Centra Gas Manitoba Inc. Transportation & Storage Portfolio Application



The Public Utilities Board 400 – 330 Portage Avenue Winnipeg, Manitoba, Canada R3C 0C4 T 204-945-2638 / 1-866-854-3698 F 204-945-2643 Email : publicutilities@gov.mb.ca Website : www.pub.gov.mb.ca



Régie des services publics 330, avenue Portage, pièce 400 Winnipeg (Manitoba) Canada R3C 0C4 Tél. 204-945-2638 / 1-866-854-3698 Téléc. 204-945-2643 Courriel : <u>publicutilities@gov.mb.ca</u> Site Web: www.pub.gov.mb.ca

March 1, 2012

Mr. Brent A. Czarnecki Barrister and Solicitor Manitoba Hydro P.O. Box 815 Winnipeg, MB R3C 2P4

Dear Mr. Czarnecki:

Re: Centra Gas Manitoba Inc. <u>Transportation & Storage Portfolio Application</u>

The Public Utilities Board (Board) has received your letter dated February 9, 2012 whereby Centra Gas Manitoba Inc (Centra) has proposed a draft timetable (attached) for the review of gas transportation and storage portfolio options.

The Board reminds Centra that in Board Order 65/11 the Board directed Centra to have a public hearing to publically review "...the replacement of the U.S. storage and transportation assets, a review of the TCPL tolls situation, and the updated gas costs for both 2010/11 – as impacted by the tolls situation – and for future years, as impacted by the storage and transportation portfolio". Order 65/11 further stated that "it is the Board's intention that Centra seek approval of the gas cost consequences of any arrangements prior to those arrangements being finalized. Board approval of the gas cost consequences is to be a condition precedent to any contractual obligations entered into by Centra".

As such, the Board is expecting that information provided in the Gas Portfolio Application filing by Centra will be sufficiently detailed to allow the Board and Interveners to clearly understand the methods, data analysis and decision-making processes used to identify Centra's preferred portfolio option (or options). This should include, but not limited to:

- A description of the gas market-place including the identification of risks and uncertainties
- The status of the TCPL tolls situation including TCPL's Business and Services Restructuring Proposal and Mainline 2012-2013 Tolls Application
- A full explanation of alternatives available to Centra and the economic and operational evaluations of all alternatives
- Centra's decision-making process used in the selection of possible portfolio options



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- The methodology and resulting analysis used in the in the examination of portfolio options
- The criteria used for selecting or dismissing possible options
- The value proposition and risks that possible options provide to the Manitoba gas consumer

Based on the results of the technical conference, and evidence filed at the hearing, the Board retains the right to accept or amend any proposed option. As for Centra's proposed Timetable, Interveners may have requested revisions, to be brought forward at or before the Pre Hearing Conference, but please note that the Board also may require additional hearing days to sufficiently test all evidence provided by Centra and registered Interveners.

Yours truly,

"ORIGINAL SIGNED BY" Kurt Simonsen, P. Eng Associate Secretary

KS/df

Attachment

C.C.

Interested Parties (as per attached) R. F. Peters, Board Counsel

B. Ryall

R. Cathcart

R. DeWolf

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DRAFT TIMETABLE Transportation & Storage Portfolio Application	
ltem	Due
File Gas Portfolio Application & Draft Public Notice with PUB	Friday, March 23, 2012
PUB Approval of Public Notice	Monday, March 26, 2012
Publish Notice in Daily/Weekly Newspaper	March 31 - April 6, 2012
Interested Parties to Register for Intervenor Status	Monday, April 09, 2012
Pre-Hearing Conference	Wednesday, April 11, 2012
Technical Conference	Wednesday, April 18, 2012
Receipt of Information Requests	Thursday, April 26, 2012
File Response to Information Requests	Tuesday, May 15, 2012
All Parties in Reciept of Intervenor Evidence	Tuesday, May 22, 2012
All Parties to File Information Requests of Intervenor Evidence	Tuesday, May 29, 2012
Intervenors to File Responses of Information Requests	Tuesday, June 05, 2012
Centra Rebuttal Evidence (if required)	Tuesday, June 12, 2012
Public Hearing	Thursday, June 14, 2012
Final Argument	Tuesday, June 19, 2012