

MANITOBA) Order No. 185/03
)
THE PUBLIC UTILITIES BOARD ACT) December 29, 2003

BEFORE: G. D. Forrest, Chairman
M. Girouard, Member
M. Santos, Member

**APPLICATIONS BY CONSUMERS' ASSOCIATION OF
CANADA (MANITOBA) INC./MANITOBA SOCIETY OF
SENIORS AND DIRECT ENERGY MARKETING
LIMITED TO INTERVENE IN THE APPLICATION OF
GLADSTONE, AUSTIN NATURAL GAS CO-OP LTD.
TO DISPOSE OF ITS ASSETS AND CENTRA GAS
MANITOBA INC. TO ACQUIRE SAID ASSETS**

The Public Utilities Board of Manitoba (the "Board") received applications for intervenor status from the Consumers' Association of Canada (Manitoba) Inc./Manitoba Society of Seniors ("CAC/MSOS") and Direct Energy Marketing Limited ("Direct") to intervene in the Application of Gladstone, Austin Natural Gas Co-op Ltd. ("GANG") to dispose of its assets and Centra Gas Manitoba Inc. ("Centra") to acquire the said assets.

This Order is issued pursuant to Rule 26 of the Board's Draft Rules of Practice and Procedure.

CONSUMERS' ASSOCIATION OF CANADA (MANITOBA) INC./MANITOBA SOCIETY OF SENIORS

CAC/MSOS by way of letter dated December 16 and December 17, 2003 submitted a completed Intervenor Request Form and budget requesting intervenor status.

As set out in its application CAC/MSOS indicated that it was interested in full intervention on all issues of the Application, to participate in the production and testing of evidence and to present final argument. CAC/MSOS also indicated that it would be applying for costs and provided a budget of estimated costs ranging from \$13,202.00 to \$20,017.00.

DIRECT ENERGY MARKETING LIMITED

Direct by way of letter dated December 22, 2003 submitted a completed Intervenor Request Form requesting intervenor status.

As set out in its application Direct indicated that as a retail marketer in the Province of Manitoba, its division, Municipal Gas, is generally concerned about transactions that may impact the competitive marketplace. Direct indicated its intention to present final argument. Direct indicated that it would not be applying for costs.

CENTRA GAS MANITOBA INC. AND GLADSTONE, AUSTIN NATURAL GAS CO-OP LTD.

By way of letter dated December 23, 2003 Centra indicated that it did not object to CAC/MSOS and Direct being granted intervenor status. Commenting on the budget filed by

CAC/MSOS Centra noted "These costs are significant in light of the size of the proposed acquisition, representing approximately 400 customers, particularly in light of the expedited, paper process approved by the PUB. While Centra wishes to have a process in which interested parties can participate, the level of participation should be determined based upon the relative size of the transaction, and having regard to the impact of the application on the utility as a whole. Based upon these considerations, Centra requests that CAC/MSOS be cautioned as to the expenses to be incurred, and of course, Centra will reserve its right to comment on the actual costs submitted at the conclusion of the process."

By way of letter dated December 29, 2003 GANG noted that a paper hearing process was proposed based on the size of the proposed transaction. GANG further noted that "the transaction involved is comparatively simple and straight forward and the parties are hoping to keep the costs to a minimum". GANG suggested that the range of estimated costs proposed by CAC/MSOS seemed somewhat high and asked the Board to consider the size and the nature of the transaction when considering their costs.

BOARD FINDINGS

The Board considered these applications and is prepared to grant intervenor status for CAC/MSOS and Direct.

Direct is not applying for costs.

The Board is cognizant that issues of acquisition are of some significance to the rate payers. However, the

intervenors need to be mindful of the size of the Gladstone, Austin Natural Gas Co-op Ltd. and the fact that this matter is being considered by the Board on a paper public hearing process.

The Board notes the comments of Centra and GANG on the matter of the budget submitted by CAC/MSOS. Without restricting the applicant CAC/MSOS in any specific manner the Board would caution as to the expenses to be incurred by this intervenor in this matter. As per the Board's Rules of Practice and Procedure, the ultimate award of costs will be determined by the Board following the hearing process upon application by CAC/MSOS.

IT IS THEREFORE ORDERED THAT:

1. Intervenor status be awarded to:
 - a) Consumers' Association of Canada (Manitoba)/Manitoba Society of Seniors Inc.;
 - b) Direct Energy Marketing Limited.

THE PUBLIC UTILITIES BOARD

"G. D. FORREST"

Chairman

"H. M. SINGH"

Acting Secretary

Certified a true copy of Order
No. 185/03 issued by The Public
Utilities Board

Acting Secretary