carefully

1 again. I mean, as we expressed at the electric
2 hearing, the concept of negative salvage value is a --
3 is a regulatory concept that's been around for a long
4 time.

5 And it's not that we don't believe in
6 that concept; it's just that our reading of IFRS was
7 telling us that that was no longer acceptable for
8 accounting purposes. So we were going to -- to follow
9 IFRS and remove those costs from depreciation.

10 And, as we -- as we talked about
11 before, there was an element of, that was a way for us
12 to manage the overall impacts of IFRS for the
13 customers. So while we were willing to give up the
14 concept, there was an -- an aspect of managing the
15 overall impacts for customers.

16 So now, with the prospect that rate-
17 regulated accounting will continue, it would allow us
18 to continue that appr -- that practice if the interim
19 standard is approved as we -- as we know it today.
20 But then I think we still have that -- that issue of
21 what are the other impacts to -- to the customers?
22 And should we use that as a -- as a way of trying to,
23 you know, ease our way into IF -- IFRS and reduce the
24 cost to the customer?

25 So we're going to have to go -- this is

1 another debate. We're going to have to go back and
2 say, Well, we still believe in the concept of negative
3 salvage value. Do we -- do -- should we still use it
4 as a bit of a buffer, in terms of the impact to
5 customers?

6 And -- and we haven't come down on a --
7 on a final -- a final determination on that. As well,
8 the debate over ELG. Average Service Life and ELG
9 will still be alive, and we'll have to see how that
10 all comes together and whether we maintain negative
11 salvage value on a principal basis or -- basis or use
12 it as a -- as a buffer against immediate rate
13 increases.

14 I'm sorry I can't -- I don't have a
15 definitive -- definitive decision for you today, but
16 this is part of the mix that we're going to have to
17 consider and bring it back to the Board in some of our
18 next rate applications.

19

20 CONTINUED BY MR. BOB PETERS:

21 MR. BOB PETERS: Mr. Rainkie, let's
22 just explore your discussion with the Chairman, a
23 couple of areas.

24 The net salvage accounting policy used
25 by Centra is not a rate-regulated asset, is it, sir?

1 MR. DARREN RAINKIE: Well, it's --
2 it's not captioned as a rate-regulated item, but it's
3 a rate-regulated practice. And as we talked about
4 yesterday, under the new interim standard, if it's
5 approved, we would have to segregate out -- that out
6 of our accounts, at least on a go-forward basis.

7 So if we're going to continue that
8 practice, it would have to be more scrupulously
9 segregated in our financial statements, and as a rate-
10 regulated liability, I -- I supposed in this case, Mr.
11 Peters.

12 There are a number of -- of accounting
13 practices in the utility business that are particular
14 to the utility business, that aren't segregated on the
15 financial statements as rate-regulated assets or
16 liabilities.

17 And one (1) of the things I think that
18 this new standard is trying to accomplish is that
19 it'll have to be much more explicit so that readers of
20 financial statements across the world can compare and
21 contrast different types of accounting policies more
22 readily.

23 MR. BOB PETERS: The exposure draft to
24 which you referred in your answer, Mr. Rainkie, is
25 that most recent one that was referenced in the book

1 of documents that we reviewed yesterday?

2 MR. DARREN RAINKIE: Yes, that handy
3 summary that you had, Mr. Peters.

4 MR. BOB PETERS: You're welcome. The
5 exposure draft was talking about existing policies
6 that would be allowed to continue, as opposed to
7 creating new policies, correct?

8 MR. DARREN RAINKIE: It was, but --
9 and Ms. -- Ms. Jacobs talked about this though, is
10 that -- and this is -- this is some of the -- the
11 devil is in the details, I guess, I suppose, of this
12 exposure draft is -- what you need to do under the
13 exposure draft is, first, apply all of the IFRS
14 standards as they exist, which in this case would --
15 you wouldn't be applying the concept of negative sal -
16 - salvage value.

17 And then, once you get your total
18 assets and liabilities, or your total income, before
19 regulatory assets -- or before regulatory accounting,
20 you then need to segregate out those items that are
21 specifically rate-regulated assets, liabilities.

22 I guess -- I suppose they call them
23 deferral accounts. They're not trying to use the term
24 'assets and liabilities', because they haven't figured
25 out if they meet the conceptual framework of IFRS as

1 assets or liabilities quite yet. They're using a
2 neutral term, 'regulatory deferral accounts', to get
3 us in -- past this interim phase.

4 So while we'll continue to apply these
5 practices if the interim standard is approved, it is
6 with a different presentation. The concept is apply
7 IFRS first and then segregate out all of your
8 regulated assets and liabilities.

9 So given that negative salvage value is
10 a regulatory concept that does -- that wouldn't exist
11 in IFRS, we're going to, if we continue this practice,
12 have to segregate it out.

13 MR. BOB PETERS: You can confirm to
14 the Board, Mr. Rainkie, that the PUB never -- never
15 approved, as a rate-regulated asset or otherwise, the
16 net salvage value policy used by the Corporation?

17 MR. BOB PETERS: Well, Mr. Peters, the
18 Board has reviewed the depreciation studies of Centra
19 Gas in detail in a number of hearings, and it's been
20 very explicit that negative salvage value has been
21 included in those depreciation studies.

22 So I don't -- they haven't -- they
23 haven't said, Set this up as a regulatory asset, but
24 they certainly have endorsed the practice through
25 setting rates for decades.

1 MR. BOB PETERS: And -- and currently
2 your depreciation rates include a factor on account of
3 net salvage?

4 MR. DARREN RAINKIE: Yes, for the
5 applicable accounts.

6 MR. BOB PETERS: And to -- and to
7 catch up to you and the Chairman, Mr. Rainkie, on page
8 201 of the book of documents, at Tab 47, that page
9 deals with the presentation of depreciation expense.
10 And when we go under, "IFRS changes," just above the
11 middle of the page, there's a line item called
12 'Removal of net salvage from depreciation rates',
13 correct?

14 MR. DARREN RAINKIE: That's correct.

15 MR. BOB PETERS: And while the heading
16 is the fiscal 2015, I think you've agreed with me,
17 that it would probably be more accurate to depict that
18 now as the 2016 fiscal year, sir.

19 MR. DARREN RAINKIE: That's
20 reasonable, Mr. Peters.

21 MR. BOB PETERS: And so what you and
22 the Chairman were talking about is that if Centra was
23 to remove the net salvage that is currently in
24 depreciation rates, that would amount to about a \$5
25 million reduction in those rates?

1 MR. DARREN RAINKIE: Yes, in those
2 costs which would flow through to rates, yes.

3

4 (BRIEF PAUSE)

5

6 MR. BOB PETERS: In light of your
7 discussion with the Chairman, Mr. Rainkie, should the
8 Board conclude that, at the next general rate
9 application, Centra will have landed on a position
10 relative to how to treat net salvage value?

11 MR. DARREN RAINKIE: Yes, Mr. Peters.
12 Assuming that in the not too distant future we're
13 coming for 2014/'15 -- 2015/'16 rates, we'll -- we'll
14 have to lead evidence and -- and -- for the Board, in
15 -- in terms of how we think we should apply IFRS for
16 rate-setting purposes.

17 On reflection, we didn't lead a lot of
18 evidence at the start of the electric GRA on this.
19 And so the next time we come, I think we will lead
20 some evidence to -- to try to inform the Board how we
21 see things.

22 Because when we pick accounting
23 policies, it's simply not just to satisfy, you know,
24 accounting requirements. Of course, we have to meet
25 accounting requirements, but we also are cognizant of

1 the fact that those accounting policies am -- have
2 impacts on our revenue requirement and that our
3 business is a very long lived business. So we -- we
4 try to incorporate both financial reporting and rate
5 setting in our selection of accounting policies where
6 judgment is allowed.

7 And, you know, I don't think it's any
8 secret, Mr. -- Mr. Peters, that we would like to -- I
9 -- I'm not sure, during this NFAT proceeding, exactly
10 how we're going to deal with the need for rate
11 changes. We might have to come to the Board on an
12 interim basis just because we're all going to be very
13 busy for the '14/'15 year, if I've got my years right.

14 But certainly, as we come to the
15 '15/'16 year, we're going to have to file a full test
16 year. And I think what our -- our plan is to,
17 hopefully, with the endorsement of the Board, to file
18 an integrated electric and gas hearing so we can have
19 this discussion about IFRS once and not have to have
20 it duplicated in -- in two (2) -- two (2) separate
21 proceedings.

22 But definitely, Mr. Peters, we'll have
23 to come and wrestle with the idea of how -- how to --
24 how to incorporate IFRS into the rate-setting process.
25 And -- and we'll explain our selection of accounting

1 policies under IFRS, the rationale for them, and why
2 we believe they are good for both financial reporting
3 and rate-setting purposes.

4 Short question, long answer.

5 MR. BOB PETERS: It gets longer, Mr.
6 Rainkie. I'm wondering whether, included in that
7 evidence, you will be in a position, or Centra will be
8 a position, to come back with the -- the cost
9 allocation study that the Corporation has deferred, if
10 I can use those words, pending IFRS?

11 MR. DARREN RAINKIE: Let me just
12 reflect on that on the open record here, Mr. -- Mr.
13 Peters. Yes, I -- as I said yesterday, I think the
14 source of that directive, as I reflect on it, was the
15 complexity of our current allocation system. And when
16 the Board has asked us to do a review of it, I'm not
17 sure if I should imply that they wanted another --
18 another external review, as we did many years ago
19 through KPMG, or if it was more an internal review.

20 But before we go hiring people at, you
21 know, two (2) to five hundred dollars (\$500) an hour
22 to do an independent review of this, I think what
23 we'll -- what we have to do is settle down the
24 accounting and what -- how we think the allocation is
25 going to work between the two (2) utilities, once we

1 pick our -- our final overhead practices under IFRS.
2 And then -- and then we will come to the Board and
3 explain what changes we are making in our systems.
4 And hopefully, some of those changes are to simplify
5 the process.

6 So whether we need to go to that extent
7 of having an -- an external review, I'd like to think
8 that we could articu -- we could change our system and
9 -- and -- and articulate it in this forum so that
10 people understood it for rate-setting purposes and not
11 have to spend a bunch of money on an ex -- an external
12 review.

13 So to the extent that inherent in the
14 mix of all this is that we're going to have to figure
15 out our final overhead practices as we move to IFRS
16 and we're going to have to explain them to the Board,
17 we're going to have to explain them to the Board.
18 We're going to have to explain why we believe they're
19 appropriate for both financial reporting and rate-
20 setting purposes.

21 I'm hoping that we satisfy that
22 directive through that, rather than some expensive
23 external review, just because I -- I truly do believe
24 that the source of that directive was one of confusion
25 because of the complexity. And I'm not sure we need

1 to go -- we have lots of the experts here, in terms of
2 how this works, I think.

3 Perhaps through workshops or other --
4 other less confrontational processes, we can, you
5 know, inform the Board advisors and Intervenor
6 advisors on how this system works. So I'd like to
7 take a shot at that, Mr. Peters, rather than just kind
8 of going right directly to some expensive internal
9 review and get all the -- the experts in here arguing
10 back and forth. That's -- that's my views at this
11 point.

12 THE CHAIRPERSON: I might add that --
13 my two (2) cents' worth. The -- I like your proposal
14 that, you know, instead of negotiating this in -- in
15 this venue, perhaps doing it through some other means.
16 The experience of this Board with respect to cost
17 allocation methodology changes has been a difficult
18 one because of -- I'm specifically talking about MPIC,
19 where the change to the methodology in that particular
20 utility -- or service provider, rather -- took a
21 number of years before it was accepted by this Board.

22 So alternative approaches to resolving
23 this matter quickly, I think, would be quite
24 interesting, I think, to PUB. And I guess one (1)
25 concern I have, though, is in terms of timing,

1 particularly if there are significant IFR -- IFRS
2 changes that we do not hit later on with significant
3 changes because of cost allocation methodology
4 differences.

5 You know, I'm worried about, you know,
6 there being a different increm -- increased cost to
7 Centra that might have been handled more effectively
8 through doing a bunch of changes together and having a
9 more rational approach to effecting change.

10 I'm not sure if that's clear, but it's
11 certainly clear in my mind.

12

13 CONTINUED BY MR. BOB PETERS:

14 MR. BOB PETERS: Mr. Rainkie, the cost
15 allocation methodology is another one (1) of those
16 issues that is a common or generic issue, if I can use
17 that word, to the Hydro side of the business as well
18 as the gas side of the business, correct?

19 MR. DARREN RAINKIE: Exactly, Mr.
20 Peters. And that's why it -- it makes sense to review
21 this once and -- and to get a certain level of
22 understanding by all parties before we, you know, go
23 at the combative IFR -- IR process. I -- I'm not
24 sure, after almost a quarter of a century in this,
25 that the IR process gives us that understanding that

1 you could have when you have a whiteboard in front of
2 you and you explain to parties how things work.

3 And so I'd like to take a shot at it,
4 in terms of a less combative process, more of a
5 collaborative process in terms of, like I said, maybe
6 some -- some workshops or something like that, so we
7 can get some understanding between the various parties
8 before we start banging away at each other through
9 IRs.

10 MR. BOB PETERS: All right, Mr.
11 Rainkie, we did briefly talk about the cost allocation
12 yesterday and the extant report or review. And we --
13 I think we agreed that the directive from the PUB was
14 for Centra to propose the terms of reference that
15 would be, in its view, appropriate, correct?

16 MR. DARREN RAINKIE: Yes, yes, I -- I
17 think that you're right. The -- the actual directive
18 does not give us the review but give us the process,
19 if you like, to get to the review. And that's --
20 that's what stewing in my head as we speak, in terms
21 of how we productively get -- go down that road.

22 MR. BOB PETERS: So the transcript of
23 this proceedings is your draft of the terms of
24 reference?

25 MR. DARREN RAINKIE: Well, yeah. I

1 don't want to get too far ahead of myself, but I think
2 that hopefully, the Board is open to -- to some
3 different ways of -- of going about our -- our
4 regulatory business rather than just simply having
5 hearings all the time.

6 I think we're -- we all reflect on our
7 experience over the years. And -- and maybe there's
8 other -- other jurisdictions use these types of more
9 collaborative processes more than we have in the past.
10 And -- and, you know, I'm kind of excited, in a way,
11 to -- to start one, and to get some experience about
12 how they work, because I know there's concerns about
13 how they work and how the Board does its job in terms
14 of, you know, being the decider in the end.

15 But I'm -- I'm sure, with reasonable
16 people on all sides, we can work through those issues
17 and come up with something appropriate. Other
18 jurisdictions have been doing it for decades, so I
19 don't see why there's any reason that we can't try
20 that in Manitoba.

21 MR. BOB PETERS: And you're
22 envisioning, Mr. Rainkie, a process that does include
23 Intervenor and their consultants, as required?

24 MR. DARREN RAINKIE: Yes, yes. I
25 mean, I think to be fair, when you're dealing with

1 complex technical matters, I understand the
2 Intervenor have to have some representation, and some
3 people that can go through and understand it. And
4 that's all part of being reasonable.

5

6 (BRIEF PAUSE)

7

8 MR. DARREN RAINKIE: Mr. Peters, just
9 one (1) further thought. I -- I think, though, for
10 all invol -- all involved in the room as -- as we
11 enter this NFAT proceeding, though, I think we would
12 like to see 2000 -- the 2014/'15 rate changes probably
13 done through a -- some type of an -- an interim or
14 paper process, if we could.

15 And what we're talking about is coming
16 back on these types of matters in the context, I
17 guess, of a, you know, 2015/'16 rate application --
18 maybe 2015/'16 -- '16/'17. So, obviously, people are
19 going to be very busy in the next -- including the
20 Board and advisers, et cetera, Intervenor -- during
21 the next eight (8), ten (10) month period. And so we
22 have to be, I think, careful of that period that we're
23 not overloading everybody in the room.

24 And then the good thing about IFRS
25 being deferred one (1) more year is it gives us that

1 little bit of a breathing -- breathing room, in terms
2 of being able to -- for the Company to pick its
3 policies and its practices, and then be able to share
4 them with the Board and Intervenors at the appropriate
5 time.

6 MR. BOB PETERS: Mr. Rainkie, thank
7 you for that answer and your -- your blue-skying on
8 the record. But I -- I'm not going to make it come
9 back to haunt you, sir. I'll -- I do want to turn,
10 though, on a topic that we were talking about, in
11 terms of the corporate allocations to overhead, and --
12 and turn up to Tab 49 of the book of documents. And
13 maybe, specifically, we'll turn to page 219.

14

15 (BRIEF PAUSE)

16

17 MR. BOB PETERS: And I think when,
18 specifically, if we look to the -- page 219, and maybe
19 even also ahead to page 220, is where I'll start my
20 questions.

21 Page 220, Mr. Rainkie, brings current
22 the information up to and including the test year,
23 correct?

24 MR. DARREN RAINKIE: Yes, it spans the
25 time frame 2008/'09 to 2013/'14.

1 MR. BOB PETERS: And Centra
2 reallocated information technology support costs and
3 administrative building costs, previously included in
4 activity or overhead rates, and those are now directly
5 allocated to Centra through corporate allocations and
6 adjustments?

7 MR. DARREN RAINKIE: Yes, Mr. Peters.
8 Those changes --

9 MR. BOB PETERS: Those -- those are
10 done using cost drivers?

11 MR. DARREN RAINKIE: Yes, Mr. Peters.

12 MR. BOB PETERS: And, specifically, do
13 you know what the cost drivers are and -- and the
14 types of cost drivers used?

15 MR. DARREN RAINKIE: I'm sure they're
16 in this book somewhere, Mr. Peters. There's a variety
17 of them, so let's -- let's try to find the right
18 source for the Board.

19

20 (BRIEF PAUSE)

21

22 MR. DARREN RAINKIE: Mr. Peters,
23 efficient as you always are, I think if you go to page
24 217 of your book of documents, the drivers are talked
25 about on that page.

1 (BRIEF PAUSE)

2

3 MR. BOB PETERS: And, Mr. Rainkie, on
4 page 217 -- and thank you, sir, for turning to Tab 50
5 in -- sorry, Tab 49 in the book of documents, page
6 217.

7 In terms of interest on common assets
8 and the interest on motor vehicles, IT infrastructure,
9 that allocation is done based on activity charges,
10 correct?

11 MS. HANRI JACOBS: That's correct.

12 MR. BOB PETERS: And 90 percent goes
13 to the electric operations and 10 percent goes to the
14 gas operations?

15 MS. HANRI JACOBS: That's the current
16 allocation that we're seeing by some of the activity
17 charges being charged both to electric and gas.

18 MR. BOB PETERS: And, Ms. Jacobs, that
19 90/10 split is one (1) of the items that Mr. Rainkie
20 was talking to the Chairman and myself about in terms
21 of a generic issue that affects both utilities?

22

23 (BRIEF PAUSE)

24

25 MS. HANRI JACOBS: Yes.

1 MR. BOB PETERS: And, Ms. Jacobs, on
2 page 217, when the Board sees the general and
3 administrative department costs are allocated as
4 between the gas and electric operations, the method of
5 distribution is based on the total assets as a
6 percentage for each corporation?

7 MS. HANRI JACOBS: That's correct.
8 The corporate governance activities are allocating
9 using -- using the total asset base as determining the
10 percentage to allocate.

11 MR. BOB PETERS: And mathematically,
12 Manitoba Hydro had 96 percent of the -- of the
13 consolidated assets and Centra has 4 percent of the
14 assets?

15 MS. HANRI JACOBS: That's correct.
16 You can also see that in -- on the table in -- on page
17 223.

18

19 (BRIEF PAUSE)

20

21 MR. BOB PETERS: Ms. Jacobs, while we
22 look at page 219 and 220 together, we start off on
23 page 219, and we see that the percent allocated
24 changes from -- and I'm looking starting with 2009
25 fiscal year. The amount allocated to Centra shown is

1 13 percent in that year, and it goes down over the
2 next number of years.

3 And as we turn the page, it's now down
4 to 10 percent, correct?

5 MS. HANRI JACOBS: Again, the
6 allocation reflected in here is not how the cost is
7 allocated. This is just taking the total program cost
8 on the gas side and -- and -- as a percentage of the
9 total consolidated cost.

10

11 (BRIEF PAUSE)

12

13 MR. BOB PETERS: Excluding the
14 corporate allocations, ma'am?

15 MS. HANRI JACOBS: That's correct.

16

17 (BRIEF PAUSE)

18

19 MR. BOB PETERS: The allocation to the
20 business unit goes down; the direct allocation to
21 Centra goes up?

22

23 (BRIEF PAUSE)

24

25 MR. BOB PETERS: I'm not sure you

1 agree with me, that puzzled look, Ms. Jacobs. What --
2 what -- the -- the items removed have been as -- have
3 been used and incorporated into the direct
4 allocations, correct?

5 MS. HANRI JACOBS: If you're referring
6 to the CCA, the corporate cost allocations and
7 adjustments that in -- that did increase, as we've
8 removed the infrastructure and common building
9 depreciation and operations costs into CCIS
10 (phonetic), opposed to having that including in eith -
11 - either activity charges or overhead rates.

12

13 (BRIEF PAUSE)

14

15 MR. BOB PETERS: Mr. Chairman, it
16 might be a little bit early, but I wonder if we could
17 take the morning recess at this time, and I'm going to
18 reorganize my notes, as I understand Mr. Schulz will
19 be joining us after lunch, I believe, and I have some
20 questions for him. And I'll just work around those
21 questions at the break and just make sure I can
22 continue with this panel.

23 THE CHAIRPERSON: Fifteen (15) minutes
24 would do it?

25 MR. BOB PETERS: It would.

1 THE CHAIRPERSON: Okay. So let's take
2 -- let's resume the proceedings at quarter to 11:00.

3

4 --- Upon recessing at 10:32 a.m.

5 --- Upon resuming at 10:51 a.m.

6

7 THE CHAIRPERSON: I believe we're
8 ready to resume the proceedings. Mr. Boyd, do you
9 have a document you'd like to enter into the record?

10 MS. MARLA BOYD: I do. Thank you.
11 Good morning. Paper in hand. We have a response to
12 Undertaking number 4, which was provided by Mr.
13 Sanderson in response to a question from you, Mr.
14 Chair, asking for a comparison of prices being offered
15 on fixed rate primary gas service.

16 We're in a position to file that now.
17 And I would propose it be marked as Exhibit number 8.
18

19 --- EXHIBIT NO. CENTRA-8: Response to Undertaking 4
20

21 MS. MARLA BOYD: While I have the
22 microphone, there's also one (1) matter that we'd like
23 to clear up from yesterday's discussion between Ms.
24 Jacobs and Mr. Peters. It refer to page 199 of the
25 document. And Ms. Jacobs would like to clarify the

1 comments that she made regarding the program costs.

2 MS. HANRI JACOBS: Mr. Peters, I made
3 the comment on page 198 around the purchase services,
4 indicating that my notes reflected that the increase
5 was due to distribution maintenance. But my competent
6 staff in the back row alerted to me that it's -- the
7 change from 2011/'12 to '13/'14 relates, mainly, to
8 consulting associated with the environmental work and
9 advertising in DSM programs.

10 MS. MARLA BOYD: Thank you.

11

12 CONTINUED BY MR. BOB PETERS:

13 MR. BOB PETERS: Yes, thank you, Ms.
14 Jacobs. Ms. Jacobs, just want you to assist the Board
15 in understanding the depreciation future rate change
16 that is -- that is coming.

17 And are -- is it correct, Ms. Jacobs,
18 that the new depreciation study was filed based on the
19 2010 year-end plant account amounts?

20 MS. HANRI JACOBS: That's correct.

21 MR. BOB PETERS: And the new service
22 lives and component groupings that were recommended by
23 Centra's external consultant took effect April 1st of
24 2011?

25 MS. HANRI JACOBS: That's correct.

1 MR. BOB PETERS: And as a result,
2 depreciation expense has reduced by over a million
3 dollars?

4 MS. HANRI JACOBS: One point two (1.2)
5 million for the test year, yes.

6 MR. BOB PETERS: Now, on page 263 at
7 Tab 52 of the book of documents, we have Centra's
8 breakdown of their depreciation and amortization
9 expense, and this includes four (4) main categories
10 that are shown: intangible assets, transmission plant,
11 distribution plant, and general plant, Ms. Jacobs?

12 MS. HANRI JACOBS: That's correct.

13 MR. BOB PETERS: And in addition to
14 the depreciation items, then there's depreciation on
15 common assets, correct?

16 MS. HANRI JACOBS: Yes.

17 MR. BOB PETERS: And, likewise,
18 there's an amortization of demand-side management
19 costs?

20 MS. HANRI JACOBS: Deferred assets
21 amortization, yes.

22 MR. BOB PETERS: And those -- those
23 depreciation on common assets, like the demand-side
24 management, those are -- those are on Manitoba Hydro's
25 books, and a portion is allocated over to Centra?

1 MS. HANRI JACOBS: The common assets,
2 there is a portion of common assets that's actually
3 Centra book -- Centra's books, the Banner system. So
4 in there it's -- it's not just all coming from
5 Manitoba Hydro. So, in essence, there is a portion
6 coming from Centra back to the electrical side, too.

7 MR. BOB PETERS: And you made a
8 reference to 'Banner'. Can you just explain to the
9 Board what the Banner program is?

10 MS. HANRI JACOBS: It's a customer
11 billing system.

12 MR. BOB PETERS: Is it housed on the
13 Centra side of the business?

14 MS. HANRI JACOBS: There is -- there's
15 actually Banner costs reflected on both utilities. So
16 it's not all solely under the Cen -- on the Centra
17 books.

18 MR. BOB PETERS: And if we look to the
19 2012/'13 year on page 263, Ms. Jacobs, and we look at
20 the total depreciation on common assets for the
21 '12/'13 year, that would sum up to approximately \$17
22 million, would it? I don't think that number is
23 readily visible on the chart.

24

25 (BRIEF PAUSE)

1 MS. HANRI JACOBS: That's correct.

2 MR. BOB PETERS: And just -- pointed
3 out to me that on page 269 the details of the 2012/'13
4 year are -- are set out in -- in, perhaps, different
5 detail. And it comes to the same number, though. And
6 then for the test year you're at approximately \$18
7 million for the depreciation on common assets?

8

9 (BRIEF PAUSE)

10

11 MR. BOB PETERS: I'm sorry,
12 depreciation on the -- on the total plant assets.

13 MS. HANRI JACOBS: That's correct,
14 sir.

15

16 (BRIEF PAUSE)

17

18 MR. BOB PETERS: And then added to the
19 -- added to the depreciation on common asse -- is the
20 depreciation on common assets shown on page 263 of an
21 additional \$4.6 million, as well as -- you mentioned
22 before without quantifying it, the demand-side
23 management amount of 8.4 million, for a total of \$30.1
24 million?

25 MS. HANRI JACOBS: The eight-point-

1 four (8.4) is mainly demand-side management, but it
2 also include one point two (1.2) related to other
3 regulatory costs that's deferred, and site restoration
4 costs. That's also a -- a regulatory deferral
5 account.

6 MR. BOB PETERS: All right. And the
7 site regulatory costs for the Board, does that relate
8 to the Wilkes propane storage facility? Does anybody
9 -- does that -- is that what comes to mind?

10 MR. DARREN RAINKIE: Sorry, those are
11 site restoration costs, Mr. Peters, and they relate to
12 numerous facilities.

13

14 (BRIEF PAUSE)

15

16 MR. BOB PETERS: Ms. Jacobs, on page
17 265 at Tab 52 of the book of documents, there's an
18 extract from Centra's depreciation study that was
19 filed as Appendix 5.8 in its filing. And the numbers
20 that are reflected throughout on the chart on page
21 265, would it be correct for the Board to again make a
22 pencil notation that the -- the year that's labelled,
23 "Fiscal 2015," is probably more accurately viewed as
24 2016?

25 MS. HANRI JACOBS: Yes.

1 MR. BOB PETERS: And what you're
2 showing by doing that then, Ms. Jacobs, is that,
3 specifically, the additional new items of the change
4 in methodology, that is ELG, or Equal Life Group, if
5 it is made by the Corporation it would be made
6 commensurate with the implementation of IFRS?

7 MS. HANRI JACOBS: That's correct.

8 MR. BOB PETERS: And then we have had
9 this discussion earlier about the removal of asset
10 retirement cost from the depreciation expense. And
11 there's about \$5 million that the Corporation is
12 considering removing from depreciation expense because
13 under IFRS it has to?

14 MS. HANRI JACOBS: That's correct.

15 MR. BOB PETERS: And as I understood
16 Mr. Rainkie's answers earlier, it is a matter that --
17 adjustment that could be made before IFRS, there could
18 be an early adoption of that view, but that's not the
19 -- the current plans of Centra?

20 MR. DARREN RAINKIE: That's correct,
21 Mr. Peters. We're, once again, not making any
22 retrospective changes. We would -- because that's a
23 change that would be required on -- on adoption of
24 IFRS our plan was to make that change when we move to
25 IFRS.

1 As we -- as the Chair and I chatted
2 about this morning, the recent exposure draft causes
3 us pause to, I guess, look -- look at that and re-
4 examine that and make our final decision. But as it
5 was depicted here, this was assuming that we would be
6 removing that on transition to IFRS.

7 MR. BOB PETERS: Ms. Jacobs, the --
8 the depreciation study that was based on the 2010
9 fiscal year replaced a depreciation study that was
10 previously done in 2005.

11 Have I got that right?

12 MS. HANRI JACOBS: Yes.

13 MR. BOB PETERS: And the external
14 consultant used by Centra was the same external
15 consultant that was used by Manitoba Hydro?

16 MS. HANRI JACOBS: Correct.

17 MR. BOB PETERS: So the same
18 consultant did the electric side as well as the gas
19 side?

20 MS. HANRI JACOBS: Yes.

21 MR. BOB PETERS: And the consultant
22 was -- just for the record, I don't think it's any
23 secret and it's not confidential, I don't believe,
24 that it's Gannett Fleming is the firm?

25 MS. HANRI JACOBS: Yes.

1 MR. BOB PETERS: And they recommended
2 life extensions for several accounts based on
3 statistical evidence as well as industry comparative
4 data as well as discussions with Centra Gas employees
5 -- or Centra staff, I should say -- as opposed to
6 employees?

7 MS. HANRI JACOBS: That's correct.

8

9 (BRIEF PAUSE)

10

11 MR. BOB PETERS: On -- on page 268 of
12 the book of documents we see a presentation of the
13 depreciation rates. The 'Effective April 1, 2011'
14 column changes, those were the changes put into place
15 April 1st, 2011, by Centra, correct?

16 MS. HANRI JACOBS: That's correct.

17 MR. BOB PETERS: And is it correct as
18 well that prior to implementing those rates there was
19 no GRA or no -- no formal approval from the Public
20 Utilities Board with respect to the changes from the
21 2007 rates?

22 MR. DARREN RAINKIE: No formal
23 approval. Mr. Barnlund may -- may correct me, but my
24 recollection is that we informed the Board before we
25 made the change, and their direction to us that it

1 would be reviewed at the next general rate
2 application. I think there was a letter that went
3 back and forth.

4 MR. BOB PETERS: And the -- the
5 effect, Ms. Jacobs, is that from the composite
6 weighted average rate shown on page 268 of two point
7 eight-zero (2.80), it declined to 2.62 percent
8 effective April 1 of 2011?

9 MS. HANRI JACOBS: Yes.

10

11 (BRIEF PAUSE)

12

13 MR. BOB PETERS: And the future rates
14 that are shown, it says, "Effective April 1 of 2014."
15 Is -- should that read April 1 of 2015 at this time?

16 MS. HANRI JACOBS: Yes.

17

18 (BRIEF PAUSE)

19

20 MR. BOB PETERS: And the impact of
21 this on this rate application for the test year of
22 2013 is to change the services lives by extending
23 them, and that would lower the depreciation expense by
24 about \$1.2 million.

25 Is that the correct number?

1 MS. HANRI JACOBS: That's correct.

2 MR. BOB PETERS: Would it be correct,
3 Mr. Rainkie and Mr. Barnlund, that while the schedule
4 shows the rates effective April 1st, 2014, which, I
5 believe, the witness has agreed it would be more
6 accurately depicted as April 1st of 2015, Centra is
7 not seeking approval of that change at this time?

8 MR. GREG BARNLUND: That's correct.

9

10 (BRIEF PAUSE)

11

12 MR. BOB PETERS: The Board can take
13 from that answer, Mr. Barnlund, that Centra will be
14 seeking Board approval in advance of making that
15 change, if it does so at all?

16 MR. GREG BARNLUND: I expect we will
17 be in contact with the Public Utilities Board at the
18 appropriate time about that, yes.

19 MR. BOB PETERS: And from what we've
20 heard, Mr. Rainkie, in discussion with the Chairman,
21 Centra may re-think the depreciation methodology,
22 including the removal of asset-retirement costs, and
23 that would be part of the communication, Mr. Barnlund,
24 to the Board?

25 MR. GREG BARNLUND: I expect that

1 that's part of what we would be discussing, yes.

2 MR. BOB PETERS: And, Mr. Barnlund, in
3 the order that Mr. Rainkie referenced in his evidence
4 earlier this morning, that is, Board Order 43/'13,
5 which related to the electric side of the business,
6 the Utility was directed to do further work with
7 respect to depreciation, was it not?

8 MR. GREG BARNLUND: Yes, it was.

9 MR. BOB PETERS: And is that something
10 that Ms. Hooper and her colleagues are attending?

11 MR. GREG BARNLUND: I believe we will
12 be working on that, yes.

13

14 (BRIEF PAUSE)

15

16 MR. DARREN RAINKIE: Mr. Peters, just
17 on that -- on that point, there's probably -- at some
18 point we'll have to correspondence with the Board. I
19 recall what that order was directing us to was to do a
20 Average Service Life depreciation study. And, of
21 course, our last depreciation study was based on an
22 ELG study, so that's no -- that's no small feat to do
23 that.

24 And I'm a little concerned about the
25 timing of -- of that if -- if we are to put an ASL

1 depreciation study in front of the Board, I thi -- I
2 think the spirit of the order, if I understood it --
3 and may -- maybe there needs to be some corre --
4 correspondence and clarification of it, was that they
5 weren't quite convinced about ELG and they would like
6 us to do an ASL study and also provide some
7 information about ELG for further consideration.

8 The difficulty that we will have is, of
9 course, is that it's good to talk about that
10 conceptually, but we have \$15 million worth of plant
11 to componentize. And so we can have the -- the -- the
12 study, while it's a costly and -- and difficult
13 endeavour, is only a -- a smaller part of it,
14 depending on the decision that we get it takes --
15 we've been working at componentizing our plants under
16 our current depreciation study for a couple of years
17 now.

18 So that po -- cau -- causes us some
19 problems. So I think we're going to have to think
20 through that and work with the Board to find a
21 desirable outcome for both parties. It's not -- it's
22 not just as simple as -- as doing a study and putting
23 it before the Board, the conceptual part of the
24 discussion; it's how do we actually implement that.

25 So, if -- if the thought pattern is,

1 well, you can come back to the Board and we can re --
2 re-look at the issue of ELG, if we were able to come
3 back to the Board and convince them that ELG is the
4 way to go, we don't have any time left to actually
5 accomplish that in the real world, given -- given the
6 timelines involved.

7 So, that presents us with a bit of
8 conundrum. So, that's something, I think, we'll have
9 to -- we'll have to work with the Board on over time.
10 I don't think we're -- we'll be corresponding, I
11 think, with the Board during that time frame, not just
12 coming back at a rate application with the final
13 product to -- to think through how we accomplish that.

14

15 (BRIEF PAUSE)

16

17 MR. BOB PETERS: While we're on the
18 Centra side, Mr. Rainkie and Ms. Jacobs, we'll --
19 we'll look at page 270. And here the upshot of this
20 schedule is to -- is to take the expected costs on the
21 gas side of the business of their total gross plant,
22 figure out what has been already accumulated -- sorry,
23 depreciated, and then determine what is the net book
24 value.

25 That's what's done in the first three

1 (3) columns?

2 MS. HANRI JACOBS: Yes.

3 MR. BOB PETERS: And then whatever the
4 result is in terms of the total gross plant, minus the
5 accumulated depreciation, yielding the net book value,
6 multiply that by the appropriate depreciat --
7 depreciation rate to come up with the \$18 million of
8 depreciation expense to be recovered in rates?

9 MS. HANRI JACOBS: The depreciation
10 percentage is not applied on the net book value. So
11 it's applied on the cost.

12 MR. BOB PETERS: Yes, on -- on each of
13 the line items the cost items has its own depreciation
14 rate and that would be -- would be summed as opposed
15 to one (1) number applied against the net book value?

16

17 (BRIEF PAUSE)

18

19 MS. HANRI JACOBS: The depreciation
20 rate is applied -- I mean, we use the depreciation
21 rate on -- on the cost value, not on net book value to
22 determine the depreciation expense.

23

24 (BRIEF PAUSE)

25

1 MR. BOB PETERS: And the cro --

2 MR. DARREN RAINKIE: Mr. Peters, the
3 net book value is the net of the gross cost and -- and
4 the accumulated depreciation. And to calculate what
5 your depreciation charge is you apply the depreciation
6 rate to the gross -- to the gross plant in the first
7 column.

8 The net book value is just a -- a
9 calculation that we've been asked to do on this
10 schedule for illustrative purposes.

11 MR. BOB PETERS: But what you're
12 showing with the accumulated depreciation and the net
13 book value is what's left to be depreciated of any
14 particular asset?

15 MR. DARREN RAINKIE: That's correct.

16

17 (BRIEF PAUSE)

18

19 MR. BOB PETERS: While I'm on that
20 schedule, Ms. Jacobs, at page 270, under,
21 "Distribution plant," there's that item, 'meters',
22 third from the bottom.

23 Have you located that?

24 MS. HANRI JACOBS: Yes.

25 MR. BOB PETERS: And if I follow

1 'meters' across, in terms of a depreciation rate it
2 says, "4.15 percent"?

3 MS. HANRI JACOBS: Yes.

4 MR. BOB PETERS: And that 4.15 percent
5 can be translated into years by essentially one (1)
6 divided by four one five (415)?

7

8 (BRIEF PAUSE)

9

10 MS. HANRI JACOBS: The four point one
11 (4.1) is based on -- it includes some true-up so it
12 was based on the depreciation study. So it's not just
13 taking the -- the average service lif -- life in to
14 determine the right, so.

15 MR. BOB PETERS: So yesterday I think
16 I threw out the number of twenty-four (24) years, and
17 I think you corrected me politely on the record, Ms.
18 Jacobs, and made it twenty-six (26) years for meters.

19 Is -- is twenty-six (26) the more
20 accurate number for the service life of a meter?

21 MS. HANRI JACOBS: That's correct.

22 MR. BOB PETERS: And then that
23 discussion that I had with Mr. Rainkie and yourself
24 and also with Mr. Prydun on the -- the Meter Exchange
25 Program, if the labour related to the meter

1 replacement was to be capitalized, can you tell the
2 Board which account it would be accumulated in?

3

4 (BRIEF PAUSE)

5

6 MS. HANRI JACOBS: We'll have to open
7 a new account as the -- this account is related to the
8 actual meter devices that has a useful life of twenty-
9 six (26). We'll have to determine, if we capitalize
10 this meter exchange labour activity, what would be an
11 actual useful life as well, I mean, what's the asset
12 that we actually would have to retire at -- at the end
13 of the day and have to manage.

14 MR. BOB PETERS: Does the schedule on
15 page 270 include any other labour costs, Ms. Jacobs?

16 MS. HANRI JACOBS: That would be
17 normal for part of a construction asset, yes.

18 MR. BOB PETERS: And so you're telling
19 the Board that even though meters may be depreciated
20 over twenty-six (26) years, the labour -- the capital
21 labour expenses related to those meters may be
22 something different than that?

23

24 (BRIEF PAUSE)

25

1 MS. HANRI JACOBS: So the -- my
2 understanding is the initial install of the meter
3 normally forms part of the new service. So that's why
4 -- I mean, the labour associated with installing the
5 meter would form part of the -- the services account
6 under the distribution section.

7 MR. BOB PETERS: All right. And what
8 you're saying there is that, under the services item
9 where the labour is included, the -- the distribution
10 -- sorry, the depreciation rate is 2.89 percent?

11 MS. HANRI JACOBS: That's right.

12 MR. BOB PETERS: And that suggests,
13 then, that it would be as much as a thirty-five (35)
14 year amortization of those expenses?

15 MS. HANRI JACOBS: Mr. -- Mr. Peters,
16 I'm not sure you can actually say the activity for the
17 exchanging the meter is the same as installing the
18 service, because the service has a longer useful life
19 while the meter exchange activity is an actual -- my
20 understanding is, an actual site, a meter could be
21 changed two (2) or three (3) times during that twenty-
22 four (24) -- or twenty-six (26) years life period.
23 So, again, as the meter exchange activity doesn't
24 correlate with the meter device, neither does it
25 correlate with the actual service life of the service

1 -- installed service line.

2 MR. BOB PETERS: In terms of what that
3 useful life would be, Ms. Jacobs, that's something
4 that Ms. Hooper and her colleagues have not yet come
5 up with a determination?

6 MS. HANRI JACOBS: This is part of the
7 meetings discussions that we have around meter
8 capitalization and whether Centra should be following
9 the electric side of the business or not.

10 MR. BOB PETERS: On the electric side
11 of the business, what is the useful life of the meter
12 exchange labour costs, if you're...

13 MS. HANRI JACOBS: I'll have to come
14 back with that, Mr. Peters.

15 MR. BOB PETERS: Well, that would be
16 located in the electric depreciation study?

17 MS. HANRI JACOBS: It should be.

18 MR. BOB PETERS: All right. Because I
19 put it on the record here, and for the benefit of the
20 Intervenors, I -- I would ask that as an undertaking.
21 If you could, Ms. Jacobs, come back and advise the
22 Board as to the depreciation rate, as well as the
23 useful life determination of the expense of labour
24 related to meter exchange?

25 MS. HANRI JACOBS: Sure.

1 --- UNDERTAKING NO. 6: Centra to advise the Board
2 as to the depreciation
3 rate, as well as the
4 useful life determination
5 of the expense of labour
6 related to meter exchange
7

8 MR. DARREN RAINKIE: Mr. Peters, one
9 of our troubles -- and this is why this is an
10 accounting conundrum, is what is the useful life? How
11 many times are you going to exchange that meter? I --
12 I guess I don't understand why we're trying to
13 manufacture a change in accounting policy here -- as
14 we're sitting here.

15 We've indicated very clearly this is
16 something we're going to look at at transition to
17 IFRS. But, as I said, the conundrum is, is that these
18 meter exchanges, I don't know -- I'm not sure they're
19 capital. So the reason we don't have a service life
20 is because, I guess, we're not sure of that.

21 MR. BOB PETERS: I think the Board has
22 your -- your argument on that, Mr. Rainkie. But I
23 just wondered in terms of the facts, what it's -- what
24 -- what is done on the -- on the other side of the
25 business.

1 MR. DARREN RAINKIE: Yeah, well --

2 MR. BOB PETERS: And that can be a
3 matter for the closing submissions, I suggest.

4 MR. DARREN RAINKIE: Yeah, we'll find
5 that for you, Mr. Peters.

6 MR. BOB PETERS: Thank you. And if we
7 turn ahead to page 272 in the book of documents, also
8 found under Tab 52, we see here that these are the new
9 depreciation rates and the impact on depreciation
10 expense.

11 Have I got that right?

12 MS. HANRI JACOBS: That's correct.

13 MR. BOB PETERS: And in terms of
14 what's driving the 1.1 or \$1.2 million of savings, the
15 Board can see over on page 273 that under,
16 "Distribution plant," the services have gone down, as
17 have regulators, and also the measuring and regulatory
18 equipment being the major items, Ms. Jacobs?

19 MS. HANRI JACOBS: Correct.

20 MR. BOB PETERS: Can you explain why
21 services have declined as much as they have, eight
22 hundred and thirty-five thousand dollars (\$835,000) of
23 expense for '12/'13?

24

25 (BRIEF PAUSE)

1 MR. DARREN RAINKIE: Mr. -- Mr.
2 Peters, I think it's unfortunately not in the book of
3 documents. But the depreciation study that we filed
4 as part of this material at page 2-25 -- sorry, let --
5 let me just give you a better reference on that.

6 In Appendix 5.8 of the original
7 application we filed the depreciation study from
8 Gannett Fleming. And there's fifty-five (55) pages in
9 that appendice (sic). And at page 42, the bottom of
10 page 42, top of page 43 of that appendice (sic), we
11 talk about the -- the output, if you like, of that
12 depreciation study.

13 So -- so I think it's, once -- once
14 again, every -- every time we do a depreciation study
15 the consultant looks at the retirements since the last
16 depreciation study. He does a sta -- statistical
17 analysis to figure out the remaining life of the
18 plant.

19 And so just updating information on the
20 -- on the remaining life of the plant will -- will
21 cause some changes to the -- to the average service
22 life. I think it's also something I don't pretend to
23 understand a lot about, but looking at that and
24 comparing to other western Canadian gas distribution
25 utilities, my understanding is we don't have as much

1 early generation plastic pipe that's historically
2 been, I guess, poorer than the type of pipe that we're
3 using.

4 So -- so both through the statistical
5 analysis, which is baked into the -- the depreciation
6 study, as well as reviewing the service lives of other
7 gas utilities and -- and understanding the type of
8 pipe that we have in our system, the consultant
9 recommended a change. I think it was from fifty (50)
10 to fifty-five (55) years.

11 So the study is a mix of statistical
12 analysis, understanding of operational issues, as well
13 as, as you mentioned, I think, in one (1) of your
14 questions before, a peer -- peer-group analysis and --
15 and trying to understand the differences between the
16 various utilities.

17 MR. BOB PETERS: Mr. Rainkie, what
18 you've indicated in that answer is that a major reason
19 for that reduction in depreciation expense is that the
20 rates had been set using experience in the industry
21 when it's been found now that the industry had some,
22 what you called, 'early generation plastic pipe'.

23 That's something the Centra doesn't
24 have and that early generation plastic pipe isn't --
25 isn't living as long as Centra's pipes?

1 MR. DARREN RAINKIE: Yes, Mr. Peters,
2 we're both going to have an engineering designation
3 now after that, but that's my understanding. I -- I
4 think if I -- Mr. -- your -- your colleague there is
5 shrugging at the suggestion of that.

6 But I -- I -- as I understand it, the
7 statistical analysis itself pointed towards a fifty-
8 five (55) year life. I think the discussion about the
9 plastic pipe was just trying to understand our life
10 versus some of the shorter lives in other
11 jurisdictions.

12 Maybe I can just confirm that with Ms.
13 Hooper behind me for one (1) second.

14

15 (BRIEF PAUSE)

16

17 MR. DARREN RAINKIE: Yes, Mr. Peters,
18 the -- the primary reason behind that was -- was the
19 change in the statistical analysis based on the
20 retirement analysis that was done and, of course,
21 cross-referencing to other jurisdictions and -- and
22 understanding that.

23 MR. BOB PETERS: And, Mr. Rainkie and
24 Ms. Jacobs, in the new depreciation study there were
25 four (4) new accounts established.

1 One (1) was in the transmission area
2 and three (3) were in distribution?

3 MS. HANRI JACOBS: That's correct.

4 MR. BOB PETERS: Can you explain, Ms.
5 Jacobs, why you added those new accounts where in the
6 study it doesn't appear any dollars have yet been
7 allocated to any of those items?

8 MS. HANRI JACOBS: These accounts were
9 added as due to changes in -- in business environment.
10 So the current accounts doesn't really reflect what
11 these new technology systems' useful life would be,
12 so, hence, the reason for adding these new accounts.

13 MR. BOB PETERS: There's new
14 electronic equipment used in the regulating stations
15 which has a shorter life than the mechanical
16 equipment.

17 Is that the upshot of your answer?

18 MS. HANRI JACOBS: That's right.

19 MR. BOB PETERS: And so when you --
20 when you institute new -- new accounts for
21 depreciation, why is it that there's no dollars yet
22 allocated or attributed to those -- those accounts?

23

24 (BRIEF PAUSE)

25

1 MS. HANRI JACOBS: I mean, these
2 accounts are created for moving forward. So we
3 recognize that we're in the process of implementing or
4 developing new technology.

5

6 (BRIEF PAUSE)

7

8 MR. BOB PETERS: Ms. -- Ms. Jacobs, in
9 light of your last answer, does that imply to the
10 Board that some of the costs that are already in
11 existing accounts will be transferred over to these
12 new accounts?

13

14 (BRIEF PAUSE)

15

16 MS. HANRI JACOBS: We were not
17 intending to transfer an -- any from the existing
18 accounts. My understanding is -- is if there's --
19 it's very immaterial, embedded in the existing
20 accounts.

21

22 (BRIEF PAUSE)

23

24 MR. BOB PETERS: And it goes without
25 saying, does it -- so maybe we should say it -- Ms.

1 Jacobs, that these changes will be compliant with IFRS
2 in its -- in the grouping of assets that are material?

3 MS. HANRI JACOBS: I assume so, yes.

4 MR. BOB PETERS: And that's the
5 intention though, is that these changes would be
6 compliant with IFRS going forward?

7 MS. HANRI JACOBS: That's correct.

8

9 (BRIEF PAUSE)

10

11 MR. BOB PETERS: In terms of what's
12 acceptable or not -- and I'm just not sure if there's
13 an information request confirmation of it -- but, Mr.
14 Rainkie, both Equal Life Group methodology and Average
15 Service Life methodology are IFRS compatible and
16 compliant?

17 MR. DARREN RAINKIE: Yes, if applied
18 in the correct fashion, both -- both can be compliant.

19

20 (BRIEF PAUSE)

21

22 MR. BOB PETERS: Mr. Rainkie, let's
23 turn our discussion to -- to dollars and cents paid to
24 -- to governments by Centra, in terms of capital and
25 other taxes, found on -- under Tab 53 of the book of

1 documents, specifically page 279.

2 And would it be correct for the Board
3 to conclude, Mr. Rainkie and Ms. Jacobs, that the --
4 the capital other taxes are forecast to be \$8.7
5 million for the test year?

6 MR. DARREN RAINKIE: That's correct,
7 Mr. Peters.

8 MR. BOB PETERS: And this is
9 comprised, Mr. Rainkie, of taxes paid to the province
10 in the form of capital tax and payroll tax?

11 MR. DARREN RAINKIE: Yes.

12 MR. BOB PETERS: It also includes
13 payments to municipal governments in the form of
14 grants in lieu of taxes?

15 MR. DARREN RAINKIE: Probably more
16 property taxes than grants in lieu of taxes, but it's
17 the same concept, Mr. Peters.

18 MR. BOB PETERS: Well, maybe -- maybe
19 then I'm not clear on the concept, Mr. Rainkie. Does
20 -- is Centra taxable at the municipal level?

21 MR. DARREN RAINKIE: You know what, it
22 always has been, but I don't know, maybe I'm wrong,
23 maybe it is a grant in lieu of tax. I'm not quite
24 sure legally where it comes from. Like I might be
25 thinking of a -- of it prior to 1999.

1 We did pay municipal tax always on our
2 pipe, Mr. Peters, in the old days, so maybe it is a --
3 a grant in lieu of taxes, given Manitoba Hydro's
4 status as a Crown corporation.

5 MR. BOB PETERS: All right. But maybe
6 that's just a terminology that we should explain to
7 the Board, Mr. Rainkie, that when -- certainly when
8 Centra Gas was owned by West Coast Energy, it paid
9 municipal taxes based on the value of the plant it had
10 in different municipalities?

11 MR. DARREN RAINKIE: That's correct.

12 MR. BOB PETERS: And when -- when
13 Manitoba Hydro acquired the interests and the shares
14 of Centra Gas, that at some point may have
15 transitioned into what are called 'grants in lieu of
16 taxes', because there may not have been a legal
17 obligation on the Crown corporation to pay these
18 taxes?

19 MR. DARREN RAINKIE: That's what I'm
20 trying to remember, Mr. Peters.

21 MR. BOB PETERS: But in any event, Mr.
22 Rainkie, whether it's a grant in lieu or whether it's
23 a municipal tax, it would equate to the same dollar
24 amount?

25 MR. DARREN RAINKIE: Yes, the

1 methodology for determining the assessed value hasn't
2 changed.

3 MR. BOB PETERS: And Centra -- Centra
4 pays the grants in lieu of taxes to -- is that a
5 voluntary contribution if it was a grant in lieu of
6 taxes?

7

8 (BRIEF PAUSE)

9

10 MR. DARREN RAINKIE: I'm advised, Mr.
11 Peters, it's by order in council, so I don't think
12 it's a voluntary -- it's not a voluntary thing.

13 MR. BOB PETERS: Centra, one (1) way
14 or the other, is going to pay the municipal tax rate
15 on the assessed value of its plant in the various
16 municipalities?

17 MR. DARREN RAINKIE: That's a fair
18 summation, yes.

19 MR. BOB PETERS: Looking on page --
20 just a second, please.

21

22 (BRIEF PAUSE)

23

24 MR. BOB PETERS: Mr. Rainkie, you've
25 given us pause for cause, but back in the '07 GRA

1 there was an indication that Centra continued to pay
2 taxes to the municipalities using the same methodology
3 as it did prior to Centra being purchased by Manitoba
4 Hydro.

5 So while one (1) of us is probably
6 right, we're both right in saying it's the exact same
7 dollar amount?

8 MR. DARREN RAINKIE: Yes, and I assume
9 probably over the lunch hour we can -- we can confirm
10 verbally on the record at some point this afternoon
11 the -- the exact legalities of it, Mr. Peters, but for
12 now I think it's the same number, regardless of how we
13 get there.

14 MR. BOB PETERS: All right. Thank you
15 for that, sir. When we look at the Schedule 5.8.0
16 found on page 279 of the book of documents under Tab
17 53, it appears that the -- that there's a -- a line
18 item called 'City of Winnipeg audit settlement', Mr.
19 Rainkie?

20 MR. DARREN RAINKIE: Yes, we have
21 that.

22 MR. BOB PETERS: Can you explain that
23 to the Board, please?

24 MR. DARREN RAINKIE: There was an
25 audit -- a number of years ago there was an audit

1 performed by the City of Winnipeg on our billing
2 system. And as a result of that audit, we eventually
3 came to a settlement with the -- with the city, and
4 these are the amounts that were booked with respect to
5 gas operations.

6 MR. BOB PETERS: The audit had to do
7 with Centra collecting and remitting tax?

8 MR. DARREN RAINKIE: Yeah, the central
9 issue was whether or not we could -- we should be
10 collecting city tax on top of GST. There were some
11 other minor billing, you know, adjustments, but -- but
12 the lion's share of it was related to the GST issue,
13 the tax-on-tax issue.

14 MR. BOB PETERS: And that -- that
15 obligation has been fully resolved at this point in
16 time?

17 MR. DARREN RAINKIE: Yes, in my non-
18 legal understanding, Mr. -- Mr. Peters, that
19 settlement has been -- has been completed as of a
20 number years ago and I think the -- there have been
21 amendments to the City of Winnipeg Charter such that
22 the GST issue will not crop up again in the future.

23 MR. BOB PETERS: Looking at the
24 municipal tax line item on -- again, on page 279, we
25 see that in '09/'10 the municipal taxes were in the

1 range of \$15 million, but in the next year they were
2 recorded actually around 11 million, or \$10.8 million.

3 Correct, Mr. Rainkie?

4 MR. DARREN RAINKIE: That's correct.

5 MR. BOB PETERS: And that is a result
6 of a re-assessment by the province on municipal
7 property values?

8 MR. DARREN RAINKIE: Yes, 2010 was a -
9 - a reassessment year, if I remember correctly.

10 MR. BOB PETERS: And I think I heard
11 in your direct evidence, way back, Mr. Rainkie, I
12 think to Mr. Czarnecki, that one (1) of the reasons
13 Centra didn't come in for a previous rate application
14 is it was living off the extra money it had in rates,
15 on account of municipal taxes.

16 MR. DARREN RAINKIE: Yes, the
17 fortuitous reduction in municipal taxes was one (1) of
18 the reasons we were able to not have a general rate
19 application in the last couple years.

20 MR. BOB PETERS: But the -- if we go
21 down to the 'total tax' line item of \$18.75 million
22 forecast for the test year, Mr. Rainkie, that's lower
23 than the current \$24 million that is already embedded
24 in rates on account of corporate and -- or capital on
25 other taxes?

1 MR. DARREN RAINKIE: Yes, Mr. Peters.

2 MR. BOB PETERS: And the primary
3 reason for that reduction between what's in rates now
4 and what is -- what is being forecast and requested is
5 on account of that property tax reassessment?

6 MR. DARREN RAINKIE: Yes, I think
7 that's a fair statement.

8

9 (BRIEF PAUSE)

10

11 MR. BOB PETERS: Mr. Rainkie, also on
12 page 279, there's a deferred income tax line item, and
13 we've had some discussion about that.

14 But you can confirm that that
15 represents the amortization of the -- what became a
16 one (1) time tax liability when Centra changed from a
17 -- a taxable corporation to a Crown-owned corporation?

