



May 4, 2007

Submitted via EUB Digital Data Submission System

Alberta Energy and Utilities Board
640 – 5th Avenue S.W.
Calgary, Alberta
T2P 3G4

Attention: Mr. Jamie Cameron, Application Officer

Dear Mr. Cameron:

Re: **AESO 2007 General Tariff Application (Application No. 1485517)**
AESO Cross-Examination Time Estimates and Witness Panel

In response to the Alberta Energy and Utilities Board's (EUB's) letter of April 27, 2007, the Alberta Electric System Operator (AESO) provides the following information.

The AESO presently expects to cross-examine intervener witness panels for a total of up to 7.5 hours, as follows:

- ADC — up to 1 hour
- AE — up to 0.5 hour
- CCA-PICA — up to 0.5 hour
- DUC — up to 1 hour
- DUC-TCE — up to 1 hour
- IPCAA — up to 0.5 hour
- PPGA — up to 1 hour
- TCE — up to 2 hours

The AESO's witness panel will be comprised as follows, with each witness speaking to the indicated topics in the AESO's application:

- Mr. Ed Hucman, Manager, Regulatory — will address matters relating to the AESO's terms and conditions of service.
- Mr. John Martin, Manager, Regulatory — will address matters relating to the AESO's rate design and rates.
- Mr. Arnie Reimer, Consultant, Reimer Consulting Group Inc. — will speak to the *2006 Transmission Cost Causation Update* prepared by PS Technologies Inc.
- Ms. Heidi Kirrmaier, Vice-President, Regulatory — will speak to policy issues as well as provide overall panel coordination.

Curriculum vitas for the witnesses have been filed via the EUB Digital Data Submission System. The AESO will also file an opening statement prior to the start of the hearing.

With respect to hearing hours, the AESO panel is prepared to sit full days, at least on a few days to accommodate the expected cross-examination, which appears may exceed the number of hours available in one week under the EUB's recommended hearing hours of 8:30 – 1:30. After the AESO panel steps down the EUB could then assess hearing hours for the balance of the hearing. The AESO supports longer days to ensure the hearing can be completed by May 25, 2007, thereby avoiding the otherwise significant adjournment that would result, as mentioned in the EUB's letter.

Sincerely,

[original signed by]

Heidi Kirrmaier
Vice-President, Regulatory

cc: John Martin, Manager, Regulatory, AESO

EDWARD TOM HUCMAN
2500, 330 – 5th Avenue SW
Calgary, Alberta T2P 0L4
Office: (403) 539-2465
ed.hucman@aeso.ca

ACADEMIC BACKGROUND

University of Calgary, Bachelor of Commerce, 1993

PROFESSIONAL EXPERIENCE

AESO

*Manager, Regulatory
2005 to present*

*Senior Regulatory Analyst
2004 to 2005*

*Regulatory Analyst
2002 to 2004*

Cell-Loc / TimesThree Inc.

*Manager, Business Development
2001 to 2002*

*Product Manager
2000 to 2001*

E-Zone Networks

*Product Manager
2000*

*Senior Cost of Service Engineer
2000 to 2002*

ENMAX Energy Corporation

*Senior Product Development Specialist
1998 to 2000*

*Business Development Analyst
1997*

*Product Analyst
1995 to 1997*

HEIDI KIRRMAYER, P. ENG
2500, 330 – 5th Avenue SW
Calgary, Alberta T2P 0L4
Office: (403) 539-2751
heidi.kirrmaier@aeso.ca

ACADEMIC BACKGROUND

University of Alberta, Bachelor of Science, Electrical Engineering, 1987

PROFESSIONAL EXPERIENCE

Alberta Electric System Operator

*Vice President, Regulatory
2006 to present*

British Columbia Utilities Commission

*Consultant
2004 to 2005*

Aquila Networks Canada (now FortisAlberta)

*Director, Regulatory
2002 to 2004*

*Manager, Rate Design and Forecasting
2000 to 2002*

ATCO Electric

*Supervisor, Pricing
1998 to 1999*

ATCO Power International

*Settlement Analyst, Barking Power Station
1997*

South Australia Gas Company

*Advisor, Industry Restructuring
1996*

Alberta Power Limited (now ATCO)

*Rate Design Analyst
1990 to 1995*

*Marketing Support Services Analyst
1989*

Alberta Hospitals Association

*Network Analyst
1988 to 1989*

AFFILIATIONS

*Association of Professional Engineers, Geologists, and Geophysicists of Alberta
(APEGGA)*

JOHN JAMES MARTIN, P. ENG.
2500, 330 – 5th Avenue SW
Calgary, Alberta T2P 0L4
Office: (403) 539-2465
john.martin@aeso.ca

