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STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

15-G-0382 - PROCEEDING ON THE MOTION OF THE COMMISSION
AS TO THE RATES, CHARGES, RULES AND
REGULATIONS OF ST. LAWRENCE GAS COMPANY,
INC. FOR GAS SERVICE

PROCEDURAL TELECONFERENCE

Wednesday, August 19, 2015
10:00 a.m.
Albany, New York

A.L.J. DAVID VAN ORT
Administrative Law Judge
Three Empire State Plaza
Albany, New York 12223-1350

1 Case 15-G-0382 - 8-19-2015

2 APPEARANCES:

3 FOR ST. LAWRENCE GAS:

4 RICH MAY, P.C.
5 BY: ERIC KRATHWOHL
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8 FOR DEPARTMENT OF PUBLIC SERVICE:

9 BRANDON FRANK GOODRICH
10 ALLISON ESPOSITO
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12 ERIC BURTON
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15 FOR DEPARTMENT OF STATE:

16 UTILITY INTERVENTION UNIT
17 BY: MICHAEL ZIMMERMAN
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19 New York, New York

20 FOR MULTIPLE INTERVENORS:

21 AMANDA DEVITO TRINSEY
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24 FOR AGRI-MARK:

25 HENRY MAPES
39 McCadam lane
Chateaugay, New York

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2 (On the record 10:05 a.m.)

3 A.L.J. VAN ORT: Good morning.

4 My name is David Van Ort. I'm the administrative
5 law judge assigned to this proceeding. We're here
6 on a proceeding entitled, On Motion of the
7 Commission as to the Rates, Charges, Rules and
8 Regulations of St. Lawrence Gas Company, Inc. for
9 gas service. We'll go through again so that the
10 parties can identify themselves for the record and
11 include their spelling of their name because Mr.
12 French did not receive the e-mail that included
13 everyone's spelling.

14 Why don't we begin with the
15 Company and then we will follow that with the
16 Department of Public Service staff. We can follow
17 that with UIU and then we will move to MI and --
18 and so forth at -- at that point.

19 Mr. Krathwohl?

20 MR. KRATHWOHL: Yes, thank you,
21 Judge. My name is Eric Krathwohl,
22 K-R-A-T-H-W-O-H-L of the Law Firm Rich May on
23 behalf of St. Lawrence Gas.

24 A.L.J. VAN ORT: Mr. Goodrich.

25 MR. GOODRICH: It's Brandon Frank

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2 Goodrich, B-R-A-N-D-O-N Frank, F-A-R -- sorry,
3 F-R-A-N-K Goodrich, G-O-O-D-R-I-C-H on behalf of
4 staff. And do you want the staff members who are
5 on the phone or no?

6 A.L.J. VAN ORT: Yeah, why --
7 yeah, why don't you identify them for the record?

8 MR. GOODRICH: So first is
9 Allison Esposito.

10 MS. ESPOSITO: A-L-L-I-S-O-N,
11 Esposito, E-S-P-O-S-I-T-O.

12 MR. GOODRICH: And Greg.

13 MR. LUTHRINGER: G-R-E-G-O-R-Y
14 Luthringer, L-U-T-H-R-I-N-G-E-R.

15 MR. GOODRICH: And Eric.

16 MR. BURTON: Eric Burton, E-R-I-C
17 B-U-R-T-O-N.

18 A.L.J. VAN ORT: Mr. Zimmerman?

19 MR. ZIMMERMAN: Good morning,
20 your Honor. My name is Michael Zimmerman,
21 M-I-C-H-A-E-L Z-I-M-M-E-R-M-A-N for the Utility
22 Intervention Unit of the New York Department of
23 State.

24 A.L.J. VAN ORT: Thank you. Ms.
25 Trinsey.

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2 MS. DEVITO-TRINSEY: Good
3 morning, Judge. My name is Amanda Devito-Trinsey,
4 A-M-A-N-D-A, Devito, D-E-V-I-T-O, Trinsey,
5 T-R-I-N-S-E-Y, and I'm here on behalf of Multiple
6 Intervenors.

