

**MANITOBA** ) **Order No. 18/15**  
)  
**THE PUBLIC UTILITIES BOARD ACT** ) **February 9, 2015**

**BEFORE:** Régis Gosselin, B ès Arts, MBA, CGA, Chair  
Neil Duboff, BA (Hons), LLB, TEP, Member  
Hugh Grant, Ph.D., Member  
Marilyn Kapitany, B.Sc. (Hon), M.Sc., Member

**PROCEDURAL ORDER IN RESPECT OF MANITOBA HYDRO'S  
2014/15 and 2015/16 GENERAL RATE APPLICATION**

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## 1.0 Executive Summary

This procedural Order relates to Manitoba Hydro's General Rate Application (GRA) for the 2014/15 and 2015/16 test years. By this Order, The Public Utilities Board (Board):

1. grants intervener status and establishes the parameters for the funding of the following entities:
  - (a) Consumers' Association of Canada (Manitoba) Inc. and Winnipeg Harvest (Consumer Coalition);
  - (b) Green Action Centre (GAC);
  - (c) Manitoba Industrial Power Users Group (MIPUG);
  - (d) Manitoba Keewatinowi Okimakanak Inc. (MKO)
  - (e) Manitoba Métis Federation (MMF); and
  - (f) City of Winnipeg (Winnipeg);
2. establishes the scope of the proceedings for the General Rate Application;
3. fixes a timetable and process for the orderly exchange of evidence leading up to the General Rate Application hearing; and
4. provides a template for Information Requests.

## 2.0 Procedural History

On January 16, 2015, Manitoba Hydro filed its General Rate Application (GRA) for the 2014/15, 2015/16, and 2016/17 test years (the “January 16 Application”). The January 16 Application included a request for final approval of the 2.75% interim rate increase granted effective May 1, 2014, and a request for a 3.95% interim rate increase effective April 1, 2015 to be finalized during the current GRA process. Manitoba Hydro further sought a further 3.95% rate increase effective April 1, 2016 and various other relief.

As directed by the Board, Manitoba Hydro published public notices in respect of the GRA.

The Board considered the January 16 Application and, by the Public Utilities Board’s (PUB) letter dated January 27, 2015, (the January 27 PUB letter) advised Manitoba Hydro among other things that the Board would review the request to finalize the May 1, 2014 interim rate increase as part of the current GRA.

The January 27 PUB letter also confirmed that in Order 49/14, it directed Manitoba Hydro to file a two-year General Rate Application for the 2014/15 and 2015/16 years, and that there was no information contained in Manitoba Hydro’s General Rate Application that changed the Board’s prior decision. Accordingly, the Board indicated that it would not entertain rates for the 2016/17 test year at this time and would limit the GRA process to the 2014/15 and 2015/16 test years.

In the January 27 PUB letter, the Board further indicated that it did not consider interim rates effective April 1, 2015 to be in the public interest and instead would seek to set final rates in the GRA process.

On January 30, 2015, Manitoba Hydro applied to review and vary the Board's decision, as set out in the January 27 PUB letter submitting that a three-year rate approval would be a more practical and efficient process, and that a lack of new interim rates on April 1, 2015 would result in lost revenues in the amount of \$4 million per month.

In Board Order 17/15, the Board dismissed Manitoba Hydro's request to review and vary the Board's decision set out in the January 27 PUB Letter.

On February 4, 2015, Manitoba Hydro requested an adjournment of the pre-hearing conference, which request was denied by the Board the same day.

On February 5, 2015, the Board held the Pre-Hearing conference with prospective interveners at the Board's offices in Winnipeg. The prospective interveners indicated areas of primary interest for the GRA, possible witnesses for their intervention, and tentative budgets. The Board heard the submissions of the applicants as well as a reply submission from Manitoba Hydro respecting the applications for intervener status.

The Board also heard submissions respecting the scope of the GRA process and the issues to be canvassed in the GRA.

Further, the Board considered a timetable for the orderly exchange of evidence and scheduling of the public hearing as well as the format for Information Requests.