18 MR. DARREN RAINKIE: Yes, Mr. Peters.

19 MR. BOB PETERS: And that line item
20 that -- that shows as \$4 million in the test yea,
21 includes both the principal and the interest related
22 to that amortization, sir?

MR. DARREN RAINKIE:
23 Yes. It's the full amortization of that account,
24 yeah, including interest.

25

1 (BRIEF PAUSE)

2

3 MR. BOB PETERS: Mr. Rainkie, for
4 greater definition of those costs, we could turn to
5 page 289, also the last page at Tab 53 of the book of
6 documents. And here is where you provide the Board
7 with an indication of the specificity of the -- of the
8 amounts paid to the provincial government.

9 It wasn't too hard to calculate the
10 federal government payments and then the municipal
11 payments, correct?

12 MR. DARREN RAINKIE: Yes, Mr. Peters.

13 MR. BOB PETERS: Paying tax isn't
14 funny now, Mr. Rainkie.

15 So let's continue the -- what -- what
16 you do show the Board here is that the debt guarantee
17 fee forms part of the provincial payments as do -- as
18 does an amount on account of payroll taxes on Manitoba
19 Hydro's labour force?

20 MR. DARREN RAINKIE: That's right, Mr.
21 Peters. And I just received my assessment notice a
22 week or so ago, so - on my own property. So, yes,
23 taxes are no funny matter.

24

25 (BRIEF PAUSE)

1 MR. BOB PETERS: The debt guarantee
2 fee -- and we'll -- we'll mention it after lunch with
3 Mr. Schulz -- but in case I forget, Mr. Rainkie,
4 Centra Gas pays a 1 percent premium on top of its debt
5 costs, because that's the 1 percent premium paid to
6 the province of Manitoba for guaranteeing the debt of
7 the Corporation?

8 MR. DARREN RAINKIE: Yes. The total
9 debt guarantee fee that we pay at the corpora --
10 corporate level is allocated to gas and ele --
11 electric operations, based on their relative
12 proportions of a debt that's guaranteed by the
13 province.

14 MR. BOB PETERS: The allocation is
15 proportionate as between the two (2), a hundred
16 percent of that debt would be guaranteed by the
17 province, for which the provincial debt guarantee fee
18 is extracted?

19 MR. DARREN RAINKIE: That's correct.

20 MR. BOB PETERS: And, Mr. Rainkie,
21 there are no payments to the federal government, maybe
22 unlike your own personal notice of reassessment.

23 But this is because Centra is a Crown
24 corporation?

25 MR. DARREN RAINKIE: That's correct,

1 Mr. Peters, and you should know that my taxes, my
2 personal taxes, are paid up. I was talking about my
3 City of Winnipeg taxes, so.

4 MR. BOB PETERS: Oh, I -- I understood
5 what you were talking about, Mr. Rainkie. I want to
6 turn, in the time left, I believe, to Mr. Prydun, and
7 -- and turn to Tab 54 of the book of documents, and
8 talk about capital expenditures, sir.

9 That's an area on which you're prepared
10 to provide some information to the Board?

11 MR. MARK PRYDUN: I'll do my best,
12 sir.

13 MR. BOB PETERS: And -- and this isn't
14 intended to be a legal question, either, so I'm just
15 alerting Ms. Boyd that one (1) of the -- the
16 legislation speaks of this Board approving a rate base
17 for the utility.

18 Are you familiar with that concept,
19 sir?

20 MR. MARK PRYDUN: I'm not an expert on
21 it, sir.

22 MR. BOB PETERS: But if we turn to Tab
23 55 then, we can see, Mr. Prydun, that Centra has
24 provided a rate base schedule on what's reproduced at
25 page 295 of the book of documents?

1 MR. MARK PRYDUN: Yes, sir.

2 MR. BOB PETERS: And would it be
3 correct for the Board to understand, Mr. Prydun, that
4 Centra is requesting approval from this Board of the
5 four hundred and eighty-nine million two hundred and
6 ninety two million (sic) dollar (\$489,292,000) rate
7 base total shown under the 2013/'14 test year?

8 MR. DARREN RAINKIE: Mr. Peters, I
9 think what we're requesting is a rate increase based
10 on the cost-of-service methodology. What -- what has
11 been directed by the -- the Board in the past is that
12 we also provide the calculation of -- of rate base, as
13 they have a requirement to review that -- that figure
14 in -- in determining rates.

15 So -- sorry, I'm -- I'm not trying to
16 parse your words, but we are -- we are -- just to be
17 clear, we are asking for a rate increase based on the
18 cost of service, and we're providing this information
19 that the Board requires to do its business.

20 MR. BOB PETERS: All right. And in
21 that answer, Mr. Rainkie, Centra would understand it
22 to be that the Board has, in the past, approved a
23 total rate base number for the Utility?

24 MR. DARREN RAINKIE: Yes, yes, they
25 have. Historically, yes.

1 MR. BOB PETERS: And in order to --
2 well, in -- in this particular case, the rate base
3 information provided comes to that four hundred and
4 eighty-nine million two hundred and ninety-two million
5 (sic) dollar (\$489,292,000) number that I had
6 mentioned earlier?

7 MR. DARREN RAINKIE: Yes, that's the
8 calculation.

9 MR. BOB PETERS: And that's Centra's
10 calculation for the Board?

11 MR. DARREN RAINKIE: That's correct.

12 MR. BOB PETERS: And, specifically,
13 we're looking, Mr. Rainkie, on the bottom -- the
14 bottom third of that page on 295 to come up with how
15 rate base is calculated?

16 MR. DARREN RAINKIE: Yes.

17 MR. BOB PETERS: And part of approving
18 Centra's rate base involves the Board approving
19 Centra's historical capital expenditures?

20 MR. DARREN RAINKIE: Yes, part of the
21 Board considering rate -- rate base in its
22 deliberations is, yes, that -- that capital
23 expenditures, obviously, when they go into service
24 flow into the gas plant and service line that you see
25 there, Mr. Peters. So, yes, inherently that's what

1 happens.

2 MR. BOB PETERS: And in addition to
3 that, Mr. Rainkie, there's the forecast capital
4 expenditures in the test year that need to be
5 considered by the Board as well?

6 MR. DARREN RAINKIE: Yes, that's part
7 of having a future test year.

8 MR. BOB PETERS: And, Mr. Rainkie,
9 when you say, "future test year," that may be a
10 concept that the Board hasn't had much experience
11 with.

12 But -- but you probably operated under
13 a historic test year in -- in some of those twenty-
14 three (23) years you were bragging about yesterday.

15 MR. DARREN RAINKIE: Not sure if I was
16 bragging, Mr. Peters, but when you and I were working
17 together on these matters, yes, we, for many years,
18 had an historic test year up until about 1994 and
19 1995. And the concept of a future test year is simply
20 one in which rates are set based on forecasts versus
21 the concept of a historic test year, where rates would
22 be set on known figures plus some known measurable
23 adjustments for things like increases in salary cost,
24 et cetera.

25 But it's been a long time since we've

1 had a historic test year in this jurisdiction.

2 MR. BOB PETERS: It's just a different
3 regulatory methodology?

4 MR. DARREN RAINKIE: Yes, it's a
5 different regulatory methodology, yes.

6 MR. BOB PETERS: And it'd be correct
7 to say that Centra wanted to move to a -- to a future
8 test year methodology back in, approximately, the
9 years in which you mentioned it?

10 MR. DARREN RAINKIE: Yes, we did make
11 application to the Board, and there was a review. And
12 the Board decided to move to a future test year to
13 more closely align the setting of rates with the
14 actual costs that we expected in that particular year.

15

16 (BRIEF PAUSE)

17

18 MR. BOB PETERS: If we turn back to
19 Tab 54 in the book of documents, we see that the CEF,
20 or the capital expenditure forecast, from -- I think
21 it was Appendix 6.1, is produced.

22 What -- Mr. Prydun, when -- when was
23 this forecast prepared?

24 MR. MARK PRYDUN: This forecast would
25 have been prepared through the course of the previous

1 fiscal year. And I believe this forecast was Board
2 approved by the Manitoba Hydro Electric Board in the
3 month of November 2012.

4 MR. BOB PETERS: Mr. Prydun, the top
5 half of page 291, found at Tab 54 of PUB Exhibit 10,
6 shows Manitoba Hydro electrical capital expenditures
7 while the bottom half shows the Centra Gas
8 expenditures on gas plant?

9

10 (BRIEF PAUSE)

11

12 MR. MARK PRYDUN: That appears
13 correct, sir.

14 MR. BOB PETERS: And Centra is putting
15 forward, in the test year, total capital expenditures
16 of approximately thirty-six point two (36.2) in the
17 test year and thirty-six point three (36.3) are shown
18 in the -- in the bridge year, or the 2012 year?

19 MR. MARK PRYDUN: Yes, sir, that would
20 be -- appear to be the summation of gas capital for
21 the customer service distribution, and customer care
22 and marketing business units.

23

24

25 (BRIEF PAUSE)

1 MR. BOB PETERS: Included, Mr. Prydun,
2 in the bottom half of the chart on page 291, under
3 both, "Customer service and distribution," and also
4 under, "Customer care and marketing," is a line item
5 noted as, "Target adjustment."

6 Do you see that, sir?

7 MR. MARK PRYDUN: Yes, sir, I do.

8 MR. BOB PETERS: Can you explain under
9 the, "Customer service and distribution," line, what
10 is a target adjustment for?

11 MR. DARREN RAINKIE: Mr. Peters,
12 you're probably getting tired of hearing me talk, but
13 maybe I can help out while Mr. Prydun will probably
14 talk to the specifics of the capital project, the
15 projects. The target adjustment is a bit of a
16 corporate animal.

17 So what the target adjustment is, is
18 that when we're reviewing our -- our targets and our
19 forecasts for the next following years, we have to
20 make a decision whether we're going to allow more or
21 less capital, or keep it the same.

22 And in this situation, I think between
23 CEF-12 and CEF-11, we were hoping to hold to about --
24 to the same capital as was approved in CEF-11, so we
25 introduced a target adjustment, which was just a

1 budgeting tool to -- to indicate that we would like to
2 keep the spending at the level that had previously be
3 forecast.

4 Then it's thrown to the business units
5 then to try to match within that -- that net figure.

6 MR. BOB PETERS: Mr. Rainkie, we see a
7 target adjustment of 3.8 million in the 2012 fiscal
8 year and a target adjustment of 3.7 million in the --
9 in the test year, correct?

10 MR. DARREN RAINKIE: That's correct.

11 MR. BOB PETERS: Is that supposed to
12 mean that those amounts are -- are a budgeting tool to
13 back out of the budgets those amounts to keep them
14 consistent with the CEF-11?

15 MR. DARREN RAINKIE: Yes, in this
16 particular case, that -- that's my understanding of
17 how we move between CEF-11 and 12.

18 MR. BOB PETERS: All right, Mr.
19 Rainkie, customer care and marketing on the gas side
20 in the bottom part of the table also has a target
21 adjustment for it, sir, and there's no target
22 adjustment. It's a zero dollar amount.

23 Is that correct?

24 MR. DARREN RAINKIE: Yes, I think
25 because the total of the specific projects weren't any

1 higher than the previous CEF-11, so in that case, we
2 probably shouldn't have had that line item in there.
3 It was just for -- and I guess it's on the
4 spreadsheet, so it was kept in as a -- as a zero.

5 MR. BOB PETERS: And so the
6 Corporation has made a decision that the capital
7 expenditures on the gas side should not exceed what
8 they did in the capital expenditure forecast '11?

9 MR. DARREN RAINKIE: Yes, we were
10 hoping to -- that we could manage to constrain capital
11 expenditures to the level that had been forecast
12 previously.

13

14 (BRIEF PAUSE)

15

16 MR. BOB PETERS: Mr. Prydun, would the
17 Board be --

18 THE CHAIRPERSON: I wonder -- Mr. --

19 MR. BOB PETERS: Oh, yes.

20 THE CHAIRPERSON: -- Peters if I could
21 intervene here. I just wanted to address this last
22 comment by Mr. Rainkie. Specifically, you indicated
23 the -- the Corporation wants to keep gas investments
24 to the same level as 2011. And -- and could you --
25 could you explain that one to me, in terms of what's

1 happening in other jurisdictions where gas investments
2 are being ramped up dramatically in response to demand
3 from customers?

4 Why is it that Manitoba Hydro -- or
5 Centra, in this case --has decided to maintain
6 investments, basically on a -- on a level -- even
7 level for the next eight (8) or nine (9) years?

8 MR. DARREN RAINKIE: Well, therein
9 lies the -- the trouble, Mr. Chairman, is that I
10 think, on a general basis, our approach to CEF-12, for
11 both the electric and gas side, was to try to -- to
12 live within the previous capital forecast.

13 But as you're noting that, we're --
14 we're seeing -- and I think Mr. Prydun can probably
15 speak to this far better, at a grander level than me -
16 - but we are seeing more customer attachments. We are
17 seeing plowing projects for large agr -- agricultural
18 entities, as Mr. Prydun mentioned in his direct
19 evidence yesterday.

20 So I think it's going to be very
21 difficult to con -- despite our best wishes to con --
22 to constrain capital to that level, to meet these
23 targets, and it's something we're going to have
24 reassess at CEF-13, because I -- I'm not sure we're
25 going to be able to -- to meet them on the longer-term

1 basis.

2

3 (BRIEF PAUSE)

4

5 MR. MARK PRYDUN: If I could add, I --

6 I concur with Mr. Rainkie. What we have been

7 experiencing on the capital investment side is an

8 upward creep in capital expenditures. And although up

9 to 2011/'12 fiscal year we have been somewhat

10 successful in respecting the budget appropriated to

11 us, we were not as successful in the 2012/'13 year.

12 And that year, due to plowing projects,

13 due to new service installations in particular, and --

14 and a consistency in our major capital projects, we

15 exceeded our budget by over \$3 million.

16

17 CONTINUED BY MR. BOB PETERS:

18 MR. BOB PETERS: Mr. -- Mr. Prydun,

19 Mr. Rainkie, if your capital costs are constrained,

20 maybe you can't redo the rec room, add the garage, and

21 the sunroom all at the same time.

22 That may not be gas terminology, but --

23 but in -- in the event that there are budgetary

24 limits, the Corporation has tools to plan as to which

25 capital programs become a priority, do they not?

1 MR. MARK PRYDUN: In customer service
2 and distribution, we are initially engaging in a -- I
3 guess what you'd call a -- a risk-management approach
4 as to how we prioritize our capital work.

5 But based on the -- on the numbers
6 before us, we have prioritized our work more so on a -
7 - on a manual type of basis, where we -- we look at a
8 project-by-project basis and understand the necessity
9 of it.

10 Regretfully, when it comes to capital
11 projects on the gas side, some of the work is -- I
12 would not -- I would hesitate to say it -- it cannot
13 be prioritized, but it is difficult to turn away from.
14 If it is the request of new service installations due
15 to customers, that is a nature of work that we
16 typically cannot deny, similarly to plowing projects.
17 If that type of work is requested, we -- we don't deny
18 that work.

19 If it's major types of projects that
20 are capacity based, and examples being where
21 industrial customers in concert with load growth in
22 particular geographic areas, once again, we have to
23 plan, design, and construct accordingly to provide
24 that supply of gas to those customers.

25 MR. DARREN RAINKIE: Mr. Peters, I

1 would add too, yesterday we reviewed the difference
2 between the revenue deficiency and the increase in
3 non-gas costs. And one (1) of those items was the
4 reason that the -- the requested rate increase is
5 lower than the increase in non-gas costs was while con
6 -- customers are conserving in terms of the volume
7 side, we have additional customers.

8 So -- so -- we're -- you know, you
9 can't just look at one (1) side of the equa --
10 equation. Here, Mr. Prydun was -- was talking about
11 revenue-generating capital, right? So it's not just a
12 -- simply, a cost in our revenue requirement, it also
13 generates revenue from customers, so we ought to be
14 responsive to that as well.

15 MR. BOB PETERS: Well, maybe let's
16 help that discussion in the time we have, Mr. Rainkie,
17 by turning with the Board to page 292 and 293 of the
18 book of documents, under Tab 54. And, Mr. Rainkie,
19 here for the bridge year as well as the test year,
20 Centra sets out some -- some capital projects. And
21 then it has a classification code with them.

22 Mr. Prydun, were you responsible for
23 affixing the -- the classification code?

24 MR. MARK PRYDUN: No, sir. This
25 classification code, I think, is -- is based on

1 another business unit.

2 MR. BOB PETERS: And, Mr. Rainkie, the
3 essence of the classification code was, a project
4 could be necessary, which often related to safety
5 matters; could be considered essential if it,
6 certainly, was a safety matter; and then justifiable
7 if, as you just answered to the Chairman and myself,
8 you could make a business case for doing it?

9 MR. DARREN RAINKIE: Yes, the
10 essential was more related to the sa -- safety aspect;
11 and necessary was -- was related to maintaining safe
12 and reli -- sorry, reliable plant; and then the
13 justifiable, as you said, is related to, you know,
14 primarily, being revenue generating.

15 MR. BOB PETERS: Now, this methodology
16 that's put on this chart, is that used internally at
17 Centra? Because it doesn't appear that Mr. Prydun is
18 familiar with it.

19 MR. DARREN RAINKIE: No, Mr. Peters,
20 it was something that the Board had asked us to do a
21 number of years ago. So we maintained it in --
22 faithfully, in the schedules, but it's -- we -- we've
23 adopted, over time, Manitoba Hydro's ways of pri --
24 pritororizing (sic) plants. So this is really more of
25 a classification for regulatory purposes, in

1 accordance with minimum filing requirements that were
2 established long ago.

3 MR. BOB PETERS: Mr. Rainkie, if you
4 were budget constrained, which of these projects would
5 be -- which classification of project would be the one
6 (1) moved to the back burner?

7 MR. DARREN RAINKIE: Well, therein
8 lies the conundrum. The necessary and just -- just --
9 sorry, the necessary and essential expenditures, we
10 can hardly afford to avoid because that will just come
11 back to haunt us in the -- in the future. I mean,
12 just like our discussion on the electric side of the
13 business, the gas side is the same way. We have aging
14 infrastructure that needs attention to maintain
15 reliable service.

16 When it comes to the reve -- revenue-
17 generating side and our -- you know, our requirements
18 to serve as a utility, I -- I don't know that we would
19 be benefiting anybody, in terms of the public interest
20 of turning away customers from attaching to natural
21 gas.

22 So -- so we -- we do try to maintain
23 within our budgets the best we can, but, you know, as
24 we assess our plant we need to make those -- those
25 necessary re -- reliability issues -- so we need to

1 deal with those. And we need to deal with -- with
2 customer growth too.

3 In -- in the case of those plowing
4 projects, as I understand it, a lot of that has to do
5 with customers moving from coal to natural gas. So
6 the Company would be irresponsible if it wasn't, you
7 know, making those expenditures to help customers with
8 that transition.

9 MR. BOB PETERS: And that transition
10 from coal to natural gas, though, it's shown in these
11 two (2) years, Mr. Rainkie, at \$4 million as plow
12 projects, I believe on line 10 in both schedules on
13 pages 292 and 293, those aren't expected to go on for
14 many more years, are they?

15 MR. MARK PRYDUN: Our understanding,
16 sir, at the present time is just that that activity
17 has peaked, and the expectation is is that it will
18 decline over time.

19

20 (BRIEF PAUSE)

21

22 MR. BOB PETERS: Mr. Chairman, in
23 light of the hour, this might be an opportune time to
24 take the noon recess, and we'll regroup for the
25 afternoon.

1 THE CHAIRPERSON: Thank you, Mr.
2 Peters. I think we should -- let's budget an hour for
3 -- for lunch and be back in this room at 1:00. Thank
4 you.

5

6 --- Upon recessing at 12:00 p.m.

7 --- Upon resuming at 1:04 p.m.

8

9 THE CHAIRPERSON: Good afternoon. I
10 believe we're ready to resume the proceedings. Do we
11 have any documents to recognize?

12 MS. MARLA BOYD: Not at this time.
13 Thank you.

14 THE CHAIRPERSON: Okay.

15 MR. BOB PETERS: Mr. Chairman, we may
16 not have documents to recognize, but we have people to
17 recognize. And certainly Janelle Hoffman is one of
18 them, who my colleague, Ms. Boyd, was going to
19 probably introduce later. But Janelle Hoffman is in
20 the gallery and is an articling student with Manitoba
21 Hydro, and welcome her to the Public Utilities Board.

22 And in terms of other people to
23 recognize, Mr. Brent Czarnecki finished in the top
24 twenty-five (25) Manitoba marathoners, if my reading
25 of the Internet is correct. And I only know one (1)

1 Brent Czarnecki, so congratulations to him. He set
2 too fast of a pace, so my time may not be in the same
3 category, yeah. But in any event, congratulations to
4 him on the record. It was, no doubt, a well-done
5 effort.

6 What I will turn to, Mr. Prydun, I
7 didn't see your marathon time, so we'll talk about --
8 about capital expenses instead. The -- before the
9 break, in a number of occasions, you've used the word
10 'plowing' activities related to gas expansions,
11 correct?

12 MR. MARK PRYDUN: That's correct, sir.

13 MR. BOB PETERS: Plowing is a -- is a
14 method of installing new gas service and distribution
15 lines?

16 MR. MARK PRYDUN: It's a -- a method,
17 sir, that has been employed to connect customers for
18 an -- for agricultural purposes that have wanted to
19 removed themselves from coal-space heating onto
20 natural-gas-space heating.

21 MR. BOB PETERS: But isn't plowing
22 simply the method of insertion of the pipe in the
23 ground? Is that the methodology?

24 MR. MARK PRYDUN: Sir, it is the
25 methodology in general, but they're larger-scale

1 operations, so it would be typically a larger-scale
2 operation than what would be employed within urban
3 areas.

4 MR. BOB PETERS: All right. When we -
5 - when Centra uses the word 'plowing', in my mind it
6 is a newer technology than what used to be the -- the
7 open-trench methodology. Would that be a correct way
8 to understand it?

9

10 (BRIEF PAUSE)

11

12 MR. MARK PRYDUN: My understanding,
13 sir, is just that it's a different technology.

14 MR. BOB PETERS: Different than the
15 open-trench technically where a trench is left open,
16 the pipe is put in, and then it's backfilled?

17 MR. MARK PRYDUN: That's correct, sir.

18 MR. BOB PETERS: And so, plowing is a
19 method of inserting the pipe in the ground without
20 disturbing the ground in quite the same fashion as
21 with the open-trench methodology?

22 MR. MARK PRYDUN: That's correct, sir,
23 with less disturbance.

24 MR. BOB PETERS: All right. Thank
25 you. Mr. Prydun, on page 291, there's just a couple

1 of points I want to follow up with you on, in Tab 54
2 of the book of documents, Tab 54 of PUB Exhibit 10,
3 page 291, in the top right-hand corner. This, sir,
4 was the summary of the capital expenditure forecast
5 for 2012 by Manitoba Hydro as well as for Centra Gas?

6 MR. MARK PRYDUN: That's correct, sir.

7 MR. BOB PETERS: And just focussing on
8 the bottom half of the page dealing with the gas side
9 of the operations, the Board will see that there are
10 some relatively large capital projects identified
11 specifically. And the one (1) that I'm looking at is
12 the -- the SCADA project.

13 MR. MARK PRYDUN: Yes, sir.

14 MR. BOB PETERS: SCADA is the acronym
15 for Supervisory Control and Data Acquisition?

16 MR. MARK PRYDUN: That's correct, sir.

17 MR. BOB PETERS: And this is a data
18 gathering technology that Centra is installing on its
19 plant so it can be better informed as to what's
20 happening at any given time and at any given location?

21 MR. MARK PRYDUN: My understanding,
22 sir, that this project is related to upgrading its
23 current SCADA information system. And it's the -- the
24 type of information that it is acquiring is related to
25 pressures and flow rates.

1 (BRIEF PAUSE)

2

3 MR. BOB PETERS: Can the Board take
4 from this schedule on page 291, Mr. Prydun, that the
5 SCADA project has been concluded?

6 MR. MARK PRYDUN: No, sir. The --
7 this particular project has not reached completion as
8 of yet.

9 MR. BOB PETERS: Yet there's only --
10 there's no money allocated to it in the capital
11 expenditure forecast for the test year?

12 MR. MARK PRYDUN: At the time of the
13 creation of this schedule, sir, it was anticipated
14 that this project would have been completed as per the
15 -- the schedule, and not in the test year. But as of
16 today, that is not the case.

17 MR. BOB PETERS: So, how much money is
18 left to be spent in the test year to finish this
19 project?

20

21 (BRIEF PAUSE)

22

23 MR. MARK PRYDUN: I don't have that
24 information completely at the top (sic) of my
25 fingertips, sir.

1 MR. BOB PETERS: Can you give the
2 Board the understanding that of the \$2.8 million that
3 was going to be expended in fiscal '13, some of that
4 is leftover, so it'll be less than that amou -- less
5 than that amount? The -- the two (2) years combined
6 will be the two point six (2.6) or two point eight
7 (2.8) number?

8

9 (BRIEF PAUSE)

10

11 MR. MARK PRYDUN: It would be less
12 than that amount, sir.

13 MR. BOB PETERS: And it would be an
14 amount just to complete the project that wasn't
15 finished in the last fiscal year?

16 MR. MARK PRYDUN: That's correct. It
17 would be the amount remaining that would be moved from
18 one fiscal year over to the other to complete the
19 project.

20 MR. BOB PETERS: And while I'm looking
21 at the -- the schedule still on page 291, Mr. Prydun,
22 the Ile-des-Chenes natural gas transmission network
23 upgrade, has that project been concluded in 2013?

24 MR. MARK PRYDUN: Yes, sir, that
25 project has been completed.

1 MR. BOB PETERS: And no more expenses
2 expected for that project?

3 MR. MARK PRYDUN: No, sir.

4 MR. BOB PETERS: Has Centra identified
5 any other large capital projects that will occur in
6 the test year?

7 MR. MARK PRYDUN: There have been no
8 new capital projects that have, as of this date,
9 received executive approval other than in the test
10 year we have the St. Francois Xavier project and we
11 have the Morris project. I believe those are the two
12 (2) that have received executive approval.

13 There are other projects that are in
14 the -- under review at the engineering stage to
15 determine if they need to go ahead in this current
16 test year.

17 THE CHAIRPERSON: Could you enlighten
18 us about the St. Francois Xavier and the Morris
19 projects, please. Just high level.

20 MR. MARK PRYDUN: At a high level,
21 sir, these are projects that are -- are based on
22 increased gas supply requirements. The -- in the case
23 of St. Francois Xavier, it's a combination of modest
24 customer requirement load in the Headingley area in
25 addition to one (1) industrial gas customer that

1 requires a large amount.

2 Similarly, in the -- the vicinity of
3 the town of Morris a modest increase in growth of
4 residential and commercial customers. But the trigger
5 there was an additional industrial requirement from a
6 large customer that -- that required us to undertake
7 these projects.

8

9 CONTINUED BY MR. BOB PETERS:

10 MR. BOB PETERS: Mr. Prydun, when the
11 Board looks at the line item headed "customer service
12 and distribution domestic," which is found under the
13 general heading of "customer services and
14 distribution," there's a number that goes throughout
15 for at least the -- the life of the CEF forecast,
16 correct?

17 MR. MARK PRYDUN: That's correct, sir.

18 MR. BOB PETERS: Is that number a
19 known number or is that a plug number that's put in
20 just as a -- I think Mr. Warden taught us the word
21 'placeholder' for future use?

22 MR. MARK PRYDUN: Perhaps the word
23 'placeholder' is correct. That number is typically
24 escalated on an annualized basis. And the -- the
25 business unit -- this -- our business unit does its

1 best to -- to accommodate that budget figure.

2 MR. BOB PETERS: Is that budget figure
3 that's around \$22 million in '13 and escalates up to
4 26 million and increases, it's just increased by -- by
5 an escalator that the Corporation adds notionally but
6 not with any degree of certainty at this point in
7 time?

8 MR. MARK PRYDUN: My understanding,
9 sir, that it is based on general escalation. Perhaps,
10 that rate may be 2 percent, but I'm not sure of how it
11 is quantified.

12 MR. BOB PETERS: But at this point in
13 time, you may not have projects lined up that will
14 total the -- the \$26 million, but that's an expected
15 amount that will be spent when the budgets are
16 approved?

17 MR. MARK PRYDUN: The expectation,
18 sir, is -- is that, based on our best information, is
19 that we are in a need to expend all of that money,
20 sir.

21 MR. BOB PETERS: Can you tell the
22 Board on what types of projects fall into that
23 category of customer service and distribution
24 domestic?

25 MR. MARK PRYDUN: Sir, we group those

1 projects into different categories. One (1) category
2 is -- is new business, which is related to increased
3 business regarding the -- the new installation of
4 commercial services and residential services. And
5 that would include regulators, new meters and mains.
6 That -- that value has -- is dependent on the -- the
7 customer uptake.

8 The second area is projects that we
9 consider to be system improvement, or another word is
10 'system betterment'. And that is -- those are typical
11 projects that are related to the -- the normal wear
12 and tear of natural gas facilities. And in order to
13 maintain the reliability of the system, we will go
14 ahead and we will upgrade the -- the assets in that
15 particular area.

16 We have smaller items, if you will.
17 One (1) is called 'cathodic protection', where we
18 install anodes into the ground in order to prevent
19 steel pipes from -- from corroding at a more rapid
20 rate. And in -- in general, those make up the
21 majority of the projects.

22 MR. BOB PETERS: Also shown on page
23 291, sir, is a customer care and marketing domestic
24 line item under the general heading of "customer care
25 and marketing".

1 Do you see that, sir?

2 MR. MARK PRYDUN: Yes, sir.

3 MR. BOB PETERS: And would this again
4 be understood by the Board to be a number that the
5 Corporation forecasts it will spend in the future,
6 even though there's no exact approved programs or
7 projects for that money at this point in time?

8 MR. MARK PRYDUN: I would like to
9 defer that particular question for that business unit
10 to Mr. Rainkie.

11 MR. DARREN RAINKIE: Yes, Mr. Peters,
12 the con -- the concept of a domestic blanket, if you
13 like, in the first place is it's very -- you know, a
14 number of smaller projects that -- that we
15 traditionally do. So the numbers are based on a --
16 our historic costs and the level of activity and then
17 escalated in the forecast.

18 On this particular one, I think it's,
19 as we outlined in our filing, it's related to
20 connection of new customers to the system, as -- as
21 well as the replacement of -- of meters. That's
22 probably about as far as I could go into delving into
23 that one at this point, Mr. Peters.

24 MR. BOB PETERS: No, I've got your --
25 I've got your point, and the Board can perhaps see

1 some of those in the test year, as well as the bridge
2 year, shown on pages 292 and 293, Mr. Rainkie?

3 MR. DARREN RAINKIE: Yes, they're just
4 categorized, of course, in a different fashion in
5 projects over a hundred thousand dollars (\$100,000).

6 MR. BOB PETERS: Mr. Prydun, on page
7 293 there's a line item 21, recorded as other
8 distribution system upgrades at \$4.2 million in the
9 test year.

10 Do you see that, sir?

11 MR. MARK PRYDUN: Yes, sir.

12 MR. BOB PETERS: Have any specific
13 projects now been determined for that category?

14

15 (BRIEF PAUSE)

16

17 MR. MARK PRYDUN: Sir, my
18 understanding is, is that will be the amount of net
19 plant and service that will be put in. The -- the
20 specific project that that could relate to would be
21 the -- the St. Francois Xavier project.

22 MR. BOB PETERS: And then where does
23 the Morris project fit on that page 293, sir?

24 MR. MARK PRYDUN: Sir, I'm not aware
25 that the Morris project would have been included in

1 that, given I believe the executive approval for that
2 project came at a little bit of a later time than the
3 St. Francois Xavier Project approval came.

4 MR. BOB PETERS: Do you know the
5 approximate dollar amount of the Morris Project?

6 MR. MARK PRYDUN: My records show that
7 to be about \$2.5 million, sir.

8 MR. BOB PETERS: And can the Board
9 expect, then, that that 2.5 million will displace some
10 of the other items listed in that schedule that total
11 \$28.9 million?

12 MR. MARK PRYDUN: The -- the Morris
13 project is -- is a required project based on capacity
14 supply, and our business unit would not be in a
15 position to -- to defer that project based on cash con
16 -- cashflow constraints. The -- the expectation that
17 it would defer other types of capital items would be a
18 consideration of senior and executive management.

19 MR. BOB PETERS: That decision has not
20 yet been made?

21 MR. MARK PRYDUN: No, sir.

22 MR. BOB PETERS: All right. Thank
23 you. Mr. Rainkie, I'm going to turn to you for my
24 next line of questioning to talk about return on rate
25 base, sir. And we had jumped around a little bit

1 earlier this morning, but we were on page 295 at one
2 (1) point in time looking at Manitoba Hydro's Schedule
3 9.0.0 found as the first document in Tab 55 of the
4 book of documents, Mr. Rainkie.

5 MR. DARREN RAINKIE: Yes, Mr. Peters,
6 I have that.

7 MR. BOB PETERS: And the -- you can
8 confirm that the top half of the schedule is the
9 revenue requirement on a rate base rate of return
10 basis?

11 MR. DARREN RAINKIE: Yes, that's the
12 intention.

13 MR. BOB PETERS: And would it also be
14 the intention that to -- to come down to an exact
15 dollar amount of a revenue requirement calculated
16 under the rate base rate of return methodology, that
17 the \$12 million corporate allocation should be
18 subtracted from the \$341.7 million to come up with
19 approximately \$329.7 million?

20 MR. DARREN RAINKIE: No, Mr. Peters, I
21 don't think I agree with that concept. I -- I -- as I
22 said yesterday, I think we think of the corporate
23 allocation as -- as the appropriate allocation as --
24 as the appropriate allocation of the cost of the
25 acquisition and integration of Centra such that it is

1 a cost, not a return, so that it's not double counting
2 to include that on this -- on this schedule.

3 So I guess in -- in our view of the
4 world we see that the total revenue requirement, our
5 rate base rate of return methodology would be the
6 three forty one six eight eight (341,688).

7 MR. BOB PETERS: And wouldn't the \$12
8 million of corporate allocation, Mr. Rainkie, all be -
9 - already be included in the return on rate base item
10 found on line 19 on page 295?

11 MR. DARREN RAINKIE: No, no. That's -
12 - I guess that's my point, is that -- is that we see
13 the corporate allocation as being a cost, not a ret --
14 not a return on rate base.

15 Seeing -- we see the 12 million as
16 being a fair allocation of -- of costs to the gas side
17 of the operations. Otherwise, what you're going to
18 have is the majority of the benefits falling in the
19 gas side of the operation and the majority of the
20 costs falling on the electric side of the operation to
21 electric customers.

22 So I know this has been a little bit of
23 bone of in -- contention in the past, but our view --
24 the Corporation's view is that it's appropriate to
25 include that \$12 million on the schedule and that it's

1 not a double count of the return on rate base.

2 MR. BOB PETERS: And then the Board's
3 view, as it were, Mr. Rainkie, is that in that thirty
4 million seven hundred thousand dollar (\$30,700,000)
5 that includes the corporate allocation of 12 million
6 together with the Corporation's net income request
7 together with the finance expense, sir?

8 MR. DARREN RAINKIE: You know, I'm not
9 sure, Mr. -- Mr. Peters, about the Board's intention
10 in that. I can tell you what our intention is in
11 terms of why we continue to include this on this
12 schedule. How the Board wrestles between cost-of-
13 service and rate base rate of return, I'm -- I'm not
14 sure; that's part of its own deliberations.

15 MR. BOB PETERS: All right. You've
16 indicated that at least Centra's view differs from
17 that what the Board has previously published in its
18 orders?

19 MR. DARREN RAINKIE: I'm not sure, Mr.
20 Peters if I agree with that. I mean, it's -- I'm not
21 quite sure how the Board has dealt with that issue to
22 be -- to be truthful to you. We continue to have this
23 position that it's -- it's not a double count to be on
24 this schedule. And I think the Board has expressed
25 concern with that in the past, but how they wrestle

1 with the ultimate issue is something that's theirs and
2 not mine to opine on.

3 MR. BOB PETERS: Okay. Let's move on
4 then, Mr. Rainkie. The -- the bottom half of the
5 schedule that comes down to a rate base item. And,
6 Mr. Rainkie, you've calculated rate base numbers in
7 your professional career, correct?

8 MR. DARREN RAINKIE: Yes, Mr. Peters.

9 MR. BOB PETERS: We start -- or the
10 Centra would start with the gas plant in service and
11 remove the accumulated depreciation to get the net
12 plant in service?

13 MR. DARREN RAINKIE: Yes, that's the
14 first part of the calculation.

15 MR. BOB PETERS: And that's the \$439.7
16 million shown under the 2013/'14 column across from
17 line 32?

18 MR. DARREN RAINKIE: Yes, exactly.

19 MR. BOB PETERS: And then
20 contributions in aid of construction are removed from
21 the calculation on rate base, correct?

22 MR. DARREN RAINKIE: Yes, they are in
23 that they're essentially cost-free capital to the --
24 to the Corporation.

25 MR. BOB PETERS: Who has -- who has

1 given the Corporation that cost-free capital, Mr.
2 Rainkie?

3 MR. DARREN RAINKIE: Customers
4 primarily. I supposed there would be some -- some
5 municipal amounts in there, as well.

6 MR. BOB PETERS: And so that when cor
7 -- when Centra gets contributions in aid of
8 construction from either the -- the end user or a
9 level of government it removes that from its
10 calculation of rate because it's capital that Centra
11 is not procuring?

12 MR. DARREN RAINKIE: It's capital that
13 we're not putting up, so to speak, in the -- in the
14 rate-based rate of return paradigm. We're not making
15 an investment, so we wouldn't earn a return on it.

16 MR. BOB PETERS: And then, to that,
17 working capital allowance is a concept that is added
18 to come up with the total rate base amount, correct?

19 MR. DARREN RAINKIE: Yes. If you
20 think of a corporate balance sheet, not only do you
21 have assets that you're financing, but you also have
22 working capital. You know, in our case, we have
23 things like storage inventory, gas storage inventory.
24 We have receivables.

25 And this working cap -- capital

1 methodology takes the -- you know, the -- the current
2 assets, if you like, and -- and pulls off the current
3 liabilities to get to a working capital, which is part
4 of the Utility investment, as well.

5 MR. BOB PETERS: And I didn't put it
6 in the book of documents, Mr. Rainkie, but you were
7 referring to, I think, your Schedule 9.6.5. But
8 included in that \$102.6 million of working capital is
9 an amount of approximately 48 million on account of
10 DSM.

11 Would you accept that subject to check?

12 MR. DARREN RAINKIE: Oh, yes, that's
13 right, we've included the investment in that, as well.
14 Thanks for reminding me, Mr. Peters.

15 MR. BOB PETERS: Okay. So 48 million
16 for DSM. And you mentioned the gas in storage.
17 That's \$39 million approximately, sir?

18 MR. DARREN RAINKIE: I'll take your
19 number subject to check, Mr. Peters.

20 MR. BOB PETERS: All right. And then
21 another component in the working capital allowance is
22 -- is the -- is the cash that Centra uses. It needs
23 cash before it maybe collects it from its customers?

24 MR. DARREN RAINKIE: Yes, Mr. Peters.
25 It's a -- it's a bit of a different methodology to --

1 called the lead/lag methodology to calculate this.

2 But crudely I think of it as, you know, we have
3 receivables on our balance sheet. We have payables on
4 our balance sheet.

5 So we have receivables from -- that
6 people owe us, mostly customers. We have liabilities
7 that we owe others. And this is kind of a provision
8 for that net investment. Usually your receivables are
9 higher than your li -- than your current liabilities
10 or current -- current payables.

11 MR. BOB PETERS: And because of that,
12 Centra -- Centra has \$17 million of -- of cash put in
13 to keep it whole while it pays its bills and waits for
14 the revenues associated from customer invoices to come
15 in?

16 MR. DARREN RAINKIE: Yes, the whole --
17 the whole concept betine -- behind the rate-based rate
18 of return paradigm is that -- you know, that a company
19 makes an investment in plant and working capital and
20 that it has an opportunity to earn a return on that
21 investment.

22 MR. BOB PETERS: And in terms of the
23 return, Mr. Rainkie, if we turn to page 260 -- 296,
24 found also in the same Tab 55 of the book of
25 documents, this schedule depicts a formula that was

1 established some years ago in respect of Centra Gas,
2 sir?

3 MR. DARREN RAINKIE: It brings a tear
4 to my eye, Mr. Peters, when I look at this one. This
5 is exactly the same spreadsheet that I created in
6 1995, and it doesn't even look any different. It
7 hasn't even changed in terms of the formatting, so
8 it's just been updated over the years.

9 MR. BOB PETERS: All right. Well, you
10 can autograph mine later. But this was established
11 back in 1995?

12 MR. DARREN RAINKIE: Yes, between 1994
13 and 1995. I think it's part of the 1995 test year.

14 MR. BOB PETERS: And, Mr. Rainkie, the
15 -- the spreadsheet that -- that has been developed by
16 you and is now owned by Centra, it adjusts the allowed
17 return to the Utility based on a formula that was
18 settled on back in 1995?

19 MR. DARREN RAINKIE: Yes, a very
20 different place and time, a very different interest
21 rate environment it was set, Mr. Peters.

22 MR. BOB PETERS: While it's -- it's
23 different for Centra Gas Manitoba Inc., but, Mr.
24 Rainkie, but for our neighbours to the west, wouldn't
25 most every other gas utility in Canada be using a

1 rate-based rate of return methodology?

2 MR. DARREN RAINKIE: Certainly the --
3 yeah, the inv -- the investor owned utilities usually
4 use that kind of a methodology. Cost of service is
5 more consistent with, you know, a Crown corporation.

6 MR. BOB PETERS: And the cost of
7 service methodology, as you mentioned before, is a
8 process the Board has migrated to in terms of setting
9 of the rates. But it still does a calculation under
10 the rate-based rate of return to at least provide a
11 measure as against what -- what it's finding on the
12 cost of service side.

13 MR. DARREN RAINKIE: I think that
14 would be a fair summation, Mr. Peters.

15 MR. BOB PETERS: And back in 1995, Mr.
16 Rainkie, the allowed return on equity was established
17 at 12.12 percent, according to this schedule?

18 MR. DARREN RAINKIE: That's correct.

19 MR. BOB PETERS: And then there was
20 supposed to be an adjustment made, and that was going
21 to be the difference between the thirty (30) year
22 forecast bond rate, and the thirty (30) year rate that
23 was in effect in 1995?

24 MR. DARREN RAINKIE: Yes, that's
25 correct.

1 MR. BOB PETERS: And instead of taking
2 a hundred percent of that rate change, the formula
3 mitigated that by taking only 80 percent of that
4 change, whether that change was up or down?

5 MR. DARREN RAINKIE: I'm not sure it
6 mitigated it. It just was based on, at that point, an
7 understanding of some empirical evidence about the
8 relationship between the change in rate of return and
9 the change in the overall interest rate environment.
10 I keep saying "at that point in time," because I think
11 in terms of what we've gone through in the last three
12 (3) to five (5) years, that this -- this number of
13 6.89 percent that we have here doesn't make any --
14 much sense any more.

15 But -- but that was the general
16 concept, that utility boards were tired, year after
17 year, of having rate of return capital structure
18 discussions. They tended to be very long, costly
19 affairs with experts coming in and arguing back and
20 forth with different opinions. So in about 1994, I
21 think it was, there was a move in the industry to try
22 to find some -- a formula-based approach of setting
23 this. And then at maybe every five (5) years or so,
24 we would have the full, you know, full review.

25 Of course, we've kept this calculation

1 and haven't adjusted it over the years because as we
2 moved to cost of service it didn't make sense for us
3 to spend a bunch of money, time, and energy trying to
4 update this calculation any -- any longer. We
5 continue to produce it every year, but to me it's kind
6 of -- you know, obv -- obviously, and I think you've
7 seen our evidence in the Information Request. It's
8 kind of -- this calculation has kind of fallen by the
9 wayside and it's really outdated. I don't -- I don't
10 think anybody would expect that, you know, a 6.89
11 percent return would be a fair return.

12 Because, let's face it, the re -- the
13 reduction in interest costs have a lot to do with
14 government policy in terms of trying to -- this is
15 maybe a prelude to some of the discussion with Mr.
16 Schulz, but obviously monetary policy has been there
17 in terms of trying to encourage in -- investment.

18 So just because central banks are
19 holding down interest rates doesn't mean your required
20 rate of return would drop. And what other
21 jurisdictions have been doing is adjusting that 80
22 percent formula, recognizing that there isn't such a
23 high correlation between changes in interest rates and
24 -- and rate of return.

25 MR. BOB PETERS: Well, Mr. Rainkie,

1 let me just see if I can rein you in a little bit.

2 The -- the number that's on page 296 is just a
3 mathematical derivation if the exact formula from '95
4 was applied to today's information, correct?

5 MR. DARREN RAINKIE: Yes, it's simply
6 a compliance filing, yeah.

7 MR. BOB PETERS: And you probably also
8 recall that the formula set back in 1995, had
9 parameters where if the long-term bond rate exceeded 8
10 percent, or fell below 6 percent, that was going to
11 trigger an adjustment to the formula.

12 Do you recall that being those -- those
13 parameters that would -- would do that?

14 MR. DARREN RAINKIE: I'll accept that,
15 Mr. Peters. I don't remember the exact specifics, but
16 that doesn't sound too far off.

17 MR. BOB PETERS: And as Mr. Schulz
18 will no doubt tell us, the thirty (30) year bond rate
19 is well below the 6 percent number that was the -- the
20 parameter set back in '95?

21 MR. DARREN RAINKIE: Yes, has been for
22 some time. Yes.

23 MR. BOB PETERS: And so that would, in
24 fact, trigger a -- a review of the formula, but as
25 you've indicated, Centra's position is the formula is

1 outdated, but it's really only there notionally for
2 information and it's not one that Centra uses to
3 govern its -- its actual return?

4 MR. DARREN RAINKIE: That's right.
5 Had Centra continued as an investor owned utility, we
6 would have been reviewing this many years ago, Mr.
7 Peters.

8 MR. BOB PETERS: And the -- the actual
9 math for the formula is contained in the spreadsheet
10 that you have now given up copyright interest on. And
11 this simply shows the Board how you derived that
12 negative 5.23 percent that was plugged into the top
13 half of the formula?

14 MR. DARREN RAINKIE: Yes, it goes
15 through the -- the calculation of the -- of the long -
16 - the forecast long Canada bond. And then it takes 80
17 percent of the difference and removes that from the
18 rate of return.

19 MR. BOB PETERS: And, Mr. Rainkie, in
20 one (1) of your prior answers you indicated that other
21 jurisdictions have updated their formulas and reset
22 them, correct?

23 MR. DARREN RAINKIE: Yeah, some have
24 updated and reset. Some have moved off the formulas,
25 as I understand it, with the intention of perhaps

1 reviewing -- reviewing it at a later date when the
2 interest rate environment settles down a bit.

3 I'm sure we'll probably get back to
4 some formulas in the -- in the end in other
5 jurisdictions. I -- I can't see them having a lengthy
6 cost of capital hearing every hearing.

7 I remember back to when you and I were
8 working on these things, Mr. Peters. We would spend
9 many nights and days in -- in a meeting room trying to
10 develop cross on these types of issues, and there was
11 usually about three (3) or four (4) days of hearing
12 before the Board just to set this -- set this in the
13 capital structure.

14 MR. BOB PETERS: And mercifully, we
15 are not doing that to this day, correct, Mr. Rainkie?

16 MR. DARREN RAINKIE: That's correct,
17 but I do miss it from time to time.

18 MR. BOB PETERS: Mr. Rainkie, you --
19 you have your hand a little bit on the pulse of what
20 other jurisdictions are doing. Is there any other
21 jurisdiction that has a methodology that you think is
22 more appropriate for the notional calculation here in
23 Manitoba of what -- what an appropriate return on
24 equity formula would be?

25 MR. DARREN RAINKIE: You know, they --

1 they all started off fairly similar. I think it was
2 the NEB that first started, and then maybe the BCUC,
3 and then us, and then the OEB. I might have the order
4 slightly mixed up, but, you know, they all have their
5 merits. And we did file a re -- information on that
6 at PUB/Centra 1-84A which you have in your book, the
7 start of it, anyway, the next page, Mr. Peters, on
8 page 297 of your book of documents.

9 So, you know, you see that there's a
10 range there in terms of from 7.6 to 9 1/2 percent, but
11 I -- I can't -- you know, each one of these
12 jurisdictions had a very detailed generic hearing on
13 this, I think, to come to these conclusions. So I
14 could do no better than to point the Board to that
15 range in terms of what's out there right now.

16 It's something that the -- the Company
17 hasn't, you know, did any investigation on or engage
18 any consulting on for -- well, since 1994 probably.

19 MR. BOB PETERS: So that said, Centra
20 can do no better, saying that's the -- that appears to
21 be the market range at this point in time, depending
22 on the -- the type of utility perhaps and the risk
23 involved with respect to that utility?

24 MR. DARREN RAINKIE: Yeah, that --
25 that's true. I mean, what -- what these are, are

1 generic rates of return. And then usually, in most of
2 these jurisdictions, they're regulating multiple
3 utilities, so they take the generic rate of return and
4 they adjust it for things like changes in capital
5 structure or -- or different risk -- risk assessments.

6 So they might, you know, adjust it
7 fifty (50) basis points up or down, I suppose, for --
8 for corrections of risk and -- and capital structure,
9 because rate of return doesn't exist in a vacuum.
10 And, also, you have to look at your capital structure.
11 The more debt you have, the more risk you have, so the
12 higher rate of return, theoretically, you would -- you
13 would have on your -- on a -- on a more levered
14 capital structure.

15 So these -- that's why these are called
16 generic rates of return, as they tend to be there in
17 general, and the -- the Boards -- the public utilities
18 commissions will make slight adjustments for the
19 particular utility.

20 MR. BOB PETERS: Mr. Rainkie, on page
21 298 of the book of documents an overall rate of return
22 number for the test year is -- is calculated. And in
23 this particular example, the corporate structure --
24 sorry, the capital structure of the Corporation is --
25 is to reflect its short-term, long-term, as well as

1 its equity components, correct?

2 MR. DARREN RAINKIE: Yes, that's the -
3 - the way that this works. It's a weighted average
4 cost of capital calculation.

5 MR. BOB PETERS: And I think we saw
6 yesterday on what we've now marked as PUB Exhibit 11,
7 that the equity percentage on line 12 in column 2
8 would be -- would likely be different than what was
9 initially calculated by Centra?

10 MR. DARREN RAINKIE: Yes, under this
11 methodology it would be, I think, more in the 34
12 percent range, I think. Although, I did say yesterday
13 I'm not sure this methodology is -- is correct,
14 really. It's -- when you look at the capital
15 structure, that number of four eight-one six two seven
16 (481,627) is not equal to our rate base, so why we
17 continue to do a calculation that -- to -- in order to
18 determine a return on rate base that doesn't have the
19 same quantum as a rate base is beyond me, and it's a
20 matter we brought to the Board's attention at least
21 three (3) times in the past and haven't had any
22 traction on, so.

23 MR. BOB PETERS: And the cost rate
24 determined for long-term debt is based on a thirteen
25 (13) month average debt financing to come to the

1 embedded cost of long-term debt?

2 MR. DARREN RAINKIE: Yes, that's how
3 it's done.

4 MR. BOB PETERS: And the short-term
5 rate is based on the embedded cost of short-term debt
6 in and of itself?

7 MR. DARREN RAINKIE: That would be a
8 forecast, Mr. Peters.

9

10 (BRIEF PAUSE)

11

12 MR. BOB PETERS: That comes from the
13 forecast that was embedded into the IFF, Mr. Rainkie?

14 MR. DARREN RAINKIE: Yes, it does.

15 MR. BOB PETERS: And the overall
16 average return on rate base then is a number that
17 flows from this mathematical formula, and the
18 unrevised number is the 5.63 percent?

19 MR. DARREN RAINKIE: Yes. Of course,
20 it includes the 6.89 percent equity rate, which I
21 think is -- is -- low, but yeah, that's the -- that's
22 the calculation, Mr. Per -- Mr. Peters.

23 MR. BOB PETERS: Right. And that's
24 the percentage that was then used for the rate base
25 rate of return methodology that we've talked about,

1 and it's also used in the feasibility test purposes.

2 Is it not, Mr. Rainkie?

3 MR. DARREN RAINKIE: I think what we
4 use is, usually, the last approved. So whatever came
5 out of the 2009/'10 and '10/'11 GRA, I think would be
6 what we're using in the feasibility tests. So I think
7 it was a higher number than the six point eight nine
8 (6.89), but I don't recall, specifically.

9 MR. BOB PETERS: Right, but in getting
10 at the weighted cost of capital, whatever -- whatever
11 the revised numbers would be, that would be a -- a
12 number that would also be carried forward into your
13 feasibility testing?

14 MR. DARREN RAINKIE: Yes, they -- they
15 use -- they still use a concept of rate of return and
16 rate base, so yes, it's -- I was just pointing out
17 that we usually don't switch the assumptions in the
18 feasibility test until they're approved by the Board
19 through a hearing.

20

21 (BRIEF PAUSE)

22

23 MR. BOB PETERS: In terms of those
24 feasibility tests, Mr. Rainkie, do you go through the
25 same process that we've gone over in the last five (5)

1 minutes to determine a weighted cost of capital for
2 use in the -- in the feasibility tests?

3 MR. GREG BARNLUND: We would simply be
4 using the latest or most recently approved weighted
5 cost to capital that would have been dealt with in the
6 most recent general- rate application.

7 So the last general-rate application
8 resulted in Order 128 of '09, and so a feasibility
9 test being run today would be using the weighted cost
10 to capital that would have been in the second test
11 year of that particular application.

12 MR. BOB PETERS: But it would come
13 from your -- your Schedules 9.75, Mr. Barnlund?

14 MR. GREG BARNLUND: Yes.

15 MR. BOB PETERS: All right. And so
16 going forward for future test -- for future
17 feasibility tests, Centra will revise Schedule 7. --
18 sorry, will revise Schedule 9.75 to update it for its
19 -- I suppose, the equity percentage, and come up with
20 a new weighted cost of capital?

21 MR. GREG BARNLUND: Well, for
22 feasibility purposes, we would rely on what we have
23 filed here in this application, in this Schedule
24 9.7.5, and upon, you know, receiving approval of the
25 Public Utilities Board, we would assume implicit

1 approval of that weighted cost to capital, and that
2 would be the number that would then be applied in the
3 feasibility studies.

4

5 (BRIEF PAUSE)

6

7 MR. BOB PETERS: So, Mr. Rainkie, in
8 terms of thinking to the feasibility test, which I
9 actually might have a few questions on later, is there
10 a -- a different number for weighted cost of capital
11 that the Corporation proposes be used in the
12 feasibility test, if not the methodology used to
13 calculate it here on Schedule 9.7.5?

14 MR. DARREN RAINKIE: No, Mr. Peters,
15 we -- we have not put forward a -- a number to replace
16 the -- the equity return that you see here. So our
17 plan would have been to continue to use whatever is
18 embedded in this schedule.

19 As I said, we don't really have the
20 inclination, the time, and energy to try to update
21 that number when it's really not particularly used for
22 -- for rate-setting purposes any longer.

23

24 (BRIEF PAUSE)

25

1 MR. BOB PETERS: Mr. Rainkie, do you
2 know enough about the other jurisdictions to, perhaps,
3 make a suggestion to the Board that the simple average
4 be used from the jurisdiction -- jurisdictions as
5 shown on page 297?

6 MR. DARREN RAINKIE: Mr. Peters, I --
7 I don't really know the specifics, I -- I must admit.
8 Although I enjoy this part of the discussion, I
9 haven't kept up with all the detailed filings. So I -
10 - I'm not sure I can provide a lot of advice to the
11 Board in that regard.

12 I suppose, if we wanted to, we could,
13 at a future proceeding, look at how the formulas are
14 working out, and -- and propose -- propose something
15 just by taking the concepts from another jurisdiction,
16 and -- and importing them here. I would not want to
17 get into a situation where there was Intervenor
18 evidence, and all that kind of cost in the proceeding.
19 But we had not -- we have not, thus far, taken that
20 step, and thought about it in a fulsome way to be able
21 to do that.

22 MR. BOB PETERS: Just jumping ahead of
23 myself, Mr. Rainkie, from that last answer. Looking
24 still at page 298 with the Board, if the feasibility
25 test uses, going forward, a weighted cost of capital

1 of 5.63 percent, at this point in time, Centra
2 believes that's incorrect because the cost rate for
3 the equity is too low -- for the reasons you've spoken
4 about, correct?

5 MR. DARREN RAINKIE: Well, that's my
6 judgment based on what I -- what I know, both from a
7 finance background, and from the other formulas that
8 we've -- that we've just chatted about.

9 MR. BOB PETERS: So if the equity cost
10 rate goes up from 6.89 percent to some higher number,
11 that will end up becoming a higher portion of the
12 weighted cost of capital, particularly in light of the
13 weight to be given to equity -- also increasing as a
14 result of your latest financial information.