7 A.L.J. VAN ORT: Thank you. Mr.
8 Mapes.

9 MR. MAPES: My name is Henry
10 Mapes, H-E-N-R-Y M-A-P-E-S and I'm with Agri-Mark,
11 A-G-R-I dash M-A-R-K.

12 A.L.J. VAN ORT: Thank you. Now
13 I heard a beep a moment ago. Did Mr. Kota
14 (phonetic spelling) join us? Apparently not.
15 Okay. Obviously we are here with respect to the --
16 the notice that was issued on July 29th for the --
17 for this procedural conference. One of the things
18 that we -- we had wanted to discuss with the
19 schedule. Mr. Goodrich had circulated a schedule,
20 a draft schedule that was worked out I believe
21 with -- with Mr. Krathwohl, and it appears that it
22 has also been circulated to other parties.

23 I just want to first ask is if
24 everyone have -- has seen the -- the draft
25 schedule? And -- and actually what I -- I

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2 should -- maybe, Mr. Goodrich, can help us out is,
3 is there anyone that is on the call today that the
4 schedule has not been circulated to?
5 MR. GOODRICH: Mr. Mapes from
6 Agri-Mark I -- I didn't see him as a -- a party, so
7 I -- I haven't shared it with him. And you
8 mentioned Mr. Kota. I assume that's Richard
9 Kota --
10 A.L.J. VAN ORT: Right.
11 MR. GOODRICH: -- is that
12 correct?
13 A.L.J. VAN ORT: Right. That's
14 correct.
15 MR. GOODRICH: And I -- he was
16 not -- he's not listed as a party either, so I
17 hadn't shared it with him either.
18 A.L.J. VAN ORT: Okay.
19 MR. MAPES: Is that the schedule?
20 I guess to be clear, it was shared with St.
21 Lawrence, MI and UIU.
22 A.L.J. VAN ORT: Okay. Who is --
23 who just spoke after Mr. --?
24 MR. MAPES: This is Mr. Mapes.
25 Is that -- is that Schedule One of the Service

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2 Classification Number Three?

3 A.L.J. VAN ORT: No, no, no, no.

4 We're talking about the draft litigation schedule.

5 I'm sorry.

6 MR. MAPES: Oh, okay. I have not
7 seen that.

8 A.L.J. VAN ORT: What the
9 schedule -- but -- okay. What -- what the schedule
10 had envisioned is that there would be staff and
11 intervenor testimony filed on Wednesday, October
12 28th, rebuttal testimony on Wednesday, November
13 18th, evidentiary hearings scheduled to begin on
14 Tuesday, December 8th and continuing day to day
15 thereafter as necessary.

16 The briefing schedule would be
17 initial briefs on Wednesday, January 6th and reply
18 briefs on January 15th. I don't know if -- would
19 you need some time to think about that schedule do
20 you think, Mr. Mapes? Or do you -- is that
21 something you could address at this point?

22 MR. MAPES: No -- could -- could
23 I get that schedule e-mailed to me?

24 A.L.J. VAN ORT: Yes, I'm not in
25 my office. Mr. Goodrich, can you send him that

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2 e-mail -- that e-mail with that schedule? If
3 you --.

4 MR. GOODRICH: Yes, I can. I --
5 I can right now if -- if, Henry, if -- if you will
6 give me your e-mail address.

7 MR. MAPES: It is H -- M-A-P as
8 in Peter E-S- at mccadam.com.

9 MR. GOODRICH: Let me repeat that
10 back. Hmapes@mccadam.com.

11 MR. MAPES: Yes.

12 MR. GOODRICH: And I'm going to
13 copy the judge. And I'll send that right now.

14 MR. MAPES: Thank you very much.

15 A.L.J. VAN ORT: Okay. And
16 we'll -- and we'll come back to that so you -- you
17 can take a look at it. We'll go on to other things
18 after he sends that. One of the things I wanted to
19 do is just -- since we've got parties that have
20 joined after -- well, subsequent to the filing, and
21 I just want to get a sense as to what the issues
22 are that would be of interest to each of these --
23 to each of these parties. And specifically I'm
24 referring to MI, Agri-Mark, UIU -- I -- I know what
25 staff's interest is, obviously, if it's -- if it's

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2 in the filing they've got an interest in it.

3 But if the -- if you other folks
4 could kind of give us a -- a sense as to what we
5 would be looking at from your perspective I would
6 appreciate it. And why don't we start with MI

7 MS. DEVITO-TRINSEY: Sure. MI's
8 three main issues are going to be cost of service,
9 revenue requirement and allocation. And we're
10 still discussing with our client whether we will be
11 submitting testimony which we should know within
12 the next couple of weeks.