### **3.0 Interveners**

#### **Applications for Intervener Status**

##### ***Consumer Coalition***

The Consumer Coalition consists of the Consumers' Association of Canada (Manitoba) Inc. (CAC) and Winnipeg Harvest. CAC has long represented residential consumers at Board regulatory proceedings. At this GRA, CAC seeks to jointly intervene with Winnipeg Harvest, which is a non-profit, community-based organization providing food assistance to low-income individuals. Winnipeg Harvest partnered with CAC and the Manitoba Métis Federation to organize a ratepayer panel at the Board's recent NFAT Review.

At the Pre-Hearing Conference, the Consumer Coalition indicated that it seeks to appear throughout the hearing, test evidence and make final argument. The Consumer Coalition further indicated that it seeks to retain Bill Harper as a consultant to assist it throughout the GRA process, as well as two experts on corporate finance issues, namely John McCormick and Laurence Booth, and an expert on capital asset management, namely La Capra and Associates. In addition, the Consumer Coalition seeks a modest budget for Harvey Stevens to provide data to a witness proposed by the Green Action Centre, Roger Colton.

The Consumer Coalition advised that it intends to examine the reliability of Manitoba Hydro's forecasts, the impact of projected costs, the utility's revenue requirement, and what would constitute just and reasonable rates. In particular, the Consumer Coalition proposed to examine consumer impacts and take the lead intervener role on issues relating to financial targets, financial risk management and interest rate forecasting, and the testing of Manitoba Hydro's prioritization of expenditures on sustaining capital assets.

The Consumer Coalition states that to minimize duplication, it has held extensive discussions with Manitoba Industrial Power Users Group (MIPUG) and will share a number of resources with Manitoba Keewatinowi Okimakanak Inc. (MKO). Among other things, the Consumer Coalition intends to participate in the organization of a ratepayer panel.

The Consumer Coalition has indicated its intention to apply for costs and provided a proposed budget for its intervention. The proposed budget was further particularized in correspondence following the pre-hearing conference.

### ***Green Action Centre***

The Green Action Centre (GAC) is a non-profit organization and has intervened in Manitoba Hydro General Rate Applications for approximately a decade from the vantage point of sustainability and justice, including social justice issues and the impact on all citizens of Manitoba of electrical power development and supply. This includes considerations of basic fairness in allocating the cost of power.

GAC advised that it intends to examine the effects of rate increases on low-income consumers, test Manitoba Hydro's evidence with respect to demand-side management (DSM), and explore the concept of conservation rates. CAC proposed a budget for its intervention which included the retention of two experts, Paul Chernick and Roger Colton.

***Manitoba Industrial Power Users Group***

The Manitoba Industrial Power Users Group (MIPUG) represents a group of large industrial users of electricity in the Province of Manitoba and has intervened at most electric regulatory hearings before the Board. MIPUG intends to examine Manitoba Hydro's revenue requirement and financial targets, including what it states is a re-prioritization of financial targets towards cash flow. MIPUG advised that it also intends to examine the utility's capital spending, integrated resource planning and projected export revenues. In respect of Manitoba Hydro's other expenditures, MIPUG intends to collaborate with the Consumer Coalition. MIPUG intends to generally review Manitoba Hydro's load forecast and will focus its review of demand-side management on the impact on large ratepayers.

In respect of rates, MIPUG intends to examine industrial rate impacts and test the changes to Manitoba Hydro's Curtailable Rates Program. MIPUG also applied to review time-of-use (TOU) rates.

MIPUG advised that it may retain an expert witnesses but has not yet made a final decision.

MIPUG does not intend to apply for costs.



***Manitoba Keewatinowi Okimakanak Inc.***

Manitoba Keewatinowi Okimakanak Inc. (MKO) represents approximately 65,000 treaty First Nation citizens in northern Manitoba. It is a non-profit advocacy organization governed by the elected chiefs of the 30 First Nations in northern Manitoba. MKO has previously intervened in Manitoba Hydro General Rate Applications.

