

M A N I T O B A) **Order No. 49/00**
)
THE PUBLIC UTILITIES BOARD ACT) **March 30, 2000**

BEFORE: G. D. Forrest, Chairman
D. L. Barrett-Hrominchuk, Member
J. A. MacDonald, Member

**AN ORDER APPROVING THE FILINGS PURSUANT TO
BOARD ORDER NO. 19/00 AND AMENDING A DIRECTIVE
OF BOARD ORDER NO. 19/00**

Background

In Board Order No. 19/00 The Public Utilities Board (the "Board") approved an application by Centra Gas Manitoba Inc. ("Centra") seeking approval of a Western Transportation Service and associated Agency Billing and Collection Service. Centra's application was made pursuant to directions from the Board as contained in Board Order No. 15/98. In granting approval in Board Order No. 19/00 the Board ordered that revised Terms and Conditions of Service and a revised Code of Conduct, Customer Bill of Rights and generic consumer education/information package, that reflect the Order be filed with the Board for approval.

An Order dealing with the Revised Rates and Proof of Revenue and a Tariff to be charged to all Agents, Brokers and Marketers ("ABM") will be forthcoming.

Revised Terms and Conditions of Service

On March 17, 2000, Centra submitted revisions to the Terms and Conditions of Service last approved by Board Order No. 79/98. Centra noted that it had not amended the Terms and Conditions of Service to reflect Board Order 19/00 that the Agency Billing and Collection Service ("ABC Service") would be optional for May 1, 2001. Centra anticipated further amendments to the Terms and Conditions of Service will be required when the provision of optional ABC Service is finalized.

The Board was advised the implementation of ABC Service for the HVF, Mainline and Interruptible Classes will be effective May 1, 2000.

The Coalition of Eastern Natural Gas Aggregators and Sellers ("CENGAS") raised the transition period length and whether a broker in violation of the Terms and Conditions would have 10 days to remedy the default. The Consumers Association of Canada (Manitoba) Inc./Manitoba Society of Seniors ("CAC/MSOS") advised it had no further comments on the Terms and Conditions of Service.

The Board will approve the Terms and Conditions of Service filed as Attachment "A" to this Order subject to the following amendments:

1. Tab 6, Attachment 4 of the Application included item III B 4) Short Term Interruptible Transportation Service as an Optional Service offering. This has been omitted and should be included in the document.
2. With respect to the Buy Sell Summer Interruptible delivery Option - referred to at page 75 of Board Order No. 19/00, Terms and Conditions for the provision of this service should be included.
3. On page 9, line 31 and throughout, the document should differentiate clearly between Western Transportation Service and Other Forms of "T Service".
4. Page 7, line 21 "Storage and Peaking Gas" should read "Supplemental Gas".
5. Page 33, item E, line 40 change "November 1, 2000" to read "November 1, 2001".
6. Page 41, line 24, delete "return to the Company's Sales Service for Primary Gas" and insert "arrange for an alternate supply of primary gas".
7. Page 46, line 36, add after "Agreement" the words "that is not remedied within ten (10) days of the notice of such breach being provided".

Once revised, the Terms and Conditions of Service are to be filed by Centra with the Board and all parties of record of Order 19/00.

Code of Conduct and Customer Bill of Rights

CENGAS filed a copy of the revised Code of Conduct and Customer Bill of Rights. CENGAS noted that "all parties were invited to participate and provide comments on the material" and these comments were incorporated into the documents.

Dynegy Canada Inc., indicated it had submitted its comments but they were not considered and it is not in agreement with the document. CAC/MSOS indicated its concurrence with the Code of Conduct and the Customer Bill of Rights.

The Board has reviewed the Code of Conduct as submitted by CENGAS on behalf of all parties as well as the comments on the document submitted by Dynegy. The Board will approve the Code of Conduct as attached as Attachment "B" to this Order with editorial changes and amendments as noted below:

1. The Board does not believe the Code of Conduct needs to address customers on a segregated basis. To afford the benefits of the Code of Conduct to all customers in Manitoba regardless of annual consumption, the Board deleted reference to a two Part Code of Conduct, thus making all provisions of the Code applicable to all customers in Manitoba.
2. The Buy/Sell Service is a service to be phased out on a planned basis. The Board believes that reference to such service should be only as

required to satisfy current market requirements, and has changed the definition of "Price".