13 A.L.J. VAN ORT: Okay. UIU, Mr.
14 Zimmerman?

15 MR. ZIMMERMAN: Yes, so at this
16 time, I -- our -- our main issues are going to be
17 rate design and probably customer service as well
18 as potentially other issues relative to low-income
19 ratepayers. At this time we -- we don't think we
20 will be putting in testimony.

21 A.L.J. VAN ORT: Okay. Mr.
22 Mapes?

23 MR. MAPES: This is our first
24 time as a natural gas user, so rate and customer
25 service are the two that we would be concerned

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2 with.

3 A.L.J. VAN ORT: Well, welcome
4 since this is the first time. One of -- I -- one
5 of the things that with you mentioning that, are --
6 are you familiar with the -- the Commission's rules
7 of procedure at all?

8 MR. MAPES: No.

9 A.L.J. VAN ORT: Okay. You --
10 you may want to take a look at those. We have them
11 on the Department's -- on the -- on the website.
12 It's Sixteen NYCRR and you're going to see most of
13 the things dealing with, you know, Section Three --
14 Three, Four. Basically, it -- it discusses if
15 you're going to file testimony, the format for
16 things like that. It deals with motions. There --
17 there's a number of things if you end up getting to
18 that stage.

19 But if you're looking for formats
20 for testimony, I'm sure Mr. Goodrich will probably
21 help you out as to what if -- he's probably got
22 a -- a large archive of testimony that has been
23 filed and that kind of shows you how to get --
24 what -- what it will look like when you -- when you
25 file testimony.

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2 Did someone just join us? No?

3 Okay. Did -- did I miss anyone? I have UIU,
4 Agri-Mark and MI, so I think we're covered on that
5 end of it. Can you give me a sense as to -- I
6 understand staff has issued discovery. Has anyone
7 else issued discovery?

8 MS. DEVITO-TRINSEY: MI plans to
9 issue some discovery later in the week.

10 A.L.J. VAN ORT: Okay.

11 MR. MAPES: Agri-Mark has not.

12 A.L.J. VAN ORT: Okay. Do you
13 plan to?

14 MR. MAPES: To be honest with
15 you, I don't know.

16 A.L.J. VAN ORT: Okay. Now have
17 you been -- have you received any discovery that
18 staff has issued?

19 MR. MAPES: No.

20 A.L.J. VAN ORT: Okay. Mr.
21 Goodrich, are -- are you back with us?

22 MR. GOODRICH: I am here.

23 A.L.J. VAN ORT: Okay. I assume
24 that you issued the standard interrogatories,
25 correct, that you typically do for rate cases?

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2 MR. GOODRICH: We -- yes. There
3 was a list of -- forgive me, I don't have the
4 number off the top of my head, but somewhere around
5 a hundred and eighty questions that went out before
6 the filing actually. And then we've had, I
7 believe, eleven sets of IRs since.

8 A.L.J. VAN ORT: Okay.

9 MR. GOODRICH: So a total of
10 twelve sets of IRs.

11 A.L.J. VAN ORT: Okay. And --
12 and you'll follow up sending those to anyone that
13 hasn't received them at this point?

14 MR. GOODRICH: Correct. I
15 have -- I have sent them to everyone who has -- who
16 has become an active party though, so.

17 A.L.J. VAN ORT: Okay.

18 MR. GOODRICH: Or who's actually
19 in -- in -- in our file system.

20 A.L.J. VAN ORT: Okay.

21 MR. KRATHWOHL: And likewise I
22 believe the Company has provided responses to those
23 same parties.

24 A.L.J. VAN ORT: Okay. And then
25 you will -- you will circulate those?

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2 MR. KRATHWOHL: Yeah, we'll --
3 we'll -- certainly.

4 A.L.J. VAN ORT: Okay. Now the
5 reason -- the -- I'm operating under the assumption
6 since I haven't heard anything to date and -- and
7 correct me if I'm wrong, are there any objections
8 to any of the parties that have filed here? I -- I
9 don't know what Mr. Kota's interest is at this
10 point, so obviously we -- we can't address that at
11 this point. But with respect to Agri-Mark
12 primarily and MI, you know -- is there any
13 objection to those parties being present or being
14 involved in this case I should say?