MKO advised that it intends to test whether Manitoba Hydro's forecasts are reliable, whether the utility's actual and projected costs are necessary, and whether Manitoba Hydro's revenue requirement is reasonable. MKO intends to specifically focus on the bill impacts on First Nations citizens, including determining the potential for bill reduction through demand-side management and rate mitigation measures.

MKO intends to field a rate panel. It also expressed its intention to retain a potential expert witness, but has not provided the name of any expert.

MKO provided a preliminary budget and has indicated its intention to apply for costs.

In addition to the Intervener Request Form filed February 3, 2015, MKO also filed, during the February 5, 2015 Pre-Hearing Conference, a copy of the first page of its Intervener Request Form that was filed in respect of Manitoba Hydro's April 1, 2014 Interim Rate Increase Application.

***Manitoba Métis Federation***

The Manitoba Métis Federation (MMF) is a relatively recent intervener that participated in the Board's Needs For and Alternatives To (NFAT) Review but has not previously participated in any of Manitoba Hydro's General Rate Applications. The MMF represents the interests of the Métis Nation's community in Manitoba, which consists of both residential and small business customers. The MMF states that while it does not speak on behalf of non-Métis customers, impacts could overlap.

The MMF plans a full intervention on all issues raised by the Manitoba Hydro filing.

The MMF application for intervention proposes to retain Greg Matwichuk as an expert witness on regulatory accounting issues and Jerrold Oppenheim as an expert witness on demand-side management and low-income programs. MMF further intends to share in John McCormick's retainer by the Consumer Coalition.

The MMF intends to apply for costs and seeks a predetermination by the Board that it qualifies for a potential award of costs. It also seeks interim payments throughout the hearing.

***City of Winnipeg***

The City of Winnipeg (the City) is the single largest consumer of electricity in the Province of Manitoba in the Area and Roadway Lighting class, and intends to review Manitoba Hydro's Area and Roadway Lighting rates as well as Manitoba Hydro's evidence as to the quantity of luminaires attributed to the City. The City further intends to review Time-of-Use rates, indicating that it has a number of properties that may be affected. Lastly, the City intends to review options to mitigate the upward pressure on rates.

The City intends to retain one expert witness, John Todd, with respect to all of the issues on which the City intends to intervene. The City has indicated its intention to apply for costs to cover the costs of its expert witness.

## 4.0 Manitoba Hydro Submissions

### Scope of Issues

Manitoba Hydro submits that aside from the in-scope issues to be reviewed in this GRA, there are issues falling into four different other categories that should not be examined during this GRA. These categories are:

1. Issues that were recently and extensively canvassed in previous Board proceedings:

In this first category, Manitoba Hydro cites its demand-side management (DSM) plan and its interest rate forecasting methodology. The utility states that both of these issues were extensively covered in the last GRA, while DSM was also covered in the NFAT.

2. Issues that could be deferred to the cost of service review:

In this second category, Manitoba Hydro lists cost of service, time-of use rates, and the finalization of light-emitting diode (LED) area and roadway lighting rates, all of which it states are best reviewed in the cost of service review to take place later this year.

3. Issues that are currently under review by Manitoba Hydro and thus premature to review in the current proceeding:

In this third category, Manitoba Hydro lists a review of its financial targets, a switch to integrated resource planning, and a review of inverted rates. The utility states that it would be premature to conduct a review of financial targets prior to the review of those targets by the Manitoba Hydro-Electric Board having been completed, and that Manitoba Hydro is in the process of reviewing the Board's NFAT recommendations with respect to integrated resource planning. Lastly, Manitoba Hydro states that inverted rates are under consideration but that the utility is not advancing an inverted rate strategy during this General Rate Application.