ACADEMIC BACKGROUND

Memorial University of Newfoundland, Bachelor of Engineering, 1980
University of Calgary, General Management (P.E.G.G.) Certificate, 1998

PROFESSIONAL EXPERIENCE

AESO

Manager, Regulatory
2004 to present

FortisAlberta

Manager, Allocation and Forecasting
2004

Aquila Networks Canada (previously UtiliCorp Networks Canada)

Manager, Allocation and Forecasting/Rate Design and Forecasting
2002 to 2004

Senior Cost of Service Engineer
2000 to 2002

TransAlta Utilities

Senior Cost of Service Engineer
1997 to 2000

Supervisor, Farm Electric Services
1993 to 1997

Supervisor, Energy Management
1990 to 1993

Small Power Engineer/Energy Management Engineer
1984 to 1990

NOVA, An Alberta Corporation

Energy Conservation Engineer
1980 to 1984

AFFILIATIONS

Association of Professional Engineers, Geologists, and Geophysicists of Alberta
(APEGGA)

CIRRICULUM VITAE
Arnie Reimer P. Eng
Reimer Consulting Group Inc.

November 2006

Business Address:

4501 1'st St SE
Calgary, Alberta, T2G 2L2
Phone: (403) 560-0376
Email: arnie.reimer@whvtc.ca

Home Address:

111 Canterbury Drive SW
Calgary, Alberta, T2W 1H3
Phone: (403) 281-3603
Email: arnie.reimer@shaw.ca

Education:

- 1979 - Diploma in Water Sciences Technology
Kelsey Institute of Applied Arts and Sciences
Saskatoon, Saskatchewan, Canada

- 1985 - Bachelor of Science in Electrical Engineering (Distinction)
University of Saskatchewan
Saskatoon, Saskatchewan, Canada

Continuing Education:

- 1987 - Power System Planning Economics
Center for Professional Advancement
East Brunswick, New Jersey

- 1989 - Fundamentals of Rate Design
Indiana University
Bloomington, Indiana

- 1992 - Marginal Cost Rate Design
National Economic Research Associates
Santa Monica, California

- 1997 - High Performance Negotiating
University of Calgary
Calgary, Alberta

- 1998 - Arbitration, The Law and Practice
University of Calgary
Calgary, Alberta

Regulatory Appearances:

- 1995 – Application for Load Retention Rate by TransAlta Utilities Corp.
Alberta Energy and Utilities Board
Appearing for TransAlta Utilities Corporation
- 1998 – Application for New Tariff by TransAlta Utilities Corp.
Alberta Energy and Utilities Board
Appearing for TransAlta Utilities Board as Panel Chairman
- 2000 – Application by Transmission Administrator on Interconnections
Alberta Energy and Utilities Board
Appearing on behalf of Fording Coal Ltd.
- 2001 – Application by Aquila Networks Canada (Alberta)
Regarding 2000 Pool Price Deferral Accounts
Alberta Energy and Utilities Board
- 2002 – Application by Aquila Networks Canada (Alberta)
Regarding Cost of Service, Rate Design, Distribution Tariff
Alberta Energy and Utilities Board
Appearing on behalf of Alberta Federation of REA's
- 2004 – Application by AESO for Transmission Tariff
Produced and defended Transmission Cost Causation Study.
Alberta Energy and Utilities Board
Appearing on behalf of Alberta Electric System Operator
- 2005 – Application by SaskPower
Cost of Service, Rate Design, Electric Tariff
Saskatchewan Rate Review Panel
Appearing on behalf of the City of Swift Current

Area of Expertise:

Arnie Reimer has engaged in a consulting practice specializing in electric engineering (planning and operations of electric utility companies), engineering economics, energy economics, and electric utility regulation.

Experience:

- 1999 - 2006 Completed a Transmission Cost Causation Update for the AESO to study the cost causation of the Bulk System. The study included correlation of system load and time of maximum stress on the Bulk System.

Developed a Cost of Service Study of the SaskPower system on behalf of the City of Swift Current. Presented the finding to the Saskatchewan Rate Review Panel.

Completed a Transmission Cost Causation Study (Cost of Service Study) for the Alberta Electric System Operator for the purpose of designing rates for access to Alberta's transmission system. Also defended the study in front of the Alberta Energy and Utilities Board at the AESO 2006 General Tariff Application.

Completed a distribution line loss study for Enmax Power Corporation (City of Calgary electric distribution system) for the purpose of allocation of line losses by rate class.

Completed analysis of the impact of the New Brunswick Power Open Access Tariff Application on an independent power producer. Wrote information requests in preparation for litigation of the Application.