15 MR. KRATHWOHL: I don't believe
16 the Company has any objections.

17 A.L.J. VAN ORT: Okay.

18 MR. GOODRICH: Staff has none.

19 A.L.J. VAN ORT: Okay. And
20 obviously if Mr. Kota surfaces, we'll have to know
21 what -- find out what his interest is and to deal
22 with that down the road. Okay. So at this point,
23 if you would just distribute your responses to --
24 to Mr. Mapes and Ms. Trinsey that way there --
25 Mr. -- you can avoid the -- the -- avoid Mr.

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2 Goodrich sending out the interrogatories if you're
3 going to be sending the interrogatories with the
4 responses to those parties.

5 MR. KRATHWOHL: Yeah, I believe
6 what MI has -- has -- is up to date on our
7 responses at this point.

8 A.L.J. VAN ORT: Okay. Okay.
9 That's great. Okay. One of the things that I -- I
10 have to admit to you folks that I've been involved
11 in other matters so I haven't spent much time
12 delving into this case, not that it's -- it's huge,
13 but I've been consumed elsewhere. And if you could
14 just give me a -- and the attorney to the Company
15 just kind of give me a sense as to what the drivers
16 are that we're looking at. What your rate drivers
17 are?

18 MR. KRATHWOHL: I -- I don't
19 think that there's any -- any, you know,
20 predominant driver, but it's been a number of years
21 since the rates have been increased. There have
22 been ongoing capital additions. There have been
23 ongoing increases in -- in -- in costs of service.
24 So -- so I don't really think there's -- there's
25 any unusual particular driver.

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2 A.L.J. VAN ORT: Okay. When --
3 when the filing first came in and I just -- I'm
4 testing my recollection -- I didn't delve into it
5 much, but I -- I took a cursory read of one of the
6 witnesses prefiled testimony, it was talking about
7 changes in the upstream capacity. Is -- is that
8 something that is a rate driver that --?

9 MR. KRATHWOHL: Certainly
10 there -- there is potentially increased costs from
11 some of those changes. But I -- I -- again, I -- I
12 don't think that that is a particular driver here.

13 A.L.J. VAN ORT: Okay. Okay.
14 Mr. Mapes, have -- did you receive the e-mail yet?

15 MR. MAPES: I am looking. Yes, I
16 just got it.

17 A.L.J. VAN ORT: Okay. And
18 that -- if you could give me an initial read to the
19 schedule, if there's anything you find problematic.
20 I realize we're putting you under the gun, but.

21 MR. MAPES: No, those days --
22 those dates look fine. I don't see any issues with
23 that.

24 A.L.J. VAN ORT: Okay. If there
25 are -- obviously, if you could let us know, both

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2 send me an e-mail and -- and a -- circulate it -- a
3 copy to the other parties. I plan to issue a
4 ruling on the schedule probably in the next week
5 and in which case we would have to address at that
6 point. Obviously, one of the things that the
7 schedule may appear to be aggressive by some of the
8 other schedules that we have had of late.

9 Part of that is because of the
10 fact that we are -- one, this is -- is not the
11 largest case. But the parties will -- may be
12 talking about negotiations down the road. I can't
13 factor that into a litigation schedule, but if in
14 fact the parties end up negotiating and they -- and
15 they indicate that the negotiations are productive,
16 we could look at the schedule down the road as to
17 whether or not there should be some change.

18 So -- so when we adopt a
19 schedule, it -- it's not necessarily -- well, it's
20 cast in stone for the time being but it could be
21 impacted by the parties negotiations down the road,
22 just to give you that heads up. Okay. I don't
23 have any other procedural issues that I felt I need
24 to address today, and I want to turn this to the
25 parties to see if there's -- there's anything

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2 that -- that they see going forward that we need to
3 address.

4 MR. GOODRICH: Your Honor, this
5 is Brandon Goodrich. Just one quick question. In
6 some of the other cases the ALJs wish to be copied
7 on the IR question.

8 A.L.J. VAN ORT: Yes.

9 MR. GOODRICH: And we haven't --
10 since you haven't requested, but I just wanted to
11 confirm that whether you do or do not want the
12 questions.