4. Issues that are out of scope:

In the fourth category, Manitoba Hydro lists fourteen different issues, including asset lives and the use of the equal life group method of determining depreciation and international financial reporting standards generally for financial reporting purposes

## **Intervener Applications**

Manitoba Hydro raised a concern that the proposed collective budgets of the intervener applicants are approximately 2.5 times what they were in the last GRA. In part, this is due to three applicants for intervener status seeking funding that did not seek participant funding in the last GRA, namely MKO, MMF and the City. Similarly, Manitoba Hydro notes, total projected intervener hours are 2.5 times what they were in the last GRA, and the number of legal counsel has increased from 2 to 9. Manitoba Hydro submits that with this level of intervener participation, a three-week hearing is not achievable and Manitoba Hydro would lose approximately \$25-\$40 million of additional revenue if the hearing extended into the fall and a final Board Order would be delayed until then. Overall, Manitoba Hydro states that there appears to be intervener duplication.

Manitoba Hydro does not object to any of the proposed interveners. However, it makes a number of submissions regarding the scope of their proposed interventions, as further described below.

### ***Consumer Coalition***

With respect to the Consumer Coalition, Manitoba Hydro is concerned about a doubling of proposed time compared to CAC's intervention in the last GRA. Manitoba Hydro states that it is premature to conduct a full review of the utility's financial targets, and that there is expert duplication on financial matters. In particular, Manitoba Hydro does not see the need for Dr. Booth to provide testimony.

If a ratepayer or community panel will participate in the hearing, Manitoba Hydro suggests that the panels should only be afforded presenter status, as they are not expert witnesses.

Manitoba Hydro objects to the Consumer Coalition's proposed use of La Capra Associates as an expert witness. It submits that this consultant learned confidential information in the course of the NFAT which it cannot unlearn and furthermore, the consultant signed a non-disclosure agreement with respect to such information. Manitoba Hydro further states that La Capra served as an expert to the Board, all of which creates a conflict situation.

Lastly, Manitoba Hydro states that it is not clear what role Mr. Bill Harper would play in the GRA proceeding.

### ***Green Action Centre***

Manitoba Hydro questions whether GAC's experts Dr. Colton and Mr. Chernick are required, since the Board's NFAT recommendations with respect to DSM are currently under review and time-of-use rates can be referred to the cost of service review. Manitoba Hydro also states that a consultation process with respect to bill mitigation would be more appropriately addressed outside the hearing process.

### ***MIPUG***

Manitoba Hydro did not present any concerns in respect of MIPUG's application for intervener status, other than stating that MIPUG does not qualify for costs due to the group having sufficient financial resources and represents its own interests in the proceeding.

***Manitoba Keewatinowi Okimakanak***

Manitoba Hydro states that MKO did not provide sufficient details in its budget and that the Board should not approve its budget without the necessary supporting information. Manitoba Hydro further objects to costs being awarded for internal MKO staff.

***Manitoba Métis Federation***

Manitoba Hydro is not opposed to a limited intervention by the MMF, but states that the MMF's issues substantially overlap with those of other interveners. Manitoba Hydro also notes that the MMF's budgeted legal hours are excessive relative to the number of hours proposed by other applicants for intervener status.

Manitoba Hydro objects to the MMF's request for interim payment.

***City of Winnipeg***

Manitoba Hydro objects to the City's proposed use of John Todd as an expert witness, stating that he previously appeared as an Independent Expert Consultant for the Board in the NFAT review and received confidential information from Manitoba that cannot be un-learned and with respect to which he signed a non-disclosure agreement.

Manitoba Hydro also submits that the City does not qualify for an intervener cost award as it has sufficient financial resources and represents its own interests in the proceeding.



## **5.0 Board Findings**

### **Intervener Status and Intervener Costs**

The Board is satisfied that the six applicants for intervener status have met the requirements to be an Intervener and approves all six parties as interveners for this GRA. However, the Board will limit the scope of intervention and proposed budgets as described below to eliminate duplication and remove issues on which the Board does not expect to require expert evidence in this proceeding.

The Board reserves its discretion as to accepting and subsequently providing cost awards to interveners. The granting of a cost award by the Board is discretionary and dependent on the Board's view of how such an award would serve the public interest. Criteria used by the Board in its assessment of cost award applications are set out in the Board's Rules of Practice and Procedure, which may be found on the Board's website at [www.pub.gov.mb.ca](http://www.pub.gov.mb.ca). In addition to these criteria, the Board reminds interveners as to limits on reimbursements with respect to the hourly rates charged by professionals and other assisting parties. Guidance in that respect is available from Board staff.