Analyzed the Colombian national, regional transmission systems and distribution systems to determine existing line losses. Developed a plan to transition the electric system to an economically efficient level of losses. Assisted the Colombian Regulatory agency for Electricity and Gas (CREG) in the drafting of regulations governing recoverable line losses to provide signals to wire owners to manage their losses in an economically efficient manner.

Analyzed the framework for cooperation between countries of the Andean Community. Used experience gained in Alberta to provide recommendations that will facilitate the construction of merchant interconnections and enhance the trade of electricity on international interconnections between the member nations.

Reviewed the role of the Transmission Administrator in Alberta, the applicable transmission legislation, and various transmission tariff structures. Part of the project was to determine the financial impact of various transmission tariff structure scenarios. The study analyzed the impact of potential changes to transmission legislation, changes in the role of the transmission administrator, and various transmission tariff structures including MW-kM rates. A computer model was developed to calculate MW-kM rates based on publicly available load flow data.

Assisted a coal fired independent power producer in resolving transmission issues for the interconnection of a coal fired generating facility in southern Alberta. The interconnection issues under review included the physical interconnection requirements, line loss credits and charges, and location based credits.

Completed a Cost of Service Study and Rate Design model for the Rural Electrification Association (REA) distribution utilities in Alberta. Challenges that were overcome include a lack of input data since the utilities had little or no historical cost data. The project also included the development of standard contracts, and Terms and Conditions for commercial arrangements governing the REA. Additional challenges

dealt with include the transition from a regulated market to retail customer choice for the provision of electric energy starting in 2001.

Completed a project with the Canadian Energy Research Institute (CERI) to study the Colombia National Grid System and recommended a new electric transmission tariff structure to the Colombia Energy and Gas Regulatory Commission (CREG). Challenges for the Colombia grid system include hydro dominated generation that is energy constrained during dry years. Other factors considered were the threat to security in some regions and geographical imbalances between load and generation.

Completed a project to develop the commercial interconnection agreement for Mariah Energy. Mariah Energy is a small independent power producer specializing in micro turbines and combined heat and power plants. This commercial interconnection agreement was the first micro turbine combined heat and power generation station in Calgary.

Provided consulting services to a metering service company regarding electricity rates and the deregulation of the electric utility industry in Alberta.

Assisted the Transmission Administrator in Alberta in the development of a new province wide tariff for transmission service in Alberta. The proposed tariff included a combination of pricing structures to address congestion, embedded costs, losses, and system support services. The proposed tariff became known as System Expansion Related Pricing (SERP).

Developed a Distribution Tariff was for EPCOR Distribution Inc (City of Edmonton electric distribution system). The development of the Distribution Tariff included a fully distributed Cost of Service Study and Rate Design both for transmission service and distribution service as well as Terms and Conditions of Service for customers and for retailers.

Provided consulting services in risk management for the purchase of natural gas for an Alberta utility company.

Represented customers in discussions with the Alberta Resource Development Department for changes to legislation and regulations regarding the deregulation of the electric utility industry.

1995 – 1999 I held the position of Manager of Pricing for TransAlta Utilities Corporation and I was responsible for pricing strategy, terms and conditions of service and energy procurement. I was also responsible for the management of legislated hedges and interruptible loads through the evolution of electric industry deregulation. I managed a group of professionals, engineers and support staff who produced a Cost of Service Study, Terms and Conditions of Electric Service and unbundled Rate

Schedules under the Electric Utilities Act. I was also the Chairman of the Expert Panel to defend TransAlta's Application for a new tariff.

- 1994 – 1995 I held the position of Supervisor of Pricing and Contracts for TransAlta Utilities Corporation and I was responsible for pricing strategy, Franchise Agreements and Power Supply Agreements.
- 1992 – 1994 I held the position of Transmission Area Planner for TransAlta Utilities Corporation and I was responsible for running power system simulations to identify any weakness in the transmission system. I was also responsible for the economic evaluations of various alternatives to rectify any such weaknesses. After determining the best solution to upgrade the transmission system, I was responsible to write the functional specifications for the transmission upgrade.
- 1989 – 1992 I held the position of Rate Design Engineer for TransAlta Utilities Corporation and was responsible for rate design in the area of interruptible loads, time-of-use rates and for Power Supply Agreement negotiations.
- 1987 – 1989 I held the position of Generation Planning Engineer for TransAlta Utilities Corporation and was responsible for running reliability and power production simulations to determine need for new generation in Alberta.
- 1985 – 1987 I held the position of Generation Scheduling Engineer for TransAlta Utilities Corporation and was responsible for the economic dispatch of the generation in the Alberta Interconnected System.

Memberships:

The Association of Professional Engineers, Geologists and Geophysicists of Alberta.