15 MR. DARREN RAINKIE: Well, I think the
16 update of a -- of a true cost rate would far dominate
17 the weighting part of it, Mr. Peters. But, yes, if
18 the -- the logical flow would be if you were to,
19 probably, make this number more current, is this going
20 to increase the -- the cost rate of equity and the
21 weighted average cost of capital.

22 MR. BOB PETERS: And if the -- if the
23 weighted cost of capital is increased, Mr. Rainkie,
24 what does that do in terms of the contributions
25 required in respect to feasibility tests?

1 MR. GREG BARNLUND: All else equal, a
2 higher weighted cost to capital would drive out a
3 higher required contribution. I might note, though,
4 that when we're talking about the feasibility study --
5 and, again, its -- its age is similar to Mr. Rainkie's
6 calculation of return on equity itself. It -- it
7 emerged in deliberations in the early 1990s. And it
8 was really kind of an offspring of a rate base rate of
9 return concept.

10 And so we use it because we've always
11 used it, and because, you know, in terms of how we've
12 consistently applied it to evaluate all of our system
13 extensions. Which isn't to say that -- that it isn't,
14 you know, conceivable that it should be looked at.
15 And when we were talking about using a weighted cost
16 to capital to evaluate DSM investments, we were
17 referring, at the corporate level, that we refresh
18 that number every year through -- through the work
19 that our economic analysis folks normally do.

20 One (1) possible alternative, going
21 further down the road, is to be adopting that type of
22 an analysis, or adopting that weighted average cost to
23 capital to be updated annually, with respect to the
24 feasibility study. But I'm just wanting to draw, you
25 know, attention to the fact that we're really dealing

1 with a legacy model here in terms of this feasibility
2 study. And we're -- we're simply following the -- the
3 practices that we have followed here in the past, in
4 terms of the use of -- of the weighted average cost to
5 capital for discounting purposes.

6 MR. BOB PETERS: Mr. Barnlund, in
7 response to your comment, can you acknowledge that, in
8 prior years, Centra would have simply updated the
9 formula to keep the -- the feasibility test current?

10 MR. GREG BARNLUND: Certainly. We
11 would have just updated our assumptions upon the
12 receipt of a -- a Board order that would have allowed
13 us to refresh this particular assumption.

14 MR. BOB PETERS: All right, Mr.
15 Rainkie, let's see if we can finish up, then, this
16 return on rate base by looking at -- starting at page
17 299 of Tab 55 of the book of documents.

18 There, in Schedule 995 of the
19 Corporation, the total return on rate base is about
20 \$27.5 million plus interest on common assets and
21 inventory which are retained on Manitoba Hydro's
22 balance sheet?

23 MR. DARREN RAINKIE: Yes, those are
24 common assets that I think there -- there are parts on
25 both balance sheets, and they're grouped together, and

1 then allocated back to the gas and electric
2 operations. And so that's additional financing costs
3 that we believe is appropriate in -- to include in the
4 total return rate base.

5 MR. BOB PETERS: And when the Board
6 looks then at -- at the spec -- specific items, the
7 long-term debt costs are weighted in the -- in the
8 formula, and they drive out a return. And the
9 intention is that return is -- is a hundred percent
10 payment of the -- of the debt cost for the long-term
11 debt?

12 MR. DARREN RAINKIE: Yes, the concept
13 of return on rate base is to provide the Company with
14 both a return to the creditors through paying interest
15 expense, and return to the shareholders through a
16 return on equity.

17 MR. BOB PETERS: And in the rate base
18 rate of return methodology, the creditors' portion of
19 the approved revenue requirement is -- is compensated
20 dollar for dollar?

21 MR. DARREN RAINKIE: Sorry, Mr.
22 Peters, I'm not following. Why would you not be
23 compensating them dollar for dollar? If you borrow a
24 piece of debt at 5 percent, you pay 5 percent, not
25 some other number. I may -- I'm not understanding

1 your question.

2 MR. BOB PETERS: Oh, I think you did.
3 I wasn't debating it. But you're just acknowledging
4 to the Board that the -- the debt costs are -- are
5 included in the rates that are charged to consumers --
6 exactly what the Corporation is expecting to have to
7 spend on that debt?

8 MR. DARREN RAINKIE: Yes. But just to
9 be clear, our cost-of-service calculation, which is
10 the application before the Board, we have our forecast
11 of our debt cost from our IFF in -- in those figures.
12 This is the way that you derive a like figure, if you
13 like, fro -- under the rate base rate of return
14 methodology, so those numbers are not necessarily the
15 same.

16 MR. BOB PETERS: Correct. Thank you,
17 Mr. Rainkie, for that distinction. And then -- then
18 the -- the actual return on the equity portion of --
19 of the capital structure, that, you said, used to be
20 the -- the profit that used to go to the shareholder,
21 correct?

22 MR. DARREN RAINKIE: Yes, that was the
23 return that was -- the shareholder was allowed to
24 earn.

25 MR. BOB PETERS: And in your answer,

1 what you're telling the Board is the rates would be
2 set. And if the Corporation managed itself within the
3 confines of its budget as it proposed to the -- to the
4 Board, it would be allowed to earn up to, in this
5 case, \$11.166 million?

6 MR. DARREN RAINKIE: Yes, the concept
7 is not the guarantee of a return, but the reasonable
8 opportunity to earn that return, if your forecasts
9 come to fruition.

10 MR. BOB PETERS: And, Mr. Rainkie,
11 what would cause the Corporation not to earn in this
12 example \$11.166 million?

13 MR. DARREN RAINKIE: Many things. As
14 we talked about yesterday, differences between actual
15 and normal weather, difference between actual and
16 forecasted expenses, difference -- differences in
17 customer numbers, pretty much anything that could
18 happen in your business that would make your actual
19 revenues and expenses different than what you had
20 forecast.

21 MR. BOB PETERS: And those differences
22 from what was forecast would be then borne by the
23 shareholder because the return on equity would be --
24 would reflect a reduction, if the -- if the forecasts
25 were -- were not lived up to?

1 MR. DARREN RAINKIE: Yes, with the
2 exception, of course, of cost-of-gas, that is a pa --
3 pass-through item, because there is no -- no rate of
4 return that the customer would be willing to pay that
5 would compensate the owner of a public utility for
6 taking the risk on the cost-of-gas changes.

7 MR. BOB PETERS: Mr. Rainkie, you said
8 that, in terms of a methodology difference, the cost-
9 of-service methodology being used to underpin Centra's
10 application -- on page 300 of the book of documents,
11 there's an indication there of the expenditures for
12 finance expense, corporate allocation, and net income;
13 and those are the three (3) items taken from your IFF
14 forecast, correct?

15 MR. DARREN RAINKIE: Oh, sorry. I
16 didn't know that there was a question there, Mr.
17 Peters. Yes, that's -- that's correct.

18 MR. BOB PETERS: Well, and -- and the
19 point of bringing this up, Mr. Rainkie is to -- you
20 mentioned on the -- when we looked at the previous
21 page at 299 that the total return on rate base would
22 be in the area of \$30.7 million, but under Centra's
23 current application under cost-of-service side before
24 the Board, it would be \$34.1 million?

25 MR. DARREN RAINKIE: No, Mr. Peters,

1 that's not what I was trying to get at. My -- what --
2 what I was trying to get at is that from our vantage
3 point, the corporate allocation is not a return to
4 Manitoba Hydro. It's the fair apportionment of the
5 costs of acquiring and integrating Centra Gas.

6 I mean, we don't think in -- in the
7 terms of return any longer. We think -- we think in
8 terms, as a Crown corporation, ,that we have costs and
9 we have to recover those from either our electric or
10 gas customers, and we're trying to fairly allocate
11 those, because the Board has a responsibility to set
12 rates on -- for both customer groups.

13 So while there's been lots of chatter
14 at previous hearings about that corporate allocation
15 being a return, that's certainly not how the
16 Corporation looks at it.

17 In -- in fact, I don't know if -- if
18 the Board actually -- if the Board has our annual
19 report handy, but it might be -- going back to Mr.
20 Warden who often referred to our annual report to help
21 the Board understand these issues.

22 If we -- if we looked at the segmented
23 note in the annual re -- the last annual report as an
24 example -- and maybe I -- and maybe I'll wait until
25 you can grab it, but it's on page 85 of our last

1 annual report.

2 Oh, maybe it wasn't in the filing,
3 sorry. I think we just did the quarterly... Sorry.
4 What I was --

5 MR. BOB PETERS: Well, Mr. Rainkie,
6 why don't you give us your point, and we can -- we can
7 --

8 MR. DARREN RAINKIE: Sure.

9 MR. BOB PETERS: I'll run back and
10 we'll -- we'll look at it, thank you.

11 MR. DARREN RAINKIE: What -- what I
12 was -- if -- if you -- when you do find a copy of it,
13 if -- what I was trying to demonstrate is that we have
14 three (3) segments that consolidate into our financial
15 statements, the electric segment, the gas segment, and
16 the corporate segment.

17 And in the corporate segment, we
18 include the costs of the acquisition and integration
19 of Centra Gas, which is about \$21 million, between
20 finance expense, and a couple million dollars of
21 depreciation and amortization.

22 And then what we do is we take that \$21
23 million total, and we allocate it to gas and
24 electricity. We allocate the costs to -- \$12 million
25 to gas and \$9 million to the electric segment.

1 And as we talked about yesterday, that
2 was based on kind of a relative assessment of the --
3 the benefits of the acquisition, and how they fell to
4 the general ledger of the gas and electric side of the
5 operation.

6 So -- so we look at this as not a
7 return, not net income to the Corporation, but simply,
8 the fair apportionment of those costs so that both
9 sets of customers are held harmless from the -- from
10 the acquisition.

11 I mean, of course the prin -- the
12 principle we talked about is there should be no harm
13 to Centra cust -- to Centra customers as a result of
14 the acquisition. Well, we want that to be true for
15 our electric customers as well.

16 And this corporate allocation is what
17 we've devised to -- to honour that commitment, if you
18 like. So getting back to the return con -- concept,
19 that's why we disagree with taking finance expense and
20 net income, and adding the corporate allocation and
21 saying that's a return.

22 We don't look at the corporated --
23 corporate allocation as a return. We look at that as
24 a cost.

25 MR. BOB PETERS: And the Board has

1 issued its order, Mr. Rainkie, in respect of that
2 matter, on a previous occasion. Do you acknowledge
3 that?

4 MR. DARREN RAINKIE: It has, but with
5 some new Board members, I'm hoping I can put a
6 different -- a different spin on it. I shouldn't use
7 the word "spin", Mr. Chairman. I mean, I -- I think I
8 need to explain what the corporate position is, on
9 this matter, for the new panel members.

10 MR. BOB PETERS: All right. Mr.
11 Chairman, I'm going to turn to My Friend, Ms. Boyd,
12 and I can either proceed with Mr. Prydun, or we can
13 have a cameo appearance by Mr. Schulz, who has yet to
14 give his direct evidence to you.

15 So I'm at your pleasure on that. And
16 if he's available maybe we should -- should hear from
17 him.

18 MS. MARLA BOYD: Certainly. We can --
19 we can introduce Mr. Schulz. He's -- he's available
20 to the Board now, and I do appreciate the
21 accommodation of the Board and Mr. Peters, and I've
22 sort of wrecked havoc with Mr. Peter's order of cross,
23 but we will, if you just give us a few minutes, bring
24 Mr. Schulz in and we can have him sworn.

25 And he has a very small amount of

1 direct evidence to give, and then he's available for
2 cross-examination.

3 MR. BOB PETERS: And while we're
4 taking a short recess to accommodate Mr. Schulz
5 attending the hearing room, Mr. Chairman, I just would
6 like to ask the Board members to have available some
7 information that was handed out, I believe, on the end
8 of day, Friday.

9 And it -- it was -- it was not marked
10 as a exhibit because it was updated Information
11 Requests. And included in that is an economic outlook
12 for '13 to '34. As well, there are updates to
13 PUB/Centra 1st Round -- 1st Round question 9, and 2nd
14 Round question 141. And that information, if the
15 Board has it at hand, may be something that will be
16 required.

17 So if we could take just a few minutes,
18 take a five (5) minute break, and we'll -- we'll set
19 up again.

20 THE CHAIRPERSON: Thank you, Mr.
21 Peters. Let's take five (5) minutes.

22

23 (PANEL RETIRES)

24

25 --- Upon recessing at 2:00 p.m.

1 --- Upon resuming at 2:09 p.m.

2

3 THE CHAIRPERSON: Ms. Boyd, please.

4 MS. MARLA BOYD: Thank you. It's my
5 pleasure to introduce for the Board, Mr. Manny Schulz.
6 Mr. Schulz is the corporate treasurer for Manitoba
7 Hydro and Centra Gas. He's here today to provide his
8 evidence, both direct and cross-examination, in what
9 he's holding Board counsel to be a cameo appearance.
10 Supporting Mr. Schulz and behind him are Susan
11 Stephen, who is the manager of financial markets, and
12 Anitha Paspaporn, who is a business analyst who will
13 be assisting Mr. Schulz.

14 If we could ask Ms. Dubois to swear Mr.
15 Schulz, we could begin with some direct examination.

16

17 CENTRA PANEL 4:

18 MANNY SCHULZ, Sworn

19

20 EXAMINATION-IN-CHIEF BY MS. MARLA BOYD:

21 MS. MARLA BOYD: Mr. Schulz, could you
22 please outline your areas of responsibility with
23 respect to this application?

24 MR. MANNY SCHULZ: Good afternoon, Mr.
25 Chairman, members of the Board, all interested

1 observers. Thank you very much for your patience
2 today. I will be providing evidence related to the
3 company's interest rate forecast, finance expense, and
4 debt management.

5 MS. MARLA BOYD: And could you please
6 advise the Board of the impact of the updated interest
7 rate forecast in the 2013 economic outlook on interest
8 expense for the 2013/'14 test year?

9 MR. MANNY SCHULZ: Certainly. Centra
10 recently filed a revised response to PUB/CENTRA 1st
11 Round 9B, which summarizes the changes to the interest
12 rate forecasts. The Board will note from this
13 response that the forecasted three (3) month Canadian
14 T-bill rate has declined twenty-five (25) basis
15 points. The CDOR-03 rate used for Canadian floating
16 rate long-term debt has declined thirty (30) basis
17 points. And the forecasted long-term ten (10) year
18 plus rates have increased twenty (20) basis points.

19 The total interest on debt expense is
20 forecast to decrease by ninety-five thousand dollars
21 (\$95,000). And taking into account capitalization of
22 interest and changes to the carrying costs associated
23 with various deferral accounts, the total impact on
24 revenue requirement for the test year is a reduction
25 of two hundred thousand dollars (\$200,000).

1 MS. MARLA BOYD: In Mr. McCormick's
2 evidence filed with the Board, he characterizes the
3 difference between the interest rate inputs used in
4 the development of IFF-12, which underlies this
5 application, and the more current estimates as, quote,
6 "materially different," closed quote.

7 Do you agree with this
8 characterization?

9 MR. MANNY SCHULZ: No, I do not. By
10 way of comparison, during the 2009/'10, and 2010/'11
11 Centra GRA, in the midst of the financial crisis,
12 short-term interest rates decreased approximately
13 three hundred (300) basis points between the filing of
14 the application and the commencement of the hearing.

15 Considering the magnitude of that
16 change, and in combination with other factors, Centra
17 determined, at that time, that it was appropriate to
18 revise its application.

19 This year, as I just indicated,
20 interest rates have only slightly changed, decreasing
21 in the order of twenty-five (25) to thirty (30) basis
22 points for the short-term rates, and increasing twenty
23 (20) basis points for the long-term rates.

24 For reference, it should be noted that
25 the financial markets may experience volatility over

1 short periods of time. For example, during the past
2 month, benchmark Government of Canada ten (10) and
3 thirty (30) year yields have increased over thirty
4 (30) basis points, with movements within a single day
5 of five (5) to ten (10) basis points being a common
6 occurrence.

7 In that regard, a relatively modest
8 decline, of twenty-five (25) to thirty (30) basis
9 points, in short-term rates between the date of the
10 Fall 2012 Economic Update and the Spring 2013 Update
11 stands in sharp contrast to the three hundred (300)
12 basis points changes that occurred during the previous
13 Centra GRA.

14 MS. MARLA BOYD: Mr. McCormick's
15 evidence suggests that there is a systemic upward bias
16 in Centra's interest rate forecasting -- forecasting
17 methodology. Could you comment on that, please?

18 MR. MANNY SCHULZ: Centra disagrees
19 with Mr. McCormick's suggestion that there is any
20 upward bias in Centra's interest rate forecasting
21 methodology. The Corporation's interest rate
22 forecasting methodology has been extensively canvassed
23 in recent hearings, and this methodology considers
24 forecasts from respected banks and independent sources
25 to derive a consensus forecast.

1 The interest rate forecast is unbiased,
2 as it is not developed with the intent of selecting or
3 encouraging one (1) outcome over others. Centra does
4 not support removing forecasters from the pool in
5 order to purposely produce a higher or lower combined
6 forecast.

7 Centra values the diversity of
8 forecaster opinion, and from a risk management
9 perspective, the diversity of external information
10 also provides beneficial insight into the range and
11 distribution of potential interest rates.

12 MS. MARLA BOYD: Mr. Schulz, could you
13 comment on whether Centra has observed a change to
14 external forecasters' opinions during the past few
15 years, as actual interest rates continue to move lower
16 than their earlier forecasts?

17 MR. MANNY SCHULZ: Yes. Forecaster
18 opinions do change through time in response to
19 changing market conditions. This was readily apparent
20 at the height of the financial crisis as virtually all
21 forecasters missed both the timing and magnitude of
22 the economic downturn. In response to the dramatic
23 macro-economic changes occurring during that time, the
24 external forecasters sharply lowered their interest
25 rate forecasts.

1 And since then, the global economy --
2 economy has witnessed numerous ongoing challenges, and
3 the economic downturn has become more prolonged than
4 originally anticipated. And in the past few years,
5 the global, the North American and Canadian economies
6 have seen extraordinary monetary policy intervention
7 by central banks. Short-term interest rates remain
8 anchored at artificially low rates. Long-term
9 interest rates have also been affected by central bank
10 interventions.

11 It is clear that actual interest rates
12 have fallen in the past few years, and that the depth
13 and breadth of the economic downturn has surpassed
14 forecaster expectations. This, simply, points to the
15 fact that the macro economy is a continually-moving
16 target. And as the external forecasts have evolved
17 through time, the Corporation's interest-rate
18 forecasting methodology has gathered and combined
19 their opinions in an unbiased manner.

20 Centra remains of the view that the
21 existing forecasting methodology provides a
22 representative interest-rate forecast at the time that
23 it is produced. To remain current in -- to changing
24 conditions, the Corporation monitors financial markets
25 on an ongoing basis, and reviews its interest-rate

1 forecasts at regular intervals throughout the year.

2 MS. MARLA BOYD: Mr. McCormick has
3 suggested that revised long-term interest rate
4 forecast be incorporated into Centra's application.
5 Can you please comment on the rates that are cited by
6 Mr. McCormick?

7 MR. MANNY SCHULZ: Yes. Mr.
8 McCormick's recommended forecast Government of Canada
9 ten (10) year plus interest rate for the 2013/'14 test
10 year of 2.36 percent was already below the actual
11 market rate of 2.53 percent as at June 11th of last
12 week, and this morning's real rate time of 2.43
13 percent.

14 Further, when considering the forward
15 Canada ten (10) year plus interest rates for March 31,
16 2014, Mr. McCormick's proposed rate is already 19
17 basis points below the Bloomberg Ford (phonetic) rate
18 of 2.55 percent, as taken this very morning.

19 It is important to note that Mr.
20 McCormick's recommendations do not include Manitoba
21 credit spreads or any other associated transaction
22 costs, which would be paid out by the Corporation.
23 For all of these reasons, Mr. McCormick's recommended
24 interest-rate forecast is unlikely to occur.

25 Centra notes that the actual long-term

1 interest rates have been moving upward in the past
2 year, and again, most recently in the past few weeks.
3 For example, the indicative all-in cost for Manitoba
4 Hydro for a ten (10) year bond has risen in the past
5 month by over twenty (20) basis points, from
6 approximately 2.8 percent in mid-May to over 3 percent
7 today.

8 This suggests that the period of
9 historically low interest rates may be coming to an
10 end.

11 MS. MARLA BOYD: Can you please
12 briefly describe the recent changes to Centra's debt
13 portfolio and, in particular, how recent refinancings
14 have benefited consumers?

15 MR. MANNY SCHULZ: Certainly. Since
16 April 1, 2009, Centra has refinanced three (3) of its
17 legacy debt issues, which had existing interest rates
18 ranging between 5.5 and 6.3 percent with new lower
19 interest rates. Centra's refinancings have also
20 minimized the concentration of interest rate
21 refinancing risk by subdividing larger debt issues
22 into smaller segments with different maturity dates.

23 In addition, Centra rebalanced its
24 overall debt portfolio by converting balances from
25 short-term to long-term debt as well as introducing

1 floating rate long-term debt into Centra's debt
2 portfolio. These financings took advantage of actual
3 debt issues undertaken by Manitoba Hydro in the
4 marketplace.

5 And with these changes, Centra was able
6 to reduce the weighted average interest rate, and then
7 made these changes more permanent, and reduce interest
8 rate risk by lengthening the weighted average term to
9 maturity. The reduction in actual finance costs
10 through the past years has been to the benefit of all
11 Centra ratepayers. For any absence of these
12 advantageous results, Centra may have had to seek more
13 frequent and/or higher rate increases.

14 This concludes my direct evidence.

15 MS. MARLA BOYD: Thank you, Mr.
16 Schulz. Thank you, Mr. Chair, for the
17 accommodation again. And we turn the mic back over to
18 Mr. Peters.

19

20 (BRIEF PAUSE)

21

22 THE CHAIRPERSON: Sorry, I was just
23 noting what you said. Mr. Peters, please.

24 MR. BOB PETERS: Yes. Thank you.

25

1 CROSS-EXAMINATION BY MR. BOB PETERS:

2 MR. BOB PETERS: Welcome, Mr. Schulz.

3 MR. MANNY SCHULZ: Delighted to be
4 here once again, Mr. Peters, and hopefully, for a good
5 cameo appearance.

6 MR. BOB PETERS: You are under oath.

7 MR. MANNY SCHULZ: Indeed, I
8 understand that.

9 MR. BOB PETERS: Thank you, sir.
10 Cameos have different durations. But I understand
11 that in addition to my questions this afternoon, that
12 you'll be coming back Monday morning to answer further
13 questions from CAC's counsel?

14 MR. MANNY SCHULZ: That is my
15 understanding. And I'm totally fine with that.

16 MR. BOB PETERS: And, Mr. Schulz, I've
17 circulated, previously, a book of documents. And I
18 want to turn to Tab 50 of that book of documents, if
19 you can borrow one (1) from one (1) of your
20 colleagues, or perhaps you've -- you have one (1) of
21 your own.

22 And, Mr. Schulz, on page 227 of that
23 book of documents, the Board will see a summary of the
24 finance expense, which is one (1) of the areas that
25 you're speaking to for this panel?

1 MR. MANNY SCHULZ: Yes, I see that,
2 sir.

3 MR. BOB PETERS: And the components of
4 finance expense are listed down the left-hand column.
5 And we've already talked somewhat about interest on
6 long-term and short-term debt. The Board is aware of
7 the provincial guarantee fee.

8 The, "amortization of debt discounts,"
9 do you want to briefly explain what line item refers
10 to, Mr. Schulz?

11 MR. MANNY SCHULZ: When undertaking
12 financings, there is often circumstances where the
13 coupon rate is different than the yield rate, and so,
14 thereto, you would get arising either debt discounts
15 or premiums.

16 So what you're seeing on this schedule
17 on page 227 is the legacy debt discounts as they are
18 working themselves through the system. And so the --
19 the reduction in some of these debt discounts are
20 related to, for instance, as we move in 2009/'10 to
21 2010/'11, the drop of one million 262 (1,262,000) to
22 two ninety eight (298) is associated with the
23 refinancings of CG-4 that had debt discounts, and then
24 the refinancings -- the matter in which we do this is
25 we assign over the entire yield, so that we no longer

1 have to deal with debt discounts and premiums moving
2 forward.

3 So by the time that we move to 2010/'13
4 with the financial refinancing of CG-1, there are no
5 more remaining debt discounts and premiums on
6 historical record, nor do we forecast any moving
7 forward.

8 MR. BOB PETERS: And then the point
9 that I think you just made is that going forward,
10 based on the financing activities of Manitoba Hydro
11 and the province, you don't anticipate any further
12 debt discounts or premiums to have to be reflected
13 through this schedule?

14 MR. MANNY SCHULZ: That's correct. On
15 the Manitoba Hydro side we would continue to have
16 them, because we, at the point of debt origination, do
17 have debt discounts and premiums due to the difference
18 between coupon rates and the all-in yield rates, but
19 when we make the assignment over to Centra to simplify
20 an assumption we just bring across the all-in yield
21 rates and thereby eliminating the need for it in the
22 future.

23 MR. BOB PETERS: Mr. Schulz, what
24 shows up under the 'total interest on debt' line, the
25 Board will note that from '07/'08 through to the test

1 year of '13/'14 that the total interest on debt has --
2 has dropped significantly, approximately \$6 million?

3 MR. MANNY SCHULZ: A large and
4 significant amount, I would agree.

5 MR. BOB PETERS: And that's as a
6 function of the -- what you've spoke to a bit in your
7 direct evidence, in terms of the interest rate
8 adjustments that have occurred in those intervening
9 years?

10 MR. MANNY SCHULZ: Well, there are
11 always puts and takes, in terms of volumes as well as
12 rates. But significantly, there has been a -- a major
13 drop in rates that have manifested themselves through
14 the interest costs in both long- and short-term debt.
15 And so you're seeing the reflection of that in this
16 schedule.

17 MR. BOB PETERS: In terms of interest
18 on common assets, sir, that represents assets that are
19 owned by Manitoba Hydro, the interest on which is
20 transferred over, or allocated over, to Centra Gas?

21 MR. MANNY SCHULZ: Correct.

22 MR. BOB PETERS: And the carrying
23 costs on deferred taxes are a deduction from the
24 finance expense. And perhaps, Ms. Jacobs or Mr.
25 Rainkie, if you're not aware, sir, would that item be

1 moved over to capital on other taxes?

2 MR. MANNY SCHULZ: I believe this is a
3 -- a balance sheet item and the -- the carrying costs
4 are distributed through to -- on an amortized basis
5 through to sen -- finance expense. And it results out
6 of the acquisition by Manitoba Hydro in -- in 2009 for
7 Centra.

8 Be -- Centra became non-taxable and in
9 so doing incurred a non-recurring tax expense, and
10 that's been deferred and amortized over thirty (30)
11 years. And if you look to subsequent pages, I think
12 you see that it comes to a conclusion in the -- in the
13 forecast period due to being written off, I think, in
14 prospect of IFRS moving forward.

15 MR. BOB PETERS: All right. We've had
16 some discussion about that already, Mr. Schulz, so we
17 don't need to go over that further unless your answers
18 require that. In terms of the total finance expense
19 shown on page 227, sir, again, total expense from
20 2007/'08 to the test year has again dropped from 21.7
21 million.

22 It's now down to 17.3 million in the
23 forecast?

24 MR. MANNY SCHULZ: That's correct.
25 And I would consider that to be a major advantage to

1 ratepayers. And -- and that's really us taking
2 advantage of the financial market conditions that were
3 in effect during this time.

4 MR. BOB PETERS: And it's an advantage
5 to the ratepayers, because their rates are lower by
6 approximately 3 1/2 or \$4 million to reflect the lower
7 finance expenses that the Corporation incurred over
8 that period of time?

9 MR. MANNY SCHULZ: Well, it's a
10 reduction in revenue requirement, because our finance
11 expense has gone down on an actual basis through that
12 time. And that's to the benefit of ratepayers,
13 because in the absence of that, we may have had to
14 have seek higher rate increases and/or more frequent
15 ones.

16

17 (BRIEF PAUSE)

18

19 MR. BOB PETERS: Mr. Schulz, on page
20 228 of the book of documents is a comparison between
21 actual finance expense at the top of the table and
22 what was forecast at the last general rate application
23 based on what I think was Centra Gas IFF-08.

24 Can you --

25 MR. MANNY SCHULZ: With --

1 MR. BOB PETERS: -- confirm that?

2 MR. MANNY SCHULZ: -- that this is
3 based on the revised rates that were put in play with
4 -- in May of 2009.

5 MR. BOB PETERS: I'm sorry, I missed
6 your qualification on that, sir?

7 MR. MANNY SCHULZ: Well, was -- the
8 original application was based on IFF, but then we, in
9 May of 2009, supplied an update for those interest
10 rates. And so the updated application numbers are
11 what you see in the middle portions of this page.

12 MR. BOB PETERS: So just that we're
13 clear on that, Mr. Schulz, let's pick the '08/'09
14 year, in terms of actuals at the top of the page.
15 That was what was initially forecast in your IFF-08,
16 sir?

17 That's the top third of the page at,
18 let's say, twenty million one hundred and fifty-eight
19 thousand dollars (\$21,158,000)?

20 MR. MANNY SCHULZ: No, those are
21 actuals, so on that first column there for 2008/'09,
22 on the top third of the page, those are all actuals.
23 In fact, that whole piece of it is. The middle
24 section pertains to -- and you can see that just under
25 the dates is the forecast CGM-08-1. And those are the

1 rates from the interest rates update that were applied
2 in May of 2009. We put that through the IFF. And so
3 the implications in the forecasts, they're two (2)
4 generated are the ones that are represented there in
5 the middle section of that page.

6 MR. BOB PETERS: I think then we're
7 saying the same thing, Mr. Schulz. And then the
8 difference between what was forecast by way of the May
9 9 -- May 2009 update and what actually occurred drops
10 off -- drops out at the bottom of the page?

11 MR. MANNY SCHULZ: I think we agree.

12 MR. BOB PETERS: All right. Now, what
13 we see in '08/'09 is that the total finance expense
14 forecast -- and I'm in the middle of the page now,
15 under the 2008/'09 column -- was \$22.225 million, sir,
16 you'll agree?

17 MR. MANNY SCHULZ: Correct.

18 MR. BOB PETERS: And then the actual,
19 you've drawn the Board's attention, is up at the top
20 of the page. The total finance expense on the actual
21 basis was only twenty million one hundred and fifty-
22 eight thousand dollars (\$21,158,000).

23 MR. MANNY SCHULZ: Correct.

24 MR. BOB PETERS: And so there was a
25 difference of two million and sixty-seven thousand

1 dollars (\$2,067,000)?

2 MR. MANNY SCHULZ: Correct.

3 MR. BOB PETERS: And where did that
4 difference go?

5

6 (BRIEF PAUSE)

7

8 MR. MANNY SCHULZ: Where did the
9 difference go, or how did it arrive?

10 MR. BOB PETERS: Did it flow to the
11 bottom to the net income?

12 MR. MANNY SCHULZ: The net income is
13 the summation of all of the actuals that you would
14 have seen flowing through. From a forecast basis, you
15 would see this as a forecast favourable to the
16 original forecast. So that would have been -- from a
17 forecast basis, this is \$2 million favourable to the
18 forecast.

19 MR. BOB PETERS: All right, Mr.
20 Schulz. And then going through the other columns, we
21 can see likewise the very last line on the -- on the
22 page, where we look at the differences, interest rates
23 were, in my words, over-forecast in the IFFs compared
24 to what they actually turned out to be.

25 MR. MANNY SCHULZ: I would suggest

1 that the interest rate forecast in May of 2009 ended
2 up being higher than actually experienced.

3

4 (BRIEF PAUSE)

5

6 MR. BOB PETERS: And, likewise, in
7 each of the other years, the forecast was higher than
8 the actual?

9 MR. MANNY SCHULZ: In terms of the
10 bottom line on the difference, third of the page at
11 the very bottom, those amounts reflect the difference
12 between actual finance expense and what was forecast.
13 And that reflects a variety of a host of things. But
14 interest rate decline certainly had a major part in
15 that.

16 MR. BOB PETERS: Was the column that
17 depicts the 2011/'12 actual results, Mr. Schulz -- was
18 that impacted by the Board's order, in terms of what
19 would be the appropriate way to determine the finance
20 expense and the interest rate calculations?

21 MR. GREG BARNLUND: Mr. Peters, just
22 to clarify here. Rates that have been in effect since
23 May of 2010 would likely have been based on the
24 forecast numbers that are shown for 2010/'11. We had
25 a two (2) -- two (2) test year application, '09/'10

1 and '10/'11. And we received an order from the Board
2 in September of '09, which directed us to make
3 adjustments to finance expense, and we refiled those
4 rates for May of 2010.

5 So I think that perhaps the forecast
6 number in '10/'11 is closer to what would be
7 representative of being in rates than what you would
8 see in the '11/'12 forecast.

9 MR. MANNY SCHULZ: And I'll -- what I
10 would add to that is the actuals are the actuals. So,
11 you know, in terms of the -- the Board order, you
12 would have seen that cascade itself through the
13 subsequent forecast, as Mr. Barnlund had suggested,
14 but our actuals were based on actual performance.

15

16 (BRIEF PAUSE)

17

18 MR. BOB PETERS: Mr. Barnlund, I'm
19 appreciating your -- your assistance on this, sir.
20 When the Board looks at the column for 2008/'09 and
21 they see at the bottom total finance expense was --
22 the forecast was \$2 million higher than actual, does
23 that \$2 million flow to the betterment of the
24 Company's bottom line?

25 MR. GREG BARNLUND: I'd have to check

1 and see which -- in terms of which rate's being
2 approved and which rate approval -- whether CGM-08-1
3 (phonetic) is the relevant comparator. I'm not -- I
4 can't tell you right now.

5 MR. BOB PETERS: All right. What
6 we're -- what you're telling the Board is that, in a
7 prior PUB order the Board directed Centra in terms of
8 how to calculate the interest rate. And that took
9 place for the '09/'10 and the '10/'11 test years,
10 correct?

11 MR. GREG BARNLUND: Yes, sir.

12 MR. BOB PETERS: And as a result of
13 the Board's directed methodology, if I can call it
14 that, compared to what had been actually incurred,
15 what was the difference as between those two (2)?

16 MR. GREG BARNLUND: There is a
17 difference. I -- I don't have that right at my
18 disposal. We can do a check on that if necessary.
19 But like I'm -- I would also like to reflect that we
20 had an IFF which was approved, became the basis for
21 our rate application. Subsequently, our finance
22 expense was amended as a result of the Board order.

23 I'm not sure if there had been any
24 adjustment made to the IFF itself or whether that
25 simply would have been reported as a variance for that

1 year.

2 MR. BOB PETERS: Mr. Barnlund, in
3 those -- in that test year for 2009/'10 and '10/'11,
4 one (1) of the proposals that came before the Board
5 was for the Board to establish a deferral account
6 respecting finance expense.

7 Have I got that correct?

8 MR. GREG BARNLUND: I believe it was
9 proposed.

10 MR. BOB PETERS: It wasn't -- it
11 wasn't directed by the Board at that time?

12 MR. GREG BARNLUND: No, sir, there was
13 no direction to apply that.

14 MR. BOB PETERS: And can you confirm,
15 Mr. Schulz and Mr. Rainkie and Mr. Barnlund, that when
16 the Corporation is forecasting its finance expense
17 it's not looking for that to be a profit centre for
18 the -- for the gas company, it's -- it's looking to --
19 to come in as close to actual as it can?

20

21 DARREN RAINKIE, Resumed

22

23 MR. DARREN RAINKIE: Well, Mr. Peters,
24 yes, we're not looking to make a profit off the
25 difference between actuals and forecast. What we're

1 looking to do, in the context of a future test year
2 which recognizes that we're making forecasts, and
3 sometimes forecasts, you know, two (2) years in
4 advance in the terms of a second test year of a -- of
5 a rate application, it's not about accuracy. It's
6 about was there a reasonable basis of setting rates.
7 That's what a future test year is based on.

8 This kind of discussion we've been
9 having about forecast accuracy, there's going to be
10 lots of things that are going to throw the numbers
11 off, both vo -- volumetrically and from a rate
12 perspective. But the central question in a rate
13 hearing is: Do you have a reasonable basis of
14 determining rates based on what you knew at the time?

15 It's nice to do a post facto review and
16 try to draw conclusions from it, but you should be
17 careful about how -- the conclusions that we draw and
18 this notion that there's going to be complete
19 accuracy, especially during this timeframe, when --
20 when rates were dropping, and they were dropping much
21 more than anybody had expected.

22 MR. BOB PETERS: Much more than
23 anybody had forecast?

24 MR. DARREN RAINKIE: That's right. I
25 mean, that was the -- there's lots of data on the

1 record, lots and lots of data, lots of discussion
2 about averaging numbers and -- but I think what the
3 Board has to keep in mind during this period is what
4 was happening. There was nobody that had forecast the
5 reduction in interest rates during this period of time
6 that occurred.

7 And after that, all the forecasters
8 were assuming that there was a return or recovery in
9 the economy that never materialized. So there's
10 definitely no systematic bias here in terms of the
11 forecast. It's simply a reflection of what happened
12 in the macroeconomic environment during those periods
13 of time.

14 And I -- and I know there's lots of
15 data on the record, thousands and thousands of page in
16 -- pages in this proceeding. But I think to
17 understand those pages, you need to understand and
18 remember, I guess, what was happening in the financial
19 markets at the time. And I think that's what Mr.
20 Schulz was trying to indicate in his direct evidence.

21 MR. BOB PETERS: And the point that
22 I'm not clear on, though, Mr. Barnlund, with you, sir,
23 is that in the last GRA Board order, Centra was
24 directed to use a short-term interest rate of half of
25 1 percent for the '09/'10 and -- and 1 percent for the

1 '10/'11 test year.

2 Do you recall that?

3 MR. GREG BARNLUND: Yeah, I take that
4 subject to check, sure.

5 MR. BOB PETERS: And they also -- and
6 the Board also directed that a long-term interest rate
7 of -- I think it was 4.05 percent be used, excluding
8 the debt guarantee fee?

9 MR. GREG BARNLUND: I seem to recall
10 that, yes.

11 MR. BOB PETERS: And is that reflected
12 in the column shown as 2011/'12? Would that be the --
13 the forecast expense is shown as 23.375 million, does
14 that include and take into account the directives of
15 the Board, or -- or does it not at this point in time?

16 MR. GREG BARNLUND: It would not on a
17 forecast basis because the forecast was generated
18 prior to that order, and it would not have been
19 amended subsequent to the order. The forecast is the
20 forecast, and we would report actuals against it
21 throughout the course of the year. And one (1) of the
22 variances that would be driven would be the fact that
23 rates were set a low -- at a level that was lower than
24 what would otherwise have been if -- if they would
25 have been set in adherence with the forecast in that

1 IFF.

2 MR. MANNY SCHULZ: I should point out
3 that we were responding to this PUB Information
4 Request based on the request for this infor -- you
5 know, for the information on this IFF, on this
6 iteration of the IFF. If it is the will of the, you
7 know, counsel and the Board to receive information
8 that was emanating out of the Board order, it would --
9 there would have been a subsequent iteration, or -- or
10 variation thereof that cer -- certainly we can supply.

11 But, again, this Information Request
12 was specific to what was in effect at the application.
13 And -- and, as I indicated, in the May, 2009 update,
14 if you're looking to see what was the actual
15 difference act -- the difference between the actuals
16 and the amounts post-Board order, that's something
17 that we can certainly provide. Those data points are
18 all available, So we stand ready for your guidance on
19 that.

20 MR. BOB PETERS: Well --

21 MR. DARREN RAINKIE: Mr. -- Mr.
22 Peters, I can help you out for the second test year on
23 this comparison, if I understand where you're going.
24 On page 151 of your book of documents you had outlined
25 the last approved numbers from the 2010/'11 rate

1 hearing. Unfortunately, the numbers from '09/'10 are
2 not -- not there, but we can find them.

3 But -- so just as a point of reference,
4 what the Board had approved in the '10/'11 rates for
5 finance expense was at line 8 of page 151 of your book
6 of documents, nineteen million one hundred and five
7 thousand dollars (\$19,105,000). And that compares
8 with the actuals of seventeen million eight hundred
9 and eighty-eight thousand (\$17,888,000).

10 Unfortunately, I don't have the last --
11 the -- the approved number from the '09/'10 test year.
12 I couldn't find it in your book of documents. But, as
13 Mr. Schulz says, it's probably in the material in
14 spades and we can find that number and make that
15 comparison for you here.

16 So this -- we were -- we -- we answered
17 what we were asked to do in this. This was a
18 comparison of what actually happened versus the -- I
19 think the updated application. The comparison of what
20 actually happened versus what was included in rates is
21 a different comparison, and the differential is not as
22 large as what's indicated on this sheet.

23 MR. BOB PETERS: And -- and so in
24 terms of order of magnitude, Mr. Rainkie, let's stay
25 with that 2010/'11 year. And thank you for ferreting

1 out that information from page 151. The -- the Board
2 approved amount, which would then appear in the middle
3 of page 228 under a new analysis, instead of it being
4 21.017 million, it would be 19.105 million; would have
5 been what the forecast would have been, or embedded in
6 the rates at that point in time.

7 MR. DARREN RAINKIE: That's correct,
8 Mr. Peters.

9 MR. BOB PETERS: And that compares to
10 the actual, which was \$17.888 million. And so the
11 difference between the two (2) would be -- would be a
12 couple of million dollars.

13 MR. DARREN RAINKIE: It would be \$1.2
14 million, approximately.

15 MR. BOB PETERS: Right. One point --
16 yes, \$1.2 million.

17 And the rates that were in effect at
18 the time did recover the \$19.105 million?

19 MR. DARREN RAINKIE: They were set to
20 do that, Mr. Peters. I mean, I can't remember what
21 the volumes were in that year, but that's -- that's
22 what they were designed to do.

23 MR. BOB PETERS: So in moving forward
24 to the next year, for the '11/'12 year, the -- the
25 rates would still be set at the \$19.105 million?

1 MR. DARREN RAINKIE: That's correct,
2 yes. There was no rate change -- no general rate
3 change in that year.

4

5 (BRIEF PAUSE)

6

7 MR. BOB PETERS: Mr. Rainkie, at page
8 328, at Tab 61, of the book of documents, there's also
9 a -- a schedule and attachment from Centra on a pro
10 forma revenue requirement statement, and it shows that
11 the finance expense in the 2011/'12 year under IFF-10
12 would have been forecast at \$19.058 million?

13 MR. DARREN RAINKIE: That's correct,
14 Mr. Peters.

15 MR. BOB PETERS: And then we see the
16 actual was the eighteen four sixty-four (18,464) on
17 page 228?

18 MR. DARREN RAINKIE: I'm with you, Mr.
19 Peters.

20

21 (BRIEF PAUSE)

22

23 MR. BOB PETERS: And, Mr. Rainkie, if
24 -- if we can just layer on top then of -- of page 228,
25 the updated finance expense that we've now found in

1 different parts of the book of documents would serve
2 to reduce the surplus, if you will, at the -- shown in
3 the bottom of the page?

4 MR. DARREN RAINKIE: Sorry, Mr.
5 Peters, I didn't understand that question.

6 MR. BOB PETERS: All right. The way
7 page 228 is depicted it's based on a -- and the IFF-08
8 as Mr. Schulz as acknowledged?

9 MR. DARREN RAINKIE: Yes, updated for
10 the appli -- or before the application -- sorry,
11 before the public hearing.

12 MR. BOB PETERS: Right. And then if
13 we look to the -- to the actual forecast numbers that
14 existed you've picked out the approved of 19.105
15 million and we see that that's roughly the same as it
16 would be for the following test year, based on IFF-10
17 from page 328 of the book of documents?

18 MR. DARREN RAINKIE: Yes, at the time
19 of preparation of IFF-10 it was looking pretty
20 consistent with what was in the approved rates. I --
21 I do have the figure for 2009/'10 approved, Mr.
22 Peters, if we want to tidy this -- this item up, if
23 that's --

24 MR. BOB PETERS: Please.

25 MR. DARREN RAINKIE: -- acceptable.

1 So under the eighteen nine two one (18,921) number,
2 which is the actual number that you see for 2009/'10,
3 what was included in rates was 19 million seven two
4 five (725) if you want to pencil that number in. So
5 it was about an eight hundred thousand dollar
6 (\$800,000) difference.

7

8 CONTINUED BY MR. BOB PETERS:

9 MR. BOB PETERS: Mr. Schulz, back to
10 you, sir. The upshot of the Board order, as we've
11 now, with the benefit of Mr. Rainkie, quantified the -
12 - the difference between what CGM-08 IFF was
13 forecasting and what the Board directed be forecast,
14 captured the majority of the difference that factually
15 would have occurred had the IFF remained as the source
16 of the finance expense forecast?

17 MR. MANNY SCHULZ: Can you please just
18 restate that question?

19 MR. BOB PETERS: I'll try it in a
20 different way. Based on the Corporation's forecast
21 compared to what the Board ordered, the Board ordered
22 methodology came in closer to what was actually
23 expended as opposed to what Centra was forecasting?

24 MR. MANNY SCHULZ: The difference was
25 less, I agree.

1 (BRIEF PAUSE)

2

3 MR. BOB PETERS: Mr. Schulz, as I flip
4 back to page 229 in the book of documents, this
5 information was predicated and based on the 2012
6 economic outlook, sir?

7 MR. MANNY SCHULZ: Correct.

8 MR. BOB PETERS: And that was premised
9 on September and October of 2012 interest rate
10 forecasts?

11 MR. MANNY SCHULZ: Correct.

12 MR. BOB PETERS: And in your direct
13 evidence to Ms. Boyd, you've told the Board that by
14 way of a summary in PUB Centra 1st Round Information
15 Request number 9 revised, that by providing a further
16 update on the economic outlook, the net difference is
17 finance expense has gone down by approximately two
18 hundred thousand dollars (\$200,000) from what was
19 forecast in the general rate application?

20 MR. MANNY SCHULZ: Correct.

21 MR. BOB PETERS: And I think, in your
22 absences, sir, Mr. Rainkie had told the Board that
23 there's no official request by Centra to revise its --
24 its -- its filing as before the Board, based on the
25 immateriality, which is my word, of the two hundred

1 thousand dollars (\$200,000)?

2 MR. DARREN RAINKIE: Yes, Mr. Peters,
3 that's a accurate summary of what we chatted about.

4 MR. BOB PETERS: It's not to suggest
5 that two hundred thousand dollars (\$200,000) is an
6 immaterial amount, Mr. Rainkie, but in terms of
7 relative numbers that was the essence of the position
8 of the -- of the Utility?

9 MR. DARREN RAINKIE: Yes. And a \$300
10 million revenue requirement. I doubt if it would
11 change the last decimal place on the rates.

12 As well, I know there's other things
13 out there. Like, we had to reduce our pension
14 discount rate this year, once again, which will
15 increase the expenses to Centra for the 2013/'14 test
16 year, probably by over a million dollars. But I
17 haven't included that in here eith -- either.

18 So, you know, there are always puts and
19 takes every day we get new information; we could be
20 updating the application every day. But once again,
21 setting rates is about putting reasonable forecasts,
22 it's not about trying to determine pinpoint accuracy.
23 If we were, I suppose we'd go back to a historic test
24 year, based on audited financial information and --
25 not that I'm suggesting that.

1 MR. BOB PETERS: Didn't you say you
2 longed for those days, Mr. Rainkie?

3 MR. DARREN RAINKIE: Once in a while I
4 long for a discussion of capital structure, but not
5 for the days of the historic test year.

6

7 CONTINUED BY MR. BOB PETERS:

8 MR. BOB PETERS: All right. And, Mr.
9 Schulz, in terms of the debt management that you're
10 responsible for, on Tab 50 -- Ta -- in Tab 50 of the
11 book of documents, starting on page 230, is an
12 Information Request that records the debt issue by
13 Centra and what the -- what the new terms are
14 respecting that. That was something done under your -
15 - your supervision, sir?

16 MR. MANNY SCHULZ: Yes, indeed.

17 MR. BOB PETERS: And -- and what is
18 noted as CG-1, I guess, which is Centra Gas issue
19 number 1, was \$62.67 million, and it had an average
20 yield rate of 5.98 percent, and that matured on
21 September 18th of 2012?

22 MR. MANNY SCHULZ: Correct.

23 MR. BOB PETERS: And as a result of
24 that, Centra refinanced that in three (3) separate
25 tranches of debt?

1 MR. MANNY SCHULZ: Correct.

2 MR. BOB PETERS: And as depicted on
3 page 230, it did so at different interest rates,
4 although, significantly lower than the 5.98 percent
5 that was underpinning the original CG1, correct?

6 MR. MANNY SCHULZ: Correct. And a
7 description of that, actually, is included in the
8 rebuttal evidence for each one (1) of the refinancings
9 and new financings that were undertaken in that period
10 of time, in terms of the debt issues, where they
11 emanated out of in terms of the Manitoba Hydro issue,
12 what the interest rates were for the -- the segments,
13 as well as the relative performance on the assignment
14 date.

15 MR. BOB PETERS: Well, what we also
16 have, Mr. Schulz, on page 231, is an indication that
17 part of CG-1 was replace by CG-15, correct?

18 MR. MANNY SCHULZ: Correct. So --

19 MR. BOB PETERS: And --

20 MR. MANNY SCHULZ: Yeah.

21 MR. BOB PETERS: And while my
22 suggestion, sir -- sorry to interrupt -- is that of
23 that original \$62.67 million, \$20 million was placed
24 out for ten (10) years at a coupon rate, or a yield
25 rate, of 3.178 percent?

1 MR. MANNY SCHULZ: Yes, so with CG-15
2 -- we subdivided CG-1 into three (3) parts, because we
3 wanted to reduce the concentration of that as a lump-
4 sum amount, so we divided it into three (3) pieces.

5 CG-15 was 20 million for 3.178 percent
6 for ten (10) years. CG-16 was 3.281 percent for
7 twenty-one (21) years. And CG-17 for 20 million for
8 3.413 percent for thirty (30) years.

9 So instead of having it all landing in
10 one (1) maturity date, we subdivided it and -- and had
11 it going into ten (10), twenty-one (21), and thirty
12 (30) years, using the originating pieces of debt as
13 indicated in the term sheets that follow.

14 MR. BOB PETERS: And as indicated on
15 page 230, Mr. Schulz, the weighted average yield rate
16 of five point nine-eight (5.98) that existed for CG-1
17 dropped down to 3.291 percent, correct?

18 MR. MANNY SCHULZ: Correct, but I'll
19 add a finesse to this. So, I mean, it -- first of
20 all, it's -- it's an -- it speaks to the financial
21 market conditions and the advantage that has arisen
22 due to just the financial market conditions and
23 interest rates being so much lower at the point of
24 refinancing that we were able to refinance that whole
25 piece, or the 60 million of it, from 5.98 percent to

1 these lower numbers.

2 The finesse that I would add is that
3 the weighted average yield rate for CG-15/17 of three
4 point two-nine-one (3.291) is really just the initial
5 rolled-over amounts. So the finesses on this is that
6 the effective weighted average yield for the entire
7 stream is 3.329 percent, and that's indicated in the
8 rebuttal as well.

9 And the simplest way of thinking about
10 this is the simple average of -- and you can look at
11 this on page 230. The average of those three (3)
12 interest rates, the simple average is 3.291 percent.

13 So for the first ten (10) years, that
14 is the interest rate that these -- that CG-1 was
15 rolled over at. But as soon as CG-15 has matured then
16 you're only left with 'C' -- three point two-eight-one
17 (3.281) off CG-15 and the three point four-one-three
18 (3.413) for CG-17. So then you've got a new weighted
19 average for those periods of time from years 10
20 through 21. And when CG-16 mat -- matures, then
21 you're left only with the strand of debt for CG-17.
22 And that has a three point four-one-three (3.413).

23 So when you do the cash flow basis back
24 for all of those pieces on this whole portfolio, the
25 effective weighted average yield for the entire stream

1 of cash flows is 3.329 percent. So just a finesse to
2 show the difference between what it landed at
3 immediately following and what -- from a effective
4 yield perspective it was for the entire portfolio
5 finances.

6 MR. BOB PETERS: The weighted average
7 will be three point two-nine-one (3.291) for the next
8 ten (10) years, correct?

9 MR. MANNY SCHULZ: Correct.

10 MR. BOB PETERS: And thereafter that
11 it will change, because a couple of the tranches are
12 still -- are still out there, whereas one (1) has
13 matured?

14 MR. MANNY SCHULZ: Correct. And
15 according to my arithmetic, it's three point three-
16 four-seven (3.347), and then for the last legs of
17 this, from years 21 to 30, then the -- the interest is
18 3.413 percent.

19 MR. BOB PETERS: Mr. Schulz, with the
20 CG-15 being at 3.178 percent for ten (10) years, why
21 didn't Centra take on more ten (10) year debt as
22 opposed to putting it out for twenty-one (21) years or
23 thirty (30) years for a higher interest rate?

24 MR. MANNY SCHULZ: We chose to do the
25 -- first of all, we wanted to break up the

1 concentration, so to break up the pieces into
2 different maturity buckets, which we were able to do.

3 Then in terms of the weighted average,
4 it comes into twenty point three (20.3), or
5 approximately twenty (20) years. And so that's
6 similar to what we have in our forecast. So our
7 forecast is, as you may recall, has a forecasted term
8 to maturity of twenty (20) years, so it aligns well
9 with that. It also aligns well generally with our
10 forecasted interest rate, which is a ten (10) year
11 plus, which is the arithmetic average between ten (10)
12 and thirty (30). We just call it ten (10) year plus.

13 And so there was the -- the desire to
14 create something similar to forecast, in terms of the
15 maturity as a weighted average, as well as the -- the
16 term to maturity, and -- and try to create an interest
17 rate that would be similar to what was in the
18 forecast.

19 So if we had -- and we could have done
20 this too, is to put a preponderance of this into the
21 shorter term to maturity. That is something that we
22 could have done. But again, a debt management
23 decision to not only take advantage of these low
24 interest rates for the here and now, but to make them
25 more permanent for a longer period of time.

1 And so we extended the term to maturity
2 in order to provide enhanced stability to the debt
3 portfolio. So again, an amazing series of interest
4 rates by anybody's calculations, I would assume.

5

6 (BRIEF PAUSE)

7

8 MR. BOB PETERS: If we turn to page
9 235 and 236, Mr. Schulz, the Board will see a
10 continuity schedule for the long-term debt that we've
11 been talking about. And we start off in the 2006
12 fiscal year. And the Board can see -- and if we
13 follow specifically the Centra Gas 1, or the CG1,
14 issuance, it flows through from '06. It continues on
15 until we turn the page to page 236.

16 And we see it matures in the '12/'13
17 fiscal year?

18 MR. MANNY SCHULZ: Yes, correct.

19 MR. BOB PETERS: And then the very
20 point you made about CG-15, CG-16, and CG-17, those
21 are now in the picture starting in the '13 fiscal
22 year?

23 MR. MANNY SCHULZ: Yeah. So in
24 2012/'13 is when the refinancing occurred. And so you
25 see now the subdivision from the amount that was on

1 CG-1 is sixty two million six seventy-one
2 (62,671,000). And we had three (3) tranches that
3 rolled out after that for CG-15, CG-16, and CG-17 for
4 20 million each.

5 MR. BOB PETERS: Is there any
6 significance to the numbers not totalling sixty-two
7 point six seven one million dollars (\$62.671), Mr.
8 Schulz?

9 MR. MANNY SCHULZ: No great
10 significance under -- other than it was a bit of a
11 simplification. So the difference between the 62
12 million and the 60 million, which is the aggregate of
13 those three (3) pieces, is a little over 2 million.
14 We just took that into short-term debt.

15 You'll see a similar phenomenon that
16 happens, actually, if I turn to page 235 with CG-4.
17 This inverse is true on CG4. There the amount that
18 was maturing was eighteen thousand-o-seven seven
19 (18,077). And it was refinanced with CG-13 for 20
20 million.

21 So there it's just -- from a simplicity
22 perspective, just rounding it out, and so just to
23 clean up, much like we have no more discounts and debt
24 -- debt discounts of premiums. We just take it across
25 as yield. We just sort of rounded the numbers. And -

1 - and it wasn't highly material.

2 And so we took the difference plus or
3 minus the short-term debt.

4 MR. BOB PETERS: It must be neat to
5 work in that neighbourhood, but -- in terms of those
6 rounding errors, sir. But when we look also on page
7 236, we see that there's new debt proposed from March
8 of 2014 of another \$30 million, correct?

9 MR. MANNY SCHULZ: That is currently
10 in the base IFF-12. And the dating on that is for
11 March 31, 2014.

12 MR. BOB PETERS: What's the
13 significance of issuing that debt on the last business
14 day of the fiscal year?

15 MR. MANNY SCHULZ: Well, one (1) of
16 the things that we have understood with Centra, for
17 instance, particularly as you are looking to tranche
18 out short-term debt to long-term debt, is that the end
19 of the year is -- aside from the fact that it's the
20 end of the year and it provides a nice touchstone
21 point, but it also is, from a cyclical perspective,
22 the seasonality of short-term debt usage near the end
23 of the seasonal -- short-term debt season, if you
24 will, because we build up short-term debt through the
25 course of the year as we have gas purchases.

