MANITOBA) Order No. 136/06) THE PUBLIC UTILITIES BOARD ACT) September 29, 2006

> BEFORE: Graham F. J. Lane, B.A., CA, Chairman Monica Girouard, CGA, Member Alain Molgat, B.Comm, CMA, Member

GRANTING OF INTERVENER STATUS REGARDING AN APPLICATION BY CENTRA GAS MANITOBA INC. WITH RESPECT TO 2006/2007 GAS COSTS

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EXECUTIVE SUMMARY

By this Order, the Public Utilities Board (Board) grants intervener status to Direct Energy (Municipal Gas), Consumers' Association of Canada (Manitoba) Inc./Manitoba Society of Seniors (CAC/MSOS), and Energy Savings (Manitoba) Corp. (ESMC). This, with respect to an upcoming Board hearing of Centra Gas Manitoba Inc.'s (Centra) application with respect to Centra's natural gas commodity costs.

INTRODUCTION

Board Order No. 116/06 dated July 31, 2006 granted interim approval of Centra's application for 2006/2007 Non-Primary Gas though commodity related costs. By a subsequent application dated September 13, 2006, Centra applied for an Order to approve its overall natural gas commodity costs for its fiscal year ended March 31, 2006 (Cost of Gas), and, among other matters, finalize Order No. 116/06.

Interested parties, including those seeking intervener status to the Cost of Gas hearing, were engaged in Centra's application leading to Order 116/06. Given the involvement, cognizant of regulatory costs and timing concerns and in the absence of an objection from interested parties, the Board dispensed with the normally-held Pre-Conference Hearing for the Cost of Gas hearing.

That said, the Board involved those seeking intervener status and Centra in the development of Schedule, attached hereto, that being the timetable for the hearing.

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By Public Notice, the Board advised of the Cost of Gas hearing and its subject matter and invited applications for Intervener status. The notice indicated a filing deadline for those interested in intervener status of September 27, 2006.

The Board received applications from:

- Direct Energy (the parent company of Municipal Gas, a retail primary gas broker in Manitoba);
- 2. Consumers' Association of Canada (Manitoba) Inc./Manitoba Society of Seniors (CAC/MSOS); and
- 3. Energy Savings (Manitoba) Corp. (ESMC), a retail primary gas broker in Manitoba.

Direct Energy

The Board notes Direct Energy's major issue was identified to be Centra's natural gas commodity supply and anticipates Direct Energy's intervention will be so directed.

Direct Energy has expressed particular interest with respect to Centra's actions with respect to hedging and gas supply activity. Direct has indicated it will neither file evidence nor apply for costs.

Centra expressed no objection to the Board granting intervener status to Direct Energy.

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CAC/MSOS

CAC/MSOS sought intervener status expressing an interest in all issues pertaining to Centra's application.

CAC/MSOS advised its intention to appear throughout the hearing, test evidence, and make final argument. CAC/MSOS further noted that it had engaged and would call a witness with respect to Centra's hedging activities.

CAC/MSOS indicated it would applying for costs and that its proposed hearing budget would be prepared and filed once the scope of the proceeding was determined. Centra did not object to the granting of intervener status to CAC/MSOS, though sought an opportunity to review and comment on CAC/MSOS's proposed budget.

ESMC

ESMC indicated its interests to intervene, expressing particular interests in:

- i) Centra's derivative hedging program;
- ii) Centra's natural gas storage;
- iv) Previous Board directives related to Centra.

ESMC also indicated that it might comment on other issues that may arise in the hearing. ESMC noted an intention to appear throughout the hearing, participate in the production and testing of evidence, and would provide final argument.

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ESMC indicated no intention to apply for any costs. Centra did not object to the granting of intervener status to ESMC.

BOARD FINDINGS

The Board notes that Direct Energy, CAC/MSOS and ESMC have participated responsibly in previous Board hearings related to Centra, including in the process leading to Board Order 116/06.

The Board will grant intervener status to all three applicants, and reserves its discretion with respect to the budget to be filed by CAC/MSOS, the only intervener seeking a cost award.

The Board will establish a timetable for the hearing, having involved the interveners and Centra in its development, as set out in Schedule A of this Order. Interveners to participate in this hearing, and Centra, are well aware of the Board's expectations as to conduct and process.

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IT IS THEREFORE ORDERED THAT:

- Intervener Status for the hearing in respect of Centra's Cost of Gas is granted to:
 - i) Direct Energy;
 - ii) Consumers Association of Canada (Manitoba) Inc./Manitoba Society of Seniors; and
 - iii) Energy Savings (Manitoba) Corp.
- The timetable for the hearing is as set out in Schedule "A".

THE PUBLIC UTILITIES BOARD

<u>"GRAHAM F. J. LANE, CA"</u> Chairman

<u>"G. GAUDREAU, CMA"</u> Secretary

> Certified a true copy of Order No. 136/06 issued by The Public Utilities Board

Secretary

SCHEDULE "A"

Centra Gas Manitoba Inc. 2006/2007 Cost of Gas Application

	TASK	DATE
1	Centra to file Public Notice of	September 5, 2006
	Hearing	
2	PUB Approval of Notice	September 7, 2006
3	Centra to file Supplementary Application	September 13, 2006
4	Centra to Publish Notice in Daily/Weekly Newspapers	September 16-22, 2006
5	Interested Parties to Register with the PUB for Intervener Status	September 27, 2006
6	Centra to be in Receipt of Information Requests	October 3, 2006
7	Centra to File Responses to Information Requests	October 23, 2006
8	All Parties to be in Receipt of Intervener Evidence	November 3, 2006
9	All Parties to File Information Requests of Intervener Evidence	November 9, 2006
10	Interveners to File Responses to Information Requests	November 15, 2006
11	Centra to File Rebuttal Evidence	November 24, 2006
12	Cost of Gas Hearing Commences	November 27, 2006