3. The Board restates its position that the price of the commodity will be charged on a ¢/cubic metre basis only.
4. The Board will require definitions of "default price" and "default pricing arrangement" to be incorporated into the document and following the amendment will require the document to be filed with the Board and all parties of record.
5. The Board will not mandate brokers to have a Manitoba mailing address, if the broker does not have an office in Manitoba.
6. The Board remains concerned about the Agency Agreement Renewal process and accordingly, has amended the roll-over period to no more than 90 days. The Board expects all reasonable efforts will be made to ensure customers are aware of their choice to make new arrangements or return to system supply.

The Board will approve the Customer Bill of Rights document as Attachment "C", noting it will apply to all customers in Manitoba regardless of natural gas consumption volumes.

Generic Consumer Information Package

On March 16, 2000, Centra filed with the Board the Revised Generic Consumer Information package.

CENGAS and CAC/MSOS indicated a concern with the wording under the heading "Risk of Supply Failure". CAC/MSOS indicated if a marketer is unable to supply gas on a temporary basis, the marketer should be responsible for any incremental costs for Centra providing backstopping. The expectation should not be created that a marketer could suspend deliveries and Centra would pursue the customer for payment of incremental costs.

The Board has reviewed the Generic Consumer Information Package submitted by Centra on behalf of all parties. Attachment "D" reflects the filing as amended by the Board. Other than editorial changes the following reflects Board comments on changes of substance:

1. The Board deleted from page 2 under the heading the role of Centra Gas, any reference to appliance inspections, 24 hour emergency service and day to day customer service as the Board believes that it is not relevant to this Order.
2. The Board has minimized references to descriptions associated with the Buy/Sell Service.
3. The Board notes the concern of CENGAS and CAC/MSOS with respect to the item headed "Risk of Supply Failure". While the Board has amended this paragraph slightly, the Board is of the opinion that at all times customers should be made aware of the risks in the marketplace.

In the Board's opinion, the Risk of supply failure section adequately addresses the risks for the customer. The subscriber to Backstopping services in the first instance will be the Broker and only by default, the customer. Centra will look to the Broker to pay for such services. Although, Centra will make every effort to provide backstopping service, the Terms and Condition of Service ultimately hold the customer responsible for all charges related to Western Transportation Service.

In the Board's opinion the Terms and Condition of Service taken in context with the Board's Order No. 19/00 adequately addresses the situation where the Broker repeatedly calls upon such service.

The Board will approve the filing as amended and attached as Attachment "D".

Amendment to Board Order No. 19/00 Directive 23.0 (1) (c)

In Board Order No. 19/00 the Board stated:

23.0(1)(c) "The generic agency agreement to be used for all customers that will clearly indicate the price and duration of the contract on the front page should be filed with the Board for approval."

On further review, the Board does not believe specific approval of the generic agency agreement to be used by brokers will be necessary. The Board believes the Code of Conduct, the Customer Bill of Rights and the mandatory distribution of the Customer Information Package should provide the necessary safeguards in the marketplace.

Accordingly, the Directive is being amended to require the generic agency agreement including any amendments to be filed for information purposes only.

The Terms and Conditions of Service, The Code of Conduct, the Customer Bill of Rights and the Consumer Information Package should be all viewed as "living documents" and will be amended as warranted by changing market circumstances.

IT IS THEREFORE ORDERED THAT:

1. The Revised Terms and Conditions of Service as filed as Attachment "A" BE AND ARE HEREBY APPROVED ON AN INTERIM BASIS subject to the amendments as listed on in this Order and a re-filing with the Board and parties of record.
2. The Code of Conduct as attached as Attachment "B" BE AND IS HEREBY APPROVED subject to the amendments as listed in this Order and a re-filing of the document with the Board and parties of record.
3. The Customer Bill of Rights attached as Attachment "C" BE AND IS HEREBY APPROVED.
4. The Generic Consumer Information Package as amended and attached as Attachment "D" BE AND IS HEREBY APPROVED.

5. Sec. 23.0(1)(c) of Board Order No. 19/00 be amended to read as follows: "The generic agency agreement to be used for all customers that will clearly indicate the price and duration of the contract on the front page shall be filed with the Board."

THE PUBLIC UTILITIES BOARD

"G. D. FORREST"

Chairman

"H. M. SINGH"

Acting Secretary

Certified a true copy of
Order No. 49/00 issued by
The Public Utilities Board

Acting Secretary