1 And so gas purchases for the Centra
2 working capital requirements, we fund that out of
3 short-term debt as we build up through the winter
4 season. As the winter season comes to a con --
5 conclusion, the inventory of gas moves down. The
6 short term debt balances are paid back to Manitoba
7 Hydro. And so then all you have is -- volume is
8 really what was left that would otherwise just be for
9 capital expenditures that might be accumulating.

10 So it's a good point to see absent the
11 changes that might occur through the seasonality of
12 gas purchases, what was residually left. And so this
13 gives us a point to see how much could or should be
14 converted from short-term debt for accumulated capital
15 balances into long-term debt.

16 And so as we get closer to March 31 of
17 2014, we'll make that ascertainment once again to see
18 how much capital amounts for capital expenditures had
19 been accumulating. And then we'll see -- in the
20 forecast right now for IFF-12 was -- the assumption
21 would be that they would have \$30 million that would
22 be available for tranching out. I think it leaves
23 something in the magnitude of -- of -- it's in the
24 rebuttal, I believe -- it's subject to check, it
25 leaves, I think, 17 or \$18 million of residual short

1 term debt aft -- after the tranching.

2 But we'll see how much capital
3 expenditures have been, and how much there needs to be
4 tranced out. If it's 30 million, it'll be thirty
5 (30). If it's fifteen (15), we'll make those
6 decisions based on what our cash requirements -- and
7 requirements have -- have demonstrated to be.

8 THE CHAIRPERSON: The -- the -- I'm
9 looking at the date at the very last line, "New debt
10 March 2014." Is that mis-labelled?

11 MR. MANNY SCHULZ: No, that would be
12 new debt March of -- 31, 2014. So that would be in
13 the 2013/'14 year.

14 THE CHAIRPERSON: Oh, I see. Okay.
15 So there's a projection of -- okay.

16 MR. MANNY SCHULZ: Yeah, it's a
17 projection. It's -- there's no certainty to it, and -
18 -

19 THE CHAIRPERSON: Okay.

20 MR. MANNY SCHULZ: -- in fact, it may
21 very well occur in the subsequent fiscal year. We
22 likely wouldn't do the tranche before, for the reasons
23 I just described. Because we want to see the after
24 effect of -- of the gas purchases working their way
25 through the system.

1 THE CHAIRPERSON: Now, you referenced
2 at the outset, the issuance of long-term floating rate
3 debt. Could you -- it's not reflected here,
4 is it? Or -- or did I mis -- did I misunderstand that
5 reference?

6 MR. MANNY SCHULZ: Well, you certainly
7 didn't miss anything. The -- the forecast, and I
8 don't know if we've come to this yet, but the forecast
9 has -- of that 30 million, has it subdivided into two
10 (2) tranches. One (1) \$15 million tranche in IFF-12,
11 for 3.3 percent; and then the other \$15 million
12 tranche was intended to be floating long-term debt.
13 And by my recollection, it was at the CDOR-03 rate
14 plus forty-five (45) basis points.

15 So if we were to tranche -- the
16 intention, as it stands right now with IFF-12, is to
17 have \$30 million of short-term debt being converted to
18 long-term debt because of capital financing that would
19 have occurred. And to have that 30 million subdivided
20 into two (2) pieces, a \$15 million fixed and \$15
21 million floating. Will that occur is still something
22 that'll be determined based on our actual cash burn
23 through the year, in whole or in part, and whether or
24 not we come to a decision if it should be fixed or
25 floating.

1 THE CHAIRPERSON: Now, you're thinking
2 about using floating rate debt relative to just fixed
3 rate debt.

4 What -- how did you -- how does that
5 fit into your strategy?

6 MR. MANNY SCHULZ: And, Mr. Chairman,
7 we had a similar conversation, I think, at the recent
8 hearing. We have a policy whereby -- and this is a
9 consolidated policy. But it -- it is mirrored
10 somewhat on the Centra side. There are some nuances
11 to Centra because -- and -- and I think this is
12 indicated in response to CAC/CENTRA 1st Round 19. You
13 can see a chart that shows the balances of a short-
14 term debt and a long-term debt percentages.

15 It is our policy, at the consolidated
16 basis, to have short -- floating rate debt and short-
17 term debt not exceed 30 percent, and stay within a
18 target range of 15 to 25 percent. So when we're
19 looking at the percentages of the floating rate and
20 short-term debt for Centra Hydr -- for Centra de -- in
21 its debt portfolio at the time in which we do the
22 tranching, we kind of see well, how much short-term
23 debt we have. How much do we expect the amount build
24 up to be. And so the re-calibration and balancing of
25 the debt portfolio is in accordance with that.

1 So right now, when we were looking at
2 the forecast, we were thinking that we needed to
3 augment, and have another \$15 million of total quantum
4 of floating rate debt into the portfolio in order to
5 keep ourselves within the target range. So that's
6 another decision, in terms of should it be fixed or
7 floating, in terms of that 30 million and how much
8 gets subdivided into which pieces.

9 So where we stood at the time of the
10 IFF, in order to bring ourselves back into the range,
11 into the target range, it was determined that we would
12 need approximately \$15 million of floating rate debt
13 at March 31 to bring us into the target range.

14

15 (BRIEF PAUSE)

16

17 MR. MANNY SCHULZ: And just also, as a
18 further clarification for information, we do already
19 have floating rate long-term debt within the portfolio
20 for Centra, and that's specifically in CG-10. And
21 that was a decision that was made during the 2009 year
22 as well. So not only did we do the refinancings of
23 CG-5 and CG-4, and we took out some new debt as we
24 converted, accumulated balances with CG-9, and I think
25 CG-13. But we also -- as one (1) of these portfolio

1 refinancings, we took on floating rate debt long-term.

2 And, again, that was in keeping, Mr.
3 Chairman, with the notion of wanting to stay within
4 the -- the target ranges as we understood them, at
5 that time.

6

7 CONTINUED BY MR. BOB PETERS:

8 MR. BOB PETERS: Mr. Schulz, before we
9 leave that item you and the chairman were talking
10 about, that is the new debt in March of 2014, how is
11 that \$30 million reflected back in the finance
12 expense, perhaps, back on page 227 of the book of
13 documents, if at all?

14 MR. MANNY SCHULZ: Well, finance
15 expense is an accumulation of -- of expe -- you know,
16 finance expense def -- that interests cost through the
17 year. So to the extent that the financing occurs at
18 the last day of the fiscal year, that fiscal year
19 won't have much impact.

20 So for the test year, the finance
21 expense emanating out of that financing decision will
22 really be manifested in subsequent years because it's
23 at the last day. So there's no really significant
24 accrued interest that occurs on one (1) day of the
25 year on that piece of debt.

1 Does that assist you?

2

3 (BRIEF PAUSE)

4

5 MR. BOB PETERS: Is that \$30 million
6 included in the IFF forecast amount of -- of debt, Mr.
7 Rainkie? That 30 million that I'm referring to is the
8 March 2014 new debt that we've talked of?

9 MR. MANNY SCHULZ: In the calculation
10 of debt -- in which schedule, I mean, just as a point
11 of clarification?

12 MR. BOB PETERS: Well, I was thinking
13 of included in the IFF itself.

14 MR. MANNY SCHULZ: It's absolutely in
15 IFF-12 in terms of the -- the balances. So in this
16 particular schedule, if you were to -- I mean, that's
17 why it's listed on page 236 as being new debt, is
18 because that's in the IFF-12.

19 MR. BOB PETERS: And then the --
20 you're telling the Board that the impact is one three
21 hundred and sixty-fifth (1/365th) of the interest rate
22 that would be exigible on that debt on an annual
23 basis?

24 MR. MANNY SCHULZ: I would have to see
25 the exact quantification of that. I don't even know

1 that it would manifest itself into the test year
2 itself, because -- I'd have to actually to see the
3 minutia of the detail, I mean, if it happened at the
4 front of the day, at the back of the day. If it's at
5 the back of the day, it wouldn't even be in there.

6 So I'm not a hundred percent sure. In
7 either case, it's a microscopic amount for the test
8 year.

9 MR. BOB PETERS: All right. I was
10 just trying to gain a comfort level in terms of the
11 quantification. If anything's different in -- when
12 you're sorting through the minutia, you can -- you can
13 let your counsel know and advise the Board
14 accordingly.

15 I would like to turn with you to talk
16 about the interest rate forecasts. And maybe at Tab
17 51, we could start. While there's some extracts from
18 a Board order provided, but let's -- let's turn ahead
19 to page 243, if we could, Mr. Schulz.

20 The forecast that's filed on Table 1 on
21 page -- and it's on page 243, was the forecast based
22 on September and October 2012 forecasts from various
23 financial institutions?

24

25 (BRIEF PAUSE)

1 MR. MANNY SCHULZ: Yes, this is
2 correct. This is the Canadian three (3) month T-bill
3 rate for the fall update that went into the IFF-12
4 original calculation into the application. And you
5 can see here from, for instance, BMO, which is the
6 first line item, the forecast date is 8 -- October 2nd
7 of 2012, and cascading all the way down through to
8 Conference Board, which had a September 19, 2012,
9 dating.

10 MR. BOB PETERS: And, Mr. Schulz,
11 handed out, I believe, Friday afternoon was a response
12 to an Information Request, PUB Centra Second Round 141
13 revised. And if the Board can locate that -- this
14 would be an Information Request that -- that you
15 authored, sir?

16 MR. MANNY SCHULZ: I was responsible
17 for it, yes.

18 MR. BOB PETERS: All right. And on
19 page 2 of 10 of the handout, and I'll just see if the
20 Board has a copy at hand.

21

22 (BRIEF PAUSE)

23

24 MR. BOB PETERS: So we're looking at
25 PUB/Centra Second Round Question 141 Revised and Part

1 D, in particular. This revision, Mr. Schulz, that you
2 had responsibility for, updated what is on page 243 of
3 Board counsel's book of documents?

4 MR. MANNY SCHULZ: Correct. So just
5 to follow through on the page for the assistance of
6 all those who are reading, for instance again, BMO
7 Nesbitt Burns, the forecast date on this is March
8 18th, 2013, down to InFORMetrica, which had a January
9 9, 2013, dating.

10 MR. BOB PETERS: Are there not more
11 current forecast dates than those that have been used
12 in this -- in this response, Mr. Schulz?

13 MR. MANNY SCHULZ: Well, absolutely.
14 I mean, if you look, any particular day of the week,
15 you may find updated new ones on the treadmill. You
16 may also, as I indicated in my direct, look at actual
17 real-time performance.

18 And -- and you can also even look in
19 the financial markets to forwards. At the time when
20 the 2013 spring outlook was created, these were the
21 most current forecasts available, at that time, for
22 these forecasters. If one (1) were to look at the
23 forecasts as of the more recent ones, and for
24 instance, in the rebuttal evidence, we even included
25 one (1) from CIBC for May 8th of 2013.

1 So you will see changes, because
2 forecasters do change. My suggestion will be, as
3 well, that the forecasters also have a lag relative to
4 real-time performance. And -- and it'll be
5 interesting, actually, from my perspective as a
6 pragmatist here, to see the real term impacts that I
7 have seen in the last two (2) or three (3) weeks to
8 see how that manifests itself in the -- the new
9 forecast that come out in the latter part of June.

10 Because it would be my suspicion that
11 the rates may yet be higher than what they had
12 forecast in May, which might be similar to what they
13 had back in -- in March. And so this is part of the
14 challenge that you have whenever you look at the
15 cascading changes that occur, and -- and they've
16 occurred since the economic downturn in large measure
17 as -- as forecasters continually update and revise.

18 And -- and I would also encourage the
19 Board to read that -- that article that was supplied
20 at the rebuttal from CIBC, because it very clearly
21 indicates, and -- and Avery Shenfeld is the author of
22 that, is the Chief Economist, indicates that -- I
23 think, the challenges that are faced by economists in
24 -- in the changing market conditions and -- and some
25 of the factors that go into his mind in terms of why

1 the forecast may change.

2 So at the timing when this revision was
3 produced for spring outlook, these were the most
4 current at that point in time, and the Board had asked
5 for those interest rates. And so therefore, you see
6 them as indicated in this schedule along with the
7 economic outlook document that was supplied along with
8 this Information Request.

9 MR. BOB PETERS: Mr. Schulz, when was
10 the economic forecast that's labelled 2013 to 2034
11 prepared?

12

13 (BRIEF PAUSE)

14

15 MR. MANNY SCHULZ: I mean, aside from
16 the obvious that it was done in the spring, the last
17 day of collection was March 22nd of 2013. Again, you
18 know, there's always a cutoff point for when you start
19 to collect and combine, just as you get into actual
20 interpretation of the data -- in doing the arithmetic
21 and -- and doing so on and so forth.

22 So the cutoff day, I've been advised,
23 is March 22nd, 2013.

24 MR. BOB PETERS: And the update -- or
25 the revised PUB/Centra Second Round 141(D) that was

1 handed out last Friday is based on the economic
2 outlook data, not on data that was available after the
3 economic outlook was -- was cut?

4 MR. MANNY SCHULZ: The Information
5 Request asked for updates for the spring economic
6 outlook which we provided. And we updated Tables 1
7 and 2 in accordance with the information that was
8 current, at that point in time.

9 So I think Table 1 is the short-term
10 Canadian three (3) month T-Bill rate. The Table 2 is
11 the long-term Canadian ten (10) year plus rate. Both
12 were updated with the -- information that was most
13 current, at that time.

14 And is there more-current information
15 available? There always will be. And I will tell you
16 even from today, you know, when I gave my direct, I
17 gave you information from this morning. If I were to
18 give you information that was at the end of day today,
19 you will see changes once again within one (1) day.

20 You see changes in the last week or so,
21 five (5) to ten (10) basis points within one (1) day
22 in the long term. You see movements less dramatic on
23 the short-term. But every single day that goes by,
24 you will see changes, and that's just a function of --
25 of changing perspectives and actual expectations in

1 the financial markets.

2 MR. BOB PETERS: Mr. Schulz, when the
3 Board compares Table 1 in the revised PUB/CENTRA
4 Second Round 141-D to what was filed on page 243,
5 they'll find that there's a new forecaster that's been
6 added to the mix.

7 Is that correct?

8 MR. MANNY SCHULZ: Not correct.

9 MR. BOB PETERS: Is Spatial Economics
10 previously used as a forecaster, sir?

11 MR. MANNY SCHULZ: Yes, they're not a
12 new forecaster. It's just that the forecast that was
13 undertaken in the -- you will have seen Spatial
14 Economics in the spring economic outlook for 2012. By
15 the time we came to the fall, it was determined they
16 were no longer current enough. So we didn't include
17 them in the fall, which is why you don't see them
18 listed there, because we have a -- a view that we want
19 to have the most-current information at the time of
20 production.

21 When we went to the spring 2013, we
22 were able to get from Spatial an updated information
23 from them, which we incorporated. So they were in our
24 pool before. We just looked for most-refreshed
25 information. But by the time fall came around, which

1 is why you don't see them on that listing, they were
2 no longer current and they weren't included in the
3 calculation.

4 MR. BOB PETERS: When you say, "no
5 longer current," we see here in revised PUB Second
6 Round 141-D that the Spatial Economics forecast is
7 dated 29 January of 2013, correct?

8 MR. MANNY SCHULZ: Correct.

9 MR. BOB PETERS: And at what point in
10 time would it become stale-dated, from -- from
11 Centra's perspective?

12

13 (BRIEF PAUSE)

14

15 MR. MANNY SCHULZ: You know, I -- I
16 think that -- and if you're looking at the Table 1 for
17 the revised information, you know, Informetrica at
18 January 8th, that strikes me as being on the outer
19 boundaries of -- of where we would want to go. So --
20 but they provide valuable information, these
21 forecasters.

22 And so particularly for spring economic
23 outlooks that we have, we have a strong desire to
24 include long-run forecasters such as Spatial
25 Economics, Informetrica, and others that provide

1 information into the economic outlook beyond just the
2 test years into the long-term planning cycle. And so
3 when we have the opportunity to integrate these
4 forecasters, we choose to do that because they provide
5 information that adds and benefits to the forecast.

6 If it was significantly more outdated
7 than that, Mr. Peters, I would suggest that we
8 probably wouldn't have included it. But the judgment
9 call was made that that value was there to be derived
10 by -- by their inclusion and for -- therefore, they
11 were brought into play.

12 MR. BOB PETERS: Mr. Schulz, while
13 we're still on Spatial Economics, when the economic
14 outlook was cast on March 22nd of 2013, was there a
15 more current forecast for Spatial Economics, other
16 than the January 29th, 2013, one? That would have
17 been, at that point in time, almost three (3) months
18 old.

19 MR. MANNY SCHULZ: No, there was not.
20 And, in fact, had there been, we would have, of
21 course, used it.

22 MR. BOB PETERS: And, likewise, that
23 answer applies for each of the other forecasters in
24 the schedule?

25 MR. MANNY SCHULZ: Absolutely.

1 MR. BOB PETERS: And as a result of
2 the revision that was handed out and is not in the
3 book of documents -- but that's the updated PUB/CENTRA
4 Question 141-D -- the forecast for the test year has
5 dropped from the 1.30 percent down to 1.05 percent,
6 sir?

7 MR. MANNY SCHULZ: Correct. So the
8 Canadian three (3) month T-bill rate dropped from 1.30
9 percent in IFF-12 down to -- you can see the number
10 there for 2013/'14 of 1.05 percent.

11 MR. BOB PETERS: And that summary is
12 also what you spoke to related to PUB/Centra First
13 Round question number 9B that you revised as well?

14 MR. MANNY SCHULZ: Correct, and also
15 included in my direct.

16 MR. BOB PETERS: If we look at page
17 244 of the book of documents and also the revised
18 PUB/Centra Second Round 141D, the Board will now look
19 at the Canadian ten (10) year bond rate forecasts, Mr.
20 Schulz?

21 MR. MANNY SCHULZ: Yes.

22 MR. BOB PETERS: And in this
23 particular case, again, Centra's intention was to
24 refresh the forecast and is now using forecasts -- I
25 guess the same forecasts that the Board had seen used

1 in the -- in the three (3) -- the three (3) month T-
2 bill rate.

3 The date of issue would be the same?

4 MR. MANNY SCHULZ: Correct.

5 MR. BOB PETERS: And as a result, the
6 forecast ten (10) year long Canada bond yield rate
7 came down by five (5) basis points?

8 MR. MANNY SCHULZ: Yes, this is one of
9 the component that goes towards the calculation of the
10 all-in cost towards Manitoba Hydro and to Centra, is
11 we look at the benchmark Canada rates. And so that's
12 being reflected here. You also have the spreads from
13 benchmark Canada rates to the Province of Manitoba,
14 Manitoba Hydro, and, therefore, to Centra.

15 And so that credit spread, when you add
16 it into the calculations and -- and looking as well as
17 where we are right now, in terms of our financing and
18 -- and real terms, what you see here is that the
19 forecast for the long-term interest rates for 2013/'14
20 all-in, excluding provincial debt guarantee fee, move
21 from 3.3 percent to 3.5 percent.

22 So we're seeing an increase of twenty
23 (20) basis points in the long-term all-in cost. So
24 this is just a sub-component of the long-term debt.
25 So this just a -- is information to although the

1 participants, but particularly to the Board, that this
2 is just one (1) component.

3 So when we do our financing at Manitoba
4 Hydro and the province and then we assign to Centra,
5 it's not just the benchmark Canada rates, because we
6 have a credit spread to the Province of Manitoba. And
7 then we also have transaction costs which tend to be
8 plus or minus six (6) basis points.

9 And so the credit spread has widened.
10 And so the all-in cost to us, when we have our
11 forecast moving forward, moves from 3.3 percent in
12 IFF-12 to 3.5 percent, so it's an increase. And this
13 is consistent with what we're finding in the actual
14 financing that we see in the realtime market, so this
15 is just the reality.

16 And, in fact, it'll be interesting to
17 see if it even undershoots, in terms of -- the
18 interest may in fact be higher, as in the last week or
19 so interest all-in on the long-term side have moved up
20 very significantly.

21 So the forecast that you're seeing here
22 is based on the -- the forecast dates and the
23 forecasters as at the date when the September 13 -- or
24 the spring 2013 outlook was produced, but it's only
25 one (1) sub-component.

1 MR. BOB PETERS: Understood. And, Mr.
2 Schulz, the Spatial Economics forecast, does it tend
3 to be the highest of the forecasts that Centra uses?

4

5 (BRIEF PAUSE)

6

7 MR. MANNY SCHULZ: We're just checking
8 to see where our Spatial Economics was, for instance,
9 last spring, in 2012, to see, you know, where they are
10 from a comparative perspective. One must always
11 caution when one looks at this. For instance, the
12 comment that has been made is perhaps that we should
13 exile Informetrica because they produce interest rates
14 that are too high.

15 Well, in this package you will see that
16 if we actually were to eliminate Informetrica this
17 year from -- in fall they were higher than everyone
18 else, but now, on the long bonds, they actually would
19 reduce it. So, you know, sometimes they're higher,
20 sometimes they're lower. I'm just having the back row
21 check to see potentially where Spatial was last year
22 to see if there is something there.

23 But again, from my perspective and
24 representing the view of the -- of the Corporation on
25 straight forecasting methodology, we look to -- we

1 look to gather all of the respected forecasters, high
2 and low, and we do that in an unbiased fashion. To
3 start pruning them because we don't like their
4 forecast because they're too high or too low, I think,
5 shows selection bias.

6 From our view, as well, and -- and
7 certainly from my view as a practitioner, I want to
8 see all the range . I want to see the high and I want
9 to see the low so I can see what the range of
10 potential outcomes will be and the distribution.

11 One of the things that we are looking
12 at, and -- and I'll perhaps speak to this now, is
13 contemplating doing what we call the trimmed mean or
14 what's often referred to as the Olympic averaging,
15 where you get rid of the high and low. You still keep
16 them in the pool, but it's like figure skating;
17 perhaps you get one -- rid of one judge's mark versus
18 the other. And so you'll see that in -- I think it's
19 on -- it's one (1) of the subsequent pages in here,
20 Mr. Peters, where we actually look at -- at the
21 trimming of the -- the high and low and for any
22 quarter, in order to determine -- and it's actually on
23 page 10 of 10 in -- in response to the revised PUB-IFS
24 -- PUB 141D.

25 So on page 10 of 10 you can see what we

1 are contemplating, whereby -- and if everyone has this
2 for reference -- for any one (1) particular period
3 that we're examining, we are looking to, while keeping
4 them in the pool and allowing the risk managers such
5 as myself to -- to see the range, but to capture some
6 of the -- perhaps, some of the -- the -- the same
7 concerns or thoughts that you may have about Spatial
8 or someone else.

9 So in this case here you can see
10 Spatial, being high, would get -- would -- would get -
11 - for the calculation at the bottom of that column,
12 would be trimmed. And then you do the -- the
13 averaging from that point in time.

14 That's something that we're looking at
15 for the perspective for IFF-13, And what makes this
16 attractive for us is not only is it allowing me, as a
17 practitioner, to still see the full range of the highs
18 and lows and not kicking anyone off the island or not
19 excelling anybody, because they add value. And
20 Spatial Economics, in particular, adds value as a
21 long-run forecaster, because they provide data points
22 into the medium and longer term, which you don't see
23 truncated on the schedule. So we want to keep them.
24 But it doesn't allow -- it doesn't force us to have
25 sort of the distortion that might otherwise occur.

1 And so this is also a format that's
2 used for the CDOR rate calculations every day, where
3 they have nine (9) banks and they just take the high
4 and low every single day, and that's just the normal
5 routine. So that's something that we are looking at,
6 moving forward.

7 And so, just being very pragmatic to
8 this, but we do want to keep Spatial Economics into
9 play. We definitely want to keep a lot of these other
10 ones in -- in play. We do not support the elimination
11 of one (1) forecaster. But as a pragmatic solution,
12 what we are looking at is something along these lines
13 to see the high and the lows.

14 And so that seems to meet more of the
15 checkmarks of requirements from a risk-management
16 perspective, also shaping the mid -- the midline.
17 Now, if the highs and lows are on the bell curve of
18 normal distribution, it makes no difference. However,
19 if there was a skewedness one (1) way or the other to
20 the distribution statistically, then this process will
21 slightly change the -- the mean calculation.

22 But again, you will find, even so,
23 you're not going to find a major significant movement.
24 But again, it's -- it's an accommodation that we're
25 considering.

1 MR. BOB PETERS: Thank you, Mr.
2 Schulz. I'll have to read the transcript for the
3 question that I asked and make sure I don't ask that
4 one again.

5 But, Mr. Schulz, you told the Board
6 that you were thinking of doing the truncated version,
7 where you throw away the high and the low and take the
8 average of who remains.

9 Are you back-testing that against what
10 the actual interest rates are in the -- in the
11 particular quarter to find out if there's -- if
12 there's -- if that improves the accuracy of your
13 forecast?

14 MR. MANNY SCHULZ: Well, Mr. Peters,
15 this brings me back to my first day ever testifying at
16 the Public Utilities Board and -- and being under
17 cross-examination by you, I think it was January 7th,
18 2011, when we spoke about retrospective testing of
19 forecasters.

20 And I will say today what I said then,
21 is that it's something that we do take seriously. But
22 again, the challenge I face, quite frankly -- and this
23 has been extensively canvassed at the subsequent
24 electric hearings as well -- is that, pragmatically,
25 how do you do that? How do you do that and to what

1 aim?

2 And again, I will harken back and --
3 and it's the CIBC article that we supplied along with
4 the rebuttal, where you have Avery Shenfeld, who's the
5 chief economist for the CIBC, saying that all models
6 and -- and algorithms had to be thrown out the window.
7 Like, they have to redo these things.

8 When you had the economic downturn that
9 occurred, none of the forecasters saw it. Since then,
10 they all haven't fully captured the elongation of the
11 economic downturn.

12 Does that mean they're all wrong? Does
13 that mean that they're inaccurate? Does that mean
14 that we should throw them out with the, you know, the
15 laundry or such a thing? We can't do that. And so we
16 have to find a way to -- to allow these forecasters
17 who are all respected to be in the pool, but find a
18 way that any kind of distortion that might occur by an
19 outlier, perhaps because they only provide data points
20 three (3) weeks later, or because maybe they provide
21 twelve (12) months of data as opposed to quarterly
22 granularity, that they can be brought into play.

23 That's why we like this Olympic
24 averaging or trimmed mean as a proposal. But to do
25 retrospective testing to see, you know, is this

1 forecaster better than the other, I mean, here's the
2 risk, that if you were to do retrospective testing
3 with, say, CIBC, and if you were to find that, yep
4 CIBC was really, really good from 2008 to 2009,
5 perfect, hit it perfectly and so they're really good,
6 so you keep them.

7 But we know full well that their models
8 all had to change in the -- you know, as soon as the
9 economic downturn happened. We also know that all
10 their models are changing, and -- and Mr. Shenfeld
11 even acknowledged that in that article. They're
12 changing all the time. So we do a retrospective
13 testing, were they worth even three (3) years ago.
14 How accurate is that, because it's not reflective of
15 the model that they're using today.

16 And so while it has an appeal to me as
17 a theorist, perhaps, as a pragmatist I simply can't
18 see how this could work, not in a real fashion. And I
19 don't see how it could possible create more accuracy.
20 It actually may have the inverse, which is it creates
21 a false positive. You think you're more accurate, but
22 you're not, because the models are changing.

23 MR. BOB PETERS: But you'd only know
24 that, Mr. Schulz, if you actually did some
25 retrospective testing, wouldn't you?

1 MR. MANNY SCHULZ: I don't agree. And
2 the -- the point is that retrospective testing, what
3 would it tell you, Mr. Peters? It'll tell you that
4 in, say, in 2010/'11 that forecaster 'X' was quite
5 close, but by the way, they're not using that model
6 anyway, because they've changed it, but they're now
7 moving on to something else, and moving parts.

8 The economy is a moving target. I
9 mean, it's a tough thing being a forecaster, because
10 things are moving all the time. So is it a function
11 of their model being wrong? We know their models are
12 changing.

13 You know, it's an honest question and -
14 - and it's one (1) that we've been dealing with. But
15 as I reflect on it today, as I did a couple years ago
16 with you, Mr. Peters, I just struggle to see how we
17 can pragmatically solve that. And in accordance with
18 that, I -- I think that at this point in time it's not
19 beneficial to undertake such an assignment.

20 MR. BOB PETERS: Is the Spatial
21 Economics a -- a proprietary forecast, Mr. Schulz?

22

23 (BRIEF PAUSE)

24

25 MR. MANNY SCHULZ: Each of the

1 forecasters has their own models. So it's not like we
2 can go underneath the hood of the car and see how they
3 construct all their models.

4 However, the information that comes out
5 of the chassis of that vehicle or the car is available
6 for us to -- to review and to put into the record. So
7 the information that you have for these forecasters, I
8 think it was supplied as well in -- in this response,
9 all the source documentation.

10 So the Spatial Economic data points
11 were provided in response to this IR.

12

13 (BRIEF PAUSE)

14

15 MR. BOB PETERS: Mr. Schulz, on page
16 245 of the book of documents you had mentioned to the
17 Chairman in one (1) of your previous answers how
18 there's a -- how -- how the forecast is but one (1)
19 component that results in the -- the interest rate
20 forecast, correct?

21 MR. MANNY SCHULZ: Correct.

22 MR. BOB PETERS: And in the 2012
23 report you indicate a long-term interest rate of two
24 point five-five (2.55). And to get that, you -- and
25 to that you -- you added a credit spread of .75

1 percent in 2013/'14 and then a further point six-five
2 (.65) in 2014/'15.

3 That's the bottom chart on page 245?

4 MR. MANNY SCHULZ: I see that, sir.

5 MR. BOB PETERS: And the provincial
6 debt guarantee fee, well, no matter which -- what
7 number you come to in terms of the forecast, that fee
8 is added on, correct?

9 MR. MANNY SCHULZ: One percent,
10 correct.

11 MR. BOB PETERS: And would it be
12 correct that the credit spread is an attempt to
13 quantify the value of the provincial debt to the value
14 of the federal government debt?

15 MR. MANNY SCHULZ: I wouldn't describe
16 it as 'the value'. I think that's the -- the credit
17 spread that investors will need in order to undertake
18 to sec -- to -- to invest in Manitoba and take on that
19 bond.

20 So updating for spring, for instance,
21 where for 2013/'14, where it had two-point-five-five
22 (2.55), and the seventy-five (75) basis point credit
23 spread, and a hundred basis points for guarantee fee
24 to get to four-point-three (4.3). As a point of
25 comparison, what the spring outlook shows is 2.50

1 percent for the Canadian ten (10) year plus, with a
2 ten (10) year plus credit spread of 1 percent,
3 guarantee of one (1), and the total, all in, of 4.5
4 percent.

5 And if we were to compare it to actual
6 rates, even as we stand today, and we're not through
7 the fiscal year, we're seeing credit spreads this
8 morning of ninety-four (94) basis points. So, again,
9 when we look at these forecasts, particularly on the
10 credit spreads, we shoulder- check them against what
11 we're seeing in the actual financial markets. And --
12 and it is indicative of what we're seeing right now.

13 MR. BOB PETERS: And that's the point
14 I was getting to, is that in the update you've just
15 provided the Board as of last Friday, the implied --
16 or the credit spread applied on the long-term debt was
17 -- was 1 percent, which was an increase of twenty-five
18 (25) basis points over what had been used in the last
19 year's outlook?

20 MR. MANNY SCHULZ: Correct, and the
21 credit spread from the -- that investors need to --
22 and -- and it also includes transaction costs, so it's
23 the all in. But that is the -- the credit spread that
24 investors are needing in order to take on the extra
25 risk of taking on Manitoba credit versus the

1 Government of Canada. I mean, the Government of
2 Manitoba is strong credit, but there is a difference
3 and you're seeing that reflected.

4 And the credit spreads move up fairly
5 volatile, and -- and they work in somewhat of an
6 inverse relationship, often, to the benchmarks rates,
7 and the graphing of that can be seen in the debt
8 management strategy. You can see there's an -- often
9 an inverse relationship between spreads and the
10 benchmark Canada rates. So -- and, again, shoulder-
11 checked against actuals. And so, yes, the credit
12 spreads did move up during this time.

13

14 (BRIEF PAUSE)

15

16 MR. BOB PETERS: Mr. Schulz, would it
17 be -- would it be available for Centra to sa -- to
18 file with the Board, the Spatial Economics forecast
19 that was used in your most updated revised
20 information? I believe most of the other forecasts
21 have been filed, but not that one.

22

23 (BRIEF PAUSE)

24

25 MR. MANNY SCHULZ: It's my

1 understanding that's included within the source
2 documents that were filed, sir.

3 MR. BOB PETERS: All right. We'll
4 check that and we just couldn't locate them as you
5 were speaking, so we'll -- we'll do a further check,
6 and get to your counsel if there's something missing.
7 Thank you, sir.

8 Mr. Chairman, those are my -- my
9 questions of Mr. Schulz. And I wouldn't be offended
10 if he chooses to excuse himself, but I was going to
11 maybe use some of the time remaining, and continue my
12 discussions with Mr. Prydun on some -- some other
13 matters.

14 THE CHAIRPERSON: Let's do that.
15 Let's take five (5) minutes, though. So thanks very
16 much, Mr. Schulz, for coming to -- are you -- are you
17 completed with Mr. Schulz? You are for today?

18 MR. BOB PETERS: Yes, I am. And he
19 will be back Monday morning, bright and early.

20 THE CHAIRPERSON: Thank you very much.

21 MR. MANNY SCHULZ: You're welcome.

22 THE CHAIRPERSON: Let's take five (5).
23

24 (PANEL RETIRES)
25

1 --- Upon recessing at 3:42 p.m.

2 --- Upon resuming at 3:53 p.m.

3

4 THE CHAIRPERSON: Mr. Peters, I
5 believe we can resume the proceedings.

6 MR. BOB PETERS: Yes, sir. Thank you.

7

8 CENTRA PANEL 3, RESUMED:

9 DARREN RAINKIE, Resumed

10 HANRI JACOBS, Resumed

11 MARK PRYDUN, Resumed

12 KELLY DERKSEN, Resumed

13 GREG BARNLUND, Resumed

14

15 CONTINUED CROSS-EXAMINATION BY MR. BOB PETERS:

16 MR. BOB PETERS: Mr. Chairman and
17 Board members, you'll recall when I reviewed with this
18 panel back on a page 147, there was the item labelled
19 'L', which talked about approvals to various terms and
20 conditions of service that were included in the
21 application.

22 And, Mr. Prydun, one (1) of those
23 changes in the terms and conditions of service related
24 to the Customer Equipment Problems Program.

25 Is that correct?

1 MR. MARK PRYDUN: That's correct, sir.

2 MR. BOB PETERS: And for those old-
3 timers, like Mr. Rainkie, would that also be known as
4 the -- as the Burner Tip Program?

5 MR. MARK PRYDUN: That's correct, sir.

6 MR. BOB PETERS: And do you know why
7 Centra initially offered this Customer Equipment
8 Problems Program, or the Burner Tip Program?

9

10 (BRIEF PAUSE)

11

12 MR. GREG BARNLUND: Mr. Peters, going
13 back quite some time in the utility business, quite
14 typically, Greater Winnipeg Gas predecessor company,
15 and intercity gas utilities, predecessor companies to
16 Centra offered a certain amount of appliance repair
17 service as part of their -- part of their package of
18 services that they offered to natural gas customers,
19 in part, to promote the installation and use of
20 natural gas appliances.

21 MR. BOB PETERS: And Centra has
22 continued a Burner Tip Program, as I call it, since
23 those years of inception, Mr. -- Mr. Barnlund?

24 MR. GREG BARNLUND: Yes, it has.

25 MR. BOB PETERS: And, Mr. Prydun, what

1 you're now asking the Board is that you on -- Centra
2 only wants to propose continuing this burner tip
3 service for primary space heating and hot water
4 appliances.

5 Have I got that right?

6 MR. MARK PRYDUN: That's correct, sir.

7 MR. BOB PETERS: So let's just make
8 sure the Board understands what you're asking. A
9 customer could phone Centra because they have a
10 problem with their fireplace, their barbecue, their
11 pool heater. And -- and Centra would come out to
12 provide servicing?

13 MR. MARK PRYDUN: Currently, that is
14 what Centra does. What we are proposing is, is that
15 for fireplaces, for pool heaters, barbecues, et
16 cetera, we would refer those types of calls to a
17 private contractor.

18 MR. BOB PETERS: Why does Centra want
19 to stop servicing these other appliances other than
20 the furnace and the hot water tank?

21 MR. MARK PRYDUN: Sir, as -- as part
22 of our ongoing review of our services within our
23 business unit, we have reviewed the Customer Equipment
24 Problem Program. And we considered portions of that
25 to be deemed as, perhaps, nonessential.

1 We are -- as part of our core business
2 review, we are trying to understand the difference
3 between a service that would be viewed as es --
4 essential and mandated to our operations, and that,
5 perhaps, being viewed as somewhat not as essential to
6 the health and well being of customers.

7 The types of appliances, such as
8 fireplaces, barbecues, ranges, clothes dryers, the
9 conclusion of customer service and distribution was
10 that these types of calls would -- could be considered
11 not dre -- detrimental if we discontinued that type of
12 service.

13 MR. BOB PETERS: But if the customer
14 phoned up and said, I've got a concern about the
15 safety of an appliance because I might smell gas or
16 something that I think is natural gas.

17 What does Centra do in that
18 circumstance under the new proposal?

19 MR. MARK PRYDUN: Sir, under that
20 proposal, or under the new proposal, those types of
21 calls would continue to be coded as a safety-related
22 call. Typically, if a customer calls in and says, I
23 smell gas, or is panic stricken, or for any number of
24 reasons, if the customer, and/or the -- the company
25 believes that there is a safety situation or an

1 emergency situation, we will continue to proceed with
2 investigating the call.

3 MR. BOB PETERS: Maybe just a point of
4 interest for the Board members, Mr. Prydun, is that
5 one (1) is told that natural gas is odourless, but
6 Centra puts into it a -- an odourant so that it can be
7 detected?

8 MR. MARK PRYDUN: That's correct, sir.

9 MR. BOB PETERS: And so Centra
10 proposes that on any safety-related calls, it'll
11 continue as business as usually?

12 MR. MARK PRYDUN: That is correct,
13 sir.

14 MR. BOB PETERS: But if it's to come
15 out and have a look at a dryer, a fireplace, a range,
16 BBQ, pool heater, or anything but a furnace and a hot
17 water tank, the customer will be directed to
18 presumably the -- an HVAC dealer of their choosing?

19 MR. MARK PRYDUN: That is correct,
20 sir.

21 MR. BOB PETERS: Will Centra make a
22 recommendation as to which HVAC dealer to use?

23 MR. MARK PRYDUN: No, at -- no, we
24 will not, sir.

25 MR. BOB PETERS: Centra does have

1 preferred HVAC dealers, if I can use that word, in
2 respect of the furnace replacement program?

3 MR. MARK PRYDUN: Well, we do have a
4 list of dealers that are participating under the
5 furnace replacement program. The terms of those
6 arrangements are only with respect to the installation
7 of new furnaces for customers that will be addressed
8 through that program itself.

9 MR. BOB PETERS: Mr. Prydun, if we
10 turn to page 304 in the book of documents, Tab 56, the
11 Board will -- will have a -- a better idea of the --
12 the parameters of the Customer Equipment Problems
13 Program or the Burner Tip Program, as I've been
14 calling it.

15 For the residential customer seen at
16 the bottom of page 304, Mr. Prydun, it appears that in
17 fiscal '12/'13, so fiscal '13, the Corporation went
18 out on about eleven hundred and thirty-two (1,132)
19 calls that dealt with something other than a space
20 heat or water heat issue?

21 MR. MARK PRYDUN: That's correct, sir.

22 MR. BOB PETERS: And then when we move
23 over a few columns, and we see the average cost per
24 call of seventy-eight dollars and twenty-one cents
25 (\$78.21), we can also see on page 305 that that's been

1 quantified at eighty-eight thousand dollars (\$88,000),
2 correct?

3 MR. MARK PRYDUN: That's correct, sir.

4 MR. BOB PETERS: So Centra values and
5 quantifies the savings at eighty-eight thousand
6 dollars (\$88,000)?

7 MR. MARK PRYDUN: From an activity
8 rate for field-based labour, the eighty-eight thousand
9 dollars (\$88,000) would be correct, sir.

10 MR. BOB PETERS: And I suppose, Mr.
11 Rainkie, is that eighty-eight thousand dollars
12 (\$88,000) material enough to be reflected in the -- in
13 the application that's before the Board?

14 MR. DARREN RAINKIE: No, Mr. Peters,
15 but I think there are other costs, as I understand it.
16 Mr. Prydun's probably better to speak to this, but
17 this is -- this is quantifying the cost of a call at
18 the average activity rate, but there's also the cost
19 of training staff, or the proliferation of various
20 devices, I guess, natural gas devices that might be
21 out there.

22 And so there are probably other costs
23 other than just the raw costs of the labour going out
24 there. And, you know, this is part of our review of
25 our business to make sure that our costs are okay, and

1 know it's -- you know, on the base of it the eighty-
2 eight thousand (88,000) isn't a hugely material
3 amount, but little amounts add up, I suppose, after
4 time.

5 MR. BOB PETERS: And, Mr. Prydun, can
6 you advise the Board of any additional costs over and
7 above the eighty-eight thousand dollars (\$88,000) that
8 the Corporation expects to save if the Board approved
9 the requested change in the terms and conditions of
10 service?

11 MR. MARK PRYDUN: I cannot define
12 quantitatively, the -- the costs that would be
13 involved with training our field staff for the -- the
14 undertaking of re -- servicing of fireplaces or -- or
15 ranges, as -- as an example.

16 What we are aware of those is that the
17 complexity of these types of appliances continue to
18 grow, and the -- the variability and the types of
19 models continues to grow as well. So it is putting a
20 little bit of additional pressure on our ability to
21 train our -- our field labour to competently undertake
22 the -- the servicing of these appliances.

23 So consequently, we are experienced --
24 experiencing an upward trend in -- in training costs.

25

1 (BRIEF PAUSE)

2

3 MR. BOB PETERS: Mr. Prydun, does
4 Centra Gas keep an inventory of spare parts, in my
5 vernacular, or repair parts for some of these
6 appliances other than the -- I'm talking other than
7 the furnace and the water heater?

8 MR. MARK PRYDUN: Typically, the spare
9 parts that are kept are for the -- the ones that are
10 used for high volume. What we are also experiencing
11 is just that there are parts that we do have to
12 replace. And in the case of a fireplace, we would
13 have to leave the premise. We'd have to leave the
14 home because we would not stock that part.

15 We would have to go acquire that part,
16 and then come back, and -- and service the customer on
17 a second work order. That, in itself, is an
18 inconvenience, as well.

19 MR. BOB PETERS: Is there a cost
20 savings because of reduced inventory, or is it simply,
21 you purchase what you need when you need it on these
22 other than furnace and hot water tank calls?

23 MR. MARK PRYDUN: Typically, we
24 purchase what we need, sir, because we're unaware what
25 we would be looking to replace at the time.

1 MR. BOB PETERS: And, Mr. Prydun, do
2 these costs manifest themselves by -- by fewer EFTs
3 being allocated over the Centra side of the business?
4 EFT meaning equivalent full-time employees.

5

6 (BRIEF PAUSE)

7

8 MR. MARK PRYDUN: There was a
9 question, sir, that re -- asked on what the equivalent
10 full-time pos -- field-time labour would be, and it
11 was less than one (1). My -- from memory, I believe
12 it was in the zero point eight (0.8) to zero point six
13 (6) range.

14 And that associated labour also would
15 be deployed to other types of work order assignments
16 that is -- that is on our books.

17 MR. BOB PETERS: When Centra goes in
18 and makes those calls, Mr. Prydun, does it do it for
19 free?

20 MR. MARK PRYDUN: Under the Customer
21 Equipment Problem Program, that's correct, sir.

22 MR. BOB PETERS: So the labour is
23 free. The parts are extra cost?

24 MR. GREG BARNLUND: The labour is at
25 no charge and the parts are at cost.

1 MR. BOB PETERS: And, Mr. Prydun, why
2 doesn't Centra completely cease the program and
3 recognize savings, if we look at page 305, perhaps, on
4 average about \$1.3 million a year total?

5 MR. MARK PRYDUN: If the question,
6 sir, is was our proposal limited to just the -- the
7 fireplace, the -- the ranges, the -- the pool heaters,
8 et cetera, and not the water heaters and not the --
9 the space heating appliances, the answer to that was -
10 - is that, in our business unit, we did not -- we
11 could not demonstrate a high level of confidence that
12 -- that we were going to be compromising customer well
13 being and health of customers.

14 MR. BOB PETERS: So because of the
15 customer safety factor, the Corporation's proposing to
16 continue with the space heating and the water heating
17 part of the equipment, the progra -- the -- the burner
18 tip service, correct?

19 MR. MARK PRYDUN: Customer safety,
20 customer well being, and customer health, sir.

21 MR. GREG BARNLUND: Mr. Peters, I
22 might add, too, that we have to look outside the City
23 of Winnipeg as well, in terms for our service
24 territories. While City of Winnipeg -- there are
25 quite a large number of mechanical contractors

1 available to fill the market, that can't be said for
2 every community that we provide service to. And so
3 it's important -- we felt important to maintain
4 service to the domestic space heating and water
5 heating requirements of those customers, and we can be
6 doing that across our service territory.

7 And -- and again, we have to look
8 outside of just the City of Winnipeg, in terms of
9 that.

10 MR. BOB PETERS: Is this request for
11 the change in terms and conditions of service
12 precipitated by the HVAC dealers in any way?

13 MR. GREG BARNLUND: I wouldn't say
14 that it's precipitated by the HVAC dealers. I can
15 tell you that there was consultation with the HVAC
16 dealers in the last year, as we -- as we were
17 evaluating the possibility of making this change.
18 They've been consulted with and they've been advised,
19 and we've also heard, I guess, their feedback
20 throughout that process.

21 MR. BOB PETERS: They want you out of
22 the business as much as possible, one would expect?

23 MR. GREG BARNLUND: I think that we're
24 looking to work together quite collaboratively in the
25 market. And we've been verbally reassured that they

1 are satisfied with what we're applying for in this
2 application.

3 MR. BOB PETERS: Did Centra consider
4 going into competition with the HVAC dealers, and
5 start charging a fee for the labour component, as well
6 as the parts for the non-essential space heat and
7 water heating?

8 MR. GREG BARNLUND: That is not one
9 (1) of our objectives at all.

10

11 (BRIEF PAUSE)

12

13 MR. BOB PETERS: Mr. Prydun --

14 MS. MARILYN KAPITANY: Can I -- can I
15 just ask --

16 MR. BOB PETERS: Yes.

17 MS. MARILYN KAPITANY: -- did you --
18 did you consider charging for the -- the space heaters
19 and for the water heaters? And if not, why not?

20 MR. MARK PRYDUN: We -- we did
21 undertake a cursory review of what other gas utilities
22 are doing across Canada. It is correct that there are
23 utilities that refer service to a private contractor.
24 There are utilities that will perform a -- a fee-for-
25 service as well.

1 The directions that -- that we were
2 under, and -- and in the spirit of -- of how we wanted
3 to focus on our -- our core services, the view was, is
4 that this proposal was -- was in our bent -- best intr
5 -- best interest as a business unit, and how we
6 effectively use our -- our existing staff.

7 MS. MARILYN KAPITANY: Sorry, I wasn't
8 asking if you had thought about charging for the non-
9 essential. I was asking if you had thought about
10 charging for what you called the 'essential', the --
11 the furnaces and water heaters?

12 MR. MARK PRYDUN: At this time, we did
13 not.

14 MS. MARILYN KAPITANY: And can you
15 just say why you didn't consider doing that?

16 MR. MARK PRYDUN: The overall spirit
17 of -- of this, in part, was also due to rationalize
18 our core services. And it was viewed, albeit this
19 might be a very small part being considered to be a
20 non-core service, the spirit of the exercise was such
21 that -- that less than one (1) EFT could be deployed
22 to a more important, perhaps, type of core service
23 that is required to be offered by the company. If we
24 would go ahead and charge for that service, it
25 wouldn't economize the use of our internal EFTs.

1 THE CHAIRPERSON: I guess the question
2 I have is with respect to the consultations that were
3 done with HVAC dealers. Was any consultation done
4 with consumers?

5 MR. GREG BARNLUND: Our consultations
6 were strictly with the HVAC dealers that were involved
7 in the industry.

8 THE CHAIRPERSON: Do you have some
9 sense of -- some feedback or survey data that you
10 collected that addresses the issue of customer
11 satisfaction with this service?

12

13 (BRIEF PAUSE)

14

15 MR. MARK PRYDUN: We haven't done any
16 for -- formal customer sur -- surveys, sir, since
17 recently, I would say. At least, for the last decade.

18 THE CHAIRPERSON: I suspect that if I
19 was to do a survey of my neighbours on this issue,
20 that my neighbours would tell me that they're very
21 satisfied with this service.

22 And do you -- I -- I guess I'm asking
23 you, would there be any evidence to the contrary that
24 you could provide that would cause me to change my
25 view of my neighbours' opinion about this service?

1 MR. GREG BARNLUND: I -- I think it's
2 important to re -- recognize that we're not speaking
3 of eliminating the service entirely. We're -- we're
4 speaking of -- of re-focussing the service to what we
5 would say is the -- the core or the essential
6 appliances that you would normally expect a homeowner
7 to be concerned about, their -- their furnace and
8 their water heater.

9 Typically, a lot of people will have a
10 plumbing and heating dealer, or a appliance dealer
11 that they bought their appliances -- their washer and
12 dryer from -- from a -- a supplier. They'll probably
13 go back to that particular dealer for service on the
14 gas dryer.

15 We're just trying to make sure that we
16 refocus on those core appliances. And -- and I'm not
17 sure in terms of -- I think that there's a lot of
18 acceptance from customers of the service we provide,
19 in terms of us coming out to respond to any smell of
20 gas, any carbon monoxide, any -- any issues like that.

21 And -- and obviously, there's probably
22 a large number of customers, as we can see here, that
23 would call us if they had difficulty lighting their
24 furnace, or their water heater in the fall and we will
25 still, without any hesitation, be providing that

1 service.

2 THE CHAIRPERSON: Just for my -- my
3 own understanding, I want to make sure I understand
4 this, so the -- the burner tip goes out, and you get a
5 call from a client or the cli -- you -- pardon me, is
6 that typically how it happens, the -- the client tries
7 to put on the device, and the device doesn't come on
8 and so they call Centra.

9 You go into the house, you sort of
10 establish that it's the -- pilot light's out or the
11 burner's not functioning. You actually repair the
12 device? I mean, you actually -- did I mis --
13 misunderstand you?

14 MR. MARK PRYDUN: It could be a
15 variety of reasons, sir. Sometimes the -- the pilot
16 light could be out, and it could be as simple as -- as
17 Centra coming in and relighting the -- the appliance.
18 Other times it could be a -- a certain component part
19 that has failed, which we would replace, and then that
20 would get the appliance restored to service again.

21 At other times, it could be a little
22 bit more of a concerning safety problem. At times, we
23 would undertake a rectification of that problem as
24 well. In general though, the majority of calls
25 related to furnaces though, are related -- are minor

1 in nature, and are related to pilots that have gone
2 out.

3 At times, and although this is
4 diminishing with -- with the increasing trend towards
5 new furnaces, customers would choose to shut off
6 their pilot light deliberately, and then call Centra
7 as the -- as we went -- came into the -- the fall time
8 season, and ask to Company to come back and -- and
9 relight their appliance.

10

11 CONTINUED BY MR. BOB PETERS:

12 MR. BOB PETERS: To be clear, those
13 customers who blow out the pilot light in the spring
14 and ask you to -- ask Centra to relight it in the
15 fall, you're still going to answer that call and not
16 charge them to relight it, as I understood?

17 MR. MARK PRYDUN: Under the current
18 terms and services, that's correct, sir.

19 MR. BOB PETERS: And also under the
20 proposed terms and services?

21 MR. MARK PRYDUN: That's correct, sir.

22 MR. BOB PETERS: It's just that if a
23 customer and phoned you and said they had trouble with
24 their BBQ, you'd be telling them to go talk to someone
25 else?

1 MR. MARK PRYDUN: Because a BBQ, as
2 per our discussions, would be viewed as a -- a less
3 essential type of service, sir.

4 MR. BOB PETERS: Thank you. Mr.
5 Prydun, I want to turn to the new company labour rates
6 and activity rates, because you're also asking the
7 Board to approve new rates for -- for the services
8 that are provided by Centra that are charged out, sir?

9 MR. MARK PRYDUN: Yes, that's correct.

10 MR. BOB PETERS: And just by way of --
11 on page 310 of the book of documents found under Tab
12 57, the currently-approved activity rates, as approved
13 by this Board are contained on -- on page 310, sir?

14 MR. MARK PRYDUN: Yes.

15 MR. BOB PETERS: And to some extent,
16 the Board will note that the rates charged depend on
17 the location in which the service is being done?

18 MR. GREG BARNLUND: In the last
19 approved rates that we had, that was the case. And we
20 are moving to amalgamate those into a single service
21 charge instead of having a separate charge by district
22 in this application.

23 MR. BOB PETERS: Yes, but in the
24 previous application, if you were outside the City of
25 Winnipeg, the -- the labour rate was -- was higher?

1 MR. GREG BARNLUND: For damage repairs
2 -- that was the category that had a separate rate for
3 each district.

4 MR. BOB PETERS: All right. Now, the
5 new rates that are proposed are found on page 307,
6 sir?

7 MR. GREG BARNLUND: Yes, sir.

8 MR. BOB PETERS: And these are going
9 to be rates that Centra charges to third parties,
10 correct?

11 MR. GREG BARNLUND: Yes, sir.

12 MR. BOB PETERS: And so if there's a
13 service line alteration request, that would be charged
14 out at a hundred and twenty-one dollars (\$121) an hour
15 regular time or a hundred and sixty-nine dollars
16 (\$169) overtime?

17 MR. GREG BARNLUND: Yes, sir, that's
18 correct.

19 MR. BOB PETERS: And included on this
20 service type are damage repairs. And we did see
21 earlier damage repairs on -- on page 310. This is
22 when a third-party contractor damages some of Centra's
23 plant?

24 MR. GREG BARNLUND: Yes.

25 MR. BOB PETERS: And then Centra

1 proposes to charge a hundred and twenty-one dollars
2 (\$121) an hour to repair that damage if they can do it
3 during regular hours?

4 MR. GREG BARNLUND: Yes, sir.

5 MR. BOB PETERS: And Centra's prepared
6 to charge that hundred and twenty-one dollars (\$121)
7 an hour over to Manitoba Hydro if it's Manitoba Hydro
8 who damages Centra's plant?

9 MR. GREG BARNLUND: In terms of first-
10 party damages, we would -- I think our general
11 approach is that we are time-carding those costs
12 appropriately between Manitoba Hydro and Centra, and
13 so those would be reflected in a time-carding process
14 as opposed to specifically charging them this rate as
15 -- as though they were a third party.

16 MR. BOB PETERS: So there's no friends
17 and family discount here. They're going to be billed
18 the full amount by way of the time cards for the time
19 expended to repair the damage caused by Manitoba
20 Hydro?

21 MR. GREG BARNLUND: Essentially,
22 that's correct, yes.

23 MR. BOB PETERS: Mr. Prydun, on page
24 307 there's an item called 'damage investigation'.
25 There's an item called 'appliance relights'. And

1 there's an item called 'as-built plans'.

2 And those are brand new service charges
3 for which the Corporation is seeking approval to
4 charge hourly rates on?

5 MR. MARK PRYDUN: That's correct, sir.

6 MR. BOB PETERS: And dealing with
7 appliance relights, let's be clear, the Chairman asked
8 you previously what happens if somebody phones you to
9 come and relight the -- the furnace or the hot-water
10 tank. You told the Board, I believe, that that would
11 be done free of charge?

12 MR. MARK PRYDUN: That's correct, sir.

13 MR. BOB PETERS: And so how is this
14 different? How is this appliance relight at a hundred
15 and twenty-one dollars (\$121) an hour to be -- to be
16 instituted?

17 MR. MARK PRYDUN: If I could
18 illustrate perhaps a third-party damage. And if we
19 have gas -- if we have gas being released from the
20 damage of -- that was caused by that third-party
21 contractor, part of the restoration would be is just
22 that we would have to -- we would have to shut down
23 the gas supply to that particular main that is
24 servicing a group of customers.

25 And in the course of doing that, we

1 need to go to every household and we have to -- and we
2 have to shut off the gas supply. And then after the
3 natural -- after the repair is made, then our service
4 personnel have to go back again and we have to
5 basically relight all the appliances.

