

M A N I T O B A) Order No. 172/05
)
THE PUBLIC UTILITIES BOARD ACT) December 22, 2005

BEFORE: Graham F. J. Lane, CA, Chairman
 Dr. Len Evans, Member
 Dr. Kathi Avery Kinew, Member
 Robert A. Mayer, Q.C., Vice-Chairman

ORDER TO ESTABLISH A TIMETABLE FOR,
AND APPROVE AN APPLICATION BY
THE CANADIAN CENTRE FOR POLICY INC. TO
INTERVENE IN,
THE HEARING REGARDING MANITOBA HYDRO'S
COST OF SERVICE STUDY METHODOLOGY REVIEW

Introduction

By this Order, the Public Utilities Board (Board):

- a) establishes both a timetable for the orderly exchange of information and a hearing date for the commencement of a public hearing with respect to Manitoba Hydro's (MH) Cost of Service Study methodology(COSS); and
- b) accepts the Canadian Centre For Energy Policy Inc. (CCEP) as an Intervener to the process.

The COSS allocates the Utility's electricity costs and revenues amongst its various customer classes, and is a factor in rate setting.

Subsequent to the Pre-Hearing Conference (PHC) held by the Board on November 24, 2005 with respect to the upcoming review of MH's COSS methodology, CCEP submitted an application seeking Intervener status in that process.

While CCEP did not meet the application deadline, as set out in the public notice for the PHC, the Board relies on Rule 26 of its Draft Rules of Practice and Procedure in granting CCEP standing.

The original PHC notice indicated that a timetable for the COSS hearing would be discussed at the PHC. At the PHC, the Board indicated an intention to work with MH and prospective Interveners to establish a mutually acceptable timetable for

the COSS hearing. The consultative process having been completed, the timetable is formally established by this Order.

CCEP Application

By way of letter dated December 15, 2005, CCEP submitted a completed Intervener Request Form and budget. CCEP indicated an intention to participate by way of a full intervention, including participation in the testing of evidence and presentation of final argument, and advised that it would apply for costs projected at \$42,300.00.

MH Comments

In accordance with past practice, the Board requested MH to comment on CCEP's application. By way of a letter dated December 20, 2005, MH indicated that, while it did not object to CCEP being granted intervener status, it had concerns with respect to the proposed budget.

MH noted that CCEP's proposed budget is considerably higher than the budget proposed for the intervention of the Consumers' Association of Canada (Manitoba)/Manitoba Society of Seniors Inc. (CAC/MSOS), and reminded the Board of its previous indication that MH's ratepayers should not be required to compensate CCEP for its learning curve.

Board Findings

The Board agrees with the timetable developed in consultation with interested parties, and appended hereto. The specific days on which the Board will sit in May 2006 will be finalized on or before May 4, 2006, when the public hearing phase is expected to begin.

Any further issues or concerns involving the scheduling of prospective Intervener witnesses should be forwarded to Board Counsel as soon as possible to further the effort to complete the timetable for the hearing.

With respect to CCEP, the Board will grant CCEP Intervener status. While CCEP did not meet the application deadline, the Board is mindful that the notice period for the conference was constrained, though CCEP had the opportunity to advise the Board of its intentions prior to the PHC. Similar to the other Interveners, CCEP received direct notice of the PHC from MH, but did not attend.

As a result of its late filing, CCEP has missed the opportunity to file first round interrogatories. CCEP will not be granted any time extensions outside of the approved timetable in Appendix "A"; the Intervener's information requests will be confined to second round interrogatories.

CCEP reports that it continues to represent the interests of MH's General Service Small and Medium rate class customers, these customers not being directly represented by any other Intervener. The Board believes interests represented by CCEP

overlap to some degree with those represented by CAC/MSOS (the latter previously granted Intervener status by Order 160/05).

Given that CCEP intends to seek a cost award, the Board advises CCEP to work closely with CAC/MSOS, the other Interveners, and the Board to ensure, as best they can, no duplication of effort. As well, as CCEP missed the PHC and the Technical Conference that followed it, CCEP should review the transcripts and supporting material from those proceedings.

The Board expects that any costs submitted by CCEP subsequent to the hearing in an effort to gain a cost award will be reflective of co-operation and preparation consistent with the intent of the above comments, and its inability to participate in first round interrogatories.

As is the case for all Interveners seeking a cost award, and regardless of whether CCEP meets the criteria established by the Board with respect to cost awards, CCEP cannot be assured of being granted a cost award, in whole or in part. The Board notes the specifics of CCEP's client list and, in responding to any application for award of costs, will reflect on its criteria with respect to funding need. The Board reserves the sole right and has full discretion in these matters. Its determinations will be based on the record of the hearing.

IT IS THEREFORE ORDERED THAT:

December 22, 2005
Order No. 172/05
Page 6 of 7

1. The Timetable as show in Appendix "A" BE AND IS HEREBY APPROVED.
2. Intervener status BE AND IS HEREBY AWARDED to the Canadian Centre For Energy Policy Inc.

THE PUBLIC UTILITIES BOARD

"GRAHAM F. J. LANE, CA"
Chairman

"GERRY GAUDREAU, CMA"
Secretary

Certified a true copy of Order
No. 172/05 issued by The Public
Utilities Board

Secretary

APPENDIX "A"
TIMETABLE
MANITOBA HYDRO
COST OF SERVICE HEARING

MH to receive first round of Information Requests (IR's)	December 16, 2005
MH to respond to first round of IR's	January 19, 2006
MH to receive second round of IR's	February 7, 2006
MH to respond to second round IR's	March 2, 2006
Intervener evidence due	March 16, 2006
Intervener IR's due	March 30, 2006
Response to intervener evidence due	April 13, 2006
MH rebuttal evidence due	April 25, 2006
COSS hearing dates (if necessary)	May 4, 5, 8, 9, 10, 23, 24, 25, 26, 29, and 30, 2006
Closing arguments	May 31, 2006 (or earlier, to be determined by the Board)