For purposes of this GRA, the Board's existing criteria for cost awards will be followed.

### ***Consumer Coalition***

The Board is prepared to approve the Consumer Coalition as an intervener on all proposed issues, expecting its proposed intervention to be relevant to the hearing and of likely assistance to the Board. The Board also approves the Consumer Coalition's retention of Mr. Harper.

However, the Board shares the concern raised by Manitoba Hydro that there is potential for overlap between the evidence of Mr. McCormick and Dr. Booth. Accordingly, the Board is not prepared to approve both of these consultants for use in the hearing. The Board will approve the Consumer Coalition retaining Dr. Booth, at currently approved PUB rates, as he intends to take into account existing Manitoba Hydro financial targets and the current Integrated Financial Forecast when considering the utility's access to affordable capital. The Board concludes the evidence of Mr. McCormick, especially related to interest coverage and other financial ratios, may be better suited for a subsequent GRA, to follow Manitoba Hydro's external review of its financial targets and risk assessment reports that are expected in the fall of 2015.

The Board does not agree with Manitoba Hydro's submission that the Consumer Coalition's retainer of La Capra Associates is improper. The Consumer Coalition has advised that the proposed witnesses will not be the same as those who appeared during the recent NFAT Review. In any event, the Board does not accept the premise that La Capra would rely on or disclose any confidential information it obtained during that proceeding. Accordingly, the Board approves La Capra as an expert consultant for the Consumer Coalition in principle. However, the Board notes that to date, the Consumer Coalition has not provided an actual budget for this expert. Prior to the Board's approval being finalized, the Board requires the Consumer Coalition to provide the Board with the names of the proposed witnesses and a budget.

The Consumer Coalition has proposed to participate in fielding a panel of ratepayers to provide evidence as to the impact of rate increases. The Board does not believe that such a panel this is warranted in the current GRA proceeding, as the Board recently heard from a ratepayer panel in the NFAT Review. While that evidence was helpful to the Board, and the Board commends the interveners that organized the rate panel in that hearing, the Board considers the issues to have been adequately canvassed at that time. However, the Board welcomes any ratepayers that wish to appear as presenters in the GRA process.

The Board also approves the proposed budget for legal counsel for the Consumer Coalition, noting that the Board's revision to the scope of involvement of witnesses for the Consumer Coalition may result in an internal realignment of legal counsel responsibilities.

The Board encourages and expects the Consumer Coalition to make its expert consultants available to other interveners and share information with those parties, where appropriate and upon request.

***Green Action Centre***

The Board approves GAC's intervener application with respect to the effect of the proposed rate increases on low-income consumers. To that extent, the Board approves Roger Colton as an expert witness for GAC.

However, the Board considers the specific details of Manitoba Hydro's DSM plans to have been extensively reviewed in the prior GRA as well as in the NFAT Review last year. As such, the proposed evidence by Mr. Chernick on DSM targets and specific measures to achieve the targets, including fuel switching initiatives, is not approved for this GRA. Additionally, Mr. Chernick's review of Manitoba Hydro's time-of-use (TOU) rate proposal will not be within the scope of this GRA, as that matter will be rescheduled to the Fall of 2015 cost of service review.

As noted, DSM issues were extensively reviewed by the Board in the recent NFAT Review. Mr. Chernick appeared as a witness in that proceeding. As a result of the NFAT Review, the Board made a number of DSM-related recommendations to the Province of Manitoba. While the Board will expect a status update on those recommendations from Manitoba Hydro, the Board does not intend to conduct a similarly detailed review of DSM in this proceeding but rather, intends to focus its review on the reasonableness of, and justification for, Manitoba Hydro's projected DSM expenditures during the test years. The Board does approve the proposed legal budget for GAC, but in light of the above refinements in GAC's scope, expects it will be a maximum amount.