6 So the cost of doing that is -- it
7 labour intensive, and that's the -- the purpose for
8 attempting to recover this rate, this cost.

9 MR. BOB PETERS: You may have said
10 that in your last sentence, Mr. Prydun, but the -- the
11 cost to go and relight appliances that had to be
12 turned off or were shut off when the gas was turned
13 off to an area will be billed back to the third-party
14 contractor that caused the damage?

15 MR. MARK PRYDUN: That's the proposal,
16 yes, sir.

17 MR. BOB PETERS: And if that third-
18 party contractor doesn't want to pay it, that's when
19 you'll turn to your law department and see what they
20 do with them?

21 MR. MARK PRYDUN: I would expect so,
22 sir.

23 MR. BOB PETERS: All right. In terms
24 of the as-built plans, Centra currently does provide
25 as-built plans when it's planning on doing some

1 changes to its infrastructure, does it not?

2 MR. GREG BARNLUND: Mr. Peters, we do
3 provide these plans to municipalities. And this is --
4 this charge is arising from our Order 159/'11, I
5 believe, related to matters we had with regards to
6 franchise applications and municipalities.

7 So we would be -- as noted in that
8 order, we would be providing free of charge to
9 municipalities, as-built plans, as many as two (2)
10 sets or twice a year in a -- in a twelve (12) month
11 period. And should they request plans more frequently
12 than that, we would seek to recover the costs from
13 those -- from that customer with respect to providing
14 those plans.

15 MR. BOB PETERS: So they still get
16 their free plans, provided they're not seeking more
17 than two (2) sets in a twelve (12) month period?

18 MR. GREG BARNLUND: Yes, that's
19 correct.

20 MR. BOB PETERS: And the damage
21 investigation charge is also new?

22 MR. MARK PRYDUN: That's correct, sir.

23 MR. BOB PETERS: Can you explain the
24 circumstances in which that charge would be envisioned
25 to be charged?

1 MR. MARK PRYDUN: In a situation where
2 a -- a third-party contractor would damage our plant,
3 it requires a series of steps for -- for Centra to
4 understand the nature of -- of that. It would re --
5 it would be an on-site investigation.

6 It would be collecting the -- the facts
7 leading up to the -- the nature of the damage. It
8 would be a determination whether the contractor was
9 excavating within the designated area that was
10 permitted within the line locate. It would be whether
11 the -- a line locate was actually applied for and
12 taken out. It would be based on consultations with a
13 workplace safety and health and it would be internal
14 discussions and also the creation of proper
15 documentation and reporting, sir.

16 MR. BOB PETERS: And presently, that's
17 being done by Centra, but Centra's not being
18 compensated for it?

19 MR. MARK PRYDUN: That's correct, sir.

20 MR. BOB PETERS: Are these costs that
21 we've talked about and all the ones found on page 307,
22 Mr. Prydun, cost-based rates?

23 MR. GREG BARNLUND: Yes, they are.

24 MR. BOB PETERS: And is there an
25 element of profit built into those, Mr. Barnlund?

1 MR. GREG BARNLUND: I would say no. I
2 think if we turn to page 311 in your book of
3 documents, we identify the makeup of each of those
4 rates that we're seeking approval for.

5 MR. BOB PETERS: And nowhere do you
6 build in the -- the net income component?

7 MR. GREG BARNLUND: No, these are --
8 these are the activity costs and the -- or the
9 activity rates and related overheads that we'd be
10 seeking to recover those costs dollar for dollar from
11 a third party.

12 MR. BOB PETERS: And, Mr. Barnlund,
13 you heard Ms. Jacobs and Mr. Rainkie talk about how
14 they've pulled out of overheads various charges, but
15 those have now been added back and called third-party
16 provision?

17 MR. GREG BARNLUND: I think if you
18 reflect on the conversation we've had with respect to
19 this, that since we had rates last approved in 2009
20 there's obviously been changes that have changed the
21 nature of the activity rate. So we've taken overheads
22 out, and in addition we've adjusted overheads to
23 remove some costs that are reported now in the
24 corporate accruals and allocations.

25 So -- which is fine for an internal

1 costing, you know, method within the company. When we
2 look to recover costs though and recover them fully
3 from a third party, we need to make some accommodation
4 to restore those elements to the -- to the charge so
5 that we're going to be fully recovering our costs.

6 MR. BOB PETERS: Mr. Rainkie, let's
7 turn to page 313 and review Tab 58 in the book of
8 documents, sir, dealing with the feasibility test.
9 This feasibility test has not been reviewed or
10 adjusted by the Board since, when was it, 1997?

11 Is that what we settled on, Mr. Rainkie
12 -- Mr. Barnlund, sorry?

13 MR. GREG BARNLUND: Mr. Peters. I
14 believe the only adjustment we would have made would
15 have been in the early 2000s, when we had removed
16 provision for income taxes out of the study.

17 MR. BOB PETERS: And that would have
18 been done when Centra became no longer liable to pay
19 federal income tax?

20 MR. GREG BARNLUND: That's correct.

21 MR. BOB PETERS: And just so the Board
22 can see how this -- this works, this is an actual main
23 extension feasibility test. This one (1) was done in
24 -- in the -- in the La Broquerie area?

25 MR. GREG BARNLUND: Yes, this would --

1 would have been, and appears to be a rural residential
2 subdivision where we would have extended service to a
3 new subdivision that a developer would have been
4 undertaking.

5 MR. BOB PETERS: And in your
6 application before the Board, you're telling the Board
7 you're still going to do these for the main
8 extensions, but you don't want to have to submit them
9 on an interim ex parte basis to get approval before
10 you can start the construction. You want to take care
11 of that internally.

12 And as long as they past the test, you
13 -- you want to be able to proceed?

14 MR. GREG BARNLUND: I -- I think we
15 should correct that to some extent, Mr. Peters. What
16 we're seeking to vary was really a requirement that
17 was only put in place for the RM of Bifrost and the RM
18 of Woodlands. That doesn't exist.

19 We do these on a prospective basis and
20 we accumulate them and report them to the PUB in a
21 general rate application. I think Appendix 15.1 has
22 that schedule of the main extensions.

23 MR. BOB PETERS: And I -- if I didn't
24 com -- you know, fully flesh that out, Mr. Barnlund,
25 there are only two (2) municipalities in which you are

1 required to submit them for Board approval prior to --
2 to installing the plant?

3 MR. GREG BARNLUND: Yes, that's
4 correct.

5 MR. BOB PETERS: And the nature of the
6 request is to remove the requirement to submit them
7 for Board approval.

8 Centra's not proposing to discontinue
9 doing the feasibility test?

10 MR. GREG BARNLUND: Precisely, yes.

11 MR. BOB PETERS: And even though Mr.
12 Rainkie may not like the -- the underpinnings of the
13 feasibility test, this is a thirty (30) year net
14 present value test that was developed to -- to figure
15 out whether the installation was going to be economic
16 from existing Centra customers' perspectives?

17 MR. GREG BARNLUND: Essentially,
18 that's correct, yes.

19 MR. BOB PETERS: And so just in the
20 minutes that are remaining, sir, what the Board can
21 see in the year 5 column on page 313 is that there's a
22 hundred percent revenue-to-cost ratio achieved. And
23 that will mean, will it, Mr. Barnlund, that the
24 revenues that are coming in from the customers are
25 sufficient to pay the costs that are assigned to those

1 customers?

2 MR. GREG BARNLUND: It's a combination
3 of two (2) things, and I think if you look at --
4 there's also a reference to a net present value of two
5 thousand and twenty-nine dollars (\$2,029). So what
6 would have occurred when this feasibility study was
7 initially run is that you would have satisfied the net
8 present value greater than zero, but you would have a
9 revenue-to-cost ratio less than a hundred percent in
10 the fifth year.

11 And so the contribution was then
12 increased, and once the contribution is increased to
13 nine thousand two hundred and forty dollars (\$9,240),
14 as you'd see in line 33, then you can meet that second
15 eligibility or feasibility criteria. And the year 5
16 then reaches its hundred percent revenue-to-cost
17 ratio.

18 MR. BOB PETERS: What this one shows
19 up at line number 5 is that initially this project was
20 embarked on with three (3) customers, and the forecast
21 is that it was going grow to fourteen (14) customers
22 by the fifth year, and it was going to level off at
23 fourteen (14) customers throughout the -- throughout
24 the thirty (30) year period.

25 MR. GREG BARNLUND: Right, and that's

1 fairly typical in terms of how we would handle a
2 residential subdivision, is there's some timeline over
3 which it's expected that that subdivision would
4 infill. And that is reflected in our estimate of
5 customer attachments and also customer revenues.

6 MR. BOB PETERS: And so provided the
7 customers made a contribution of nine thousand two
8 hundred and forty dollars (\$9,240), Centra would
9 undertake the investment that's shown here in detail.
10 And that would allow the five (5) year revenue-to-cost
11 coverage ratio to be -- to be positive, or to be one
12 point zero (1.0) after the fifth year. And it would
13 also ensure that on a thirty (30) year net present
14 value basis, there was no cross-subsidy going on?

15 MR. GREG BARNLUND: That's correct.

16 MR. BOB PETERS: And, Mr. Rainkie, did
17 the Board understand you to be suggesting that this
18 may be time, or there may be a time in the near
19 future, where this feasibility test methodology should
20 be re-examined for the gas side of the business?

21 MR. DARREN RAINKIE: No, Mr. Peters.
22 I -- I thought our earlier scrum was with respect to
23 the rate of return that was going to be embedded in
24 the -- in the calculation. I -- I don't think we're
25 proposing anything in this application with respect to

1 changing the feasibility test. We were just
2 postulating this morning about various ways to
3 calculate the cost of capital in the test.

4 MR. BOB PETERS: All right. With that
5 answer, and, Mr. Chairman, I have no further
6 questions, I believe, of Mr. Prydun. I will have some
7 questions first thing in the morning of Ms. Kelly
8 Derksen on some matters. She will be -- she will be
9 here to address those. And perhaps a few follow-ups
10 with Mr. Barnlund and Rainkie, but I expect that by
11 coffee break I'll be turning the microphone over to
12 Mr. Meronek tomorrow morning.

13 THE CHAIRPERSON: Are there any
14 matters to attend to before we adjourn?

15 MS. MARLA BOYD: Just one (1), Mr.
16 Chairman, thank you. Mr. Rainkie made reference
17 earlier today to page 85 of Manitoba Hydro's 2012
18 annual report. And we did check over the break and
19 discovered it is not on this record. So in the
20 interest of keeping the record complete, I would
21 propose to file just the single page 85 for your
22 reference.

23 I believe, by my count, that would be
24 marked as Centra Exhibit number 9. We are certainly
25 willing to file the entire report if you'd like. I

1013

1 believe it was available in the Hydro hearing as well,
2 but we'd prefer just to file the one (1), unless you
3 want more detail.

4 THE CHAIRPERSON: Filing the one (1)
5 page would be fine, unless Board member Kapitany, if
6 she just --

7 MS. MARILYN KAPITANY: I don't mind --

8 THE CHAIRPERSON: -- we -- we keep
9 this close at hand, so.

10 So I think, if there is no further
11 business, everybody is back tomorrow morning, the same
12 witnesses, so, we'll see each other again tomorrow
13 morning at nine o'clock. Thank you very much. Have a
14 good evening, everyone.

15

16 (PANEL RETIRES)

17

18 --- Upon adjourning at 4:32 p.m.

19

20 Certified Correct,

21

22

23 _____

24 Bob Keelaghan, Mr.

25

<u>\$</u>	778:8	873:18	\$9 903:25	5 821:15
\$1.2 816:24	781:18	\$36 777:2	\$9,240	823:5
828:14	924:17	778:5,10	1010:13	830:13
934:13,16	926:22,23	\$39 878:17	1011:8	831:13
\$1.3 991:4	\$2,029	\$4 841:20	\$95,000	832:1
\$1.7 743:18	1010:5	859:11	908:21	837:13
\$1.911	\$2,067,000	921:6		838:5
742:17	924:1	\$4.2 871:8	<u>0</u>	840:12,17
\$10.8 840:2	\$2.5 872:7	\$4.6 811:21	0.8 990:12	841:16
\$100,000	\$2.8 865:2	\$4.978 766:9	06 946:14	843:4,5
871:5	\$20 941:23	\$439.7	07 837:25	844:15
\$102.6 878:8	\$200,000	876:15	07/'08	856:3,9
\$11.166	908:25	\$489,292,000	918:25	858:6
900:5,12	938:18	845:6	08/'09	860:25
\$12 873:17	939:1,5	846:5	781:17	863:11
874:7,25	\$21	\$5 778:21	922:13	866:25
903:24	903:19,22	791:24	923:13	869:1,17
\$121 1000:14	\$21,158,000	813:11	09 892:8	873:2
1001:2,6	922:19	\$500 794:21	926:2	885:20
1002:15	923:22	\$53 761:11	09/'10	896:20
\$15 819:10	\$22 868:3	\$6 919:2	781:18	911:3
840:1	\$22.225	\$6.8 743:13	839:25	914:16
951:10,11,	923:15	\$62.67	925:25	916:19,20,
20	\$24 840:23	940:19	927:9	24 928:4
953:3,12	\$26 868:14	941:23	930:25	930:25
\$169 1000:16	\$27.5 897:20	\$62.671	933:1,11	931:21
\$17 810:21	\$28.9 872:11	947:7	<u>1</u>	940:19
879:12	\$3 781:24	\$68.8 761:12	1 736:20	941:8
\$17,888,000	854:15	\$7.796	739:6	942:10
933:9	\$30 948:8	763:17	750:3	944:12
\$17.888	949:21	\$7.8 765:11	756:10,16	946:13
934:10	951:17	\$78.21	759:22	948:15
\$18 811:6	954:11	986:25	769:15	951:10
821:7	955:5	\$8 774:6	771:7	953:25
949:25	\$30,700,000	775:20	774:17	954:24
\$18.75	875:4	\$8.7 835:4	775:22	956:20
840:21	\$30.1 811:23	\$800,000	777:3	958:22,25
\$19,105,000	\$30.7 901:22	937:6	780:11	961:6,9,19
933:7	\$300 939:9	\$835,000	783:17	,21 962:3
\$19.058	\$329.7	828:22	784:9	963:16
935:12	873:19	\$88,000	788:17	967:2,25
\$19.105	\$34.1 901:24	987:1,6,9,	796:24	969:19
934:18,25	\$341.7	12 988:7	797:15	970:2
\$2 745:16			800:9,25	971:11,19
776:8,19			803:19	975:14
			807:22	976:17,18
			815:13	978:2,3,17
			816:8,14,1	981:22
				985:5
				990:11
				993:9
				994:21
				1007:23
				1012:15

1013:2,4	978:1,2	919:1	19 874:10	<hr/>
1,000	10/'11 891:5	14	913:16	<hr/> 2 <hr/>
741:6,10	926:1,6	1010:21,23	937:3	2 755:24
742:6	927:9	14/'15	952:12	758:4
1,132 986:18	928:3	793:13	957:8	759:25
1,262,000	931:1	141 906:14	19.105 934:4	762:4
917:21	933:4	957:12,25	936:14	769:10
1.0 1011:12	10:32 807:4	141(D 960:25	190 781:14	777:4,15
1.05	10:51 807:5	141D 965:18	191 743:17	793:20
965:5,10	100 756:23	969:24	192 738:7	794:21,25
1.1 828:14	1013 731:23	141-D 962:4	739:17	796:13
1.2 809:4	733:25	963:6	743:12	825:21
812:2	11 736:19	965:4	745:20	843:15
1.30 965:5,8	840:2	147 981:18	752:19,21	859:11
1.7 762:6	852:8	15 806:23	754:16	865:5
1.8 769:15	889:6	950:5	193 756:7	866:12
1/2 887:10	11/'12	952:18	757:14	868:10
921:6	761:25	15.1 1008:21	758:11	889:7
1/365th	926:8	15/'16	195 761:9	923:3
955:21	934:24	793:15	197 772:14	925:25
1:00 860:3	11:00 807:2	151 932:24	784:12	927:15
1:04 860:7	11th 913:11	933:5	198	929:3
10 741:9,10	12 851:17	934:1	764:24,25	934:11
742:4	874:15	159/'11	765:22	947:13
752:19	875:5	1004:4	769:5	951:10,20
757:14	889:7	16/'17	808:3	957:19
800:21	973:21	800:18	199 807:24	959:7
803:13	1004:10,17	17 949:25	1990s 896:7	961:7,10
805:4	12.12 881:17	17.3 920:22	1994 847:18	1004:9,17
849:5	12/'13	18,077	880:12	1008:25
859:12	810:21	947:19	882:20	1010:3
863:2	828:23	18,464	887:18	2.2 758:4
908:17	946:16	935:16	1995 847:19	2.3 782:12
910:2,5	986:17	18,921 937:1	880:6,11,1	2.36 913:10
913:9,15	12:00 860:6	184 734:3	3,18	2.43 913:12
914:4	128 892:8	736:16,21	881:15,23	2.5 872:9
941:24	13 805:1	737:4	884:8	2.50 977:25
942:6,11	865:3	1-84A 887:6	1997 1007:10	2.53 913:11
943:13,19	868:3	185 734:4	1999 835:25	2.55 913:18
944:8,20,2	889:25	736:16,21	1st 767:4	976:24
1	906:12	737:4	808:23	977:22
945:10,11,	946:21	18th 731:22	815:15	2.6 865:6
12 957:19	967:23	940:21	817:4,6	2.62 816:7
961:11,21	986:17	958:8	906:13	2.8 865:7
965:19	13/'14 762:1		908:10	914:6
966:6	808:7		938:14	2.80 816:7
969:23,25			952:12	2.89 825:10

2.9 758:2,7	909:10	1012:17	791:16	23 847:14
2:00 906:25	917:20	2012/'13	812:23	23.375
2:09 907:1	928:3	738:11,17	816:15	931:13
20 908:18	936:21	769:10	817:6	230 940:11
909:23	937:2	810:19	2015/'16	941:3
914:5	201 791:8	811:3	780:9	942:15
942:5,7	2010 781:8	854:11	792:13	943:11
945:5,8	808:19	946:24	800:17,18	231 941:16
947:4,19	814:8	2013 731:22	2016	235 946:9
966:23	840:8	769:8,18	774:18,22	947:16
20.3 945:4	925:23	816:22	775:4	236 946:9,15
200 754:8	926:4	865:23	791:18	948:7
755:9	2010/'11	908:7	812:24	955:17
773:18,20	909:10	910:10	2034 960:10	24 823:16
778:18	917:21	958:8,9,20	21 871:7	825:22
2000 800:12	925:24	,25	942:7,11	243
2000s	932:25	960:10,17,	943:20	956:19,21
1007:15	933:25	23 962:21	944:17,22	958:2
2003/'04	975:4	963:7	21.017 934:4	962:4
773:12	2010/'13	964:14,16	21.7 920:20	244 965:17
2005 814:10	918:3	967:24	217 802:24	245 976:16
2006 946:11	2011 767:4	2013/14	803:4,6	977:3
2007 815:21	769:7	2013/'14	804:2	25 860:24
2007/'08	808:24	742:15	219	908:14
920:20	815:13,15	769:11	801:13,18	909:21
2008 757:20	816:8	801:25	804:22,23	910:8
767:10,13	852:24	845:7	220	952:18
781:8	972:18	876:16	801:19,21	978:18
974:4	2011/'12	908:8	804:22	26 823:18,19
2008/'09	743:18	913:9	223 804:17	824:9,20
801:25	766:25	939:15	224	825:22
922:21	767:3	950:13	745:2,15,2	868:4
923:15	808:7	965:10	2	260 879:23
926:20	854:9	966:19	2-25 829:4	262 917:21
2009 781:8	925:17	977:1,21	227 916:22	263 809:6
804:24	931:12	2014 774:5	917:17	810:19
914:16	935:11	816:14	920:19	811:20
920:6	2012 758:21	817:4	954:12	265
922:4,9	774:16	913:16	228 921:20	812:17,21
923:2,9	779:1	948:8,11	934:3	268 815:11
925:1	849:3,18	949:17	935:17,24	816:6
932:13	851:7	950:10,12	936:7	269 811:3
953:21	863:5	954:10	229 938:4	270 820:19
974:4	910:10	955:8	22nd 758:21	822:20
1006:19	938:5,9	2014/'15	960:17,23	824:15
2009/'10	940:21	792:13	964:14	
891:5	956:22	800:12		
	957:7,8	977:2		
	962:14	2015		
	968:9	774:12,21		
	976:22			

272 828:7	889:21	920:10		891:25
273 828:15	901:13	942:8,12	<u>4</u>	898:24
279 835:1	903:14	944:17,23	4 733:13	906:18,21
838:16	908:13	945:12	734:6	910:5
839:24	914:6,16	950:4,5	755:24	961:21
841:12	921:6	951:9,19	804:13	966:7
289 842:5	940:24	952:17	807:12,19	980:15,22
29 963:7	942:2,4	953:7	809:9	1009:21
291 849:5	943:11	955:7	831:25	1010:15,19
850:2	947:2,13	1009:13	886:11	1011:10
862:25	957:2	1010:24	907:17	5.2 762:1
863:3	959:7	1011:13	4.05 931:7	5.23 885:12
864:4	961:10	300 901:10	4.1 823:11	5.5 914:18
865:21	964:17	909:13	4.15 823:2,4	5.63 890:18
869:23	965:8	910:11	4.3 977:24	895:1
292 856:17	966:1	304	4.4 782:13	5.8 812:19
859:13	973:20	986:10,16	4.5 978:3	829:6
871:2	974:13	305 986:25	4:32 1013:18	5.8.0 838:15
293 856:17	981:8	991:3	400 731:20	5.98 940:20
859:13	1010:20	307 1000:5	415 823:6	941:4
871:2,7,23	3.178 941:25	1001:24	42 829:9,10	942:16,25
295 844:25	942:5	1005:21	43 829:10	50 803:4
846:14	944:20	31 913:15	43/'13	830:9
873:1	3.281 942:6	948:11	749:19	888:7
874:10	943:17	949:16	818:4	916:18
296 879:23	3.291 942:17	950:12	45 951:14	940:10
884:2	943:4,12	953:13	46 737:22	51 956:17
297 887:8	944:7	310	738:7	52 809:7
894:5	3.3 951:11	999:11,13	739:17	812:17
298 888:21	966:21	1000:21	752:19	828:8
894:24	967:11	311 1006:2	756:8	53 834:25
917:22	3.329 943:7	313 1007:7	47 761:8	838:17
299 897:17	944:1	1009:21	773:20	842:5
901:21	3.347 944:16	32 876:17	791:8	54 844:7
29th 964:16	3.413 942:8	328 935:8	48 784:6	848:19
2nd 906:13	943:18,22	936:17	878:9,15	849:5
957:6	944:18	33 1010:14	481,627	856:18
	3.5 966:21	330 731:20	889:16	863:1,2
	967:12	34 889:11	49 745:11	55 829:8
	3.7 851:8	906:12	801:12	830:10
	3.8 851:7	341,688	803:5	831:8
<u>3</u>	3:42 981:1	874:6		844:23
3 733:6,18	3:53 981:2	35 825:13	<u>5</u>	873:3
737:8	30 881:21,22	36.2 849:16	5 755:25	879:24
764:7	884:18	36.3 849:17	882:12,23	897:17
821:1	908:16			56 986:10
825:21	909:21			57 999:12
832:2	910:3,4,8			
882:12				
886:11				

58 1007:7	884:9	965:13	accommodate	,22 765:2
	933:5		868:1	766:12,18,
<hr/>	957:6	<hr/>	906:4	19
6		A		767:5,24
6 735:3	8.4 811:23	a.m 736:1	accommodatio	769:3,14,2
827:1	812:1	807:4,5	n 905:21	0,23
884:10,19	80 882:3	ability	915:17	772:19,20,
967:8	883:21	988:20	971:24	24
990:13	885:16	able 801:2,3	1007:3	773:1,11
6.1 848:21	807 734:6	820:2	accomplish	774:16
6.3 914:18	827 735:7	840:18	788:18	776:7
6.89 882:13	85 902:25	853:25	820:5,13	777:11
883:10	1012:17,21	894:20	accordance	779:2
890:20	88,000 988:2	915:5	858:1	780:14
891:8	8th 958:25	942:24	952:25	784:24
895:10	963:18	945:2	961:7	786:8,17
60 942:25		962:22	975:17	787:24
947:12		1008:13	according	788:12,21
61 935:8	<hr/>	absence	775:4	789:19
	9	915:11	881:17	792:22,24,
61.004	9 853:7	921:13	944:15	25
762:24	887:10	absences	accordingly	793:1,5,25
62 947:11	906:13	938:22	855:23	794:24
62,671,000	923:9	absent	956:14	827:10,13
947:2	938:15	949:10	account	accounts
65 977:2	958:9	absolutely	791:2	788:6
	971:3	955:14	808:19	789:23
<hr/>	1012:24	958:13	812:5	790:2
7	9.0.0 873:3	964:25	824:2,7	791:5
7 892:17	9.6.5 878:7	abundantly	825:5	815:2
7.6 887:10	9.7.5 892:24	747:4	840:15,24	831:25
7.8 762:16	893:13	accept	841:5,23	832:5,8,10
763:1	9.75	878:11	842:18	,12,20,22
725 937:4	892:13,18	884:14	878:9	833:2,11,1
731 731:23	9:05 736:1	acceptable	908:21	2,18,20
734 733:3	90 803:12	786:7	928:5	908:23
735 733:4	90/10 803:19	834:12	931:14	accruals
737 733:11	908 733:15	936:25	accounting	748:4
734:5	916 733:16	acceptance	738:10	762:19
75 976:25	94 978:8	996:18	743:22,25	1006:24
977:22	95 884:3,20	accepted	746:24	accrued
7th 972:17	96 804:12	747:11	747:11	954:24
	981 733:23	749:3	749:3	accumulate
<hr/>	990 742:8	763:5	750:2,18,2	1008:20
8	995 897:18	764:2	0	accumulated
800:21	9B 908:11	796:21	751:10,14,	820:22
807:17		accepting	20 752:10	821:5
853:7		749:20	761:7,16,1	822:4,12
		768:5	9	824:2
			762:3,11,1	876:11
			4,15,19,24	949:14
			763:1,5,11	

953:24	788:20	7	783:1	970:20
accumulating	823:1	926:14,22	796:12	adherence
949:9,19	876:16	928:19	854:5,20	931:25
accumulation	918:20	932:14	856:1	adjourn
954:15	947:24	934:10	926:10	1012:14
accuracy	992:6	935:16	942:19	adjourning
929:5,9,19	993:22	936:13	943:2	1013:18
939:22	act 767:25	937:2	966:15	adjust
972:12	932:15	951:22	970:19	888:4,6
974:19	activities	958:16	988:3	adjusted
accurate	754:16	960:19	991:22	883:1
791:17	757:6	961:25	added 745:17	1006:22
823:20	804:8	967:13	811:18,19	1007:10
939:3	861:10	972:10	832:5,9	adjusting
974:14,21	918:10	978:5,11	877:17	883:21
accurately	activity	1007:22	962:6	adjustment
772:19	738:23	actually	976:25	743:17
774:22	745:19,23	745:2	977:8	757:21,23
812:23	746:5,13	810:2,15	1006:15	758:5
817:6	748:3,9,19	819:24	adding	813:17
achieved	752:14,22,	820:4	832:12	850:5,10,1
1009:22	23 753:1,6	824:12	904:20	5,17,25
acknowledge	754:15,18	825:16	addition	851:7,8,21
736:5	755:17,22	840:2	744:11	,22 881:20
897:7	756:2,3,13	893:9	776:6	884:11
905:2	770:17	902:18	809:13	927:24
acknowledged	802:4	923:9	847:2	1007:14
936:8	803:9,16	925:2	866:25	adjustments
974:11	806:11	927:14	914:23	743:11,22
acknowledgin	824:10	933:18,20	916:11	745:13
g 899:3	825:16,19,	937:22	1006:22	748:4
acquire	23 859:16	941:7	additional	802:6
989:15	870:16	947:16	745:17	806:7
acquired	987:7,18	956:2	774:17	839:11
836:13	999:6,12	959:5	811:21	847:23
acquiring	1006:8,9,2	968:16,18	813:3	888:18
863:24	1	969:20,22	856:7	919:8
902:5	actual	974:20,24	867:5	926:3
acquisition	798:17	997:11,12	898:2	adjusts
863:15	824:8,11	1005:11	988:6,20	880:16
873:25	825:19,20,	actuals	address	administrati
903:18	25 848:14	922:14,21,	852:21	on 756:18
904:3,10,1	885:3,8	22 924:13	1012:9	770:13
4 920:6	899:18	926:10,14	addressed	administrati
acronym	900:14,15,	928:25	785:16	ve 737:18
863:14	18 911:15	931:20	986:7	770:23
across	912:11	932:15	addresses	802:3
	913:10,25	933:8	995:10	804:3
	915:2,9	979:11	adds 868:5	
	921:11,21	add 749:14	964:5	
	923:18,20	765:11		
	925:8,12,1			

admit 894:7	856:23	agreement	802:5	allowance
adopted	afford	759:8	804:3,23,2	877:17
857:23	858:10	agreements	5 805:7	878:21
adopting	aft 950:1	753:16	809:25	allowed
896:21,22	afternoon	agricultural	832:7,22	789:6
adoption	838:10	853:17	843:10	793:6
813:18,23	859:25	861:18	864:10	880:16
advance	860:9	ahead 738:6	898:1	881:16
817:14	907:24	745:5,7	919:20	897:12
929:4	916:11	799:1	990:3	899:23
advantage	957:11	801:19	allocating	900:4
915:2	against	828:7	755:16	allowing
920:25	787:12	866:15	804:8	970:4,16
921:2,4	821:15	869:14	allocation	already
942:21	881:11	894:22	738:23	757:4
945:23	931:20	956:18	743:10	778:17
advantageous	972:9	994:24	747:25	820:22
915:12	978:10	aid 876:20	748:15	833:10
advertising	979:11	877:7	749:21	840:23
808:9	age 896:5	aim 973:1	777:16	874:9
advice	aggregate	albeit	778:9	913:10,16
894:10	947:12	994:18	794:9,15,2	917:5
advise 735:3	aggressive	alerted	4 796:17	920:16
758:11	747:13	781:5	797:3,15	953:18
826:21	748:23	808:6	798:11	alteration
827:1	749:17	alerting	803:9,16	1000:13
908:6	763:19	844:15	805:6,19,2	alternative
956:13	767:18	algorithms	0 843:14	796:22
988:6	768:20	973:6	873:17,23,	896:20
advised	aging 858:13	align 848:13	24	am 779:13
759:1	ago 782:15	aligns	874:8,13,1	793:1
837:10	785:14	945:8,9	6 875:5	980:18
960:22	794:18	alive 787:9	901:12	amalgamate
992:18	838:25	all-in 914:3	902:3,14	999:20
advisers	839:20	918:18,20	904:16,20,	amazing
800:20	842:22	966:10,20,	23	946:3
advisors	857:21	23	allocations	amended
767:16	858:2	967:10,19	743:11,17,	927:22
779:19	880:1	allocate	21	931:19
796:5,6	885:6	748:13	745:13,24	amendments
affairs	974:13	754:5	801:11	839:21
882:19	975:15	804:10	802:5	American
affected	agr 853:17	902:10	805:14	912:5
912:9	agreed 750:9	903:23,24	806:4,6	AMHSSE 755:3
affects	776:14	allocated	1006:24	amortization
803:21	791:16	738:21	allow 773:17	809:8,18,2
affixing	798:13	744:14	775:15	1 825:14
	817:5		786:17	841:15,22,
			850:20	
			970:24	
			973:16	
			1011:10	

23 903:21	949:18	801:7	apologies	984:7
917:8	988:3	817:13	736:12	988:17,22
amortized	analysis	830:18	apparent	989:6
920:4,10	829:17	832:17	911:19	991:9
amou 865:4	830:5,12,1	833:9	appeal	996:6,11,1
amount 752:8	4	845:21	974:16	6
761:17	831:7,19,2	894:23	appear 762:1	1003:5,11
762:10	0	899:25	832:6	applicable
773:13	896:19,22	916:12	849:20	791:5
778:2	934:3	991:9	857:17	application
791:24	analyst	998:15	934:2	731:8
804:25	907:12	1012:5	appearance	785:15
811:23	analytical	answered	905:13	792:9
836:24	763:12	857:7	907:9	800:17
838:7	analytically	933:16	916:5	816:2,21
842:18	784:24	answers	APPEARANCES	820:12
851:22	anchored	813:16	732:1	829:7
865:5,12,1	912:8	885:20	appears	840:13,19
4,17 867:1	and/or	920:17	769:5	848:11
868:15	915:13	976:17	774:11	892:6,7,11
871:18	921:14	anticipate	776:8	,23 899:10
872:5	984:24	918:11	838:17	901:10,23
873:15	animal	anticipated	849:12	907:23
877:18	850:16	864:13	887:20	909:5,14,1
878:9	Anitha	912:4	986:16	8 913:4
905:25	907:12	anybody	1008:1	921:22
919:4	annual	812:8	appendice	922:8,10
934:2	761:25	858:19	829:9,10	925:25
939:6	902:18,20,	883:10	Appendix	927:21
942:4	23 903:1	929:21,23	812:19	929:5
946:25	955:22	970:19	829:6	932:12
947:17	1012:18	anybody's	848:21	933:19
952:23	annualized	946:4	1008:21	936:10
955:6	867:24	anyone	apples-to-	938:19
956:7	annually	736:22	apples	939:20
982:16	783:20	970:18	784:25	957:4
988:3	896:23	anything	appli 936:10	981:21
1001:18	anodes	900:17	appliance	987:13
amounts	869:18	951:7	982:16	993:2
745:22	anoth 794:17	985:16	984:15	999:22,24
759:12	answer 749:9	1011:25	996:10	1008:6,21
760:3	750:1	anything's	997:17,20	1011:25
761:19	755:10	956:11	998:9	applications
773:7	758:10	anyway 887:7	1001:25	787:18
808:19	772:17	975:6	1002:7,14	1004:6
839:4	781:14	anywhere	appliances	applied
842:8	788:24	759:22	982:20	758:7
851:12,13	794:4		983:4,19	821:10,11,
877:5				15,20
925:11				834:17
932:16				884:4
943:5				893:2

896:12	appropriated	755:11	arising	888:5
923:1	854:10	761:11	917:14	asset 751:13
978:16	appropriatel	810:21	1004:4	776:3
1005:11	y 1001:12	811:6	arithmetic	787:25
applies	approval	848:8	944:15	790:15,23
756:12	736:25	849:16	945:11	804:9
758:22	815:19,23	873:19	960:20	813:9
964:23	817:7,14	878:9,17	arrangements	822:14
apply 759:7	845:4	909:12	986:6	824:11,17
789:13	866:9,12	914:6	arrive 924:9	asset-
790:4,6	872:1,3	919:2	article	retirement
792:15	892:24	921:6	959:19	817:22
822:5	893:1	934:14	973:3	assets
928:13	927:2	938:17	974:11	744:21
applying	1002:3	945:5	articling	765:22
789:15	1006:4	953:12	860:20	775:11
993:1	1008:9	April 767:4	articu 795:8	782:18
apportionmen	1009:1,7	808:23	articulate	785:22
t 902:4	approvals	815:13,15	795:9	788:15
904:8	981:19	816:8,14,1	artificially	789:18,19,
appr 786:18	approve	5 817:4,6	912:8	21,24
appreciate	999:7	914:16	A's 741:20	790:1,8
905:20	approved	area 739:3	742:5	803:7
appreciating	775:15	756:16	as-built	804:5,13,1
926:19	786:19	770:3	1002:1	4
approach	788:5	832:1	1003:24,25	809:10,15,
771:23	790:5,15	844:9	1004:9	20,23
772:10	845:22	866:24	ascertainment	810:1,2,20
797:9	849:2	869:8,15	949:17	811:7,12,2
853:10	850:24	901:22	aside 948:19	0 834:2
855:3	868:16	1003:13	960:15	869:14
882:22	870:6	1005:9	ASL 818:25	877:21
1001:11	891:4,18	1007:24	819:6	878:2
approaches	892:4	areas 777:10	aspect	897:20,24
796:22	898:19	787:23	786:14	919:18
appropriate	927:2,20	855:22	857:10	assign
747:19	932:25	862:3	asse 811:19	917:25
795:19	933:4,11	907:22	assess	967:4
798:15	934:2	916:24	858:24	assigned
799:17	936:14,20,	aren't	assessed	1009:25
801:4	21 988:8	788:14	837:1,15	assignment
817:18	999:12,19	859:13	assessment	918:19
821:6	1006:19	arguing	842:21	941:13
873:23,24	approving	796:9	904:2	975:19
874:24	844:16	882:19	assessments	assignments
886:22,23	846:17,18	argument		990:15
898:3	approximate	783:6,17,2		assigns
909:17	872:5	4 827:22		746:6
925:19	approximatel	arisen		assist
	y 743:12	942:21		808:14

955:1	891:17	959:21	973:4	banks 883:18
assistance	897:11	authored	avoid 858:10	910:24
745:3	attaching	957:15	aware 757:23	912:7
926:19	858:20	autograph	871:24	971:3
958:5	attachment	880:10	917:6	Banner
assistant	935:9	available	919:25	810:3,8,9,15
736:7	attachments	755:15	988:16	barbecue
assisted	853:16	905:16,19	away 743:24	983:10
739:7	1011:5	906:1,6	746:24	barbecues
assisting	attempt	932:18	750:2	983:15
736:6	761:24	949:22	766:11	984:8
907:13	773:10	958:21	767:23	bargain
associate	977:12	961:2,15	769:3,6,23	756:21,24
736:7	attempting	976:5	770:16	bargaining
associated	1003:8	979:17	798:8	756:23
741:2	attend	992:1	855:13	757:1
780:6	736:10	1013:1	858:20	759:15
808:8	1012:14	Avenue	972:7	Barnlund
825:4	attendance	731:20	<hr/>	733:10,22
879:14	738:19	736:14	B	737:13
908:22	attending	average	backfilled	815:23
913:21	818:10	787:8	862:16	817:3,8,13,16,23,25
917:22	906:5	816:6	background	818:2,8,11
990:14	attention	818:20	895:7	892:3,13,14,21 896:1
association	858:14	823:13	back-testing	897:6,10
755:3	889:20	829:21	972:9	925:21
767:17	896:25	834:14	backwards	926:13,18,25
assume	923:19	889:3,25	743:16	927:11,16
740:10	attractive	890:16	baked 830:5	928:2,8,12,15 930:22
756:22	970:16	894:3	balance	931:3,9,16
759:16	attributed	895:21	877:20	981:13
834:3	832:22	896:22	879:3,4	982:12,23,24 990:24
838:8	audit	897:4	897:22,25	991:21
892:25	838:18,25	915:6,8	920:3	992:13,23
946:4	839:2,6	940:19	balances	993:8
assuming	audited	942:15	914:24	995:5
759:21	939:24	943:3,6,10,11,12,19,25 944:6	949:6,15	996:1
783:9	auditors	945:3,11,15 972:8	952:13	999:18
792:12	749:8	986:23	953:24	1000:1,7,11,17,24
814:5	750:6	987:18	955:15	1001:4,9,21
930:8	767:15	991:4	balancing	1004:2,18
assumption	779:16,19,20,24	averaging	952:24	1005:23,25
774:11	augment	930:2	ball 780:17	1006:1,7,11
775:10	953:3	969:14	balls 780:4	
779:1	author	970:13	banging	
897:13		973:24	798:8	
918:20		Avery 959:21	bank 912:9	
949:20				
assumptions				

2,17	889:24	961:21	849:1	753:2,8,12
1007:12,13	890:5	966:7,23	859:12	,16 759:17
,20,25	895:6	967:8	860:10	782:17
1008:14,24	904:2	977:22,23	866:11	874:18
1009:3,10,	918:10	978:8,18	872:1	904:3
17,23	921:23	1008:9,19	898:3	964:5
1010:2,25	922:3,8	1011:14	906:7	bent 994:4
1011:15	925:23	basit 787:11	920:2	best 772:23
1012:10	926:14	BBQ 985:16	928:8	774:14,25
base 804:9	929:7,14	998:24	949:24	844:11
844:16,24	932:4	999:1	957:11	853:21
845:7,12,2	936:7,16	BCUC 887:2	979:20	858:23
3	937:20	became 769:7	981:5	868:1,18
846:2,15,1	938:5,24	841:15	990:11	994:4,5
8,21	939:24	920:8	1002:10	betine
872:25	950:6	927:20	1004:5	879:17
873:9,16	951:22	1007:18	1007:14	better 770:1
874:5,9,14	956:21	become	1012:6,23	829:5
875:1,13	961:1	854:25	1013:1	853:15
876:5,6,21	967:22	912:3	believed	863:19
877:18	1005:12	963:10	750:12	887:14,20
889:16,18,	basically	becoming	believes	974:1
19	753:7	750:6	895:2	986:11
890:16,24	853:6	751:14	984:25	987:16
891:16	1003:5	895:11	bell 971:17	betterment
896:8	basis 787:11	begin 907:15	benchmark	782:8
897:16,19	788:6	behind	910:2	869:10
898:4,13,1	793:12	831:13,18	966:11,13	926:23
7 899:13	853:10	879:17	967:5	beyond
901:21	854:1	907:10	979:10	758:21
948:10	855:7,8	belief	benchmarking	775:3
988:1	867:24	749:16	760:13	889:19
based 742:11	873:10	believe	benchmarks	964:1
803:9	888:7	736:4	979:6	bias
804:5	908:14,16,	737:19	beneficial	910:15,20
808:18	18	747:19	911:10	930:10
814:8	909:13,21,	748:2,23	975:19	969:5
815:2	23	766:13	benefit	Bifrost
818:21	910:4,5,8,	781:23	756:17	1008:17
823:11,12	12 912:25	786:5	765:5	bill 966:2
831:19	913:17	787:2	826:19	billed
836:9	914:5	794:2	915:10	1001:17
843:11	920:4	795:18,23	921:12	1003:13
845:9,17	921:11	806:19	937:11	billing
847:20	923:21	807:7	benefited	769:12
855:5,20	924:14,17	814:23	914:14	810:11
856:25	927:20	817:5	benefiting	839:1,11
866:21	929:6,13	818:11	858:19	bills 879:13
868:9,18	931:17	844:6	benefits	
870:15	943:23			
872:13,15	951:14			
880:17	952:16			
882:6	955:23			

bit 780:17	772:3	865:2	979:18	756:2,7
787:4	774:17,22,	867:11	981:17	757:4,13,1
801:1	25 775:18	868:22	983:1,8	9 758:9,16
806:16	776:6	870:4,25	985:4	759:4,10
820:7	783:17	872:8	986:11	760:1,7,14
850:15	784:21	875:12,17,	987:13	,21
872:2,25	787:17	21,24	988:6,8	761:6,15,2
874:22	790:14,18	881:8	999:7,13,1	3 762:8
878:25	792:8,14,2	885:11	6 1002:10	763:15
884:1	0	886:12	1007:10,21	764:23
886:2,19	793:11,17	887:14	1008:6	765:10,13,
919:6	794:16	891:18	1009:1,7,2	15,19
947:10	795:2,16,1	892:25	0 1011:17	766:7
988:20	7	894:3,11,2	1013:5	768:11,25
997:22	796:5,16,2	4 897:12	boardroom	769:17
bits 755:16	1 799:2,13	898:5	779:9	772:2,13,2
blanket	800:20	899:4,10	783:12,14	5
870:12	801:4	900:1,4	boards	773:3,6,9,
Bloomberg	802:18	901:24	882:16	16
913:17	804:2	902:11,18,	888:17	774:3,9,19
blow 998:13	808:14	21 904:25	Board's	775:2,17,2
blue-skying	810:9	905:5,20,2	773:19	3
801:7	812:7,21	1 906:6,15	875:2,9	776:1,5,12
BMO 957:5	815:20,24	907:5,9,25	889:20	777:18,25
958:6	817:12,14,	908:6,12	923:19	778:8,16
Board	17,24	909:2	925:18	779:7,14,2
731:1,13,1	818:4,18	916:23	927:13	2
4,15,16,19	819:1,20,2	917:6	Bob 732:2	780:10,18
732:2	3	918:25	733:11,16,	781:13
734:4	820:1,3,9,	926:1,11,2	23 736:11	782:20
735:3	11	0	737:15,16	783:11,16
736:8,15	824:2,19	927:6,7,22	738:6,20	784:4,10
737:4	826:22	928:4,5,11	739:1,6,16	785:3,4,8
738:18	827:1,21	930:3,23	740:7,17	787:20,21
739:8	828:15	931:6,15	741:4,14,2	788:23
740:19	833:10	932:7,8	3	789:4
743:10,20	835:2	933:4	742:3,12,2	790:13,17
745:11	836:7	934:1	1,25	791:1,6,15
746:23	838:23	937:10,13,	743:5,9,15	,21 792:6
748:18	842:6,16	21	,20	794:5
749:15	844:10,16	938:13,22,	744:3,10	797:13,14
752:20	845:3,4,11	24	745:4,9	798:10,22
754:14	,19,22	946:9,12	746:3,15,2	799:21
756:11	846:10,18,	955:20	2 748:17	801:6,17
757:21	21	956:13,18	749:9,23	802:1,9,12
758:12	847:5,10	957:8,13,2	750:17	803:3,12,1
761:9	848:11,12	0 958:3	751:18,23	8
763:8,12	849:1,2	959:19	752:18	804:1,11,2
764:15	852:17	960:4	753:1,10,1	1
766:14	856:17	962:3	5,19	805:13,19,
768:4	857:20	965:18,25	754:13,21	25
	860:21	967:1	755:7	806:15,25
	863:9	972:5,16		808:12,13,
	864:3	978:15		21

809:1,6,13 ,17,22 810:7,12,1 8 811:2,11,1 8 812:6,16 813:1,8,15 814:7,13,1 7,21 815:1,11,1 7 816:4,13,2 0 817:2,12,1 9 818:2,9 820:17 821:3,12 822:1,11,1 9,25 823:4,15,2 2 824:14,18 825:7,12 826:2,10,1 5,18 827:21 828:2,6,13 ,20 830:17 831:23 832:4,13,1 9 833:8,24 834:4,11,2 2 835:8,12,1 8 836:5,12,2 1 837:3,13,1 9,24 838:14,22 839:6,14,2 3 840:5,10,2 0 841:2,11,1 9 842:3,13 843:1,14,2 0 844:4,13,2 2 845:2,20 846:1,9,12 ,17 847:2,8 848:2,6,18	849:4,14 850:1,8 851:6,11,1 8 852:5,16,1 9 854:17,18 856:15 857:2,15 858:3 859:9,22 860:15 861:13,21 862:4,14,1 8,24 863:7,14,1 7 864:3,9,17 865:1,13,2 0 866:1,4 867:9,10,1 8 868:2,12,2 1 869:22 870:3,24 871:6,12,2 2 872:4,8,19 ,22 873:7,13 874:7 875:2,15 876:3,9,15 ,19,25 877:6,16 878:5,15,2 0 879:11,22 880:9,14,2 2 881:6,15,1 9 882:1 883:25 884:7,17,2 3 885:8,19 886:14,18 887:19 888:20 889:5,23 890:4,12,1 5,23 891:9,23 892:12,15 893:7	894:1,22 895:9,22 897:6,14 898:5,17 899:2,16,2 5 900:10,21 901:7,18 903:5,9 904:25 905:10 906:3 915:24 916:1,2,6, 9,16 917:3 918:8,23 919:5,17,2 2 920:15 921:4,19 922:1,5,12 923:6,12,1 8,24 924:3,10,1 9 925:6,16 926:18 927:5,12 928:2,10,1 4 929:22 930:21 931:5,11 932:20 933:23 934:9,15,2 3 935:7,15,2 3 936:6,12,2 4 937:8,9,19 938:3,8,12 ,21 939:4 940:1,7,8, 17,23 941:2,15,1 9,21 942:14 944:6,10,1 9 946:8,19 947:5 948:4,12 954:7,8 955:5,12,1 9 956:9 957:10,18,	24 958:10 960:9,24 962:2,9 963:4,9 964:12,22 965:1,11,1 6,22 966:5 968:1 972:1 974:23 975:20 976:15,22 977:5,11 978:13 979:16 980:3,18 981:6,15,1 6 982:2,6,21 ,25 983:7,18 984:13 985:3,9,14 ,21,25 986:9,22 987:4,10 988:5 989:3,19 990:1,17,2 2 991:1,14 992:10,21 993:3,13,1 6 998:11,12, 19,22 999:4,10,1 5,23 1000:4,8,1 2,19,25 1001:5,16, 23 1002:6,13 1003:9,17, 23 1004:15,20 ,23 1005:16,20 ,24 1006:5,12 1007:6,17, 21 1008:5,23 1009:5,11, 19 1010:18	1011:6,16 1012:4 1013:24 bond 881:22 884:9,18 885:16 914:4 965:19 966:6 977:19 bonds 968:18 bone 874:23 book 734:5 736:16 737:5,22 745:3,6,12 752:20 756:8 764:25 781:15 784:6 788:25 791:8 801:12 802:16,24 803:5 809:7 810:3 812:17 815:12 820:23 821:5,10,1 5,21 822:3,8,13 828:7 829:2 834:25 838:16 842:5 844:7,25 848:19 856:18 863:2 873:4 878:6 879:24 887:6,8 888:21 897:17 901:10 916:17,18, 23 921:20
---	---	--	---	---

932:24	1 808:10	746:1,8,20	921:17	945:2
933:5,12	844:15	749:12	924:6	budget
935:8	860:12,18	752:16	925:4	759:19
936:1,17	905:11,18	753:4,24	926:16	854:10,15
938:4	907:3,4,20	754:25	935:5,21	858:4
940:11	,21 908:5	755:5	938:1	860:2
954:12	909:1	761:4	946:6	868:1,2
958:3	910:14	768:23	953:15	900:3
965:3,17	911:12	777:7	955:3	budgetary
976:16	913:2	778:14	956:25	854:23
986:10	914:11	780:1	957:22	budgeting
999:11	915:15	781:11	960:13	759:24
1006:2	938:13	782:3,24	963:13	851:1,12
1007:7	1012:15	792:4	968:5	budgets
booked 839:4	bragging	800:6	975:23	851:13
books 809:25	847:14,16	801:15	976:13	858:23
810:3,17	brand 1002:2	802:20	979:14,23	868:15
990:16	breadth	803:1,23	982:10	buffer
borne 900:22	912:13	804:19	989:1	787:4,12
borrow	break 777:23	805:11,17,	990:6	build 948:24
898:23	806:21	23 806:13	993:11	949:3
916:19	861:9	810:25	995:13	952:23
bottom	906:18	811:9,16	briefly	1006:6
752:21	944:25	812:14	798:11	building
765:21	945:1	815:9	914:12	802:3
775:18	1012:11,18	816:11,18	917:9	806:8
784:15	breakdown	817:10	bright	buildings
822:22	745:2	818:14	980:19	751:11
829:9	765:1	820:15	bring 787:17	built
846:13,14	809:8	821:17,24	905:23	1005:25
849:7	breaking	822:17	918:20	bunch 795:11
850:2	770:7	823:8	953:10,13	797:8
851:20	breathing	824:4,24	bringing	883:3
863:8	801:1	828:25	901:19	burn 951:22
876:4	Brent 732:6	831:15	brings	burner 858:6
923:10	860:23	832:24	801:21	982:4,8,22
924:11	861:1	833:6,14,2	880:3	983:2
925:10,11	Brian 732:8	2 834:9,20	972:15	986:13
926:21,24	bridge	841:9	broken	991:17
936:3	738:10	842:1,25	773:22	997:4
970:11	849:18	848:16	Broquerie	burner's
977:3	856:19	849:10,25	1007:24	997:11
986:16	871:1	852:14	brought	Burns 958:7
bought	BRIEF	854:3	889:20	business
996:11	738:4,13	859:20	964:11	737:25
boundaries	739:24	862:10	973:22	738:9,21
963:19	743:7	864:1,21	bucket 748:8	739:13
Boyd 732:5	744:1,6,16	865:9	776:25	
733:15	,24	871:15	buckets	
807:8,10,2		890:10		
		891:21		
		893:5,24		
		915:20		

743:2	CAC's 916:13	907:9	834:24	770:23
746:4	calculate	916:5	835:4,10	776:23
748:16	822:4	Cameos	840:24	778:4
749:22	842:9	916:10	844:8	826:8
754:6	879:1	Canada	846:19,22	908:21
756:19	893:13	741:1,7	847:3	capitalize
781:2	927:8	749:1	848:20	824:9
782:9	1012:3	880:25	849:6,15,2	capitalized
788:13,14	calculated	885:16	0	739:14
793:3	846:15	910:2	850:14,21,	742:22
797:17,18	873:15	913:8,15	24	751:8
799:4	876:6	966:6,11,1	852:6,8,10	764:9
805:20	888:22	3 967:5	853:12,22	776:15,18
810:13	889:9	979:1,10	854:7,8,14	777:12
818:5	calculation	993:22	,19,25	824:1
820:21	822:9	Canada's	855:4,10	capitalizes
826:9,11	845:12	740:12	856:11,20	743:24
827:25	846:8,10	781:1	861:8	capitalizing
832:9	876:14,21	Canadian	863:4,10	749:6
845:19	877:10	747:11,20	864:10	750:21,25
849:22	881:9	748:20	866:5,8	751:15
851:4	882:25	749:2,7,24	872:17	752:4,7,8,
857:1,8	883:4,8	750:13,14,	876:23	11 764:16
858:13	885:15	15,16	877:1,10,1	779:3
867:25	886:22	767:17	2,17,22,25	captioned
869:2,3	889:4,17	773:22	878:3,8,21	788:2
870:9	890:22	774:6	879:19	capture
872:14	896:6	829:24	882:17	970:5
900:18	899:9	908:13,15	886:6,13	captured
907:12	955:9	912:5	888:4,8,10	937:14
948:13	957:4	957:2	,14,24	973:10
982:13	963:3	961:10,11	889:4,14	car 976:2,5
983:23	966:9	965:8,19	891:10	carbon
984:1	970:11	978:1	892:1,5,10	996:20
985:11	971:21	canvassed	,20	cards
987:25	1011:24	910:22	893:1,10	1001:18
990:3	calculations	972:23	894:25	care
991:10	925:20	cap 877:25	895:12,21,	739:4,17
992:22	946:4	capacity	23	849:21
994:5	966:16	855:20	896:2,16,2	850:4
1011:20	971:2	872:13	3 897:5	851:19
1013:11	calibration	capital	899:19	869:23,24
businesses	739:19	751:1,7	920:1	1008:10
768:8	740:20	752:14	940:4	career 876:7
busy 793:13	741:17	761:20	949:2,9,14	careful
800:19	742:13,16,	763:18	,18 950:2	763:3
	18 743:2	770:14,17,	951:18	779:5
	781:16,20	19 772:4	1012:3	783:8
	782:7	824:20	capitalizati	
CAC 732:8	783:4,7,22	827:19	on	
CAC/CENTRA	cameo 905:13		746:12,14,	
952:12			16,18	
			765:23	

800:22	cast 964:14	852:1	834:24	24 944:21
929:17	catch 791:7	CEF-12	835:20	946:13
carefully	categories	850:23	836:8,14	948:16
785:25	744:14	853:10	837:3,13	949:1
carried	809:9	CEF-13	838:1,3	952:10,11,
760:23	869:1	853:24	839:7	20 953:20
891:12	categorized	Cen 810:16	840:13	957:12
carrying	871:4	Centra 731:7	841:16	966:10,14
908:22	category	732:5	843:4,23	967:4
919:22	751:25	733:6,13,1	844:23	968:3
920:3	777:4,10	8 735:3	845:4,21	979:17
cascade	861:3	737:8	848:7	981:8
926:12	868:23	739:12	849:7,14	982:7,16,2
cascading	869:1	740:13	853:5	1
957:7	871:13	741:19	856:20	983:1,9,11
959:15	1000:2	743:23	857:17	,14,18
case 738:17	cathodic	746:4,6	862:5	984:17
741:23	869:17	753:21	863:5,18	985:6,9,21
757:8	cau 819:18	754:2,22	866:4	,25 987:4
758:24	cause 768:9	755:11	873:25	989:4
779:20	785:25	756:14	876:10	990:3,17
788:10	829:21	759:11	877:7,10	991:2
789:14	837:25	760:2,15	878:22	993:3
843:3	900:11	761:10,18	879:12	997:8,17
846:2	995:24	762:3	880:1,16,2	998:6,14
851:16	caused	763:17	3 885:2,5	999:8
852:1	1001:19	765:2	887:19	1000:9,25
853:5	1002:20	769:6,18	889:9	1001:12
857:8	1003:14	772:3	892:17	1003:24
859:3	causes 814:2	773:10,22	895:1	1005:3,17
864:16	819:18	779:15,22	897:8	1007:18
866:22	caution	780:11	902:5	1009:16
877:22	968:11	787:25	903:19	1011:8
900:5	CC&A 745:22	790:18	904:13	1012:24
956:7	CCA 806:6	791:22	907:7,17	CENTRA-8
965:23	CCIS 806:9	792:9	908:9	734:6
970:9	CDOR 971:2	794:7	909:11,16	807:19
989:12	CDOR-03	797:7	910:13,18	central
999:19	908:15	798:14	911:3,7,13	839:8
cash	951:13	802:1,5	912:20	883:18
762:19,25	cease 991:2	804:13,25	913:25	912:7,9
872:15	CEF 848:19	805:21	914:16,23	929:12
878:22,23	867:15	809:25	915:5,11,1	Centra's
879:12	CEF-11	810:3,6,13	2 918:19	753:20
943:23	850:23,24	,16 813:19	919:20	756:9
944:1	851:14,17	814:14	920:7,8	760:23
950:6		815:4,5,15	921:23	762:17
951:22		817:6,13,2	927:7	772:18,19
cashflow		1 820:18	930:23	773:4
872:16		826:8	935:9	808:23
		827:1	937:23	809:7
		830:23	938:14,23	810:3
			939:15	
			940:13,18,	