13 A.L.J. VAN ORT: No, I appreciate
14 that. And -- and I would -- I would want the
15 questions. I don't want the answers at this point.
16 Well, there's a couple of things. One is it keeps
17 me apprised of what the issues might be in the
18 case. What -- what parties are looking at. It
19 will also keep me focused on the case because it's
20 easy to turn your attention to other matters.

21 But I don't want the -- I don't
22 want the responses -- so if someone's responding,
23 if you do send a response inadvertently, I will not
24 look at it. I will -- I would delete. If -- you
25 know, if it becomes an issue in discovery down the

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2 road, I at least will have the questions that I
3 can -- I can refer back to so that hopefully save a
4 little bit of time. You know, I'm not envisioning
5 any issues at this point, but I -- I'd like to
6 forestall having to locate them at that point.

7 So please just, if you copy me
8 with the questions only and circulate the responses
9 to the other parties but -- but not to me. And
10 obviously there is -- if there's confidentiality
11 issues, you know, which some parties they -- you
12 know, you -- you run into a confidentiality issue,
13 we'll have to address that down the road.

14 Okay. Any other issues -- go
15 ahead.

16 MR. GOODRICH: I was just
17 thinking that I'll send you the -- the IRs that
18 have already gone out after this.

19 A.L.J. VAN ORT: Okay. Has what
20 about a hundred and ninety so far?

21 MR. GOODRICH: I think we're up
22 to two to twenty some --.

23 MS. DEVITO-TRINSEY: Brandon,
24 this is Amanda from MI. Could you please just send
25 those to me as well?

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2 MR. GOODRICH: Sure. I'll just
3 send them out to all the parties that I have now,
4 including Mr. Mapes.

5 A.L.J. VAN ORT: Okay. And, Mr.
6 Goodrich, if -- if we end up in a situation where
7 Agri-Mark is going to file testimony, can you
8 assist him in pointing him to some -- or send him
9 some sample testimony formats so that he can see
10 what that is without having to scour the
11 Commission's rules?

12 MR. GOODRICH: Sure. If Mr.
13 Mapes can -- can reach out to me if he has any
14 questions in that regard.

15 A.L.J. VAN ORT: Yes. All right.
16 Good. Okay. Anything else that we need to address
17 today?

18 MR. KRATHWOHL: It's certainly
19 premature since it's some time off before the
20 Company's called to put anything forth relative to
21 settlement, but certainly it's been the Company's
22 experience over the last few cases that it has had
23 success in -- in getting together with all the
24 interested parties and -- and reaching settlements.
25 And certainly that is -- is, from the Company's

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2 perspective, a -- a good way to go. So I -- I
3 encourage people to be thinking in those
4 directions.

5 A.L.J. VAN ORT: Yeah, I thank
6 you for that. And it's one of the reasons why I
7 made that comment because I noticed in the past
8 that you have reached a resolution in -- in prior
9 cases, and I -- I just want to give -- Mr. Mapes
10 is -- is new to this process, a heads up on that,
11 you know, when we adopt a schedule there could be
12 changes down the road based upon on certain events
13 that that is one of them.

14 But the other thing, which I'm
15 glad you brought that up, because it triggers the
16 fact that -- that the parties are doing discovery.
17 I know staff is moving along, but do not wait.
18 Because if you end up in a situation where the
19 parties are start talking about settlement, we
20 don't want to end up with various parties then
21 issuing discovery and being essentially paralyzed
22 from reaching a resolution of -- of an issue
23 because of the fact that they -- they haven't
24 conducted discovery on it.

25 It's easier to get it up and

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2 running and -- and get the answers and then that
3 way there you know whether or not the exploratory
4 discussions could be fruitful. But thank you for
5 that.

6 Okay. Does anybody else have
7 anything that we need to address other than what
8 we've heard so far? No. Hearing none, okay. I --
9 I want to thank you all for -- for participating in
10 this conference, and we will conclude the
11 conference and go off the record at this point in
12 time.

13 (The proceeding concluded)

14 (Off the record)

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STATE OF NEW YORK
I, G. Michael France, do hereby certify that the foregoing was reported by me, in the cause, at the time and place, as stated in the caption hereto, at Page 1 hereof; that the foregoing typewritten transcription consisting of pages 1 through 21, is a true record of all proceedings had at the hearing.

IN WITNESS WHEREOF, I have hereunto subscribed my name, this the 25th day of August 2015.

G. Michael France, Reporter