***Manitoba Industrial Power Users Group***

The Board approves MIPUG's intervention as proposed, but notes that time-of-use (TOU) rates will be canvassed at the cost of service hearing to take place later this year, not at the GRA. The Board approves the use of Patrick Bowman as an expert consultant for MIPUG, and notes that MIPUG has not expressed an intention to apply for costs for Mr. Bowman's services in this proceeding. The Board, therefore, is not approving a budget for Mr. Bowman at this time. If MIPUG intends to field any other expert consultants as witnesses, the Board expects MIPUG to advise the Board accordingly.

***Manitoba Keewatinowi Okimakanak Inc.***

MKO is not approved to intervene on all of the issues listed on its '*Intervener Request Form*' filed in respect of Manitoba Hydro's Application for Interim rates effective April 1, 2014. The Board will approve MKO to intervene on the following issues only:

- Whether Manitoba Hydro's forecasts are reliable.
- Whether the actual and projected costs of Manitoba Hydro are necessary.
- Whether Manitoba Hydro's revenue requirements are reasonable.
- The finalization of Diesel Rates, provided MKO has provided Manitoba Hydro and Canada with all required settlement documents.
- Bill Reduction issues for MKO members through DSM initiatives. However, as indicated for GAC, the Board does not intend to conduct a similarly detailed review of DSM in this proceeding as it did in the NFAT, but rather, intends to focus its review on the reasonableness of, and justification for, Manitoba Hydro's projected DSM expenditures during the test years.

- Bill Reduction Issues through rate mitigation measures. MKO indicated that it wants to revive a policy discussion as to whether separate rates should be considered for MKO members. Such separate rates would exclude Manitoba Hydro's mitigation costs and water rental fees.

In considering the above items, the Board expects MKO to work cooperatively with the Consumer Coalition and MIPUG so as to avoid duplication, but to also ensure that the perspectives of MKO members are presented.

MKO is not approved to intervene on the '2 meters per Manitoba Hydro employee house north of the 53<sup>rd</sup> parallel' issue. The evidence from the NFAT was dispositive with the extra meter being used to measure the space heating costs only so Manitoba Hydro can provide an employee benefit by which heating costs are charged equivalent to such costs in the City of Winnipeg.

MKO is also not approved to intervene on the issues of revising Manitoba Hydro's Cost of Service Study methodology to allocate net export revenues to the Diesel Zone customers, nor changing the rate structure for Diesel Zone rates so as to alter the 2,000 kWh/month limit for equivalent to grid rates. While these issues were discussed in proceedings resulting in Order 117/06, it is still premature to review these matters, as MKO has not provided the prerequisite documents to finalize Diesel Zone rates and Manitoba Hydro is to file its cost of service study and rate design review application with the Board later this year.

MKO is not approved to introduce a ratepayer panel. As stated above, the Board does not approve hearing from a ratepayer panel in this proceeding as the Board heard evidence from ratepayers in the recent NFAT Review. However, the Board welcomes any ratepayers who wish to appear as presenters.

While the Board accepts the proposed budget for legal counsel, however, it does not accept the proposed \$15,000 for internal MKO staff to assist in the process. The Board notes that its current policy with respect to cost recovery does not allow the time of internal staff to be charged.

While the Board is generally prepared to fund MKO for one or more expert consultant(s) up to \$50,000, MKO has not identified its intended consultant or provided a consultant budget. The Board will require MKO to provide the name of the proposed expert(s), proposed areas of evidence and involvement and a revised budget prior to finalizing Board approval.

### ***Manitoba Métis Federation***

The MMF appeared as an intervener in the Board's recent NFAT Review, but has not appeared as an intervener in any prior General Rate Applications. While the Board is of the view that the MMF has passed the threshold in the Board's Rules of Practice and Procedure so as to qualify as an intervener, the extent of the MMF's planned intervention is seen as overly broad.