812:18	908:9	947:16	866:17	939:11
830:25	914:15	953:23	906:20	944:11
846:9,18,1	925:14	CG-5 953:23	907:3	959:2
9 875:16	932:10,17	CG-9 953:24	915:22	960:1
884:25	951:6	CGAAP 746:18	950:8,14,1	971:21
901:9,22	969:7	749:1	9 951:1	974:8
910:16,20	1012:24	764:6	952:1	988:9
913:4	certainty	CGM-08	980:14,20,	992:11,17
914:12,19	868:6	937:12	22 981:4	995:24
915:1	950:17	CGM-08-1	995:1,8,18	changed
963:11	Certificate	922:25	997:2	825:21
965:23	733:25	927:2	1012:13	837:2
1000:22	Certified	Chair 785:24	1013:4,8	841:16
1001:5,8	1013:20	807:14	challenge	880:7
1005:17	cetera	814:1	959:14	909:20
1009:8	800:20	915:16	972:22	975:6
centre	847:24	chairman	challenges	1006:20
928:17	983:16	731:14	912:2	changes
cents 796:13	991:8	737:17	959:23	739:11
834:23	CG1 941:5	738:18	chan 752:3	747:14,18
986:24	946:13	747:17	change 742:8	748:24
century	CG-1 918:4	768:16	749:2,6,8,	749:18,20
797:24	940:18	787:22	21,22	751:17
CEPU 732:15	941:17	791:7,22	750:17,19	761:7,16
754:8,16,2	942:2,16	792:7	751:24	762:3,16
2 755:9	943:14	803:20	752:2,4,6,	763:10,22,
756:10	947:1	806:15	10 761:19	23 764:11
757:16	CG-10 953:20	817:20	762:22	765:2,5
758:22	CG-13 947:19	853:9	763:24	766:10
cer 932:10	953:25	857:7	764:21	767:11
certain	CG-15 941:17	859:22	765:25	768:5,12,2
740:25	942:1,5	860:15	766:6	1
758:6	943:15,17	905:7,11	767:24	769:13,18
759:16	944:20	906:5	768:18	771:8,17,1
797:21	946:20	907:25	769:20	9
982:16	947:3	952:6	771:19	772:19,20,
997:18	CG-15/17	954:3,9	773:11	24
certainly	943:3	976:17	775:8	773:1,21,2
766:17	CG-16 942:6	980:8	795:8	3 774:6
768:18	943:20	981:16	796:19	775:4,19
779:20	946:20	1002:7	797:9	776:7,9
790:24	947:3	1012:5,16	808:7,15	778:18,19
793:14	CG-17 942:7	CHAIRPERSON	813:3,23,2	780:21,25
797:11	943:18,21	736:3	4 815:25	781:5,23
836:7	946:20	785:5,12	816:22	783:18
857:6	947:3	796:12	817:7,15	784:24
860:17	CG4 947:17	806:23	827:13	791:10
881:2	CG-4 917:23	807:1,7	830:9	793:11
897:10		852:18,20	831:19	795:3,4
902:15		860:1,9,14	882:2,4,8,	796:17
905:18			9 909:16	797:2,3,8
			911:13,18	800:12
			935:2,3	802:8

804:24	754:19	926:25	clarify	coal
813:22	803:17	927:18	807:25	859:5,10
815:14,20	899:5	931:4	925:22	coal-space
829:21	999:8,16	949:24	clarity	861:19
832:9	1000:13	968:21	736:22	Coast 836:8
834:1,5	1004:25	978:10	classes	code
883:23	charges	980:4,5	758:6	856:21,23,
888:4	738:23	1012:18	classificati	25 857:3
901:6	745:19	checked	on	coded 984:21
908:11,22	748:19	979:11	856:21,23,	coffee
910:12	752:22,23	checking	25	1012:11
911:23	753:2	968:7	857:3,25	cognizant
914:12	754:15,18	checkmarks	858:5	792:25
915:5,7	755:17	971:15	classificati	collaborativ
949:11	756:3,13	chief 959:22	ons 760:12	e 798:5
959:1,15	780:21	973:5	clean 947:23	799:9
961:19,20,	783:18	choose 964:4	clear 747:4	collaborativ
24 981:23	803:9,17	998:5	797:10,11	ely 992:24
1004:1	806:11	chooses	807:23	colleague
1006:20	1000:9	980:10	835:19	831:4
changing	1002:2	choosing	845:17	860:18
750:20,22	1006:14	985:18	899:9	colleagues
751:20,21	charging	chose 944:24	912:11	818:10
752:3,7	993:5,18	CIBC 958:25	922:13	826:4
764:3	994:8,10	959:20	930:22	916:20
767:5	1001:14	973:3,5	998:12	collect
911:19	chart	974:3,4	1002:7	960:19
912:23	761:10,24	circulated	clearly	collected
959:24	773:15	916:17	827:15	995:10
961:25	774:2,9	circumstance	959:20	collecting
974:10,12,	775:19	984:18	cli 997:5	839:7,10
22 975:12	810:23	circumstance	client	1005:6
1012:1	812:20	s 757:22	997:5,6	collection
characteriza	850:2	917:12	close 928:19	960:17
tion 909:8	857:16	1004:24	975:5	collective
characterize	952:13	cited 913:5	1013:9	753:16
s 909:2	977:3	city 838:18	closed 909:6	collectively
charge	Charter	839:1,3,10	closely	756:21
755:23	839:21	,21 844:3	848:13	collects
771:5	chassis	991:22,24	closer 762:4	878:23
822:5	976:5	992:8	926:6	column
990:25	chatted	999:24	937:22	742:15
994:24	814:1	clarificatio	949:16	752:22
998:16	895:8	n 784:9	closing	815:14
999:21	939:3	819:4	828:3	822:7
1001:1,6	chatter	953:18	clothes	876:16
1002:4,11	902:13	955:11		
1004:4,8,2	check			
1,24	878:11,19			
1007:4				
charged				

889:7	882:19	companies	977:25	884:6
917:4	914:9	982:15	comparisons	compliant
922:21	916:12	company	760:12	747:16
923:15	980:16	770:11	compatible	748:2
925:16	996:19	801:2	834:15	766:13
926:20	997:17	859:6	compensate	834:1,6,16
931:12	1009:24	879:18	901:5	,18
970:11	commencement	887:16	compensated	component
1009:21	909:14	898:13	898:19	808:22
columns	commencing	928:18	1005:18	878:21
821:1	736:1	982:14	compensating	966:9
924:20	commensurate	984:24	898:23	967:2
986:23	813:6	994:23	competent	976:19
com 1008:24	comment	998:8	808:5	993:5
combative	808:3	999:5	competently	997:18
797:23	852:22	1007:1	988:21	1006:6
798:4	897:7	company's	competition	componentize
combination	910:17	908:3	993:4	819:11
866:23	911:13	926:24	complement	componentizi
909:16	913:5	comparable	754:10	ng 819:15
1010:2	968:12	748:7	complete	components
combine	commented	756:11	745:11	737:24
960:19	779:24	comparative	865:14,18	738:21
combined	comments	815:3	929:18	776:21
865:5	808:1	968:10	1012:20	889:1
911:5	commercial	comparator	completed	917:3
912:18	867:4	927:3	839:19	composite
comes 740:13	869:4	compare	864:14	816:5
767:7	commissions	760:2	865:25	compounded
787:10	888:18	788:20	980:17	761:25
811:5	commitment	978:5	completely	comprehensiv
812:9	904:17	compared	864:24	e 737:24
835:24	common	924:23	991:2	760:13
846:3	744:21	927:14	completeness	767:1,13
855:10	797:16	937:21	736:18	comprised
858:16	803:7	compares	completion	835:9
876:5	806:8	933:7	864:7	compromising
890:12	809:15,23	934:9	complex	con 853:21
920:12	810:1,2,20	962:3	770:8	856:5
945:4	811:7,19,2	comparing	800:1	870:12
949:4	0	829:24	complexity	872:15
976:4	897:20,24	comparison	794:15	904:18
comfort	910:5	784:25	795:25	949:4
956:10	919:18	807:14	988:17	conceivable
coming	communicatio	909:10	compliance	896:14
792:13	n 817:23	921:20	780:5	concentratio
800:15	community	932:23		n 914:20
808:16	992:2	933:15,18,		
810:4,6		19,21		
820:12				

942:3	865:23	772:22	consistent	779:16
945:1	concludes	confusion	748:25	799:23
concept	741:19	795:24	750:13	consultation
786:2,3,6,	915:14	congratulati	764:3,12,1	992:15
14 787:2	conclusion	ons	4 766:21	995:3
789:15	920:12	861:1,3	784:25	consultation
790:6,10	949:5	connect	851:14	s 995:2,5
835:17,19	984:9	861:17	881:5	1005:12
844:18	conclusions	connection	936:20	consulted
847:10,19,	887:13	750:25	967:13	992:18
21 870:12	929:16,17	870:20	consistently	consulting
873:21	concur 854:6	conscious	896:12	808:8
877:17	condition	771:4	consists	887:18
879:17	740:6	consensus	753:7	consumers
882:16	conditions	910:25	consolidate	899:5
891:15	911:19	consequently	903:14	914:14
896:9	912:24	988:23	consolidated	995:4
898:12	921:2	conserving	770:6	contact
900:6	942:21,22	856:6	777:24	817:17
904:18	959:24	consider	804:13	contain
concepts	981:20,23	754:15	805:9	784:22
894:15	988:9	787:17	952:9,15	contained
conceptual	992:11	869:9	constrain	885:9
789:25	Conference	920:25	852:10	999:13
819:23	957:8	993:3,18	853:22	containment
conceptually	confidence	994:15	constrained	763:14
819:10	991:11	consideratio	858:4	contemplatin
concern	confidential	n 819:7	constraints	g 969:13
796:25	758:20	872:18	872:16	970:1
875:25	814:23	considered	construct	contention
984:14	confines	752:9	855:23	874:23
concerned	900:3	758:20	976:3	CONTENTS
750:6	confirm	847:5	constructed	733:1
769:22	790:13	857:5	774:2	context
818:24	831:12	983:24	construction	800:16
996:7	838:9	984:10	770:11	929:1
concerning	841:14	994:19	824:17	continually
997:22	873:8	considering	876:20	959:17
concerns	922:1	813:12	877:8	continually-
799:12	928:14	846:21	1008:10	moving
970:7	confirmation	909:15	consultant	912:15
concert	834:13	913:14	808:23	continue
855:21	conforming	971:25	814:14,15,	737:16
conclude	750:16	considers	18,21	761:6
743:21	confrontatio	910:23	829:15	786:17,18
792:8	nal 796:4	consistency	830:8	788:7
835:3	confusing	854:14	consultants	789:6
concluded				
864:5				

790:4,11	995:23	core 984:1	843:7,24	766:2
806:22	contrast	994:3,18,2	852:6,23	768:14,15
842:15	788:21	2 996:5,16	854:24	769:8
875:11,22	910:11	corner 863:3	868:5	772:20
883:5	contribution	corpora	870:5	773:2,5
889:17	837:5	843:9	876:24	774:8
893:17	896:3	corporate	877:1	775:6
911:15	1010:11,12	743:10,11,	881:5	776:4,10,1
918:15	1011:7	17,21	888:24	1 778:23
980:11	contribution	745:12	893:11	780:12,22
984:21	s 876:20	748:4,14	897:19	782:22
985:1,11	877:7	749:20	899:6	784:18
988:17	895:24	770:13	900:2,11	789:7
991:16	Control	777:1,17	902:8,16	791:13,14
continued	863:15	778:2,9	904:7	797:18
733:11,23	controllable	801:11	912:24	798:15
737:15	763:9,10	802:5	913:22	801:23
763:19	conundrum	804:8	921:7	803:10,11
785:3	820:8	805:14	928:16	804:7,15
787:20	827:10,17	806:6	968:24	805:4,15
797:13	858:8	840:24	986:17	806:4
808:12	conventions	843:10	988:8	808:17,20,
838:1	762:25	850:16	1002:3	25
854:17	764:10	873:17,22	Corporation'	809:12,15
867:9	conversation	874:8,13	s 874:24	811:1,13
885:5	952:7	875:5	875:6	812:21
937:8	1006:18	877:20	910:21	813:7,14,2
940:7	conversely	888:23	912:17	0 814:16
954:7	766:7	896:17	937:20	815:7,15,1
981:15	conversion	901:12	991:15	6,17,23
982:22	785:17	902:3,14	corre 819:3	816:25
998:11	converted	903:16,17	correct	817:1,2,8
continues	949:14	904:16,20,	738:1,2,24	822:15
946:14	951:17	23 905:8	,25	823:21
988:19	953:24	907:6	739:5,15	828:12,19
continuing	converting	1006:24	740:2,15,1	832:3
780:15	914:24	corporated	6,23	834:7,18
983:2	convince	904:22	741:13,22	835:2,6
continuity	820:3	corporation	742:2,10,1	836:11
946:10	convinced	762:11	8	840:3,4
contractor	819:5	763:18	743:4,13,1	842:11
983:17	copy 903:12	765:25	4,18,19	843:19,25
993:23	957:20	769:22	744:9	845:3
1000:22	copyright	774:12	745:21	846:11
1002:21	885:10	779:15	746:11	848:6
1003:14,18	cor 877:6	790:16	750:7	849:13
1005:2,8		794:9	751:21	851:9,10,2
contractors		804:6	753:14	3 860:25
991:25		813:5,11	756:5	861:11,12
contrary		836:4,17	757:16	862:7,17,2
		841:17	758:2	2 863:6,16
			761:12,21	865:16
				867:16,17,
				23

876:7,21	1009:4,18	883:2	745:19	978:22
877:18	1011:15	886:6	746:4	987:15,22,
881:18,25	1013:20	889:4,23	747:5	23,25
884:4	corrected	890:1,5	748:1,6,13	988:6,12,2
885:22	823:17	891:10	,14 750:24	4 990:2
886:15,16	corrections	892:1,5,9,	751:1,12,1	1001:11
889:1,13	888:8	20	5,24 754:5	1004:12
895:4	correctly	893:1,10	759:20	1005:20
899:16,21	777:2	894:18,25	762:13,18,	1006:8,10,
901:14,17	840:9	895:2,9,12	23	23
918:14	correlate	,16,20,21,	763:4,6,9	1007:2,5
919:21	825:24,25	23	769:12,13	1009:25
920:24	correlation	896:2,15,2	772:4	council
923:17,23	883:23	2 897:4	776:16,23	837:11
924:2	corresponden	898:10	777:2,13,1	counsel
927:10	ce 818:18	899:11	4 778:21	732:2
928:7	819:4	901:8	781:16	773:17
934:7	correspondin	904:24	782:7,8,11	907:9
935:1,13	g 820:10	914:3	783:4,6,7	916:13
938:7,11,2	corroding	954:16	784:19,22	932:7
0 940:22	869:19	966:10,23	785:1	956:13
941:1,5,6,	cost 742:21	967:10	786:9	980:6
17,18	744:20	986:23	792:2	counsel's
942:17,18	745:23	987:17,18	802:2,3	734:4
944:8,9,14	746:11	989:19	804:3	737:5
946:18	747:5,23	990:23,25	806:9	752:20
948:8	751:7	1003:6,8,1	808:1	958:3
957:2	761:14	1 1012:3	809:19	count
958:4	763:14	cost-based	810:15	875:1,23
962:7,8	770:6	1005:22	812:3,4,7,	1012:23
963:7,8	775:22	cost-free	11 817:22	counting
965:7,14	776:2,15	876:23	820:20	771:20
966:4	786:24	877:1	824:15	874:1
976:20,21	794:8	costing	826:12	couple
977:8,10,1	796:16	1007:1	833:10	782:15
2 978:20	797:3,6,14	costly	842:4	787:23
981:25	798:11	819:12	843:5	819:16
982:1,5	802:10,13,	882:18	848:14	840:19
983:6	14	cost-of	854:19	862:25
985:8,12,1	805:6,7,9	875:12	856:3,5	903:20
9 986:21	806:6	cost-of-gas	870:16	934:12
987:2,3,9	813:10	901:2,6	874:16,20	944:11
990:21	821:11,13,	cost-of-	883:13	975:15
991:18	21 822:3	service	898:2,7	coupon
993:22	845:18	845:10	899:4	917:13
998:18,21	847:23	899:9	902:5,8	918:18
999:9	856:12	901:23	903:18,24	941:24
1000:10,18	873:24	costs 738:22	904:8	course
1001:22	874:1,13	739:12	908:22	748:13
1002:5,12	881:4,6,12	742:13	913:22	755:16
1004:19,22			915:9	
1005:19			919:14,23	
1007:20			920:3	
1008:15			967:7	

759:14	909:11	878:1,2	981:24	948:21
774:16	911:20	879:9,10	982:7	Czarnecki
792:24	criteria	895:19	983:9,23	732:6
818:21	1010:15	897:9	984:9,13,2	840:12
819:9		901:23	2,24	860:23
831:20	cro 822:1	909:5	985:17	861:1
848:25	crop 839:22	912:23	986:12,15	
871:4		958:11,21	989:16	
882:25	cropped	960:4	990:20	<hr/> D <hr/>
890:19	781:9	961:8,13	991:12,15,	damage
901:2	cross 886:10	962:16	19,20	1000:1,20,
904:11	905:22	963:2,5	995:10,16	21
931:21	cross-	964:15	998:23	1001:2,19,
948:25	examinatio	998:17	1004:13	24
964:21	n	currently	1011:5	1002:18,20
1002:25	733:11,16,	739:14	customers	1003:14
coverage	23 737:15	744:20	771:6	1004:20
1011:11	906:2	776:2,15	772:1	1005:2,7
covered	907:8	777:11	786:13,15,	damages
784:5	916:1	791:1,23	21 787:5	1000:22
create	972:17	948:9	853:3	1001:8,10
945:14,16	981:15	983:13	855:15,21,	DARREN
974:19	cross-	1003:24	24	733:7,19
created	referencin	currently-	856:6,7,13	737:9
833:2	g 831:21	approved	858:20	738:15
880:5	cross-	999:12	859:5,7	745:1,6
958:20	subsidy	cursor	861:17	747:2
creates	1011:14	993:21	867:4	748:21
974:20	Crown	curve 780:17	870:20	749:14
creating	836:4,17	971:17	874:21	750:5,19
789:7	843:23	cust 904:13	877:3	751:22
creation	881:5	customer	878:23	752:1
864:13	902:8	739:2,3,10	879:6	753:17
1005:14	Crown-owned	,17 771:9	902:10	754:1,17
credit	841:17	781:22	904:9,13,1	755:1,13
913:21	crudely	786:24	5 982:18	756:5,15
966:15	879:2	810:10	984:6	757:11,17,
967:6,9	CUPE 755:2	849:21	986:7	24
976:25	756:12	850:3,4,9	991:13	758:14,25
977:12,16,	current	851:19	992:5	759:6,13
22	776:15	853:16	996:18,22	760:4,9,18
978:2,7,10	794:15	855:1	998:5,13	,25
,16,21,23,	801:21	859:2	1002:24	761:13,21
25	803:15	866:24,25	1009:16,24	762:5,12
979:2,4,11	813:19	867:6,11,1	1010:1,20,	763:21
creditors	819:16	3 868:23	21,23	765:4,12,1
898:14,18	832:10	869:7,23,2	1011:7	4,17
creep 854:8	840:23	4 879:14	cut 961:3	766:3,16
crisis	863:23	900:17	cutoff	768:15
	866:15	901:4	960:18,22	769:9,24
		902:12	cycle 964:2	772:9,21
			cyclical	773:2,14
				774:1,8,13

,24	24 852:9	1011:21	940:2,5	918:1,5,12
775:7,21,2	853:8	data	de 952:20	,16,17,24
4	855:25	863:15,17	deal 765:20	919:1,14
776:4,11,2	857:9,19	929:25	772:11	931:8
0 777:9,20	858:7	930:1,15	785:10	940:9,12,2
778:6,11,2	870:11	932:17	793:10	5 941:10
4	871:3	960:20	859:1	942:12
779:11,17	873:5,11,2	961:2	918:1	943:21
780:3,13,2	0 874:11	970:21	dealer	944:21
3 782:5,22	875:8,19	973:19,21	985:18,22	945:22
783:1,13,2	876:8,13,1	976:10	996:10,13	946:2,10
3 784:17	8,22	995:9	dealers	947:14,23,
785:23	877:3,12,1	date 780:20	986:1,4	24
788:1	9	815:4	992:12,14,	948:3,7,13
789:2,8	878:12,18,	866:8	16 993:4	,18,22,23,
791:4,14,1	24 879:16	886:1	995:3,6	24
9 792:1,11	880:3,12,1	910:9	dealing	949:3,6,14
794:11	9	941:14	769:2	,15
797:19	881:2,13,1	942:10	782:16	950:1,9,12
798:16,25	8,24 882:5	950:9	799:25	951:3,12,1
799:24	884:5,14,2	957:6	863:8	7,18
800:8	1	958:7	896:25	952:2,3,14
801:24	885:4,14,2	966:3	975:14	,16,17,20,
802:7,11,1	3	967:23	1002:6	21,23,25
5,22	886:16,25	dated 963:7	1007:8	953:4,12,1
812:10	887:24	dates 914:22	deals 791:9	9,23
813:20	889:2,10	922:25	dealt 875:21	954:1,10,2
815:22	890:2,7,14	958:11	892:5	5
818:16	,19	967:22	986:19	955:6,8,10
822:2,15	891:3,14	dating	debate 783:3	,17,22
827:8	893:14	948:10	787:1,8	966:20,24
828:1,4	894:6	957:9	debating	977:6,13,1
829:1	895:5,15	958:9	899:3	4 978:16
831:1,17	897:23	day 737:21	debt 842:16	979:7
834:17	898:12,21	824:13	843:1,4,6,	decade
835:6,11,1	899:8,22	886:15	9,12,16,17	995:17
5,21	900:6,13	906:8	888:11	decades
836:11,19,	901:1,15,2	910:4	889:24,25	790:25
25	5 903:8,11	939:19,20	890:1,5	799:18
837:10,17	905:4	948:14	898:7,10,1	December
838:8,20,2	928:21,23	954:18,23,	1,24	758:21
4 839:8,17	929:24	24 956:4,5	899:4,7,11	decide 771:1
840:4,8,16	932:21	958:14	908:4,16,1	decided
841:1,6,18	934:7,13,1	960:17,22	9	783:8
,22	9	961:18,19,	914:12,17,	848:12
842:12,20	935:1,13,1	21,23	21,24,25	853:5
843:8,19,2	8	971:2,4	915:1,3	decider
5 845:8,24	936:4,9,18	972:15	917:6,8,14	799:14
846:7,11,1	,25	days 836:2	,17,19,23	deciding
6,20	939:2,9	886:9,11		764:8
847:6,15	940:3			
848:4,10	981:9			
850:11	987:14			
851:10,15,				

decimal	809:20	department	813:10,12	1005:9
939:11	812:3	776:24	814:8,9	designation
decision	841:12	804:3	815:13	831:2
769:6	919:23	1003:19	816:23	designed
780:20	920:10	depend	817:21	758:19
787:15	deficiency	999:16	818:7,20,2	764:12
814:4	856:2	dependent	1 819:1,16	934:22
819:14	deficient	869:6	821:5,7,8,	desirable
850:20	756:16	depending	9,13,19,20	819:21
852:6	define	819:14	,22	desire
872:19	988:11	887:21	822:4,5,12	945:13
945:23	definitely	depict	823:1,12	963:23
951:24	752:2	791:17	825:10	despite
953:6,21	793:22	depicted	826:16,22	853:21
954:21	930:10	761:16	827:2	detail
decisions	971:9	814:5	828:9	790:19
950:6	definition	817:6	829:3,7,12	811:5
decline	842:4	936:7	,14,16	956:3
859:18	definitive	941:2	830:5,19	1011:9
910:8	779:23	depicting	831:24	1013:3
925:14	787:15	757:18	832:21	detailed
declined	degree 868:6	depicts	876:11	887:12
816:7	delay 736:12	879:25	903:21	894:9
828:21	deliberately	925:17	depth 785:9	details
908:14,16	998:6	deployed	912:12	777:21
decrease	deliberation	990:15	derivation	789:11
908:20	s 846:22	994:21	884:3	811:3
decreased	875:14	deprecian	derive	detected
909:12	896:7	821:6	899:12	985:7
decreasing	Delighted	depreciated	910:25	determinatio
909:20	916:3	820:23	derived	n 735:5
deduction	delving	822:13	885:11	768:10
919:23	870:22	824:19	964:9	787:7
deemed	demand 853:2	depreciation	Derksen	826:5,23
983:25	demand-side	735:4	737:12	827:4
def 954:16	809:18,23	744:11,18	981:12	1005:8
defer 870:9	811:22	751:11	1012:8	determine
872:15,17	812:1	766:20,25	describe	820:23
deferral	demonstrate	769:12	914:12	821:22
774:18	772:16	786:9	977:15	823:14
789:23	903:13	790:18,21	described	824:9
790:2	991:11	791:2,9,12	950:23	866:15
812:4	demonstrated	,24 806:9	description	889:18
908:23	950:7	808:15,18	734:2	892:1
928:5	deny	809:2,8,14	735:2	925:19
deferred	855:16,17	,23 810:20	941:7	939:22
794:9		811:7,12,1	design	969:22
800:25		9,20	855:23	determined
		812:18	designated	

781:24	928:25	differential	766:13	763:16
871:13	932:15	933:21	994:1	768:3
889:24	934:11	differently	directive	779:9
909:17	937:6,12,1	762:11	794:14	780:15
951:22	4,24	differs	795:22,24	783:12
953:11	938:16	875:16	798:13,17	785:13
962:15	944:2	difficult	directives	787:22
determining	947:11	796:17	931:14	792:7
804:9	948:2	819:12	directly	793:19
837:1	971:18	853:21	746:6	807:23
845:14	979:2	855:13	751:6,13	813:9
929:14	984:2	difficulty	796:8	817:20
detrimental	differences	819:8	802:4	819:24
984:11	768:8	996:23	disagree	823:23
develop	797:4	diminishing	904:19	831:8
886:10	830:15	998:4	disagrees	834:23
developed	900:14,16,	direct 751:1	910:18	841:13
880:15	21 924:22	762:2	disallowance	856:16
911:2	different	805:20	772:5	858:12
1009:14	748:11	806:3	discern	883:15
developer	760:12	840:11	755:19	894:8
1008:3	768:10	853:18	discontinue	920:16
developing	788:21	905:14	1009:8	929:8
833:4	790:6	906:1	discontinued	930:1
development	797:6	907:8,15	984:11	940:4
909:4	799:3	915:14	discount	discussions
device	811:4	919:7	939:14	768:17
825:24	824:22	930:20	1001:17	815:4
997:7,12	836:10	938:12	discounting	826:7
devices	848:2,5	958:16	897:5	882:18
824:8	862:13,14	961:16	discounts	980:12
987:20	869:1	965:15	917:8,14,1	999:2
devil 789:11	871:4	directed	7,19,23	1005:14
devised	878:25	818:6	918:1,5,12	displace
904:17	880:6,20,2	845:11	,17	872:9
difference	3 882:20	926:2	947:23,24	disposal
765:15	888:5	927:7,13	discovered	927:18
856:1	889:8	928:11	1012:19	dispute
881:21	893:10	930:24	discussed	779:4,8
885:17	900:19	931:6	736:15	782:6
900:15,16	905:6	937:13	discussing	distant
901:8	909:6	985:17	818:1	792:12
909:3	914:22	directing	discussion	distinction
918:17	916:10	818:19	737:21	899:17
923:8,25	917:13	direction	739:8,11	distortion
924:4,9	933:21	764:8	747:17	970:25
925:10,11	936:1	815:25	748:22	973:18
927:15,17	937:20	928:13		distributed
	941:3	directions		920:4
	945:2			distribution
	956:11			
	1002:14			

739:3,10	756:8	873:15	995:3,15	942:17
781:22	765:1	875:4	999:17	965:5,8
804:5	781:15	898:20,23	1002:11	dropping
808:5	784:7	937:5	1005:17	929:20
809:11	789:1	1006:10	1007:18,23	drops
822:21	791:8	dollars	double 874:1	923:9,10
825:6,9	801:12	794:21	875:1,23	dryer 985:15
828:16	802:24	809:3	doubled	996:12,14
829:24	803:5	828:22	782:11,13	dryers 984:8
832:2	809:7	832:6,21	doubt 861:4	DSM 775:19
849:21	812:17	834:23	884:18	808:9
850:3,9	815:12	871:5	939:10	878:10,16
855:2	828:7	903:20	downturn	896:16
861:14	829:3	908:20,25	911:22	Dubois 736:6
867:12,14	835:1	922:19	912:3,13	907:14
868:23	838:16	923:22	959:16	due 808:5
871:8	842:6	924:1	973:8,11	832:9
911:11	844:7,25	933:7	974:9	854:12,13
969:10	848:19	934:12	draft 788:23	855:14
971:18,20	856:18	938:18	789:5,12,1	918:17
984:9	860:11,16	939:1,5,16	3 798:23	920:13
district	863:2	947:7	814:2	942:22
999:21	873:4	986:24	dramatic	994:17
1000:3	878:6	987:1,6,9,	911:22	uplicated
disturbance	879:25	11 988:7	961:22	793:20
862:23	887:8	1000:14,15	dramatically	durations
disturbing	888:21	1001:1,6	853:2	916:10
862:20	897:17	1002:15	draw 896:24	during 757:1
diversity	901:10	1010:5,13	929:16,17	758:3
911:7,9	916:17,18,	1011:8	drawn 923:19	760:10
divided	23 921:20	domestic	dre 984:11	793:9
823:6	932:24	867:12	drive 896:2	800:20
942:4	933:6,12	868:24	898:8	820:11
division	935:8	869:23	driven	825:21
776:24	936:1,17	870:12	746:25	909:10
document	938:4	992:4	931:22	910:1,12
737:23	940:11	dominate	drivers	911:14,23
738:7	954:13	782:18	802:10,13,	921:3
807:9,25	958:3	895:16	14,24	929:19
873:3	965:3,17	done 740:2	driving	930:3,5,12
960:7	976:16	766:17	828:14	953:21
documentatio	980:2	800:13	drop 883:20	979:12
n 976:9	986:10	802:10	917:21	1001:3
1005:15	999:11	803:9	919:13	<hr/>
documents	1006:3	814:10	dropped	earlier
734:5	1007:8	820:25	919:2	764:14
736:16	dollar	827:24	920:20	813:9,16
737:6,23	836:23	831:20		818:4
745:3,12	838:7	890:3		
752:20	845:6	940:14		
	846:5	945:19,22		
	851:22	960:16		
	872:5			

846:6	979:18	865:6	770:7	968:16
873:1	economies	874:6	777:22	eliminating
911:16	912:5	891:7	786:1	918:21
1000:21	economist	917:22	792:18	996:3
1011:22	959:22	923:22	793:18	elimination
1012:17	973:5	933:8	803:13,17	971:10
early 781:25	economists	937:5	804:4	elongation
806:16	959:23	988:2	814:18	973:10
813:18	economize	990:12	818:5	eloquent
830:1,22,2	994:25	eighteen	826:9,10,1	779:12
4 896:7	economy	935:16	6 843:11	else 776:25
980:19	912:2,15	937:1	849:2	896:1
1007:15	930:9	947:18	853:11	968:18
earn 877:15	975:8	eight-one	858:12	970:8
879:20	edification	889:15	874:20,21	975:7
899:24	773:19	eight-point	902:9	998:25
900:4,8,11	effect	811:25	903:15,25	emanated
ease 786:23	808:23	eighty 988:1	904:4,15	941:11
easier 748:7	816:5	eighty-eight	972:24	emanating
easily 756:1	881:23	933:9	electrical	932:8
easy 770:12	921:3	987:1,5,8,	767:17	954:21
ecomony	925:22	11 988:7	810:6	embarked
912:1	932:12	eighty-nine	849:6	1010:20
economic	934:17	845:5	electricity	embedded
896:19	950:24	846:4	785:14	762:23
906:11	effecting	eight-zero	903:24	833:19
908:7	797:9	816:7	electronic	840:23
910:10	effective	eith 806:10	832:14	890:1,5,13
911:22	758:21	939:17	element	893:18
912:3,13	815:13	either	786:11	934:5
938:6,16	816:8,14	745:23	1005:25	1011:23
959:16	817:4	806:11	elements	emerged
960:7,10	943:6,25	844:14	1007:4	896:7
961:1,3,5	944:3	877:8	eleven	emergency
962:14	effectively	902:9	986:18	985:1
963:22	797:7	905:12	ELG 787:8	empirical
964:1,13	994:6	917:14	813:4	882:7
973:8,11	efficient	939:17	818:22	employed
974:9	802:23	956:7	819:5,7	861:17
976:10	effort 861:5	ele 843:10	820:2,3	862:2
1009:15	EFT 990:4	electric	elicit	employee
Economics	994:21	743:1	758:19	754:18
962:9,14	EFTs 990:2	747:9,18,2	eligibility	employees
963:6,25	994:25	4	1010:15	753:18,20
964:13,15	eight 800:21	748:16,22	eligible	754:3,4,22
968:2,8	828:21	749:18	746:12,15,	756:13
970:20	853:7	750:11	17 747:5	815:4,6
971:8		766:14	eliminate	
975:21		768:3,9,17		

990:4	entries	900:23	751:20,24	853:19
encourage	763:1	equivalent	752:6,10	882:7
883:17	enunciated	755:9	755:20	883:7
959:18	766:11	990:4,9	766:18,19	894:18
encouraged	environment	errors 948:6	767:6,24	905:14
749:17	832:9	es 984:3	1011:4	906:1
encouraging	880:21	escalated	estimated	907:8
911:3	882:9	773:13	755:8	908:2
endeavour	886:2	867:24	estimates	909:2
819:13	930:12	870:17	769:14	910:15
endorsed	environmenta	escalates	909:5	915:14
790:24	1 808:8	868:3	et 800:20	919:7
endorsement	envisioned	escalation	847:24	930:20
793:17	1004:24	868:9	983:15	938:13
energy	envisioning	escalator	991:8	941:8
732:11,13	799:22	868:5	evaluate	958:24
836:8	equa 856:9	escaping	896:12,16	995:23
883:3	equal 813:4	777:4	evaluating	evil 853:6
893:20	834:14	especially	992:17	evolved
engage	889:16	929:19	evening	912:16
887:17	896:1	essence	1013:14	ex 795:11
engaging	equate	810:5	event 836:21	1008:9
855:2	836:23	857:3	854:23	exact
engineering	equation	939:7	861:3	838:6,11
740:9	747:8	essential	eventually	870:6
831:2	856:10	857:5,10	771:11	873:14
866:14	equipment	858:9	839:2	884:3,15
enhanced	747:4,6	984:4,5	everybody	955:25
946:2	753:9	994:9,10	800:23	exactly
enjoy 894:8	764:6	996:5	1013:11	743:3
enlighten	828:18	999:3	everybody's	765:17
866:17	832:14,16	essentially	736:4	793:9
ensure	981:24	823:5	everyone	797:19
1011:13	982:7	876:23	736:4	876:18
enter 800:11	983:23	1001:21	968:17	880:5
807:9	986:12	1009:17	970:1	899:6
entire	990:21	establish	1013:14	examination
917:25	991:17	928:5	evidence	907:15
943:6,25	equity	997:10	762:2	Examination-
944:4	881:16	established	764:19	in-chief
1012:25	886:24	831:25	766:20,23	733:15
entirely	889:1,7	858:2	767:5,20,2	907:20
996:3	890:20	880:1,10	3,25 769:1	examine
entities	892:19	881:16	792:14,18,	814:4
853:18	893:16	estimate	20 794:7	examining
	895:3,9,13	749:2	815:3	970:3
	,20 896:6	750:20	818:3	example
	898:16		840:11	741:7
	899:18			888:23

900:12	exercise	1003:21	744:14	763:18
902:24	994:20	1012:10	751:3	772:18
910:1	exhaust	expectation	765:6	775:12
914:3	777:18	859:17	783:19	824:21
988:15	exhibit	868:17	784:2	825:14
examples	734:2	872:16	791:9	861:8
855:20	736:19,20	expectations	809:2,9	866:1
excavating	737:3	912:14	813:10,12	900:16,19
1005:9	752:19	961:25	816:23	921:7
exceed 852:7	757:14	expected	821:8,22	939:15
952:17	761:9	767:2	826:23	expensing
exceeded	807:17,19	820:20	827:5	749:5
854:15	849:5	848:14	828:10,23	752:4
884:9	863:2	859:13	830:19	775:11
excelling	889:6	866:2	875:7	783:4
970:19	906:10	868:14	898:15	expensive
exception	1012:24	929:21	901:12	795:22
901:2	Exhibits	1011:3	903:20	796:8
excess	733:3	expecting	904:19	experience
781:24	734:1	899:6	908:3,8,19	796:16
exchange	exigible	expects	916:24	799:7,11
735:7	955:22	988:8	917:4	830:20
751:24	exile 968:13	expend	919:24	847:10
778:23	exist 789:14	868:19	920:5,9,18	909:25
783:5	790:10	expended	,19	experienced
823:24	888:9	762:10	921:11,21	925:2
824:10	1008:18	865:3	923:13,20	988:23
825:19,23	existed	937:23	925:12,20	experiencing
826:12,24	936:14	1001:19	926:3,21	854:7
827:6,11	942:16	expenditure	927:22	988:24
exchanges	existing	848:20	928:6,16	989:10
739:9	789:5	852:8	931:13	expert
782:10	833:11,17,	863:4	933:5	844:20
827:18	19 912:21	864:11	935:11,25	experts
exchanging	914:17	expenditures	937:16	796:1,9
825:17	994:6	778:3	938:17	882:19
excited	1009:16	844:8	954:12,15,	explain
799:10	expansions	846:19,23	16,21	793:25
excluding	861:10	847:4	expensed	795:3,16,1
805:13	expe 954:15	849:6,8,15	739:13	7,18 798:2
931:7	expect	852:7,11	742:22	810:8
966:20	777:16	854:8	748:14	828:20
excuse	779:23	858:9	764:9	832:4
980:10	817:16,25	859:7	770:17	836:6
executive	872:9	901:11	776:17	838:22
866:9,12	883:10	949:9,18	782:9	850:8
872:1,18	952:23	950:3	783:19	852:25
	992:22	expense	expenses	905:8
	996:6	735:6	737:18,19,	917:9
			25 738:8	1004:23
			743:23	
			752:24	
			761:10,20	

explaining 739:7	978:24 990:23	facts 827:23 1005:6	862:20 871:4 969:2 974:18	933:25 fewer 990:2
explanation 751:19 754:13	extract 812:18	factual 763:17	fast 861:2	field 988:13,21
explicit 759:23 788:19 790:20	extracted 843:18	factually 937:14	favourable 924:15,17	field-based 987:8
explore 787:22	extracts 956:17	failed 997:19	feasibility 891:1,6,13 ,18,24 892:2,8,17 ,22 893:3,8,12 894:24 895:25 896:4,24 897:1,9 1007:8,9,2 3	field-time 990:10
exposure 788:23 789:5,12,1 3 814:2	extraordinar y 912:6	fair 748:13,15 799:25 837:17 841:7 874:16 881:14 883:11 902:4 904:8		fifteen 806:23 950:5
expressed 786:1 875:24	eye 880:4			fifth 1010:10,22 1011:12
extant 798:12	<hr/> F <hr/>			fifty 830:9 831:7 888:7 923:21
extended 946:1 1008:2	face 762:1 883:12 972:22	fairly 751:8 769:13 782:19 887:1 902:10 979:4 1011:1		fifty-eight 922:18
extending 816:22	faced 959:23		feat 818:22	fifty-five 829:8 830:10
extension 1007:23	facilities 744:21 812:12 869:12	faithfully 857:22	federal 740:22 842:10 843:21 977:14 1007:19	fight 779:9
extensions 815:2 896:13 1008:8,22	fact 747:21 749:4 768:19 781:5 793:1 884:24 896:25 902:17 912:15 922:23 931:22 948:19 950:20 964:20 967:16,18	fall 868:22 910:10 957:3 962:15,17, 25 968:17 996:24 998:7,15	fee 842:17 843:2,9,17 917:7 931:8 966:20 977:6,7,23 993:5	figure 745:2 755:18 770:12 795:14 820:22 829:17 845:13 851:5 868:1,2 899:12 936:21 969:16 1009:14
extensively 910:22 972:23		fallen 883:8 912:12		
extent 773:17 795:6,13 954:17 999:15 1008:15	facto 929:15	falling 874:18,20	feedback 992:19 995:9	figured 789:24
external 794:18 795:7,11,2 3 808:23 814:13,14 911:9,14,2 4 912:16	factor 759:21 791:2 991:15	familiar 844:18 857:18	fee-for 993:24	figures 847:22 899:11
extra 840:14	factors 909:16 959:25	family 1001:17	fell 884:10 904:3	file 793:15,17 807:16 887:5 979:18 1012:21,25
		farther 775:8	felt 992:3	
		fashion 834:18	ferreting	

1013:2	938:17	943:2	812:23	952:2,16,1
filed 808:18	954:11,14,	944:1	814:9	9
812:19	16,20	finesses	849:1	953:4,7,12
829:3,7	finances	943:5	851:7	,19 954:1
892:23	944:5	fingertips	854:9	flow 792:2
908:10	financial	864:25	865:3,15,1	846:24
909:2	756:1	finish	8	863:25
956:20	770:25	864:18	946:12,17,	895:18
962:4	788:9,15,2	897:15	21 948:14	924:10
979:21	0 793:4	finished	950:21	926:23
980:2	794:2	767:2	954:18	943:23
filing	795:19	860:23	978:7	flowing
812:19	895:14	865:15	986:17	924:14
858:1	903:14	fireplace	fit 871:23	flows 890:17
870:19	907:11	983:10	952:5	944:1
884:6	909:11,25	985:15	five 755:24	946:14
903:2	911:20	989:12	794:21	focus 994:3
909:13	912:24	991:7	823:6	focussing
938:24	918:4	fireplaces	831:8	863:7
1013:4	921:2	983:15	882:12,23	folks 896:19
filings	930:18	984:8	891:25	follow-ups
894:9	939:24	988:14	906:18,21	1012:9
fill 992:1	942:20,22	firm 814:24	910:5	footnote
final 780:20	956:23	first 758:17	933:6	757:20
787:7	958:19	765:21	937:4	force 842:19
795:1,15	962:1	769:15	942:16	970:24
814:4	978:11	780:19	961:21	Ford 913:17
820:12	financing	782:5	966:7	forecast
finance	877:21	789:13	980:15,22	742:17
756:18	889:25	790:7	1011:10	759:12,23
875:7	898:2	820:25	five-five	774:16
895:7	918:10	822:6	976:24	775:9
901:12	951:18	870:13	fixed 807:15	776:9
903:20	954:17,21	873:3	951:20,24	779:1
904:19	966:17	876:14	952:2	835:4
908:3	967:3,14	887:2	953:6	840:22
915:9	financings	922:21	fleet 777:13	841:4
916:24	915:2	942:19	Fleming	847:3
917:4	917:12	943:13	814:24	848:20,23,
919:24	941:9	944:25	829:8	24 849:1
920:5,18	finding	957:6	flesh	851:3
921:7,10,2	881:11	965:12	1008:24	852:8,11
1	967:13	972:15	flip 743:16	853:12
923:13,20	findings	1001:9	781:14	863:4
925:12,19	768:4	1012:7	938:3	864:11
926:3,21	fine 916:15	fiscal 767:3	floating	867:15
927:21	1006:25	769:7	908:15	870:17
928:6,16	1013:5	774:12,21	915:1	881:22
933:5	finesse	791:16,18	951:2,12,2	885:16
935:11,25	942:19	804:25	1,25	
937:16				

890:8,13	forecasted	forecathing	forum 795:9	915:13
899:10	900:16	910:16	forward	921:14
900:20,22	908:13,17	forget 843:3	788:6	frequently
901:14	945:7,10	forgotten	833:2	1004:11
908:3,7,20	forecaster	771:9	834:6	Friday 906:8
910:25	911:8,17	form 825:5	849:15	957:11
911:1,6	912:14	835:10,13	891:12	961:1
912:22	962:5,10,1	forma 935:10	892:16	978:15
913:4,8,24	2 970:21	formal	893:15	Friend
918:6	971:11	815:19,22	894:25	905:11
920:13,23	974:1	995:16	913:14	friends
921:22	975:4,9	format 971:1	918:2,7,9	736:13
922:15,25	forecasters	formatting	920:14	1001:16
923:8,14	911:4,14,2	880:7	934:23	fro 899:13
924:14,15,	1,24 930:7	forms 825:3	967:11	front 798:1
16,17,18	958:22	842:17	971:6	819:1
925:1,7,12	959:2,3,17	formula	forwards	956:4
,24	963:21,24	879:25	958:19	fruition
926:5,8,13	964:4,23	880:17	four-one-	780:20
,22 928:25	967:23	882:2	three	900:9
929:9,23	969:1	883:22	four-point-	full 793:15
930:4,11	972:19	884:3,8,11	three	841:23
931:13,17,	973:9,16	,24,25	977:24	882:24
19,20,25	976:1,7	885:9,13	four-seven	970:17
934:5	forecasting	886:24	944:16	974:7
935:12	910:16,20,	890:17	fourteen	1001:18
936:13	22	897:9	1010:21,23	full-cost
937:13,16,	912:18,21	898:8	frame 757:2	743:24
20 938:19	928:16	formula-	762:6	746:24
945:6,7,14	937:13,23	based	782:11	750:2
,18 949:20	968:25	882:22	801:25	766:12
951:7,8	forecasts	formulas	820:11	769:3,23
953:2	847:20	885:21,24	framework	full-time
955:6	850:19	886:4	789:25	755:9
956:20,21	870:5	894:13	franchise	990:4,10
957:6	900:8,24	895:7	1004:6	fully 750:11
958:7,11	908:12	forth 796:10	Francois	839:15
959:9,12	910:24	816:3	866:10,18,	973:10
960:1,10	911:16,25	882:20	23 871:21	1007:2,5
962:12	912:16	960:21	872:3	1008:24
963:6	913:1	fortuitous	frankly	fulsome
964:5,15	923:3	840:17	972:22	894:20
965:4,24	929:2,3	forty 874:6	free 785:10	function
966:6,19	938:10	1010:13	990:19,23	919:6
967:11,21,	939:21	1011:8	1002:11	961:24
22 968:2	956:16,22	forty-five	1004:8,16	975:10
969:4	958:21,23	951:14	frequent	functioning
972:13	965:19,24,			
975:21	25 968:3			
976:18,20	978:9			
977:7	979:20			
979:18				
1010:20				

997:11	732:5	919:20	generally	790:9
fund 949:2	746:6	921:23	747:11	820:5
funny	747:25	928:18	763:5	836:3
842:14,23	748:15	940:18	764:2	837:25
furnace	749:22	946:13	945:9	863:20
983:20	754:5,9,22	948:25	general-rate	872:1
985:16	755:11	949:1,5,12	892:7	877:1
986:2,5	761:10	950:24	generated	885:10
989:7,22	768:9	982:14,15,	923:4	895:13
996:7,24	770:7	18,20	931:17	gives 797:25
1002:9	777:17	984:15,16,	generates	800:25
furnaces	778:10	23 985:5	856:13	949:13
986:7	781:2	987:20	generating	giving
994:11	784:1	989:4	857:14	783:17
997:25	790:19	993:21	858:17	global
998:5	793:18	996:14,20	generation	912:1,5
future 770:2	797:18	1002:19,23	830:1,22,2	goals 785:18
776:9	803:14,17	1003:2,12	4	gone 747:14
792:12	804:4	1011:20	generic	828:16
808:15	805:8	gather 969:1	797:16	882:11
816:13	807:15	gathered	803:21	891:25
839:22	814:18	912:18	887:12	921:11
847:7,9,19	815:4	gathering	888:1,3,16	938:17
848:7,12	820:21	863:18	gentle 757:7	998:1
858:11	829:24	general	gentlemen	gory 777:21
867:21	830:7	731:8	738:19	Gosselin
870:5	836:8,14	741:1	geographic	731:14
892:16	839:5	749:2	855:22	govern 885:3
894:13	843:4,10	755:19	gets 764:9	governance
918:22	846:24	758:3,5,8	772:8	804:8
929:1,7	849:7,8,20	759:24	794:5	government
1011:19	851:19	770:23	877:7	740:22
	852:7,23	792:8	953:8	842:8,10
	853:1,11	804:2	getting	843:21
	854:22	809:11	741:4	877:9
	855:11,24	816:1	776:12	883:14
	858:13,21	840:18	780:19	910:2
GAAP 747:20	859:5,10	853:10	850:12	913:8
748:20	861:10,14	861:25	891:9	977:14
749:7,24	863:5,8	867:13	904:18	979:1
750:13,15,	865:22	868:9	978:14	governments
16 773:22	866:22,25	869:20,24	given	834:24
774:6	869:12	882:15	756:16,20	835:13
gain 956:10	874:16,19	888:17	766:14	GRA 747:18
gallery	876:10	892:6	774:17	748:22
860:20	877:23	904:4	780:8	750:11
Gannett	878:16	921:22	782:21	768:4,17
814:24	880:1,23,2	935:2	785:21	769:19
829:8	5 898:1	938:19		
garage	902:5,10	997:24		
854:20	903:15,19,	1001:10		
gas 731:7	23,25	1008:21		
	904:4			
	907:7			

777:22	928:8,12	988:18,19	876:4	814:12,16,
792:18	931:3,9,16	1010:21	885:13	20,25
815:19	981:13	growth	930:24	815:7,16
837:25	982:12,24	855:21	hammering	816:9,16
891:5	990:24	859:2	764:24	817:1
909:11	991:21	867:3	hand 766:17	821:2,9,19
910:13	992:13,23	GST	807:11	822:24
930:23	993:8	839:10,12,	886:19	823:3,10,2
grab 902:25	995:5	22	906:15	1 824:6,16
gradually	996:1	guarantee	957:20	825:1,11,1
769:25	999:18	842:16	1013:9	5
grand 782:19	1000:1,7,1	843:1,9,17	handbook	826:6,13,1
grander	1,17,24	900:7	766:4	7,25
853:15	1001:4,9,2	917:7	handed 906:7	828:12,19
grant 835:23	1	931:8	957:11	832:3,8,18
836:3,22	1004:2,18	966:20	961:1	833:1,16
837:5	1005:23	977:6,23	965:2	834:3,7
Granted	1006:1,7,1	978:3	handle	981:10
767:7	7	guaranteed	1011:1	happen 779:4
grants	1007:13,20	843:12,16	handled	900:18
835:14,16	,25	guaranteeing	797:7	happened
836:15	1008:14	843:6	handout	780:16
837:4	1009:3,10,	guess 757:3	957:19	930:11
granularity	17	764:15	handy 789:2	933:18,20
973:22	grips 780:8	785:12,17	902:19	956:3
graph 772:15	gross 820:21	789:11,22	HANRI	974:9
graphing	821:4	796:24	733:8,20	happens
979:7	822:3,6	800:17	737:10	741:21
great 758:15	ground	814:3	738:2,25	847:1
785:9	751:5,6	827:12,20	739:5,15	947:16
947:9	861:23	830:2	743:4,14,1	997:6
greater	862:19,20	852:3	9 744:8,18	1002:8
842:4	869:18	874:3,12	745:21	hard 842:9
982:14	group 741:12	930:18	746:10,17	harder 757:5
1010:8	769:2,23	940:18	752:25	hardly
green 772:25	813:4	965:25	753:6,14	858:10
784:16	834:14	987:20	803:11,15,	harken 973:2
GREG	868:25	992:19	25	harm 904:12
733:10,22	1002:24	995:1,22	804:7,15	harmless
737:13	grouped	guidance	805:5,15	904:9
817:8,16,2	897:25	770:21,24	806:5	harmonizatio
5 818:8,11	grouping	932:18	808:2,20,2	n 781:6
892:3,14,2	834:2	<hr/>	5	harmonize
1 896:1	groupings	<hr/>	809:4,12,1	779:2
897:10	808:22	half 759:21	6,20	haunt 801:9
925:21	groups	849:5,7	810:1,10,1	858:11
926:25	902:12	850:2	4	haven't
927:11,16	grow	863:8	5 812:25	771:9
		873:8	813:7,14	

787:6	886:6,11	he's 757:8	940:5	host 925:13
789:24	887:12	905:16,19	historical	hot 983:3,20
790:22,23	891:19	906:1	846:19	985:16
883:1	906:5	907:7,9	918:6	989:22
889:21	909:14	hesitate	historically	hot-water
894:9	929:13	855:12	747:13	1002:9
939:17	933:1	hesitation	748:24	hour 794:21
973:10	936:11	996:25	750:25	838:9
995:15	952:8	high	830:1	859:23
having 769:1	1013:1	866:19,20	845:25	860:2
795:7	hearings	883:23	914:9	1000:14
797:8	790:19	968:14	hit 797:2	1001:2,7
799:4	799:5	969:1,4,8,	974:5	1002:15
806:10	902:14	15,21	Hoffman	hourly
847:7	910:23	970:10	860:17,19	1002:4
882:17	972:24	971:3,13	hold 777:3	hours
886:5	heat 986:20	972:7	850:23	755:24,25
929:9	993:6	989:10	holding	1001:3
942:9	heater	991:11	883:19	house 742:1
968:20	983:11	higher	907:9	997:9
999:21	985:16	759:18	Hombach	housed
havoc 905:22	989:7	782:21	732:3	810:12
hazard	996:8,24	852:1	home	household
757:2,3	heaters	879:9	740:11,14	1003:1
head 751:9	983:15	888:12	741:15,24	HR 756:18
798:20	991:7,8	891:7	989:14	777:11
headed	993:18,19	895:10,11	homeowner	hugely 988:2
867:11	994:11	896:2,3	996:6	hundred
heading	heating	911:5	honest	742:8
774:20	861:19,20	915:13	975:13	754:7
791:15	983:3	921:14	honour	755:8
867:13	991:9,16	925:2,7	904:17	794:21
869:24	992:4,5	926:22	hood 976:2	828:22
Headingley	993:7	944:23	Hooper	843:15
866:24	996:10	959:11	818:10	845:5
health 984:6	height	967:18	826:4	846:3,4
991:13,20	911:20	968:17,19	831:13	871:5
1005:13	held 731:18	999:25	hopefully	875:4
hear 905:16	904:9	highest	793:17	882:2
heard 784:13	help 850:13	968:3	795:4	898:9
817:20	856:16	highly 948:1	799:2	908:25
840:10	859:7	highs 970:17	916:4	909:13
992:19	902:20	971:17	hoping	910:11
1006:13	932:22	hiring	795:21	922:18
hearing	hence 746:12	794:20	850:23	923:21
747:9,24	832:12	historic	852:10	933:6,8
786:2	here's 974:1	847:13,18,	905:5	937:5
793:18	heretofore	21 848:1		938:18,25
850:12	774:7	870:16		939:5
		939:23		

955:21	897:21	IFR 797:1,23	884:14	23 836:19
956:6	1012:17	IFRS	902:24	837:10
977:23		746:16,25	903:9	844:14,20
986:18	<hr/>	747:4,16,2	926:9	845:15
1000:14,15	<hr/> I	1,22	937:19	853:24
1001:1,6	I'd 755:13	748:2,6	942:18	863:11
1002:14	756:25	749:4	957:19	865:20
1009:22	795:7	767:8,15	969:12	868:10
1010:9,13,	796:6	768:13,19	972:2	871:24
16 1011:8	798:3	770:22	1012:11	872:23
HVAC	926:25	772:6,8	illustrate	875:8,13,1
985:18,22	956:2	773:23	1002:18	9,20 882:5
986:1	idea 793:23	774:11	illustrative	886:3
992:12,14,	986:11	775:4,19	822:10	889:13
15 993:4	identified	776:17	I'm	894:10
995:3,6	778:3	778:4,18,2	749:10,19	896:24
Hydr 952:20	863:10	1	750:7	898:22,25
Hydro 739:13	866:4	779:16,19	754:7,9	905:5,11,1
754:4	identify	780:5,9,12	756:15,16	5 916:15
797:17	1006:3	785:17,22	758:1,25	922:5
804:12	IFF 890:13	786:6,9,12	762:21	923:14
810:5	899:11	,23	764:21	926:18
814:15	901:13	789:13,25	765:23	927:3,19,2
836:13	922:8	790:7,11	767:19	3 930:22
838:4	923:2	791:10	776:24	935:18
849:2,6	927:20,24	792:15	777:25	939:25
853:4	932:1,5,6	793:19,24	779:19	950:8
860:21	937:12,15	794:1,10	780:19	955:7
863:5	953:10	795:1,15	781:15,18	956:6
902:4	955:6,13	797:1	783:24	968:20
907:7	IFF-08	800:24	784:10	989:6
914:4	921:23	813:6,13,1	785:19	995:22
915:3	922:15	7,24,25	787:14	996:16
918:10,15	936:7	814:6	793:9	immaterial
919:19	IFF-10	827:17	794:6,16	781:3
920:6	935:11	834:1,6,15	795:21,25	833:19
941:11	936:16,19	920:14	796:18	939:6
949:7	IFF-12 765:2	ignore	797:5,10,2	immaterialit
966:10,14	909:4	766:22,23	3	y 938:25
967:4	948:10	767:21	799:10,15	immediate
1001:7,12,	949:20	II 761:9	801:8	787:12
20 1013:1	951:10,16	Ile-des-	802:15	immediately
Hydroelectri	955:15,18	Chenes	804:24	944:3
c 783:10	957:3	865:22	805:25	impact
Hydro's	965:9	ilk 783:7	806:17	771:25
754:10	967:12	I'll 757:7	811:11	773:12
809:24	IFF-13	801:9,19	818:24	787:4
836:3	970:15	806:20	822:19	816:20
842:19	IFFs 924:23	826:13	825:16	828:9
857:23		844:11	827:18	908:6,23
873:2		878:18	834:12	954:19
			835:19,22,	

955:20	include	890:20	868:4	884:25
impacted	738:22	978:22	869:2	885:20
925:18	744:20	including	895:23	909:19
impacts	761:19	740:12	908:18	932:13
773:11	765:5	800:19	910:3	933:22
786:12,15,	791:2	801:22	1010:12	942:13,14
21 793:2	799:22	806:10	increases	943:7
959:6	812:2	817:22	787:13	952:12
implement	824:15	841:24	847:23	958:16
819:24	869:5	inclusion	868:4	960:6
implementati	874:2,25	964:10	915:13	indicates
on 813:6	875:11	income 765:7	921:14	757:20
implemented	898:3	789:18	increasing	959:21,22
767:4	903:18	841:12	895:13	indicating
implementing	913:20	875:6	909:22	751:19
815:18	931:14	901:12	998:4	808:4
833:3	962:16	904:7,20	increasingly	indication
implications	963:24	924:11,12	750:6	741:11
923:3	included	1006:6	incred 797:6	758:11
implicit	744:13	1007:16,19	incremental	838:1
892:25	773:8	inconvenienc	762:15	842:7
implied	784:13	e 989:18	increments	901:11
978:15	790:21	incorporate	760:22	941:16
imply 794:17	794:6	793:4,24	incurred	indicative
833:9	802:3	incorporated	920:9	914:3
important	825:9	806:3	921:7	978:12
913:19	850:1	913:4	927:14	indirect
992:3	871:25	962:23	indeed 916:7	751:15
994:22	874:9	incorrect	940:16	752:13
996:2	878:8,13	774:10,15	independent	individual
importing	899:5	895:2	794:22	755:23
894:16	906:11	increase	910:24	individually
improvement	933:20	758:3,5,8	indicate	756:24
869:9	937:3	759:20	851:1	industrial
improves	939:17	761:2,14,2	930:20	855:21
972:12	941:7	5 762:4,17	976:23	866:25
inaccurate	955:6,13	806:7	indicated	867:5
973:13	958:24	808:4	739:21	industry
Inc 731:7	963:2	845:9,17	748:18	750:14
732:6,8	964:8	856:2,4,5	749:16	764:1,4,10
880:23	965:15	867:3	757:5	,13,19
inception	980:1	895:20	765:13	770:20
982:23	981:20	939:15	779:3	780:16
inclination	1000:19	967:12	780:4	784:1
893:20	includes	978:17	782:15	815:3
	738:9	increased	827:15	830:20,21
	753:8	761:11,18	830:18	882:21
	772:20,24	797:6	852:22	995:7
	809:9	866:22	875:16	ineligible
	823:11			
	835:12			
	841:21			
	875:5			

765:23	963:17,20	986:6	903:18	923:1
infill	964:1,5	1009:15	intended	924:22
1011:4	966:25	installation	844:14	925:1,14,2
inflation	976:4,7	s 854:13	951:12	0 927:8
759:18	979:20	855:14	intending	930:5,24
773:13	informed	installed	785:6	931:6
784:23	754:7	826:1	833:17	938:9
inflationary	815:24	installing	intensive	941:3,12
759:20	863:19	825:4,17	1003:7	942:23
influenced	informetrica	861:14	intent 911:2	943:12,14
783:25	958:8	863:18	intention	944:17,23
infor 932:4	Informetrica	1009:2	740:4	945:10,16,
inform	963:17,25	instance	834:5	24 946:3
792:20	968:13,16	766:24	873:12,14	954:24
796:5	infrastructu	917:20	875:9,10	955:21
information	re 769:11	948:17	885:25	956:16
756:11	803:8	957:5	898:9	960:5
758:20	806:8	958:6,24	951:16	966:19
763:13	858:14	968:8,11	965:23	967:18,19
767:14	1004:1	977:20	intercity	968:13
770:1	inherent	instead	982:15	972:10
801:22	795:13	796:14	interest	976:19,23
802:2	inherently	861:8	744:11,19,	985:4
819:7	762:18	882:1	21 803:7,8	994:5
829:19	846:25	934:3	841:21,24	1012:20
834:13	initial	942:9	858:19	interested
844:10	825:2	999:21	880:20	777:21
845:18	943:4	institute	882:9	907:25
846:3	initially	832:20	883:13,19,	interesting
863:23,24	855:2	instituted	23 885:10	796:24
864:24	889:9	1002:16	886:2	959:5
868:18	922:15	institutions	897:20	967:16
883:7	982:7	956:23	898:14	interest-
884:4	1010:7,19	intangible	908:3,6,7,	rate
885:2	inputs 909:3	763:23	11,19,22	912:17,22,
887:5	inserting	765:22	909:3,12,2	25 913:24
895:14	862:19	809:10	0	interests
906:7,10,1	insertion	intangibles	910:16,20,	836:13
4 911:9	861:22	766:4	21	954:16
932:3,5,7,	insight	integrate	911:1,11,1	interim
11 934:1	911:10	964:3	5,24	775:14
938:5,14	install	integrated	912:7,9,11	786:18
939:19,24	740:14	793:18	913:3,9,15	788:4
940:12	825:2	integrating	914:1,9,17	790:3,5
953:18	869:18	902:5	,19,20	793:12
957:12,14	installation	integration	915:6,7	800:13
960:8	869:3	873:25	917:5	1008:9
961:4,7,12	982:19		918:24	internal
,14,17,18			919:1,7,14	783:12
962:19,22,			,17,19	794:19
25			922:9	796:8

994:25	inverse	e 859:6	948:13	832:7
1005:13	947:17	IRs 760:11	it'd 848:6	856:3
1006:25	974:20	798:9	item	869:16
internally	979:6,9	island	739:10,18,	872:10,17
857:16	invest	970:18	20 743:11	898:6
1008:11	977:18	isn't 751:1	747:25	901:13
Internet	investigatin	754:11	761:17	iteration
860:25	g 985:2	770:11	775:19	932:6,9
interpretati	investigatio	771:25	778:18,19	it'll 747:21
on 776:10	n 887:17	830:24,25	779:6	788:19
960:20	1001:24	842:13	780:8	865:4
interrupt	1004:21	844:13	781:23	950:4
941:22	1005:5	861:21	782:14,19	959:4
intervals	investment	883:22	783:22	967:16
913:1	854:7	896:13	788:2	975:3
intervene	877:15	988:2	791:11	985:10
852:21	878:4,13	issuance	822:21	it's 740:24
intervening	879:8,19,2	946:14	825:8	744:9,14
919:8	1 883:17	951:2	838:18	746:15,17
Intervenor	1011:9	issue 745:13	839:24	747:4,7,25
796:5	investments	769:4	840:21	748:5,7,11
894:17	852:23	772:12	841:12,19	,13,15
Intervenors	853:1,6	781:6,9	850:4	750:7,10,1
799:23	896:16	786:20	852:2	9
800:2,20	investor	797:16	867:11	752:5,6,9
801:4	881:3	803:21	869:24	755:18,22,
826:20	885:5	820:2	871:7	25 759:2
intervention	investors	839:9,12,1	874:9	762:6,11,2
912:6	977:17	3,22	876:5	5
intervention	978:21,24	875:21	901:3	763:11,12
s 912:10	invoices	876:1	917:9	766:19
intr 994:4	879:14	940:12,18	919:25	770:3,16,2
introduce	invol 800:10	941:11	920:3	0,25
860:19	involved	966:3	936:22	772:19
905:19	757:6	986:20	954:9	774:14,15
907:5	771:18	995:10,19	957:6	775:14
introduced	800:10	issued 905:1	981:18	776:20
850:25	820:6	issues	1001:24,25	778:19
introducing	887:23	782:16	1002:1	779:8,13,1
914:25	888:13	797:16	items	4 781:4,8
inv 881:3	995:6	799:16	745:15,18	784:12
inventory	involves	830:12	765:20	785:10
877:23	846:18	858:25	766:8	786:5,6
897:21	IR 758:1	886:10	769:10	788:1,2,4
949:5	797:23,25	902:21	772:7	790:19
989:4,20	976:11	914:17,21	789:20	792:23
irresponsibl	irresponsibl	915:3	803:19	793:7
		941:10	806:2	797:10
		996:20	809:14	805:3
		issuing	813:3	808:6
			821:13	810:4,10,1
			828:18	6

814:22,23, 24	936:7	743:4,9,14 ,19	919:24	886:5,20
819:9,12,2 1,24	939:4,22	744:8,11,1 8	981:10	887:12
821:11	942:20	745:14,21	1006:13	888:2
823:12	944:15	746:3,10,1 7,24	Janelle	894:2,4
827:23	947:21	752:18,25	860:17,19	justifiable
829:2,13,2	948:19	753:6,14	January	857:6,13
2 830:21	949:10,23, 24	754:14	958:8	<hr/>
833:19	950:4,5,16	761:8	963:7,18	K
835:16	,17 951:3	772:14	964:16	Kapitany
836:22	954:22	773:25	972:17	731:15
837:11,12	955:14,17	789:9	Jennifer	784:8,11
838:6,12	956:4,7,21	803:11,15, 18,25	736:5,7	993:14,17
841:23	962:12	804:1,7,15 ,21	job 799:13	994:7,14
847:25	967:5,12,2 4	805:5,15	Johnston	1013:5,7
848:2,4	969:16,18, 19,22	806:1,5	732:15	Keelaghan
851:4,22	971:24	807:24,25	joining	1013:24
852:3	972:21	808:2,14,1 7,20,25	806:19	Kelly 737:12
853:20,23	973:3	809:4,11,1 2,16,20	judge's	981:12
855:19	974:14	810:1,10,1 4,19	969:17	1012:7
856:11	975:9,13,1 4,18 976:1	811:1,13,2 5	judgment	Kerr 732:13
857:22	978:22	812:16,25	770:3	kicking
859:10	979:25	813:2,7,14	771:2	970:18
861:16	985:14	814:7,12,1 6,20,25	793:6	Kim 732:15
862:13,16	988:1	815:7,16	895:6	kinds 763:8
863:23	992:3,14	816:5,9,16	964:8	knew 929:14
866:23	996:1	817:1	juggling	known 847:22
868:4	997:10	820:18	780:4	867:19
870:13,18, 19	998:22	821:2,9,19	jump 745:10	982:3
874:1,24,2 5	1001:7	822:20,24	jumped	KPMG 767:16
875:20,23	1003:25	823:3,10,1 8,21	872:25	794:19
877:10,12	1010:2	824:6,15,1 6	jumping	<hr/>
878:25	1011:3	825:1,11,1 5	894:22	L
880:8,13,2	I've 771:18	826:3,6,13 ,17,21,25	June 731:22	La 1007:24
2 881:11	793:13	828:12,18, 19 831:24	913:11	label 774:21
883:5,7,9	870:24,25	832:3,5,8, 18	959:9	labelled
884:5	905:21	833:1,8,16	juris 760:5	812:22
885:1,2	916:16	834:1,3,7	jurisdiction	960:10
887:16	960:22	835:3	848:1	981:18
889:3,14,1 9 890:3	984:14		886:21	labour 735:6
891:1,16	986:13		894:4,15	751:5
893:21	<hr/>		jurisdiction	753:2,7,11 ,15 823:25
902:4,25	J		s 760:3	824:10,15, 20,21
907:4	Jacobs		799:8,18	825:4,9
920:22	733:8,20		831:11,21	826:12,23
921:4,9	737:10,20		853:1	827:5
928:17,18	738:1,2,7, 25		883:21	
929:5,15	739:1,5,9, 15,20		885:21	
930:11				
933:13				

842:19	842:5	19	915:8	851:2
987:8,23	852:21	lead/lag	lengthy	852:11,24
988:21	865:15	879:1	886:5	853:6,7,15
990:10,14,	882:11	leading	less 749:6	,22
22,24	891:4,25	1005:7	751:12	866:19,20
993:5	892:7	least 757:16	763:10	870:16
999:5,25	894:23	767:10	764:17	877:9
1003:7	902:23,25	772:7	796:4	896:17
ladies	913:11	775:14,15	798:4	931:23
738:19	921:22	776:17	850:21	956:10
lag 959:3	924:21	781:1	862:23	991:11
landed 792:9	930:23	788:6	865:4,11	1010:22
944:2	932:25	867:15	937:25	levered
landing	939:11	875:16	961:22	888:13
942:9	944:16	881:10	990:11	li 879:9
large 762:17	948:13	889:20	994:21	liabilities
769:13	950:9	995:17	999:2	788:16
771:25	954:18,23	leave 741:25	1010:9	789:18,21,
853:17	959:7	954:9	let's 740:10	24 790:1,8
863:10	960:16	989:13	745:10	878:3
866:5	961:1,20	leaves	760:7	879:6,9
867:1,6	967:18	949:22,25	761:6	liability
919:3	968:9,21	leaving	764:23	788:10
933:22	978:15,18	748:18	765:20	841:16
959:16	992:16	led 769:17	787:21	liable
991:25	995:17	ledger	802:17	1007:18
996:22	999:18	755:19	807:1,2	lies 853:9
larger	1003:10	904:4	834:22	858:8
741:12	1006:19	left-hand	842:15	lieu
771:18	late 769:18	917:4	856:15	835:14,16,
914:21	later 785:9	leftover	860:2	23
larger-scale	797:2	865:4	876:3	836:3,15,2
861:25	860:19	legacy 897:1	883:12	2 837:4,5
862:1	872:2	914:17	897:15	lif 823:13
largest	880:10	917:17	906:21	life 735:5
752:23	886:1	legal 836:16	922:13,18	787:8
753:11	893:9	839:18	933:24	813:4
Larry 731:16	973:20	844:14	956:18	815:2
last 739:10	latest 892:4	legalities	980:14,15,	818:20
749:18	895:14	838:11	22 983:7	823:13,20
758:10	latter 772:8	legally	1002:7	824:8,11
759:1,8	959:9	835:24	1007:6	825:18,22,
768:3	laundry	legislation	letter 816:2	25
778:19	973:15	844:16	level 748:14	826:3,11,2
781:14	law 1003:19	legs 944:16	749:20	3
818:21	lay 784:21	lengthening	752:13	827:4,10,1
829:15	layer 935:24		759:16	9
833:9	lead		777:1,17,2	829:17,20,
840:19	792:14,17,		4 778:2	22 831:8,9
			797:21	832:11,15
			835:20	
			843:10	

834:14,15	850:4,9	886:19	754:3	742:6,9
867:15	852:2	947:13	767:1	792:17
light 781:14	859:12	988:3,20	786:7	829:23
792:6	867:11	997:21	794:5	859:4
833:9	869:24	live 853:12	825:18	883:13
859:23	871:7	lived 793:3	883:4	894:10
895:12	872:24	900:25	893:22	971:9
997:16	874:10	lives 808:22	902:7	996:9,17
998:6,13	876:17	816:22	917:25	lots 762:14
lighting	889:7	830:6	945:25	796:1
996:23	917:9	831:10	962:16	902:13
light's	918:24	living	963:2,5	929:10,25
997:10	924:21	830:25	970:22	930:1,14
likely 889:8	925:10	840:14	1007:18	low 890:21
925:23	926:24	load 855:21	longer-term	895:3
950:22	933:5	866:24	770:2	912:8
likewise	950:9	locate	853:25	914:9
809:17	957:6	957:13	long-run	931:23
924:21	1000:13	980:4	963:24	945:23
925:6	1005:10,11	1005:10,11	970:21	969:2,4,9,
964:22	1010:14,19	located	long-term	15,21
limited	lined 868:13	822:23	884:9	971:4
991:6	lines 861:15	826:16	888:25	972:7
limits 741:2	971:12	location	889:24	lower 773:12
854:24	lion's	863:20	890:1	816:23
line	839:12	999:17	898:7,10	840:22
739:18,20	list 733:3,4	logical	908:16,17	856:5
742:16	734:1	895:18	909:23	911:5,15
743:11	735:1	long 764:7	912:8	914:18
744:12,19	986:4	786:3	913:3,25	921:5,6
752:21	listed	793:3	914:25	931:23
761:14,17	745:16	794:4	915:1	941:4
766:8	765:20	830:25	917:6	942:23
769:10	872:10	847:25	931:6	943:1
772:17,24	917:4	858:2	946:10	968:20
773:1,4,7	955:17	882:18	948:18	lowered
774:21	962:18	885:15,16	949:15	911:24
775:19,22	listing	919:14	951:2,12,1	lows 970:18
778:17	963:1	940:4	8 952:14	971:13,17
779:6	little	961:22	953:19	lump 942:3
783:22	752:13	966:6	954:1	lunch 806:19
784:15,16,	757:7	968:18	961:11	838:9
20 791:11	764:7	1008:12	964:2	843:2
821:13	767:1	longed 940:2	966:19,23,	860:3
826:1	777:11	longer	24 967:19	
838:17	801:1	743:23	976:23	
839:24	806:16	747:22	978:16	
840:21	818:24	748:2	looming	
841:12,19	872:2,25		775:4	
846:24	874:22		lot 736:14	
	884:1		740:25	
			741:5,18	

macroeconomy	824:13	836:3,13	937:17,24	964:14
c 930:12	852:10	838:3	938:7,11,2	Marilyn
macro-	managed	842:18	0	731:15
economic	900:2	843:6	940:16,22	784:8,11
911:23	management	849:2,6	941:1,6,18	993:14,17
magnitude	777:13	853:4	,20	994:7,14
909:15	809:18,24	857:23	942:1,18	1013:7
911:21	811:23	860:20,24	944:9,14,2	mark
933:24	812:1	863:5	4	733:9,21
949:23	872:18	873:2	946:18,23	736:19,20
main 809:9	908:4	880:23	947:9	737:1,11
1002:23	911:8	886:23	948:9,15	740:1,16,2
1007:22	940:9	897:21	950:11,16,	3
1008:7,22	945:22	902:4	20 951:6	741:13,22
mainly 753:7	979:8	907:6	952:6	742:2,10,1
808:7	manager	913:20	953:17	9,23
812:1	907:11	914:3	954:14	745:16
mains 869:5	managers	915:3	955:9,14,2	781:19
maintain	776:24	918:10,15	4 957:1,16	844:11,20
787:10	970:4	919:19	958:4,13	845:1
853:5	managing	920:6	960:15	848:24
858:14,22	786:14	941:11	961:4	849:12,19
869:13	mandate	949:6	962:8,11	850:7
992:3	760:22	966:10,13,	963:8,15	854:5
maintained	mandated	14 967:3,6	964:19,25	855:1
857:21	984:4	977:18	965:7,14,2	856:24
maintaining	mandatory	978:25	1 966:4,8	859:15
857:11	746:25	979:2	968:7	861:12,16,
maintenance	765:25	1001:7,12,	972:14	24
808:5	manifest	19 1012:17	975:1,25	862:12,17,
major 828:18	956:1	manner	976:21	22
830:18	990:2	912:19	977:4,9,15	863:6,13,1
854:14	manifested	Manny 733:14	978:20	6,21
855:19	919:13	907:5,18,2	979:25	864:6,12,2
919:12	954:22	4 908:9	980:21	3
920:25	manifests	909:9	manual 855:7	865:11,16,
925:14	959:8	910:18	manufacture	24
971:23	Manitoba	911:17	827:13	866:3,7,20
majority	731:1,7,21	913:7	marathon	867:17,22
739:2	732:5,8	914:15	861:7	868:8,17,2
869:21	754:4,10	916:3,7,14	marathoners	5 870:2,8
874:18,19	760:6,15,2	917:1,11	860:24	871:11,17,
937:14	0 783:10	918:14	March 913:15	24
997:24	799:20	919:3,10,2	948:7,11	872:6,12,2
makeup	804:12	1 920:2,24	949:16	1 969:17
1006:3	809:24	921:9,25	950:10,12	981:11
manage	810:5	922:2,7,20	953:13	982:1,5
786:12	814:15	923:11,17,	954:10	983:6,13,2
		23	955:8	1 984:19
		924:2,8,12	958:7	985:8,12,1
		,25 925:9	959:13	9,23
		926:9	960:17,23	986:3,21
		932:2		987:3,7

988:11	860:12	847:17	25	786:1
989:8,23	905:18	857:5	959:11,12	799:25
990:8,20	907:4,20,2	980:13	960:1	821:20
991:5,19	1 908:5	1004:5	967:18	824:11
993:20	909:1	1012:8,14	970:7	825:4
994:12,16	910:14	matured	974:20	833:1
995:15	911:12	940:20	1003:9	851:12
997:14	913:2	943:15	1009:12	858:11
998:17,21	914:11	944:13	1011:18	875:20
999:1,9,14	915:15	matures	maybe 782:12	883:19
1002:5,12,17	1012:15	943:20	783:20	887:25
1003:15,21	Masi 732:9	946:16	798:5	902:6
1004:22	mat 943:20	maturing	799:7	904:11
1005:1,19	match 851:5	947:18	800:18	905:7
marked	material	maturity	801:13,18	929:25
736:20	759:23	914:22	819:3	934:20
807:17	782:14	915:9	831:12	942:19
889:6	829:4	942:10	833:25	955:10,16
906:9	834:2	945:2,8,15	835:18,22,23	956:3
1012:24	933:13	,16,21	843:21	958:14
market	948:1	946:1	850:13	960:15
887:21	987:12	may 740:9	854:20	969:13
911:19	988:2	741:8	856:15	971:21
913:11	materialized	750:3	878:23	973:12,13,24
921:2	930:9	755:8	882:23	974:1
942:21,22	materially	756:21	883:15	975:9
959:24	909:6	775:20	887:2	979:1
967:14	math 885:9	783:2	902:24	997:12
992:1,25	mathematical	815:23	903:2	1009:23
marketing	884:3	817:21	905:16	meaning
739:4,18	890:17	819:3	956:16	990:4
849:22	mathematical	824:19,21	973:20	means 796:15
850:4	ly 804:11	836:14,16	980:11	measurable
851:19	matter	847:9	985:3	847:22
869:23,25	737:21	854:22	McCormick	measure
marketplace	771:2	860:15	913:2,6	881:11
760:20	796:23	861:2	McCormick's	959:16
915:4	807:22	868:10,13	909:1	Measurement
markets	813:16	898:25	910:14,19	740:12
907:11	828:3	906:15	913:8,16,20,23	741:1,7
909:25	842:23	909:25	mean	781:1
912:24	857:6	914:9	755:1,21	measuring
930:19	889:20	915:12	760:4	828:17
958:19	905:2,9	921:13	762:13,23	mechanical
962:1	917:24	922:4,9	768:18	832:15
978:11	977:6	923:2,8,9	774:19	991:25
Marla 732:5	matters	925:1,23	779:8	medium
733:15	736:9	926:4	782:10,15	970:22
807:10,21	800:1,16	932:13	783:24	meet 789:25
808:10		945:7	784:2	792:24
		950:20		
		958:15,16,		

853:22,25	meter 735:7	817:21	742:17	922:18
971:14	739:9,11,1	834:14,15	743:13,18	923:15,21,
1010:14	8	837:1	745:16	25 924:17
meeting	740:11,13,	838:2	761:11,12	926:22,23
783:14	14,17,19,2	845:10	762:16,24	931:13
886:9	0	848:3,5,8	763:1,18	933:6,8
meetings	741:15,16,	857:15	765:11	934:4,10,1
826:7	17,19,24,2	861:23,25	766:9	2,14,16,18
meets 736:25	5	862:7,21	769:15	,25 935:12
member	742:1,5,13	873:16	774:6	936:15
731:15,16	,16,17	874:5	775:20,22	937:3
1013:5	743:2	878:1,25	776:8,19	939:10,16
members	751:24	879:1	777:2,15	940:19
738:18	778:18,22	881:1,4,7	778:5,9,10	941:23
739:7	780:21	886:21	,21	942:5,7,25
754:8	781:16,19,	889:11,13	781:19,25	947:1,4,7,
905:5,9	22	890:25	791:25	12,13,20
906:6	782:7,10	893:12	809:2,5	948:8
907:25	783:4,5,7,	898:18	810:22	949:21,25
981:17	18,21	899:14	811:7,21,2	950:4
985:4	823:20,24,	901:8,9	3,24	951:9,10,1
memory	25	910:17,21,	813:11	1,17,19,20
756:25	824:8,10	22,23	816:24	,21
777:19	825:2,5,17	912:18,21	819:10	953:3,7,12
778:6	,19,20,23,	927:13	821:7	954:11
990:11	24	937:22	828:14	955:5,7
mention	826:7,11,2	968:25	835:5	991:4
778:2	4	1011:19	840:1,2,21	mind 750:14
843:2	827:6,11,1	mic 915:17	,23 841:20	777:4
mentioned	8	microphone	845:5,6	797:11
740:19	metering	807:22	846:4	812:9
755:12	740:3	1012:11	851:7,8	862:5
811:21	meters	microscopic	854:15	930:3
830:13	739:8,21,2	956:7	859:11	959:25
846:6	2 740:4,24	mid 971:16	865:2	1013:7
848:9	741:2,6,18	middle 767:3	868:3,4,14	mine 876:2
853:18	742:9	770:18	871:8	880:10
878:16	822:21	791:11	872:7,9,11	minimized
881:7	823:1,18	922:11,23	873:17,18,	914:20
901:20	824:19,21	923:5,14	19	minimum
976:16	869:5	934:2	874:8,15,2	858:1
mercifully	870:21	midline	5 875:4,5	minor 839:11
886:14	method 752:3	971:16	876:16	997:25
merits 887:5	762:9	mid-May	878:8,9,15	minus 821:4
Meronek	804:4	914:6	,17 879:12	948:3
732:8	861:14,16,	midst 909:11	897:20	967:8
1012:12	22 862:19	migrated	900:5,12	minute
mess 780:14	1007:1	881:8	901:22,24	906:18
	methodology	million	903:19,20,	minutes
	796:17,19		23,24,25	806:23
	797:3,15		917:21	
	813:4		919:2	
			920:21,22	
			921:6	

892:1	910:7	980:19	movement	<hr/>
905:23	Monday	1012:2,7,1	971:23	<hr/> N <hr/>
906:17,21	916:12	2	movements	natural
980:15	980:19	1013:11,13	910:4	784:1
1009:20	monetary	morning's	961:22	858:20
minutia	883:16	913:12	moves 743:24	859:5,10
956:3,12	912:6	Morris	949:5	865:22
mirrored	money 762:10	866:11,18	967:11	869:12
952:9	795:11	867:3	moving 748:1	982:18,20
mis 951:4	840:14	871:23,25	752:3,12	984:16
997:12	864:10,17	872:5,12	769:3,23	985:5
mis-labelled	868:19	most-current	771:20	987:20
950:10	870:7	962:19	833:2	1003:3
miss 886:17	883:3	mostly 784:2	859:5	natural-gas-
951:7	Moni 760:20	879:6	914:1	space
missed	monitors	most-	918:1,6	861:20
911:21	760:16	refreshed	920:14	nature
922:5	912:24	962:24	934:23	767:24
missing	monoxide	motor 753:8	967:11	770:4,10
980:6	996:20	803:8	971:6	855:15
misspoke	month 800:21	move 746:24	975:7,8,10	998:1
740:10	849:3	747:21,22	999:20	1005:4,7
mistaken	889:25	748:6	MPIC 796:18	1006:21
749:19	908:13	749:4	multiple	1009:5
misunderstan	910:2	750:1	888:2	neat 948:4
d 951:4	914:5	766:11	multiply	NEB 887:2
997:13	957:2	768:19	821:6	necessarily
mitigated	961:10	769:6	municipal	899:14
882:3,6	965:8	771:8,24	835:13,20	necessary
mix 762:19	966:1	784:12	836:1,9,23	857:4,11
787:16	1004:10,17	795:15	837:14	858:8,9,25
795:14	months	813:24	839:24,25	927:18
830:11	964:17	848:7,12	840:6,15,1	necessity
962:6	973:21	851:17	7 842:10	855:8
mixed 887:4	more-current	876:3	877:5	negative
model 897:1	961:14	882:21	municipaliti	786:2
974:15	morning	911:15	es 836:10	787:2,10
975:5,11	736:3,11,1	917:20	837:16	789:15
models 973:5	3 738:18	918:3	838:2	790:9,20
974:7,10,2	740:1	966:20	1004:3,6,9	885:12
2 975:11	806:17	979:4,12	1008:25	negotiating
976:1,3	807:11	986:22	myself	796:14
988:19	814:2	moved 772:4	776:22	negotiations
modest	818:4	776:14	799:1	758:4
866:23	873:1	858:6	803:20	759:2,5
867:3	913:18	865:17	857:7	760:23
	916:12	883:2	894:23	neighbourhoo
	961:17	885:24	970:5	d 948:5
	978:8	920:1		
		967:19		

neighbours 880:24 995:19,20, 25	nine-eight 942:16	North 912:5	812:12 912:2	occurring 911:23
neither 825:24	nineteen 933:6	notation 812:22	<hr/> 0 <hr/>	occurs 954:17,24
Nesbitt 958:7	ninety 742:8 845:6 917:22	note 743:9 752:21 896:3 902:23 908:12 913:19 918:25 999:16	oath 916:6	o'clock 1013:13
net 785:7,16,2 1 787:24 790:16 791:3,12,2 3 792:10 820:23 821:5,10,1 5,21 822:3,8,12 851:5 871:18 875:6 876:11 879:8 901:12 904:7,20 924:11,12 938:16 1006:6 1009:13 1010:4,7 1011:13	ninety-five 908:20	noted 850:5 909:24 940:18 1004:7	objective 764:19	October 938:9 956:22 957:6
	ninety-four 978:8	notes 806:18 808:4 913:25	objectives 993:9	odourant 985:6
	ninety-two 846:4	nothing 763:11	obligation 836:17 839:15	odourless 985:5
	nobody 930:4	notice 784:2 842:21 843:22	obv 883:6	OEB 887:3
	Nola 732:11	noting 853:13 915:23	obvious 960:16	offended 980:9
	non 839:17 994:8	notion 762:22 929:18 954:3	obviously 751:4 780:6 800:18 846:23 883:6,16 996:21 1006:20	offending 772:6 778:4
	non-core 994:20	notional 886:22	occasion 905:2	offensive 771:14,22
	none 758:18 973:9	notionally 868:5 885:1	occasions 861:9	offered 807:14 982:7,16,1 8 994:23
	nonessential 983:25	notions 763:4	occur 866:5 913:24 949:11 950:21 951:21 959:15 970:25 973:18	office 751:10
	non- essential 993:6	November 849:3	occurred 910:12 919:8 923:9 930:6 937:15 946:24 951:19 959:16 973:9 1010:6	official 938:23
	non-gas 856:3,5	nowhere 1006:5	occurrence 910:6	offspring 896:8
	non- recurring 920:9	np 732:3,11,1 3,15		of-service 901:9
	non-taxable 920:8	nuances 952:10		Oh 767:22 784:10 844:4 852:19 878:12 899:2 901:15 903:2 950:14
	noon 859:24	numerous		okay 758:12 807:1 860:14 876:3
	nor 918:6			
	normal 824:17 869:11 900:15 971:4,18			
	normally 825:3 896:19 996:6			
network 865:22				
neutral 790:2				
newer 862:6				
NFAT 793:9 800:11				
nice 929:15 948:20				
nights 886:9				
nine 742:8 853:7 891:7 937:1 971:3 1010:13 1011:7 1013:13				

878:15	762:13,17,	1001:14	origination	963:23
950:14,15,	18 763:4,6	order 749:18	918:16	output
19 987:25	765:6	769:14	others 769:2	829:11
old 836:2	769:13	818:3,4,19	879:7	outset 951:2
964:18	784:19	819:2	911:3	outside
982:2	785:1	837:11	963:25	991:22
Olympic	operation	846:1	otherwise	992:8
969:14	862:2	869:12,18	758:12	999:24
973:23	874:19,20	887:3	790:15	overall
OM&A 737:19	904:5	889:17	874:17	754:10
739:2	operational	892:8	931:24	786:12,15
745:18	830:12	897:12	949:8	882:9
752:24	operations	905:1,22	970:25	888:21
761:7,10,1	777:17	909:21	ought 856:13	890:15
9	803:13,14	911:5	ourselves	914:24
772:18,20	804:4	925:18	779:18	994:16
773:4,11,1	806:9	926:1,11	953:5,10	over-
3,21	839:5	927:7,22	outcome	forecast
776:6,16	843:11	930:23	819:21	924:23
778:5,21	862:1	931:18,19	911:3	overhead
783:19	863:9	932:8,16	outcomes	738:23
ones 765:7	874:17	933:24	969:10	745:24
921:15	898:2	937:10	outdated	746:13
923:4	984:4	946:2	774:14	747:5,10
958:15,23	opine 876:2	953:4,10	883:9	748:3,25
971:10	opinion	956:18	885:1	750:21,22
989:9	911:8	969:22	964:6	751:25
1005:21	995:25	977:17	outer 963:18	752:14
ongoing	opinions	978:24	outlier	764:2
759:3	882:20	989:17	973:19	765:8
912:2,25	911:14,18	990:15	outline	766:19
983:22	912:19	1004:4,8	907:22	767:9
on-site	opportune	ordered	outlined	770:23
1005:5	859:23	937:21	870:19	777:12
onto 740:14	opportunity	orders	932:24	782:16
861:19	879:20	749:15	outlook	795:1,15
open 794:12	900:8	750:4	906:11	801:11
799:2	964:3	875:18	908:7	802:4
824:6	opposed	organization	938:6,16	806:11
862:15	742:22	original	958:20	overheads
open-trench	751:21	829:6	960:3,7	746:5
862:7,15,2	769:21	922:8	961:2,3,6	748:19
1	776:18	924:16	962:14	749:6
operated	789:6	941:5,23	964:1,14	752:5,7,11
847:12	806:10	957:4	967:24	,12
operating	815:5	originally	977:25	770:2,12,1
737:18,24	821:14	912:4	978:19	5 778:5
738:8	937:23	originating	outlooks	1006:9,14,
759:20	944:22	942:12		21,22
	973:21			overloading

800:23	19,21	925:10	843:5	796:19
overtime	802:23,25	930:15	844:2	822:14
1000:16	803:4,5	932:24	913:22	846:2
owe 879:6,7	804:2,16,2	933:5	949:6	848:14
owned 836:8	2,23 805:3	934:1,3	panel 731:13	851:16
880:16	807:24	935:7,17,2	733:6,13,1	854:13
881:3	808:3	4	8 737:8,17	855:22
885:5	809:6	936:3,7,17	739:7	864:7
919:19	810:19	938:4	758:17	869:15
owner 901:5	811:3,20	940:11	773:18	870:9,18
	812:16,20	941:3,16	806:22	888:19,23
	815:11	942:15	905:9	892:11
	816:6	943:11	906:23	897:13
<hr/>	820:19	946:8,15	907:17	914:13
<hr/>	822:20	947:16	916:25	955:16
p.m 860:6,7	824:15	948:6	980:24	958:1,14
906:25	828:7,15	954:12	981:8,18	965:23
907:1	829:4,9,10	955:17	1013:16	970:2,20
981:1,2	835:1	956:19,21		972:11
1013:18	837:19	957:19	panic 984:23	996:13
pa 901:2	838:16	958:2,5	paper 800:14	1002:23
pace 861:2	839:24	962:4	807:11	particularly
package	841:12	965:16	par 747:5	797:1
968:15	842:5	969:23,25	paradigm	893:21
982:17	844:25	976:15	877:14	895:12
page 733:2	846:14	977:3	879:18	948:17
734:2	849:5	981:18	parameter	963:22
735:2	850:2	986:10,16,	884:20	967:1
736:21,23	856:17	25 991:3	parameters	978:9
737:22	862:25	999:11,13	884:9,13	parties
738:7	863:3,8	1000:5,21	986:12	797:22
739:17	864:4	1001:23	pardon 997:5	798:2,7
743:12,16,	865:21	1005:21		819:21
17	869:22	1006:2	parking	1000:9
745:2,15,1	871:6,23	1007:7	736:13	partly
9,22	873:1	1009:21	parse 845:16	770:11
752:19,21	874:10	1012:17,21	parte 1008:9	party
754:16	879:23	1013:5	participants	1001:10,15
756:7	884:2	pages 731:23	967:1	1003:18
757:14	887:7,8	734:3	participatin	1006:11
758:11	888:20	736:16	g 986:4	1007:3
761:9	894:5,24	737:3	particular	Paspaporn
764:24,25	897:16	764:7	755:23	907:12
765:22	901:10,21	829:8	762:6	pass-through
769:5	902:25	859:13	769:19	901:3
772:14	916:22	871:2	774:5	past 749:15
773:18,20	917:17	920:11	775:24	757:15
778:18	920:19	930:16,17	779:20	763:20
781:14	921:19	969:19	780:8	764:14
783:2	922:11,14,	paid 834:23	788:13	790:3
784:12	17,22	835:9		799:9
791:7,8,11	923:5,10,1	836:8		
801:13,18,	4,20	842:8		
	924:22			

845:11,22	821:17,24	1003:18	755:17	804:6,10
874:23	822:17	1007:18	per 864:14	805:8
875:25	823:8	1009:25	890:22	821:10
889:21	824:4,24	payables	986:23	889:7
897:3	828:25	879:3,10	999:2	890:24
910:1	831:15			892:19
911:14	832:24	paying	percent	percentages
912:4,12	833:6,14,2	842:13	756:23	952:14,19
914:1,2,4	2 834:9,20	898:14	758:2,5,7	
915:10	837:8,22,2	payment	759:22,25	perfect
1008:12	5 841:9	898:10	761:1	974:5
patience	842:1,25		762:1,4,6	perfectly
908:1	848:16	payments	803:12,13	974:5
pattern	849:10,25	835:13	804:12,13,	perform
819:25	852:14	842:10,11,	23 805:1,4	993:24
	854:3	17 843:21	816:7	
Paul 732:13	859:20	payroll	823:2,4	performance
pause	862:10	835:10	825:10	926:14
738:4,13	864:1,21	842:18	843:4,5,16	941:13
739:24	865:9		868:10	958:17
743:7	871:15	pays 837:4	881:17	959:4
744:1,6,16	890:10	843:4	882:2,3,13	performed
,24	891:21	879:13	883:11,22	839:1
746:1,8,20	893:5,24	peaked	884:10,19	performing
749:12	915:20	859:17	885:12,17	754:22
752:16	921:17	peer	887:10	
753:4,24	924:6	769:1,22	889:12	perhaps
754:25	925:4	830:14	890:18,20	738:9
755:5	926:16	peer-group	895:1,10	767:7
761:4	935:5,21	830:14	898:9,24	772:5,16
768:23	938:1		913:10,11,	773:12
777:7	946:6	pejorative	13,18	778:3
778:14	953:15	774:20	914:6,18	779:19
780:1	955:3	pencil	930:25	783:18
781:11	956:25		931:7	784:4
782:3,24	957:22	812:22	940:20	796:3,15
792:4	960:13	937:4	941:4,25	811:4
800:6	963:13	pending	942:5,6,8,	867:22
801:15	968:5	794:10	17,25	868:9
802:20	975:23	pension	943:7,12	870:25
803:1,23	976:13	765:5	944:1,18,2	885:25
804:19	979:14,23	782:17	0 951:11	887:22
805:11,17,	982:10	939:13	952:17,18	894:2
23 806:13	989:1		956:6	916:20
810:25	990:6	people	965:5,9,10	919:24
811:9,16	993:11	794:20	966:21	926:5
812:14	995:13	795:10	967:11,12	954:12
814:3	pay 836:1,17	799:16	977:1,9	968:12
815:9	837:14	800:3,18	978:1,2,4,	969:12,17
816:11,18	838:1	860:16,22	17 1009:22	970:6
817:10	843:9	879:6	1010:9,16	973:19
818:14	898:24	996:9	percentage	974:17
820:15	901:4	people's	753:19	983:25

984:5	1009:16	796:7	916:4	3 762:8
991:3	pertains	797:20	925:21	763:15
994:22	922:24	800:8	928:23	764:23
1002:18	Peters 732:2	802:7,11,1	932:22	765:10,13,
1012:9	733:11,16,	6,22	934:8,20	15,19
period	23 736:10	807:24	935:14,19	766:7
800:21,22	738:15	808:2	936:5,22	768:11,25
825:22	745:1,7	812:11	939:2	769:17
914:8	746:11	813:21	964:7	772:2,13,2
920:13	747:2	818:16	969:20	5
921:8	748:21	822:2	972:14	773:3,6,9,
930:3,5	749:15	825:15	975:3,16	16
941:9	750:5	826:14	981:4	774:3,9,19
945:25	752:5	827:8	982:12	775:2,17,2
970:2	753:18	828:5	987:14	3
1004:11,17	754:1,8,17	829:2	991:21	776:1,5,12
1010:24	755:3,13,2	831:1,17	1004:2	777:18,25
periods	1 756:6,15	835:7,17	1007:13	778:8,16
910:1	757:2,12,2	836:2,20	1008:15	779:7,14,2
930:12	4 758:15	837:11	1011:21	2
943:19	759:2,13	838:11	Peter's	780:10,18
permanent	760:5,11,1	839:18	905:22	781:13
915:7	8	841:1,18	PETERS	782:20
945:25	761:14,22	842:12,21	736:11	783:11,16
permanently	762:7,12	844:1	737:15,16	784:4,10
775:16	763:1,24	845:8	738:6,20	785:3,4,8
permitted	765:9	846:25	739:1,6,16	787:20,21
748:20	766:17	847:16	740:7,17	788:23
1005:10	767:11	850:11	741:4,14,2	789:4
personal	768:21	852:20	3	790:13,17
843:22	769:9,24	855:25	742:3,12,2	791:1,6,15
844:2	770:8,15	857:19	1,25	,21 792:6
personnel	772:11,23	860:2	743:5,9,15	794:5
1003:4	774:2,14	870:11,23	,20	797:13,14
perspective	775:7	873:5,20	744:3,10	798:10,22
763:8,17	776:20	875:9,20	745:4,9	799:21
785:20	777:3,9,14	876:8	746:3,15,2	801:6,17
911:9	,21	878:14,19,	2 748:17	802:1,9,12
929:12	778:7,24	24	749:9,23	803:3,12,1
944:4	779:12,21	880:4,21	750:17	8
947:22	780:3,13,2	881:14	751:18,23	804:1,11,2
948:21	3	884:15	752:18	1
959:5	782:6,11,1	885:7	753:1,10,1	805:13,19,
963:11	6 783:2,15	886:8	5,19	25
968:10,23	784:3	887:7	754:13,21	806:15,25
970:15	785:6	890:8,22	755:7	808:12,13,
971:16	788:11	893:14	756:2,7	21
perspectives	789:3	894:6	757:4,13,1	809:1,6,13
961:25	790:17	895:17	9 758:9,16	,17,22
	791:20	898:22	759:4,10	810:7,12,1
	792:11	901:17,25	760:1,7,14	8
	793:8,22	905:21	,21	811:2,11,1
	794:13	906:21	761:6,15,2	8 812:6,16
		915:18,23		813:1,8,15

814:7,13,1 7,21 815:1,11,1 7 816:4,13,2 0 817:2,12,1 9 818:2,9 820:17 821:3,12 822:1,11,1 9,25 823:4,15,2 2 824:14,18 825:7,12 826:2,10,1 5,18 827:21 828:2,6,13 ,20 830:17 831:23 832:4,13,1 9 833:8,24 834:4,11,2 2 835:8,12,1 8 836:5,12,2 1 837:3,13,1 9,24 838:14,22 839:6,14,2 3 840:5,10,2 0 841:2,11,1 9 842:3,13 843:1,14,2 0 844:4,13,2 2 845:2,20 846:1,9,12 ,17 847:2,8 848:2,6,18 849:4,14 850:1,8 851:6,11,1 8 852:5,16,1 9 854:17,18	856:15 857:2,15 858:3 859:9,22 860:15 861:13,21 862:4,14,1 8,24 863:7,14,1 7 864:3,9,17 865:1,13,2 0 866:1,4 867:9,10,1 8 868:2,12,2 1 869:22 870:3,24 871:6,12,2 2 872:4,8,19 ,22 873:7,13 874:7 875:2,15 876:3,9,15 ,19,25 877:6,16 878:5,15,2 0 879:11,22 880:9,14,2 2 881:6,15,1 9 882:1 883:25 884:7,17,2 3 885:8,19 886:14,18 887:19 888:20 889:5,23 890:4,12,1 5,23 891:9,23 892:12,15 893:7 894:1,22 895:9,22 897:6,14 898:5,17 899:2,16,2 5 900:10,21	901:7,18 903:5,9 904:25 905:10 906:3 915:24 916:1,2,6, 9,16 917:3 918:8,23 919:5,17,2 2 920:15 921:4,19 922:1,5,12 923:6,12,1 8,24 924:3,10,1 9 925:6,16 926:18 927:5,12 928:2,10,1 4 929:22 930:21 931:5,11 932:20 933:23 934:9,15,2 3 935:7,15,2 3 936:6,12,2 4 937:8,9,19 938:3,8,12 ,21 939:4 940:1,7,8, 17,23 941:2,15,1 9,21 942:14 944:6,10,1 9 946:8,19 947:5 948:4,12 954:7,8 955:5,12,1 9 956:9 957:10,18, 24 958:10 960:9,24 962:2,9 963:4,9 964:12,22 965:1,11,1 6,22 966:5	968:1 972:1 974:23 975:20 976:15,22 977:5,11 978:13 979:16 980:3,18 981:6,15,1 6 982:2,6,21 ,25 983:7,18 984:13 985:3,9,14 ,21,25 986:9,22 987:4,10 988:5 989:3,19 990:1,17,2 2 991:1,14 992:10,21 993:3,13,1 6 998:11,12, 19,22 999:4,10,1 5,23 1000:4,8,1 2,19,25 1001:5,16, 23 1002:6,13 1003:9,17, 23 1004:15,20 ,23 1005:16,20 ,24 1006:5,12 1007:6,17, 21 1008:5,23 1009:5,11, 19 1010:18 1011:6,16 1012:4 phase 790:3 phenomenon 947:15	phone 983:9 phoned 984:14 998:23 phones 1002:8 phonetic 806:10 913:17 927:3 pick 792:22 795:1 801:2 922:13 picked 936:14 picture 946:21 piece 898:24 922:23 942:25 954:25 pieced 748:9 pieces 755:16 777:11 942:4,12 943:24 945:1 947:13 951:20 953:8 pilot 997:10,15 998:6,13 pilots 998:1 pinpoint 939:22 pipe 751:4,5,6 830:1,2,8, 22,24 831:9 836:2 861:22 862:16,19 pipes 830:25
--	---	--	---	--

869:19	4 831:9	779:6	1011:12	911:4
placed	play 922:3	780:11,18	pointed	962:24
941:23	964:11	782:12,13	764:14	969:16
placeholder	971:9,10	785:9	811:2	970:4
867:21,23	973:22	796:11	831:7	973:17
plan 781:7	please	809:4	pointing	983:11,15
793:16	837:20	812:2	891:16	985:16
813:24	838:23	816:6	points 863:1	991:7
854:24	866:19	818:17,18	888:7	poorer 830:2
855:23	907:3,22	823:10	908:15,17,	pop 755:25
893:17	908:5	836:14	18	Portage
planning	910:17	838:10	909:13,22,	731:20
964:2	913:5	839:15	23	736:14
1003:25	914:11	849:16,17	910:4,5,9,	portfolio
plans 813:19	915:23	865:6	12 912:14	914:13,24
1002:1	936:24	868:6,12	913:17	915:2
1003:24,25	937:17	870:7,23,2	914:5	943:24
1004:3,9,1	pleasure	5 873:2	932:17	944:4
1,14,16	905:15	874:12	951:14	946:3
plant	907:5	887:14,21	961:21	952:21,25
747:3,6	plow 859:11	891:7	966:7,23	953:4,19,2
764:6	plowing	895:1	967:8	5
808:19	853:17	901:19	970:21	portion
809:10,11	854:12	902:3	973:19	752:23
811:12	855:16	903:6	976:10	753:11
819:10	859:3	918:8,16	977:23	809:25
820:21	861:10,13,	930:21	978:8,18	810:2,5
821:4	21	931:15	policies	895:11
822:6,21	862:5,18	932:2	761:7	898:18
828:16	plug 867:19	933:3	788:21	899:18
829:18,20	plugged	934:6,15	789:5,7	portions
836:9	885:12	942:16,23	792:23	922:11
837:15	plumbing	943:4,16,1	793:1,5	983:24
846:24	996:10	7,22	794:1	pos 990:10
849:8	plus 847:22	944:7,15	801:3	position
857:12	897:20	945:4	policy	736:4
858:24	908:18	946:20	750:18,21	779:18,23
863:19	913:9,15	947:7	751:21	792:9
871:19	945:11,12	948:21	752:2,5,11	794:7,8
876:10,12	948:2	949:10,13	779:2	807:16
879:19	951:14	955:10	783:10	872:15
1000:23	961:11	960:4,18	787:24	875:23
1001:8	967:8	961:8	790:16	884:25
1005:2	978:1,2	963:9	827:13	905:8
1009:2	po 819:18	964:17	883:14,16	939:7
plants	point 758:3	970:13	912:6	positions
819:15	763:20	975:2,18	952:8,9,15	755:9
857:24	764:25	976:24	politely	positive
plastic	765:17	977:1,22,2	823:17	974:21
830:1,22,2		4 978:13	pool 750:22	
		985:3	752:14	
		990:12		

1011:11	992:12,14	presentation	875:17	993:23
possibility	Precisely	762:9	916:17	pro 781:9
992:17	1009:10	790:6	962:10	935:9
possible	predecessor	791:9	1002:8	probably
771:22	756:17	815:12	pri 857:23	757:11
896:20	982:14,15	presently	prices	768:20
974:19	predicated	1005:16	807:14	774:13,22,
992:22	938:5	presents	primarily	25 784:6
post 929:15	prefer	820:7	748:5	791:17
post-Board	1013:2	pressure	857:14	800:12
932:16	preferred	988:20	877:4	812:23
postulating	986:1	pressures	primary	818:17
1012:2	prelude	863:25	738:22	835:15
potential	883:15	presumably	745:19	838:5,9
911:11	premise	985:18	807:15	847:12
969:10	989:13	pretend	831:18	850:12,13
potentially	premised	829:22	841:2	852:2
968:21	938:8	pretty 781:2	983:3	853:14
practice	premium	900:17	prin 904:11	860:19
786:18	843:4,5	936:19	principal	870:22
788:3,8	premiums	prevalent	787:11	884:7
790:11,24	917:15	769:8	841:21	886:3
practices	918:1,5,12	prevent	principle	887:18
747:10	,17 947:24	869:18	904:12	895:19
748:25	preparation	previous	principles	933:13
749:16	767:8	744:19	747:12	939:16
750:7,13,1	774:15	750:3	749:3	964:8
5 763:11	936:19	766:13	763:5	987:16,22
764:2,3	prepared	772:17	prior 815:18	996:12,21
766:21	844:9	780:25	835:25	problem
767:9,18	848:23,25	840:13	838:3	983:10,24
788:13	960:11	848:25	885:20	990:21
790:5	1001:5	852:1	897:8	997:22,23
795:1,15	preparers	853:12	927:7	problems
801:3	770:25	901:20	931:18	819:19
897:3	preponderanc	902:14	1009:1	981:24
practitioner	e 945:20	905:2	prioritize	982:8
969:7	prescribed	910:12	855:4	986:12
970:17	740:21	976:17	prioritized	proceed
pragmatic	presence	999:24	855:6,13	905:12
971:7,11	736:5	previously	priority	985:1
pragmaticall	present	743:15,16	782:21	1008:13
y 972:24	859:16	744:12	854:25	proceeding
975:17	1009:14	745:15	priororizin	768:7
pragmatist	1010:4,8	769:21	g 857:24	793:9
959:6	1011:13	802:3	private	800:11
974:17		814:10	983:17	894:13,18
precipitated		851:2		930:16
		852:12		proceedings
				736:6
				793:21

798:23	899:20	854:12,14	1012:21	1003:24
807:2,8	928:17,24	855:11,16,		1004:3
860:10	1005:25	19 856:20	proposed	provided
981:5		858:4	900:3	756:14
process	progra	859:4,12	913:16	772:15
793:24	991:17	863:10	928:9	807:12
795:5	program	866:5,8,13	948:7	844:24
797:23,25	740:24	,19,21	998:20	846:3
798:4,5,18	742:18	867:7	1000:5	956:18
799:22	744:20	868:13,22	proposes	961:6
800:14	778:23	869:1,8,11	893:11	976:11
833:3	805:7	,21	985:10	978:15
881:8	808:1	870:7,14	1001:1	999:8
891:25	810:9	871:5,13	proposing	1004:16
971:20	823:25	proliferatio	983:14	1011:6
992:20	981:24	n 987:19	991:15	provider
1001:13	982:4,8,22	prolonged	1009:8	796:20
processes	983:24	912:3	1011:25	provides
796:4	986:2,5,8,	promote	proposition	737:23
799:9	13 990:21	982:19	763:25	738:8
procuring	991:2	propane	764:22	764:7
877:11	programs	812:8	proprietary	911:10
produce	748:9	proper 740:5	975:21	912:21
883:5	754:19	1005:14	prospect	948:20
911:5	808:9	property	786:16	providing
968:13	854:25	747:3,6	920:14	753:21
produced	870:6	764:6	prospective	755:10
775:9,10	project	835:16	1008:19	845:18
848:21	850:14	840:7	protection	908:2
912:23	857:3	841:5	869:17	938:15
960:3	858:5	842:22	provide	996:25
967:24	863:12,22	proportionat	770:24	1004:8,13
product	864:5,7,14	e 843:15	819:6	province
820:13	,19	proportions	842:6	835:9
production	865:14,19,	843:12	844:10	840:6
740:3	23,25	proposal	845:12	843:6,13,1
962:20	866:2,10,1	796:13	855:23	7 918:11
productively	1	973:24	881:10	966:13
798:21	871:20,21,	984:18,20	894:10	967:4,6
productivity	23,25	991:6	898:13	provincial
759:16,21	872:2,3,5,	994:4	907:7	760:17,22
professional	13,15	1003:15	932:17	842:8,17
766:23	1010:19	proposals	946:2	843:17
771:2	project-by-	928:4	963:20,25	917:7
876:7	project	propose	964:4	966:20
professional	855:8	798:14	970:21	977:5,13
ly 768:1	projection	807:17	973:19,20	provision
profit	950:15,17	894:14	983:12	759:25
	projects	983:2	992:2	879:7
	850:15		995:24	1006:16
	851:25		996:18	
	853:17			