The Board accepts that the MMF, as an association advancing the interests of the Métis people, can offer a unique perspective with respect to rate impacts on rural ratepayers, many of whom use electricity for space heat (including lower income consumers) as well as small-to-medium businesses that are not expressly represented by the Consumer Coalition. However, as an association representing the interests of the Métis population of Manitoba, the MMF is not positioned to advance consumer rights in the same manner as the Consumer Coalition, nor does the Board find that MMF represents a unique perspective of an overall examination of Manitoba Hydro's financial situation.

Accordingly, while the Board approves the MMF as an intervener, it will limit the MMF's intervention in this GRA to review the proposed rate impacts on the following customer groups:

- Rural customers;
- Low-income customers;
- All-electric customers; and
- Small-to-medium businesses (which may include customers in the General Service Small and General Service Medium rate classes).

In light of this scope for the MMF's intervention, and in light of the budgets provided by other interveners, the Board is prepared to approve a budget with no more than 350 hours for legal counsel and \$50,000 for expert consultants dealing with the issues on which the MMF has been approved to intervene. The Board expects the MMF to provide a revised budget and provide the name(s) of any proposed consultant(s).

MMF is not approved to present a rate payer panel as expert witnesses. As stated above, the Board does not expect to hear from a ratepayer panel in this proceeding as the Board heard evidence from ratepayers in the recent NFAT Review. However, the Board welcomes any ratepayers who wish to appear as presenters.

The Board is not prepared to authorize any interim payments to the MMF or other Interveners as it will follow its existing procedure for GRA cost awards set out in the Board's Rules of Practice and Procedure.



With respect to the MMF's request for a pre-determination of cost eligibility, the Board notes that to be eligible for a cost award, pursuant to section 43 of the Board's Rules of Practice and Procedure, an Intervener must have:

- (a) made a significant contribution that is relevant to the proceeding and contributed to a better understanding, by all parties, of the issues before the Board;
- (b) participated in the hearing in a responsible manner and cooperated with other Interveners who have common objectives in the outcome of the proceedings in order to avoid a duplication of intervention;
- (c) insufficient financial resources to present the case adequately without an award of costs; and
- (d) a substantial interest in the outcome of the proceeding and represents the interests of a substantial number of the ratepayers.

The Board finds that the MMF has sufficiently demonstrated that it meets the requirements of subsections 43(c) and (d). However, the Board cannot make a determination with respect to subsections 43(a) and (b) at this time, as this will be retrospectively assessed following the conclusion of the hearing.

***City of Winnipeg***

The Board approves the City's intervention as proposed, but notes that time-of-use rates will be examined as part of the cost of service proceeding to take place later this year, and not as part of the current GRA.

The Board also approves John Todd as an expert consultant for the City. The Board does not accept Manitoba Hydro's submission that his appearance is inappropriate and accepts the City's submission that he will be testifying with respect to issues unrelated to those addressed by him in the recent NFAT Review. Furthermore, there is no indication that Mr. Todd would breach the terms of any non-disclosure agreement he signed in the NFAT Review.

However, the Board is not prepared to approve a budget for Mr. Todd, as the Board has determined it will use, for this GRA, the criteria for cost awards set out in subsections 43(c) and (d) of the Board's Rules of Practice and Procedure. In particular, while the City submits that it represents an entire ratepayer class, namely the municipalities of Manitoba, the Board does not consider the City to appear as a public-interest intervener. The Board notes that the City's application for intervener status indicates that it is the single largest user of Area and Roadway Lighting power in Manitoba, expending over \$11 million annually. As such, the City represents primarily its own interest.

## **Scope of the Hearing**

As indicated in Board Order 17/15 issued in response to Manitoba Hydro's application to review and vary the January 27 PUB Letter, 2016/17 rates will not be finalized in this hearing, and the General Rate Application will focus on final 2014/15 and 2015/16 rates.

The Board has determined that it will examine Manitoba Hydro's time-of-use rate proposal at the cost of service review to take place later this year, and not at this GRA. Accordingly, the Board will not entertain a review, by Interveners, of time-of-use rates in this proceeding.

## **Timetable**

Intervener applicants and Manitoba Hydro were given the opportunity to provide feedback on the timetable proposed by Manitoba Hydro. The Board considered all comments provided and has established the timetable contained in Schedule "A" for this hearing.

## **Form of Information Requests**

In recent hearings, the Board has become concerned about both an increasing number of Information Requests from all parties to proceedings before the Board, as well as protracted submissions regarding the relevance of contested Information Requests, all of which have the potential to delay hearing timetables and increase regulatory costs.

For this hearing, the Board establishes a new Information Request template to be used by all parties, which is attached as Schedule “B” to this Order. Parties are to utilize this template and note that should Manitoba Hydro determine that it will not be filing a full and complete response to any Information Request, it is to notify the party asking for the information within five (5) calendar days by providing its rationale on the Information Request form. The party that asked for the information will then provide, to the Board, its written response to Manitoba Hydro’s rationale and request Board adjudication as to whether a full and complete answer must be provided. Parties are encouraged to resolve the dispute directly with Manitoba Hydro before seeking Board adjudication.

**6.0 IT IS THEREFORE ORDERED THAT:**

1. Interveners to this General Rate Application shall be the following entities:
  - (a) Consumer Coalition, a coalition of the Consumers' Association of Canada (Manitoba) Inc. and Winnipeg Harvest;
  - (b) Green Action Centre (GAC);
  - (c) Manitoba Industrial Power Users Group (MIPUG);
  - (d) Manitoba Keewatinowi Okimakanak Inc. (MKO);
  - (e) Manitoba Métis Federation (MMF); and
  - (f) City of Winnipeg.
  
2. In light of the Board's decisions as to the scope of the approved interventions, all approved interveners seeking a cost award shall file, by February 20, 2015, a revised detailed budget including the name(s) of consultants and counsel and the tentative amounts allocated to each.
  
3. Manitoba Hydro's time-of-use (TOU) rate proposal shall be reviewed as part of the Board's Manitoba Hydro cost of service review to take place later this year, and not as part of this General Rate Application.
  
4. The timetable attached as Schedule "A" hereto is established for this hearing.



## SCHEDULE “A” - HEARING TIMETABLE

Step in the Hearing	Due Date (No Later Than)
Manitoba Hydro to file Letter of Application	Friday, January 16, 2015
PUB Approval of the Public Notice	Tuesday, January 20, 2015
Manitoba Hydro to file Supporting Material	Friday, January 23, 2015
Publish Public Notice in Daily/Weekly Newspapers	January 24 to 30, 2015
Application Overview Workshop –hosted by MH	Tuesday, January 29, 2015
Interested Parties to Register (with PUB and MH) for Intervener Status	Tuesday, February 03, 2015
Pre-Hearing Conference at PUB Hearing Room @ 9:30 AM	Thursday, February 05, 2015
Manitoba Hydro in Receipt of Round 1 Information Requests	Wednesday, February 18, 2015
Manitoba Hydro to File Responses to Round 1 Information Requests	Thursday, March 12, 2015
Manitoba Hydro in Receipt of Round 2 Information Requests	Friday, March 20, 2015
Manitoba Hydro to File Responses to Round 2 Information Requests	Friday, April 10, 2015
All Parties in Receipt of Intervener Evidence	Friday, April 17, 2015
All Parties File Information Requests of Intervener Evidence	Friday, April 24, 2015
Interveners to File Responses to Information Requests	Friday, May 08, 2015
Manitoba Hydro to File Rebuttal Evidence	Tuesday, May 19, 2015
GRA Hearing Commences	Monday, May 25, 2015

## SCHEDULE "B" – INFORMATION REQUEST TEMPLATE

Optional Applicant  
Logo

Manitoba Hydro 2015/16 & 2016/17 General Rate Application

XXX/XXX-X-X

<b>Chapter:</b>		<b>Page No.:</b>	
<b>Topic:</b>			
<b>Subtopic:</b>			
<b>Issue:</b>			

**PREAMBLE TO IR (IF ANY):**

**QUESTION:**

**RATIONALE FOR QUESTION:**

**RESPONSE:**

**RATIONALE FOR REFUSAL TO FULLY ANSWER THE QUESTION:**