1007:16	,19,23	PUB-10 761:9	861:18	953:3
pruning	986:3,9,16	PUB-11 734:3	891:1	quarter
969:3	,21	737:1,3	892:22	797:24
Prydun	987:3,7	PUB-IFS	893:22	807:2
733:9,21	988:5,11	969:23	897:5	969:22
737:11	989:3,8,23	public	push 771:6	972:11
740:1,8,16	990:1,8,18	731:1,19	775:15	quarterly
,23	991:1,5,19	759:11	pushing	903:3
741:5,13,2	993:13,20	764:15	764:20	973:21
2	994:12,16	815:19	puts 919:11	que 760:10
742:2,10,1	995:15	817:17	939:18	question
3,19,23	997:14	858:19	985:6	749:24
743:1	998:17,21	860:21	putting	784:9
823:24	999:1,5,9,	888:17	751:4,7,13	785:17,24
844:6,11,2	14 1001:23	892:25	819:22	794:4
0,23	1002:5,12,	901:5	849:14	807:13
845:1,3	17	936:11	877:13	844:14
848:22,24	1003:10,15	972:16	939:21	870:9
849:4,12,1	,21	published	944:22	899:1
9	1004:22	875:17	988:19	901:16
850:1,7,13	1005:1,19,	pull 748:25	puzzled	906:13,14
852:16	22 1012:6	pulled	806:1	929:12
853:14,18	Prydun's	1006:14	puzzling	936:5
854:5,18	987:16	pulls 878:2	757:25	937:18
855:1	PUB 736:19	pulse 886:19	<hr/>	957:25
856:10,22,	749:15	purchase	Q	965:4,13
24 857:17	750:3	808:3	Q.C 732:8	972:3
859:15	752:19	989:21,24	qualificatio	975:13
861:6,12,1	757:14	purchased	n 922:6	990:9
6,24	790:14	838:3	quantificati	991:5
862:12,17,	796:24	purchases	on 955:25	995:1
22,25	798:13	948:25	956:11	questioning
863:6,13,1	849:5	949:1,12	quantified	872:24
6,21	863:2	950:24	868:11	questions
864:4,6,12	889:6	purpose	937:11	758:18,19
,23	927:7	773:15	987:1	760:10
865:11,16,	932:3	1003:7	quantifies	785:7
21,24	938:14	purposely	987:5	801:20
866:3,7,20	957:12	911:5	quantify	806:20,21
867:10,17,	963:5	purposes	977:13	830:14
22	969:24	743:22	quantifying	893:9
868:8,17,2	1008:20	768:6	811:22	916:11,13
5 870:2,8	PUB/Centra	786:8	987:17	980:9
871:6,11,1	887:6	792:16	quantitative	1012:6,7
7,24	906:13	794:3	ly 988:12	quickly
872:6,12,2	908:10	795:10,20	quantum	796:23
1 905:12	957:25	822:10	889:19	quite 782:12
980:12	960:25	857:25		783:14
981:11,22	962:3			790:1
982:1,5,25	965:3,12,1			796:23
983:6,13,2	8			
1 984:19				
985:4,8,12				

819:5	4	830:17	8,24	1007:6,11
835:23	772:3,9,13	831:1,17,2	879:16,23	1009:12
862:20	,21	3	880:3,12,1	1011:16,21
875:21	773:2,14,1	834:14,17,	4,19,24	1012:10,16
972:22	7,24	22	881:2,13,1	Rainkie's
975:4	774:1,8,10	835:3,6,9,	6,18,24	813:16
982:13	,13,20,24	11,15,19,2	882:5	896:5
991:25	775:3,7,18	1	883:25	ramped 853:2
992:24	,21,24	836:7,11,1	884:5,14,2	range 840:1
quote	776:4,11,1	9,22,25	1	887:10,15,
909:5,6	3,20	837:10,17,	885:4,14,1	21 889:12
	777:9,19,2	24	9,23	911:10
	0	838:8,19,2	886:15,16,	952:18
<u>R</u>	778:1,6,11	0,24	18,25	953:5,10,1
radar 780:25	,16,24	839:8,17	887:24	1,13
Rainkie	779:8,11,1	840:3,4,8,	888:20	969:8,9
733:7,19	7,24	11,16,22	889:2,10	970:5,17
736:15	780:3,10,1	841:1,6,11	890:2,7,13	985:15
737:9,20	3,19,23	,18,22	,14,19	990:13
738:15,21	781:13	842:3,12,1	891:2,3,14	ranges 954:4
745:1,4,6,	782:1,5,21	4,20	,24	984:8
10 747:2	,22	843:3,8,19	893:7,14	988:15
748:17,21	783:1,13,2	,20,25	894:1,6,23	991:7
749:14,23	3 784:5,17	844:5	895:5,15,2	ranging
750:5,18,1	785:4,23	845:8,21,2	3	914:18
9	787:21	4	897:15,23	rapid 869:19
751:19,22	788:1,24	846:7,11,1	898:12,21	rate 731:8
752:1	789:2,8	3,16,20	899:8,17,2	735:4
753:17,22	790:14	847:3,6,8,	2	746:14
754:1,14,1	791:4,7,14	15	900:6,10,1	751:25
7	,19	848:4,10	3	753:7
755:1,7,13	792:1,7,11	850:11	901:1,7,15	755:23
756:3,5,10	794:6,11	851:6,10,1	,19,25	768:5
,15	797:14,19	5,19,24	903:5,8,11	776:2
757:7,11,1	798:11,16,	852:9,22	905:1,4	782:17
3,17,19,24	25	853:8	919:25	784:14,22
758:12,14,	799:22,24	854:6,19	928:15,21,	785:14
16,25	800:8	855:25	23 929:24	786:16
759:6,10,1	801:6,21,2	856:16,18	932:21	787:12,18
3	4	857:2,9,19	933:24	788:9
760:1,4,9,	802:7,11,1	858:3,7	934:7,13,1	792:8
15,18,25	5,22	859:11	9	793:4,10
761:8,13,1	803:3,19	870:10,11	935:1,7,13	795:19
7,21	812:10	871:2,3	,18,23	800:12,17
762:5,9,12	813:20	872:23	936:4,9,18	807:15
763:15,21	815:22	873:4,5,11	,25 937:11	808:15
764:25	817:3,20	,20	938:22	816:1,6,21
765:4,12,1	818:3,16	874:8,11	939:2,6,9	820:12
4,17,24	820:18	875:3,8,19	940:2,3	821:7,14,2
766:3,16	822:2,15	876:4,6,8,	955:7	0,21 822:6
768:11,15,	823:23	13,18,22	981:9	823:1
25	827:8,22	877:2,3,12	982:3	
769:9,21,2	828:1,4	,19	987:11,14	
	829:1	878:6,12,1	1006:13	

825:10	919:7	788:2,3,15	934:6,17,2	raw 987:23
826:22	921:14,22	789:21	5 936:20	re 731:7
827:3	925:1,14,2	790:15	937:3	763:22
837:14	0	rates 745:24	939:11,21	814:3
840:13,18	927:2,8,21	746:5,13	941:3,12	820:1
844:16,24	929:5,11,1	748:3,9,19	942:23	858:25
845:6,9,12	2 930:24	771:5,12	943:12	883:12
,17,23	931:6	773:8	945:24	887:5
846:2,15,1	932:25	790:25	946:4	902:23
8,21 856:4	935:2	791:2,12,2	959:11	988:14
868:10	938:9,19	4,25	960:5	990:9
869:20	939:14	792:2,13	966:11,13,	996:2
872:24	940:20	802:4	19 967:5	1005:4
873:9,16	941:24,25	806:11	968:13	reached
874:5,9,14	942:15	815:13,18,	972:10	864:7
875:1,13	943:3,14	21 816:13	978:6	reaches
876:5,6,21	944:23	817:4	979:6,10	1010:16
877:10,14,	945:10,17	821:8	999:5,6,7,	readers
18 879:17	951:2,13	828:9	12,16,19	788:19
880:21	952:2,3,16	830:20	1000:5,9	readily
881:1,10,2	,19	840:14,24	1002:4	755:15
2	953:4,12,1	841:3	1005:22	788:22
882:2,8,9,	9 954:1	845:14	1006:4,9,1	810:23
17	955:21	847:20,21	9	911:19
883:20,24	956:16	848:13	rate's 927:1	reading
884:9,18	957:3	863:25	Rates 925:22	745:5
885:18	961:10,11	881:9	rate-setting	757:8
886:2	965:8,19	883:19,23	792:16	779:5
888:3,9,12	966:2,6	888:1,16	793:24	786:6
,21	971:2	899:5	794:3	860:24
889:16,18,	976:19,23	900:1	795:10	958:6
19,23	987:8,18	902:12	893:22	ready 807:8
890:5,16,2	999:25	908:18	rather	860:10
0,24,25	1000:2	909:12,20,	759:24	932:18
891:15,16	1001:14	22,23	761:20	real 771:19
892:6	1003:8	910:9	772:11	820:5
895:2,10,1	1006:21	911:11,15	783:9	913:12
6,20 896:8	1008:21	912:7,8,9,	795:22	959:6
897:16,19	1011:23	11	796:7,20	966:18
898:4,13,1	rate-based	913:5,15	799:4	974:18
7,18	877:14	914:1,9,17	ratio	reality
899:13	879:17	,19	1009:22	773:3,4
901:3,21	881:1,10	918:18,21	1010:9,17	967:15
908:3,7,12	ratepayers	919:12,13	1011:11	reallocated
,14,15,16	915:11	921:5	rational	802:2
909:3	921:1,5,12	922:3,10	797:9	really
910:16,20,	rate-	923:1	rationale	747:25
21	regulated	924:22	794:1	748:11
911:1,25	775:11	926:4,7	rationalize	752:12
913:3,9,11	780:14	929:6,14,2	994:17	
,12,16,17	785:22	0 930:5		
914:20	787:25	931:23		
915:1,6,8,		933:4,20		
13 917:13				

770:16	997:15	892:24	815:1	973:7
780:24	reassess	recent	830:9	reduce
784:20	853:24	781:4, 9	913:8, 23	786:23
832:10	reassessment	788:25	record	915:6, 7
857:24	840:9	814:2	736:19	936:2
883:9	841:5	892:6	740:10	939:13
885:1	843:22	910:23	759:11	942:3
889:14	re-	914:12, 13	794:12	968:19
893:19, 21	assessment	952:7	801:8	reduced
894:7	840:6	958:23	807:9	744:19
896:8, 25	reassured	recently	814:22	809:2
921:1	992:25	759:1	823:17	989:20
943:4	rebalanced	892:4	826:19	reduction
949:8	914:23	908:10	838:10	744:22
954:22, 23	rebuttal	914:2	861:4	778:21
974:4, 5	941:8	995:17	918:6	791:25
1008:16	943:8	recess	930:1, 15	830:19
realtime	949:24	806:17	976:6	840:17
967:14	958:24	859:24	1012:19, 20	841:3
real-time	959:20	906:4	recorded	883:13
958:17	973:4	recessing	840:2	900:24
959:4	rec 854:20	807:4	871:7	908:24
reason	re-	860:6	records	915:9
746:12	calibratio	906:25	743:23	917:19
748:24	n 952:24	981:1	872:6	921:10
751:16	recall	reclassifica	940:12	930:5
783:3	736:15	tion 765:6	recover	re-examined
799:19	754:2	recognize	902:9	1011:20
827:19	758:17	747:12	934:18	refer 736:23
830:18	818:19	833:3	1003:8	807:24
831:18	884:8, 12	860:11, 16,	1004:12	983:16
832:12	891:8	17, 23	1006:10	993:23
841:3	931:2, 9	991:3	1007:2	reference
856:4	945:7	996:2	recovered	798:14, 24
reasonable	981:17	recognizes	821:8	810:8
749:8	receipt	929:2	recoveries	829:5
791:20	897:12	recognizing	765:6	909:24
799:15	receivables	883:22	recovering	933:3
800:4	877:24	recollection	1007:5	951:5
900:7	879:3, 5, 8	815:24	recovery	970:2
929:6, 13	receive	951:13	930:8	1010:4
939:21	932:7	recommendati	rectificatio	1012:16, 22
reasons	received	on 985:22	n 997:23	referenced
740:12	842:21	recommendati	red	788:25
750:3	866:9, 12	ons 764:15	772:17, 24	818:3
766:11	926:1	913:20	773:4, 7	951:1
840:12, 18	receiving	recommended	784:15, 20	referred
895:3		808:22	redo 854:20	788:24
913:23				902:20
950:22				969:14
984:24				

referring	1001:13	regulated	861:10	1002:9,14
779:18	1011:4	771:5	863:22,24	1003:5,11
806:5	reflection	776:3	869:2,11	relighting
878:7	792:17	782:18	870:19	997:17
896:17	919:15	786:17	908:2	relights
955:7	930:11	788:10	917:20	1001:25
refers 917:9	reflective	790:8	965:12	1002:7
refiled	974:14	regulating	981:23	re-look
926:3	reflects	832:14	997:25	820:2
refinance	739:11	888:2	998:1	relooking
942:24	756:10	regulator	1004:5	750:23
refinanced	925:13	764:20	1006:9	
914:16	refocus	regulators	relates	rely 892:22
940:24	996:16	828:17	745:22	remain
947:19	re-focussing	869:5	747:3	912:7,23
refinancing	996:4	regulatory	752:5	remained
914:21	refresh	775:22	808:7	937:15
918:4	756:25	776:2	relation	remaining
942:24	771:12	786:3	770:19	829:17,20
946:24	896:17	789:19	relationship	865:17
refinancings	897:13	790:2,10,2	882:8	918:5
914:13,19	965:24	3 799:4	979:6,9	980:11
917:23,24	regard	812:3,4,7	relative	1009:20
941:8	894:11	828:17	760:16	remains
953:22	910:7	848:3,5	792:10	912:20
954:1	regarding	857:25	843:11	972:8
reflect	785:7	rein 884:1	904:2	remember
794:12,14	808:1	re-install	939:7	777:2
799:6	869:3	741:25	941:13	836:20
832:10	regardless	relate	952:2	840:9
888:25	756:12	754:16	959:3	884:15
900:24	838:12	812:7,11	relatively	886:7
921:6	regards	871:20	781:9	930:18
925:11	766:20	related	863:10	934:20
927:19	1004:5	735:6	910:7	released
975:15	regime	748:5	released	1002:19
1006:18	776:17	751:7,13	relevant	reminded
reflected	Regis 731:14	765:8	927:3	758:18
745:22	Regretfully	769:12	reli 857:12	reminding
805:6	855:10	778:22	reliability	878:14
808:4	regroup	812:2	858:25	remitting
810:15	859:24	818:5	869:13	839:7
812:20	regular	823:25	reliable	removal
918:12	739:22	824:7,21	857:12	791:12
931:11	913:1	826:24	858:15	813:9
951:3	1000:15	827:6	relight	817:22
954:11	1001:3	839:12	998:9,14,1	remove
966:12		841:21	6	747:15
979:3		857:4,10,1		784:24
987:12		1,13		786:9

791:23	986:2,5	960:8	740:12	969:1
876:11	report	961:5	781:1	973:17
1006:23	798:12	992:10	792:24,25	respecting
1009:6	902:19,20,	1000:13	858:1,17	854:10
removed	23 903:1	1004:11	866:22	928:6
745:18	931:20	1009:6	949:2	940:14
773:1,10	976:23	requested	950:6,7	respond
806:2,8	1008:20	841:4	971:15	996:19
861:19	1012:18,25	855:17	992:5	responding
876:20	reported	856:4	requires	932:3
1007:15	927:25	988:9	741:8	response
removes	1006:23	requesting	845:19	734:6
877:9	reporting	845:4,9	867:1	807:11,13,
885:17	748:7	Requests	1005:3	19 853:2
removing	793:4	906:11	reset	897:7
746:13	794:2	require	885:21,24	908:10,13
813:12	795:19	920:18	residential	911:18,22
814:6	1005:15	required	867:4	952:12
911:4	represent	741:3	869:4	957:11
reorganize	752:23	763:22	986:15	958:12
806:18	representati	765:24	1008:1	969:23
repair	on 800:2	799:23	1011:2	976:8,11
739:19,22	representati	813:23	residual	responsibili
740:19	ve 741:11	867:6	949:25	ty 902:11
741:16	912:22	872:13	residually	907:22
742:13,16,	926:7	883:19	949:12	958:2
18 743:2	represented	895:25	resolved	responsible
781:16,19	784:15,19	896:3	839:15	856:22
782:7	923:4	906:16	resolving	940:10
783:4,7,21	representing	994:23	796:22	957:16
982:16	748:12	1009:1	respect	responsive
989:5	968:24	requirement	757:16	856:14
997:11	represents	746:25	785:14,19,	rest 785:1
1001:2,19	772:18	771:9,25	20 796:16	restate
1003:3	773:7,20	773:8	815:20	937:18
repairs	778:9	784:14,18	818:7	restoration
1000:1,20,	841:15	845:13	839:4	812:3,11
21	919:18	856:12	880:1	1002:21
replace	reproduced	866:24	887:23	restore
893:15	844:24	867:5	895:25	740:5
941:17	request	873:9,15	896:23	1007:4
989:12,25	834:13	874:4	905:1	restored
997:19	855:14	898:19	907:23	997:20
replaced	875:6	908:24	986:2,6	result 809:1
741:3	883:7	921:10	995:2	821:4
814:9	932:4,11	935:10	1004:13	839:2
replacement	938:15,23	939:10	1006:18	840:5
824:1	940:12	1008:16	1011:22,25	895:14
870:21	957:12,14	1009:6	respected	
		requirements	910:24	

904:13	retroactive	873:9,15	747:10	978:25
927:12,22	759:5	874:4	830:6	risk-
940:23	767:4	898:19	850:18	management
965:1	retrospectiv	908:24	885:6	855:3
966:5	e 813:22	921:10	886:1	971:15
resulted	972:18	935:10	reviews	RM 1008:17
892:8	973:25	939:10	912:25	road 740:9
results	974:2,12,2	revenue-	revise	750:9
915:12	5 975:2	generating	892:17,18	798:21
920:5	return	856:11	909:18	896:21
925:17	872:24	revenues	938:23	rolled
976:19	873:9,16	879:14	959:17	943:15
resume	874:1,5,9,	900:19	revised	947:3
807:2,8	14	1009:24	734:3	rolled-over
860:10	875:1,13	1011:5	736:17,21,	943:5
981:5	877:14,15	revenue-to-	22,23	room
Resumed	879:18,20,	cost	737:3	800:10,23
733:6,7,8,	23 880:17	1009:22	891:11	801:1
9,10,18,19	881:1,10,1	1010:9,16	908:10	854:20
,20,21,22	6 882:8,17	1011:10	913:3	860:3
737:8,9,10	883:11,20,	review	922:3	886:9
,11,12,13	24	779:13,14	938:15	906:5
928:21	885:3,18	794:16,18,	957:13,25	rooms 783:15
981:8,9,10	886:23	19,22	960:25	roughly
,11,12,13	888:1,3,9,	795:7,12,2	962:3	936:15
resuming	12,16,21	3 796:9	963:5,17	Round
807:5	889:18	797:20	965:13,17	906:13,14
860:7	890:16,25	798:12,18,	969:23	908:11
907:1	891:15	19 845:13	979:19	938:14
981:2	893:16	848:11	revision	952:12
resurrect	896:6,9	866:14	958:1	957:12,25
785:13	897:16,19	882:24	960:2	960:25
ret 874:13	898:4,8,9,	884:24	965:2	962:4
retained	13,14,15,1	929:15	ri 746:10	963:6
897:21	6,18	976:6	rid	965:13,18
re-think	899:13,18,	983:22	969:15,17	rounded
817:21	23	984:2	right-hand	947:25
retire	900:7,8,23	987:24	742:15	rounding
824:12	901:4,21	993:21	863:3	947:22
retirement	902:3,7,15	1007:7	rise 757:22	948:6
813:10	904:7,18,2	reviewed	risen 914:4	routine
831:20	1,23 930:8	738:22	risk 887:22	971:5
retirements	1011:23	749:7	888:5,8,11	row 808:6
829:15	reve 858:16	789:1	901:6	968:20
RETIRES	revenue	790:18	911:8	rule 778:4
906:23	771:8,24	816:1	914:21	rules 751:14
980:24	773:8	856:1	915:8	run 747:22
1013:16	784:18	981:17	970:4	
	793:2	983:23	974:2	
	856:2,12,1	1007:9		
	3 857:14	reviewing		
	858:16			

892:9	satisfied	scheduled	4	948:23
903:9	993:1	773:21	938:3,7,11	949:4
1010:7	995:21	schedules	,20	998:8
rural 1008:1	1010:7	777:22	940:9,16,2	seasonal
Ruzyski	satisfy	857:22	2	948:23
732:11	792:23	859:12	941:1,6,16	seasonality
	795:21	892:13	,18,20	948:22
<hr/>	save 988:8	scheme	942:1,15,1	949:11
S	savings	782:19	8	seated
sa 857:10	828:14	Schulz	944:9,14,1	758:17
979:17	987:5	733:14	9,24	sec 977:18
safe 857:11	989:20	806:18	946:9,18,2	second
safety	991:3	843:3	3 947:8,9	761:17
857:4,6,10	saw 889:5	883:16	948:9,15	769:16
984:15,25	973:9	884:17	20 951:6	777:3
991:15,19	SCADA	905:13,19,	952:6	831:13
997:22	863:12,14,	24 906:4	953:17	837:20
1005:13	23 864:5	907:5,6,10	954:8,14	869:8
safety-	schedule	,13,15,18,	955:9,14,2	892:10
related	763:7	21,24	4 956:19	929:4
984:21	775:5	908:9	957:1,10,1	932:22
985:10	817:3	909:9	6	957:12,25
sal 789:15	820:20	910:18	958:1,4,12	960:25
salaries	822:10,20	911:12,17	,13	962:4
759:25	824:14	913:7	960:9,15	963:5
salary	838:15	914:15	962:2,8,11	965:18
847:23	844:24	915:16	963:8,15	989:17
salvage	864:4,13,1	916:2,3,7,	964:12,19,	1010:14
785:7,16,2	5 865:21	14,16,22	25	secret 793:8
1 786:2	872:10	917:1,10,1	965:7,14,2	814:23
787:3,11,2	873:2,8	1	0,21	secretary
4 789:16	874:2,25	918:14,23	966:4,8	736:7
790:9,16,2	875:12,24	919:3,10,2	968:2,7	section
0	876:5	1	972:2,5,14	764:6
791:3,12,2	878:7	920:2,16,2	974:24	766:4
3 792:10	879:25	4	975:1,21,2	825:6
sample 740:4	881:17	5	5	922:24
741:1	892:17,18,	922:2,7,13	976:15,21	923:5
742:11	23	,20	977:4,9,15	seeing
sampled	893:13,18	923:7,11,1	978:20	781:18
740:25	897:18	7,23	979:16,25	803:16
741:8	917:16	924:2,8,12	980:9,16,1	853:14,16,
sampling	918:13	,20,25	7,21	17 874:15
740:24	919:16	925:9,17	screen	917:16
Sanderson	935:9	926:9	780:25	919:15
807:13	946:10	928:15	scrum	966:22
satisfaction	955:10,16	930:20	1011:22	967:21
995:11	960:6	932:2	scrupulously	978:7,11,1
	964:24	933:13	788:8	2 979:3
	970:23	936:8	season	
	1008:22	937:9,17,2		

seek 915:12 921:14 1004:12	770:14 sen 920:5 senior 872:18 sense 797:20 882:14 883:2 995:9 sentence 1003:10 separate 740:2 768:7 793:20 940:24 999:21 1000:2 September 926:2 938:9 940:21 956:22 957:8 967:23 serials 741:3 series 946:3 1005:3 seriously 972:21 serve 858:18 936:1 service 739:3,10 741:9 751:13 777:10 781:22 787:8 796:20 807:15 808:21 818:20 823:13,20 825:3,18,2 5 826:1 827:19 829:21 830:6	834:15 845:18 846:23,24 849:21 850:3,9 854:13 855:1,14 858:15 861:14 867:11 868:23 871:19 875:13 876:10,12 881:4,7,12 883:2 981:20,23 982:17 983:3 984:3,9,12 988:10 989:16 991:18,23 992:2,4,6, 11 993:23,25 994:20,22, 24 995:11,21, 25 996:3,4,13 ,18 997:1,20 999:3,17,2 0 1000:13,20 1002:2 1003:3 1008:2 services 753:21 755:10 808:3 816:22 825:5,8 828:16,21 867:13 869:4 982:18 983:22 994:3,18 998:18,20 999:7	servicing 983:12,19 988:14,22 1002:24 sets 856:20 904:9 1004:10,17 setting 768:6 790:25 793:5 795:20 848:13 881:8 882:22 929:6 939:21 settle 794:23 settled 758:23 880:18 1007:11 settlement 758:22 759:12 760:3 838:18 839:3,19 settlements 756:9 757:15 759:24 760:6,15,1 6,17 settles 886:2 seven 875:4 889:15 937:3 947:7,18 seventeen 933:8 seventy- eight 986:24 seventy-five 977:22	seventy-one 947:1 several 747:18 768:16 777:22 815:2 shaping 971:16 share 778:10 801:3 839:12 shareholder 899:20,23 900:23 shareholders 898:15 shares 836:13 sharp 910:11 sharply 911:24 sheet 877:20 879:3,4 897:22 920:3 933:22 sheets 756:4 897:25 942:13 Shell 732:13 Shenfeld 959:21 973:4 974:10 shop 741:17 short 794:4 906:4 910:1 949:6,25 952:13,16 shorter 831:10 832:15 945:21 short-term 888:25
---	---	---	--	---

890:4,5	977:25	997:16	838:15	985:8,13,2
909:12,22	1010:18		841:22	0,24
910:9	shrugging	simplest	844:8,12,1	986:21
912:7	831:5	943:9	9,21 845:1	987:3,9
914:25		simplicity	849:13,19	989:24
917:6	shut 998:5	947:21	850:6,7	990:9,21
919:14	1002:22	simplificati	851:21	991:6,20
930:24	1003:2,12	on 947:11	856:24	995:16
947:14	sic 829:9,10		859:16	997:15
948:3,18,2	845:6	simplify	861:12,17,	998:18,21
2,23,24	846:5	795:4	24	999:3,8,13
949:3,14	857:24	918:19	862:13,17,	1000:6,7,1
951:17	864:24	simplifying	22	1,17
952:20,22	sides 782:9	778:25	863:3,6,13	1001:4
961:9,23	783:24	simply	,16,22	1002:5,12
shot 796:7	799:16	749:21	864:6,13,2	1003:16,22
798:3	significance	770:13	5	1004:22
shoulder	947:6,10	792:23	865:12,24	1005:15,19
978:10	948:13	799:4	866:3,21	1007:8
979:10	significant	847:19	867:17	1009:20
showing	768:3	856:12	868:9,18,2	sit 768:6
745:14	770:3	861:22	0,25	771:1,15
813:2	772:12	884:5	869:23	site
822:12	797:1,2	885:11	870:1,2	812:3,7,11
shown 742:14	919:4	892:3	871:10,11,	825:20
754:15	954:23	897:2,8	17,23,24	
757:14	971:23	904:7	872:7,21,2	sitting
804:25	significantl	912:14	5 875:7	827:14
809:10	y 919:2,12	927:25	878:17	situation
811:20	941:4	930:11	880:2	850:22
816:6,14	964:6	974:17	916:9	894:17
845:7	967:20	989:20	917:2	984:25
849:17	similar	single 910:4	919:18,25	985:1
859:10	747:23	961:23	920:19	1005:1
869:22	783:7	971:4	922:6,16	six 824:9
871:2	887:1	999:20	923:15	865:6
876:16	896:5	1012:21	926:19	874:6
894:5	945:6,14,1	sir	927:11	889:15
920:19	7 947:15	740:1,9,16	928:12	891:7
925:24	952:7	741:13,22	930:22	947:1,7
931:12,13	959:12	742:2,20,2	937:10	967:8
936:2	similarities	4 745:5	938:6,22	990:12
1011:9	756:22	758:24	940:15	six-five
shows 778:20	similarly	765:3	941:22	977:1
817:4	855:16	766:10	948:6	sixty 947:1
841:20	867:2	772:17	957:15	sixty-fifth
849:6,7	simple	785:9	962:10	955:21
885:11	819:22	787:25	965:6	sixty-four
918:24	894:3	791:18	977:4	935:16
935:10	943:10,12	801:9	980:2,7	sixty-nine
952:13		803:4	981:6	
969:5		811:14	982:1,5	
			983:6,21	
			984:19	

1000:15	979:5	space 983:3	801:13,18	913:21
sixty-seven	984:5	986:19	802:12	966:12
923:25	somewhere	991:9,16	813:3	978:7,10
sixty-two	802:16	992:4	835:1	979:4,9,12
947:6	sorry 737:22	993:6,18	846:12	spreadsheet
size 742:6,9	749:10	spades	852:22	852:4
skating	759:8	933:14	863:11	880:5,15
969:16	761:8	spans 801:24	891:8	885:9
skewedness	770:16	spare	946:13	spring
971:19	783:18	989:4,8	953:20	910:10
slight	784:10	Spatial	1001:14	958:20
888:18	785:5,19	962:9,13,2	specificity	960:3,16
slightly	787:14	2 963:6,24	842:7	961:5
887:4	803:5	964:13,15	specifics	962:14,21
909:20	811:11	968:2,8,21	776:13	963:22
971:21	812:10	970:7,10,2	850:14	967:24
small 782:19	820:22	0 971:8	884:15	968:9
818:22	825:10	975:20	894:7	977:20,25
905:25	829:4	976:10	spend 795:11	998:13
994:19	845:15	979:18	870:5	St
smaller	857:12	speak 798:20	883:3	866:10,18,
819:13	858:9	853:15	886:8	23 871:21
869:16	888:24	877:13	899:7	872:3
870:14	892:18	969:12	spending	sta 829:16
914:22	898:21	987:16	739:2	stability
smell	901:15	speaking	851:2	946:2
984:15,23	903:3	779:12	spent 742:17	staff 751:10
996:19	915:22	916:25	864:18	808:6
Soldier	922:5	980:5	868:15	815:5
731:16	936:4,10	996:2,4	spin 905:6,7	987:19
solely	941:22	speaks	spirit 819:2	988:13
810:16	944:7	844:16	994:2,16,2	994:6
solution	1007:12	942:20	0	stage 866:14
971:11	sort 905:22	spec 898:6	split 803:19	stale-dated
solve 975:17	947:25	special	spoke 919:6	963:10
somebody	970:25	757:21,22	965:12	stand 932:18
1002:8	997:9	758:5	972:18	978:6
somehow	sorting	specific	spoken 774:7	standard
755:20	956:12	736:23	895:3	747:3
someone	sound 884:16	741:5	spread	763:24
970:8	sounds 744:9	770:22	966:15	772:6
998:24	source	780:6	967:6,9	775:14
somewhat	794:14	851:25	976:25	786:19
854:9	795:24	871:12,20	977:12,17,	788:4,18
917:5	802:18	898:6	23	790:5
952:10	937:15	932:12	978:2,16,2	standards
	976:9	specifically	1,23	763:23
	980:1	789:21	spreads	774:16
	sources	796:18		789:14
	910:24			

stands	y 971:20	strong	954:22	789:3
910:11	status 836:4	963:23	969:19	863:4
951:16	stay 783:20	979:2	972:23	916:23
start	933:24	structure	Subsequently	938:14
736:5,12	952:17	882:17	927:21	939:3
737:21	954:3	886:13	subsidiary	965:11
759:9	steel 869:19	888:5,8,10	778:10	summation
760:7	step 894:20	,14,23,24	substitution	837:18
775:11	Stephen	889:15	758:10	849:20
792:18	907:11	899:19	subtracted	881:14
798:8	steps 771:13	940:4	873:18	924:13
799:11	1005:3	struggle	successful	summed
801:19	stewing	975:16	784:21	821:14
804:22	798:20	student	854:10,11	sunroom
876:9,10	stock 989:14	860:20	sufficient	854:21
887:7	stood 953:9	studies	1009:25	supervision
946:11	stop 983:19	790:18,21	suggest	940:15
956:17	storage	893:3	767:20	Supervisory
960:18	812:8	sub-	828:3	863:15
969:3	877:23	component	924:25	supplied
993:5	878:16	967:25	939:4	922:9
1008:10	storehouse	subdivided	964:7	959:19
started	767:21	942:2,10	suggested	960:7
758:18	store's	951:9,19	913:3	973:3
767:12	777:13	953:8	926:13	976:8
769:7	straight	subdividing	suggesting	supplier
887:1,2	968:25	914:21	765:24	996:12
starting	strand	subdivision	772:3	supply
804:24	943:21	946:25	939:25	855:24
897:16	strategy	1008:2,3	1011:17	866:22
940:11	952:5	1011:2,3	suggestion	872:14
946:21	979:8	subject	746:16	932:10
stat 754:12	stream	753:16	766:8	1002:23
755:14	943:7,25	878:11,19	831:5	1003:2
statement	stricken	931:4	894:3	support
841:7	984:23	949:24	910:19	769:12
935:10	strict	submissions	941:22	802:2
statements	751:14	828:3	959:2	911:4
771:1	strictly	submit	suggests	971:10
788:9,15,2	995:6	1008:8	825:12	Supporting
0 903:15	strikes	1009:1,6	910:15	907:10
stations	963:18	subsequent	914:8	suppose
832:14	stripped	920:11	sum 810:21	767:11,19
statistical	744:13	926:13	942:4	771:2
815:3		931:19	summarizes	789:11,22
829:16		932:9	908:11	888:7
830:4,11		950:21	summary	892:19
831:7,19			765:1	894:12
statisticall				939:23

987:10	surveys	745:11	819:9	5,17,25
988:3	767:16	752:19	829:11	851:7,8,20
supposed	995:16	756:8	844:8	,21 912:16
788:10	Susan 907:10	761:8	850:12,14	952:18
851:11	suspect	773:20	861:7	953:5,11,1
877:4	772:5,7	784:6,12	872:24	3 954:4
881:20	776:15,17	791:8	956:15	975:8
sur 995:16	995:18	801:12	998:24	targets
sure 746:23	suspicion	803:4,5	1006:13	850:18
750:7	959:10	809:7	talked	853:23
754:9	Sven 732:3	812:17	747:9,24	task 770:12
758:1	swear 907:14	828:8	750:11	taught
762:21	switch	834:25	758:4	867:20
764:21	891:17	838:16	767:14,15	tax 744:19
779:19	sworn 733:14	842:5	769:1	772:22
793:9	905:24	844:7,22	775:13	835:10,23
794:17	907:18	848:19	778:17	836:1,23
795:25	system 756:1	849:5	782:10	837:14
797:10,24	794:15	856:18	786:10	839:7,10,2
799:15	795:8	863:1,2	788:3	4 840:21
802:15	796:6	873:3	789:9	841:5,12,1
805:25	810:3,11	879:24	802:24	6 842:13
806:21	830:8	897:17	890:25	920:9
825:16	839:2	916:18	900:14	1007:19
826:25	863:23	935:8	904:1,12	taxable
827:18,20	869:9,10,1	940:10	917:5	835:20
834:12	3 870:20	956:16	955:8	841:17
835:24	871:8	986:10	981:19	taxes 744:12
847:15	896:12	999:11	1005:21	834:25
853:24	917:18	1007:7	talking	835:4,9,14
868:10	950:25	table 733:1	737:17	,16
875:9,14,1	systematic	775:9	747:7	836:3,9,16
9,21 882:5	772:10	804:16	775:3	,18
886:3	930:10	851:20	777:1	837:4,6
889:13	systematical	921:21	789:5	838:2
894:10	ly 772:4	956:20	791:22	839:25
903:8	systemic	961:9,10	796:18	840:15,17,
927:23	910:15	962:3	800:15	25
931:4	systems	963:16	801:10	842:18,23
956:6	surpassed	Tables 961:6	803:20	844:1,2,3
972:3	surplus	taking 770:6	844:2,5	919:23
983:8	936:2	805:7	856:10	920:1
987:25	survey	823:13	896:4,15	1007:16
996:15,17	995:9,19	882:1,3	946:11	tax-on-tax
997:3		894:15	954:9	839:13
		901:6	989:6	t-bill
		904:19	tank 983:20	961:10
		906:4	985:17	T-bill
		908:21	989:22	908:14
		921:1	1002:10	957:2
		978:25	target	
		talk 798:11	850:5,10,1	

965:8	836:6	930:10	864:11,15,	tha 772:22
tear 869:12	854:22	933:24	18	thank 738:20
880:3	terms 738:10	939:6	866:6,9,16	740:7
technical	749:5	940:9,13	871:1,9	743:5
800:1	759:12,25	941:10,11	880:13	744:10
technically	760:14	945:3,14	888:22	745:5
862:15	762:17	948:5	891:1,18	772:2
technology	763:13	953:6,7	892:9,10,1	801:6
802:2	764:11,16	955:15	6 893:8,12	803:4
832:11	768:21	956:10	894:25	807:10
833:4	770:1,2,24	959:25	897:9	808:10,13
862:6,13	772:11	966:17,18	908:8,24	828:6
863:18	780:5	967:17	913:9	838:14
ten 741:9,10	784:13,22	977:7	918:25	860:1,3,13
742:4	787:4	981:19,23	920:20	862:24
800:21	792:15	986:5	925:25	872:22
908:17	796:1,25	988:9	927:9	899:16
910:2,5	798:4,5,14	991:23	928:3	903:10
913:9,15	,20,23	992:8,11	929:1,4,7	906:20
914:4	799:13	996:17,19	931:1	907:4
941:24	801:1,11	998:18,20	932:22	908:1
942:6,11	803:7,20	1001:9	933:11	915:15,16,
943:13	821:4	1003:23	936:16	24 916:9
944:8,20,2	823:1	1011:1	939:15,23	933:25
1	826:2	territories	940:5	972:1
945:10,11,	827:23	991:24	954:20	980:7,20
12	828:13	territory	956:1,7	981:6
961:11,21	834:11,24	992:6	964:2	999:4
965:19	852:25	test 738:16	965:4	1012:16
966:6	856:6	741:9,10	1007:8,9,2	1013:13
978:1,2	858:19	742:14,15	3 1008:12	thanks
tend 888:16	860:22	743:12	1009:9,13,	878:14
967:7	875:11	763:20	14 1011:19	980:15
968:2	879:22	774:4,5	1012:1,3	that'll
tended	880:7	775:3	tested	951:22
882:18	881:8	781:16	740:20	that's
term 771:15	882:11	793:15	741:8,16	738:2,16,2
789:23	883:14,17	801:22	testifying	5
790:2	887:10,15	809:5	972:15	739:5,15,2
915:8	891:23	811:6	testing	0
942:13	893:8	816:21	739:22	740:16,23
945:7,16,2	895:24	835:5	742:4	741:13,22
1 946:1	896:11	840:22	891:13	742:1,2,10
949:6	897:1,4	841:20	972:18	,19,23
950:1	901:8	845:7	973:25	743:4,14,1
952:14,17	902:7,8	847:4,7,9,	974:2,13,2	9 744:21
959:6	919:7,11,1	13,18,19,2	5 975:2	745:3,21
961:22	7 920:18	1	tests	746:10
970:22	922:14	848:1,8,12	891:6,24	751:8,16,2
terminology	925:9,18	849:15,17	892:2,17	2
	926:11	851:9	895:25	752:1,2,9
	927:1,7	856:19		753:14
	929:4			

756:5	840:4,22	962:5	thereof	962:5
757:17	841:7	965:3	932:10	972:11,12
761:13,21	842:20	966:11	there's	976:18
762:25	843:5,12,1	970:14	741:6	979:8
763:6	9,25 844:9	971:1,4,5	742:16	980:6
765:10,12,	846:7,9,11	973:23	748:15	987:18
14 767:24	,25 847:6	977:3,16	754:7	996:17,21
768:15	851:10,16	978:13	760:21	1000:12
771:23	857:16	980:1	762:14,22	1001:16,24
772:9,23	861:12	982:1,5	765:1	,25 1002:1
773:2,6	862:17,22	983:6	770:21	1006:20
774:1,8,25	863:6,16	985:8	776:8,21,2	1009:21
776:4,11	865:16	986:21,25	2,23,24	1010:4
777:4	867:17,19	987:3,13	777:3	1011:2
778:6,11	868:3,14	990:21	778:17	thereto
779:3,4	870:21	998:18,21	782:6	917:14
781:9	873:11	999:9	784:25	they'll
782:20,22	874:11,12	1000:17	791:11	962:5
783:8,11,1	875:14	1001:22	799:7,12,1	996:12
2,20	876:1,13,1	1002:5,12	9 802:16	they're
784:17	5	1003:7,15,	807:22	736:20
785:23,24	878:12,17	18	809:14,18	742:6
786:3	881:18,24	1004:18,22	810:14	748:8
791:14,19	884:2	1005:16,19	812:17	756:22,23
796:10	885:4	1007:20	813:11	770:11
797:10,20	886:16	1009:3,18	818:17	773:22
798:19,20	887:20,25	1010:25	822:21	783:6
800:4	888:15	1011:9,15	829:8	789:23
803:11,15	889:2	theirs 876:1	832:13,21	790:1
804:7,15	890:2,21,2	themselves	833:18	795:18
805:15	3 895:2,5	736:21	834:12	802:15
808:20,25	898:2	861:19	838:17	827:18
809:12	901:17	917:18	841:12	861:25
810:2	902:1,15	919:13	847:3	871:3
811:1,13	904:19,21	990:2	851:21	876:23
812:3,4,22	918:14	theoreticall	862:25	888:2
813:7,14,1	919:5	y 888:12	864:9,10	891:18
8,20,22	920:10,24	theorist	867:14	897:25
815:7,16	921:1,12	974:17	870:6	923:3
817:1,8	922:17	thereafter	871:7	962:11
818:1,22	929:7,24	944:10	887:9	968:19,20
820:8,25	930:19	thereby	901:11	969:4
822:15	932:16	918:21	902:13	973:12,13
823:21	934:7,21	therefore	929:9,18,2	974:5,11,1
825:3,11	935:1,13	960:5	5 930:9,14	5 975:5,6
826:3	936:15,23	964:10	935:8	995:20
828:12	939:3	966:14	938:23	1001:17
830:1,23	943:7	therein	939:12	1004:16
831:3	945:5	853:8	948:7	they've
832:3,18	953:5,20	858:7	950:15,17	750:9
834:4,7	955:16,18		954:23	959:15
835:6	956:20		956:17	975:6
836:6,11,1	960:10		960:18	
9 837:17	961:24			

992:18	828:22	986:13	921:21	998:4
1006:14	871:5	991:18	922:14,17,	town 867:3
thi 819:1	875:4	997:4	22 923:19	tracked
third 775:18	908:20,25	tired 850:12	935:24	756:3
822:22	922:19	882:16	topic 784:5	tracking
846:14	923:22,25	today 736:6	801:10	773:12
922:17,22	933:7,9	768:6	total 766:8	traction
925:10	937:5	780:12	774:6	889:22
1000:9	938:18	786:19	778:5	traditionall
1001:15	939:1,5	787:15	784:19	y 870:15
1003:17	987:1,5,8,	864:16	789:17,18	train 988:21
1006:11	11 988:2,7	892:9	804:5,9	training
1007:3	1010:5,13	907:7	805:7,9	776:22
third-party	1011:7	908:2	810:20	987:19
1000:22	thousand-o-	914:7	811:12,23	988:13,24
1002:18,20	seven	961:16,18	820:21	tranche
1003:13	947:18	972:20	821:4	948:17
1005:2	thousands	974:15	840:21	950:22
1006:15	930:15	975:15	843:8	951:10,12,
thirteen	threw 780:16	978:6	845:7,23	15
889:24	823:16	980:17	849:15	tranced
thirty 875:3	throughout	1012:17	851:25	950:4
881:21,22	812:20	today's	868:14	tranches
884:18	867:14	884:4	872:10	940:25
908:16	913:1	tolerance	874:4	944:11
909:21	931:21	741:2	877:18	947:2
910:3,8	992:20	tolerances	897:19	951:10
920:10	1010:23	740:21	898:4	tranching
942:8,11	throw 929:10	741:18,19,	901:21	949:22
944:23	972:7	20 742:7	903:23	950:1
945:12	973:14	Tomas 732:9	908:19,23	952:22
950:4	thrown 851:4	tomorrow	918:24	transaction
1009:13	973:6	1012:12	919:1	781:3
1010:24	thus 894:19	1013:11,12	920:18,19	913:21
1011:13	tidy 936:22	tool 763:12	923:13,20	967:7
thirty-five	time-carding	851:1,12	926:21	978:22
825:13	1001:11,13	tools 753:9	953:3	transcript
828:22	timeframe	854:24	978:3	733:25
thirty-six	929:19	top 761:14	991:4	757:9
849:16,17	timeline	784:15	totalling	798:22
thirty-two	780:6	829:10	947:6	972:2
986:18	1011:2	839:10	totally	transfer
tho 754:18	timelines	843:4	916:15	833:17
770:16	820:6	849:4	touchstone	transferred
thoughts	timers 982:3	860:23	948:20	833:11
970:7	tip	863:3	tough 975:9	919:20
thousand	982:4,8,22	864:24	towards	transition
741:6,10	983:2	873:8	772:7	
742:5		885:12	776:16	
			831:7	
			966:9,10	

814:6	947:17	764:23	978:17	872:17
827:16	true-up	773:18	twenty-four	886:10
859:8,9	823:11	801:9,12,1	823:16	983:16
transitioned	truly 795:23	3 805:3	twenty-nine	984:7,10,2
836:15	truncated	828:7	1010:5	0
transitionin	970:23	834:23	twenty-one	988:17,18
g 780:9	972:6	842:4	942:7,11	990:15
translated	Trust 740:8	844:6,7,22	typical	869:10
823:5	truthful	848:18	944:22	1011:1
transmission	875:22	855:13	986:24	typically
809:10	try 747:14	861:6	1000:14	740:24
832:1	749:17	872:23	1001:1,6	759:15,19
865:22	771:24	879:23	1002:15	855:16
travelling	792:20	905:11	twenty-six	862:1
753:8	793:4	915:17	823:18,19	867:23
treadmill	799:19	916:18	824:20	982:14
958:15	802:17	946:8,15	825:22	984:22
treasurer	851:5	947:16	twice	989:8,23
907:6	853:11	956:15,18	1004:10	996:9
treat 792:10	858:22	986:10	two-eight-	997:6
treated	882:21	999:5	one 943:16	
743:3	893:20	1003:19	two-nine-one	<hr/> U <hr/>
776:2	929:16	1006:2	943:4	ultimate
trench	937:19	1007:7	944:7	876:1
862:15	945:16	turned	two-point-	ultimately
trend 988:24	trying 763:7	turning	five-five	747:15
998:4	767:19	772:14	977:21	unaware
tries 997:6	771:14	803:4	ty 759:15	989:24
trigger	776:21,22,	856:17	type 800:13	unbiased
867:4	25 778:12	858:20	830:2,7	911:1
884:11,24	784:20,22,	1012:11	855:7,17	912:19
trimmed	23 785:13	twelve	863:24	unbiassed
969:13	786:22	973:21	887:22	969:2
970:12	788:18	1004:10,17	896:21	underlies
973:24	789:23	twenty 824:8	984:11	909:4
trimming	827:12	825:21	994:22	underneath
969:21	830:15	847:13	999:3	976:2
trouble	831:9	908:18	1000:20	underpin
853:9	836:20	909:22	types	901:9
998:23	845:15	914:5	751:12,15	underpinning
troubles	883:3,14,1	922:18	763:3	941:5
827:9	7 886:9	923:21	770:14	underpinning
true 887:25	902:1,2,10	945:4,5,8	777:14	s 1009:12
895:16	903:13	966:22	784:3	undershoots
904:14	930:20	twenty-five	788:21	967:17
	939:22	860:24	799:8	understand
	956:10	908:14	800:16	
	984:2	909:21	802:14	
	996:15	910:8	855:19	
	turn 738:6		868:22	

745:7	983:8	760:24	897:8,11	825:18
783:25	understood	unit 737:25	906:10	826:3,11,2
800:1,3	755:10	738:22	908:6	3 827:4,10
806:18	767:17	805:20	922:10	832:11
827:12	795:10	857:1	933:19	user 877:8
829:23	813:15	867:25	935:25	usually
830:15	819:2	870:9	936:9	738:16
831:6,9	844:4	872:14	958:2,15	879:8
845:3,21	870:4	983:23	961:6,12	881:3
855:8	948:16	991:10	962:22	886:11
859:4	954:4	994:5	965:3	888:1
862:8	968:1	units 738:9	979:19	891:4,17
885:25	998:16	746:4	updates	985:11
902:21	undertake	756:24	906:12	utilities
916:8,10	867:6	757:1	961:5	731:1,19
930:17	975:19	849:22	updating	749:1
932:23	977:17	851:4	829:19	750:14
936:5	988:21	unless	939:20	760:5,8
984:2	993:21	758:11	977:20	764:15
987:15	997:23	720:17	upgrade	770:10
997:3	1011:9	1013:2,5	865:23	794:25
1005:4	undertaken	unlike	869:14	803:21
1011:17	915:3	843:22	upgrades	810:15
understandin	941:9	unlikely	871:8	815:20
g	962:13	913:24	upgrading	817:17
742:20,24	undertaking	unrevised	863:22	829:25
743:1	734:6	890:18	upon 736:1	830:7,16
746:23	778:1	unwind 749:4	807:4,5	860:21
758:6	807:12,19	768:19	860:6,7	881:3
759:7	826:20	unwound	892:24	888:3,17
797:22,25	827:1	747:20	897:11	892:25
798:7	917:11	768:12	906:25	972:16
808:15	988:14	update 883:4	907:1	982:15
825:2,20	1008:4	892:18	981:1,2	993:21,23,
829:25	Undertakings	893:20	1013:18	24
830:7,12	733:4	895:16	upshot	utility
831:3,22	735:1	910:10	820:19	764:13
833:18	unfortunatel	922:9	832:17	771:5
839:18	y 829:2	923:1,9	937:10	788:13,14
851:16	933:1,10	932:13	uptake 869:7	796:20
859:15	union 754:21	938:16	upward 854:8	818:6
862:12	756:10	957:3	910:15,20	844:17
863:21	unionized	959:17	914:1	845:23
865:2	753:18,21	960:24	988:24	858:18
868:8	754:11	978:14	urban 862:2	878:4
871:18	unions	updated	usage 948:22	880:17,25
882:7	754:23	880:8	useful 735:5	882:16
898:25	755:12	885:21,24	824:8,11	885:5
916:15	756:9,12	896:23		887:22,23
980:1				888:19
997:3				901:5
understands				939:8

982:13	956:22	999:2	859:6	894:25
<hr/>	981:19		865:14	895:12,21,
<u>v</u>	987:19	views 796:10	899:3	23
vacuum 888:9	1006:14	virtually	903:2	896:2,15,2
	1012:2	911:20	928:10,11	2 897:4
valuable	vary 1008:16	visible	948:1	898:7
963:20		810:23	994:7	915:6,8
value	vehicle	vo 929:11	water	942:15
785:7,21	753:9		983:3,20	943:3,6,18
786:2	976:5	volatile	985:17	,25 944:6
787:3,11	vehicles	979:5	986:20	945:3,15
789:16	803:8	volatility	989:7,22	weighting
790:9,16,2	venue 796:15	909:25	991:8,16	895:17
0 792:10			992:4	welcome
820:24	verbally	volume 761:9	993:7,19	789:4
821:5,10,1	838:10	856:6	994:11	860:21
5,21	992:25	949:7	996:8,24	916:2
822:3,8,13	vernacular	989:10	ways 799:3	980:21
836:9	989:5	volumes	857:23	we'll
837:1,15	version	919:11	1012:2	736:19,25
869:6	734:3	934:21		749:4
964:9	736:17	volumetrical	wayside	758:9
970:19,20	737:3	ly 929:11	883:9	767:22
977:13,16	972:6	voluntary	wear 869:11	768:20
1009:14	versus 763:9	766:10	weather	787:9
1010:4,8	831:10	837:5,12	900:15	790:4
1011:14	847:20		we'd 807:22	792:13
values 840:7	933:18,20	<hr/>	939:23	793:22,25
911:7	978:25	<u>W</u>	989:13	794:23
987:4	verus 969:17	wa 758:8	1006:9	801:13
vantage	vicinity	wage 756:9	1013:2	818:18
902:2	867:2	757:15	week 759:1	820:8,9,10
variability	view 737:24	758:3,5,8,	842:22	,18,19
988:18	738:8	21	913:12	824:6,9
variance	766:5	759:12,24	958:14	828:4
927:25	773:21	760:2,15,1	961:20	843:2
variances	798:15	6,22 761:1	967:18	859:24
931:22	813:18	wages	weeks 785:14	861:7
variation	874:3,23,2	759:17,25	914:2	886:3
932:10	4 875:3,16	760:2	959:7	903:10
variety	912:20	wait 902:24	973:20	906:18
802:16	962:18	waits 879:13	weight	949:17,19
925:13	968:24	Warden 757:5	895:13	950:2,5
997:15	969:6,7	867:20	weighted	980:3,5
various	994:3	902:20	816:6	1013:12
754:19	995:25	washer	889:3	well-done
798:7	viewed	996:11	891:10	861:4
830:16	812:23	wasn't	892:1,4,9,	we're
837:15	984:3,5	782:14,21	20	747:7,19
908:23	994:18	842:9	893:1,10	748:1
				750:20,21,
				22,23

751:2	929:2	917:5	whose 756:13	820:9
752:2,3,6,	952:18	920:15	widened	855:4,6,11
7,8,11	957:24	929:8	967:9	,15,17,18
755:15,16	964:13	935:25	Wilkes 812:8	896:18
759:14	966:22	937:10	willing	948:5
762:14,15	967:13	946:10	786:13	974:18
763:13,16,	968:7	951:8	901:4	979:5
22 770:5,6	970:3,14	955:8	1012:25	989:17
771:4,5,11	971:24	975:14	window 973:6	990:15
,13 775:2	978:6,7,11	992:19,25	Winnipeg	992:24
777:1,16	,12 989:24	1005:21	731:21	worked 757:5
780:4,7,8	992:23	1006:18,21	838:18	workers
781:24	993:1	,22	839:1,21	755:2
783:2	996:2,3,15	whatever	844:3	working
784:18,23	1006:4	821:3	982:14	772:6
786:25	1007:5	891:4,10	991:23,24	776:16
787:1,16	1008:16	893:17	992:8	818:12
788:7	1011:24	whenever	999:25	819:15
790:11	west 836:8	959:14	winter	847:16
792:12	880:24	whereas	949:3,4	877:17,22,
793:10,12,	western	772:25	wish 767:23	25
15	829:24	944:12	wishes	878:3,8,21
795:14,16,	we've	whereby	853:21	879:19
17,18	747:9,14	952:8	witness	886:8
799:6	748:23	970:1	817:5	894:14
800:15,22	750:8	whether	witnessed	917:18
803:16	755:22	749:24	912:2	949:2
807:7,16	766:17	779:4	witnesses	950:24
813:21	767:8,10	787:10	1013:12	workplace
819:19	771:7,12,1	794:6	wonder 736:9	1005:13
820:10,17	7 773:8	795:6	806:16	works
827:12,14,	774:7	826:8	852:18	796:2,6
16,20	778:17	836:22	wondered	889:3
830:2	782:15	839:9	827:23	1007:22
831:2	783:8	850:20	wondering	workshops
833:3	784:5,21	882:4	794:6	796:3
838:6	806:7	911:13	Woodlands	798:6
845:9,18	817:19	927:2,24	1008:18	world 788:20
846:13	819:15	951:23	work	820:5
850:18,20	822:9	1005:8,10	754:8,22	874:4
853:13,14,	827:15	1009:15	794:25	worried
23,24	841:13	whiteboard	798:2	797:5
856:8	847:25	798:1	799:12,13,	worth 796:13
860:10	857:22	whole 770:6	16 806:20	819:10
877:13,14	878:13	879:13,16,	808:8	974:13
891:6	882:11,25	17 922:23	818:6	wrecked
896:4,25	889:6	942:24	819:20	905:22
897:2	890:25	943:24		wrestle
902:10	891:25	951:23		793:23
906:3	895:8	who's 973:4		
922:12	896:10,11			
923:6	904:17			
927:6				
928:24,25				

875:25	807:23	837:24		
wrestles	yet 758:22	861:9		
875:12	783:14	875:15		
write 775:10	790:1	876:6		
writing	826:4	883:6		
782:17	832:6,21	884:25		
written	864:8,9	895:3		
920:13	872:20	916:20		
wrong 835:22	905:13	919:6		
973:12	951:8	923:19		
975:11	959:11	936:14		
	yield	938:13		
	917:13,25	943:18		
	918:18,20	978:14		
	940:20			
<hr/> X <hr/>	941:24	<hr/> Z <hr/>		
Xavier	942:15	zero 761:1		
866:10,18,	943:3,6,25	851:22		
23 871:21	944:4	852:4		
872:3	947:25	990:12		
	966:6	1010:8		
<hr/> Y <hr/>	yielding	1011:12		
Ye 744:8	821:5	zone 770:18		
yea 841:20	yields 910:3			
year-end	you'll			
808:19	758:17			
year's	759:22			
978:19	916:12			
yep 974:3	923:16			
yesterday	947:15			
736:14	969:18			
739:6,12	981:17			
740:10	1003:19			
775:14	yours 758:10			
779:3	yourself			
780:4,24	772:14			
783:5	823:23			
788:4	you've			
789:1	740:18			
794:13	741:14,15,			
798:12	16,24			
823:15	742:5			
847:14	745:4,16,1			
853:19	8 755:12			
856:1	757:4,14			
873:22	765:11			
889:6,12	766:11			
900:14	776:7			
904:1	791:16			
yesterday's	830:18			